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Meeting	CORPORATE SCRUTINY COMMITTEE
Time/Day/Date	6.30 pm on Monday, 27 October 2025
Location	Stenson House, London Road, Coalville, LE67 3FN
Officer to contact	Democratic Services (01530 454512)

AGENDA

Item	Pages
1. APOLOGIES FOR ABSENCE	
2. DECLARATION OF INTERESTS	
Under the Code of Conduct members are reminded that in declaring interests you should make clear the nature of that interest and whether it is a disclosable pecuniary interest, registerable interest or other interest.	
3. PUBLIC QUESTION AND ANSWER SESSION	
To receive questions from members of the public under rule no.10 of the Council Procedure Rules. The procedure rule provides that members of the public may ask any question on any matter in relation to which the Council has powers or duties which affect the District, provided that three clear days' notice in writing has been given to the Head of Legal and Support Services.	
4. MINUTES	
To approve and sign the minutes of the meeting held on 4 September 2025.	3 - 6
5. LOCAL GOVERNMENT REORGANISATION	
Report of the Chief Executive Presented by the Leader of the Council	7 - 40

Circulation:

Councillor S Lambeth (Chair)
Councillor M Ball (Deputy Chair)
Councillor C Beck
Councillor D Bigby
Councillor M Burke
Councillor K Horn
Councillor A Morley
Councillor R L Morris
Councillor S Sheahan
Councillor J Windram

MINUTES of a meeting of the CORPORATE SCRUTINY COMMITTEE held in the Abbey Room, Stenson House, London Road, Coalville, LE67 3FN on THURSDAY, 4 SEPTEMBER 2025

Present: Councillor S Lambeth (Chair)

Councillors C Beck, D Bigby, M Burke, K Horn, A Morley, R L Morris, S Sheahan and J Windram

Portfolio Holders: Councillor A Woodman

Officers: Mr A Barton, Mr C Elston, Ms K Hiller, Ms H Panter, Mr P Sanders, Mr P Stone and Mrs R Wallace

12. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor M Ball.

13. DECLARATION OF INTERESTS

There were no declarations of interest.

14. PUBLIC QUESTION AND ANSWER SESSION

None.

15. MINUTES

Consideration was given to the minutes of the meeting held on 19 June 2025.

It was moved by Councillor S Sheahan, seconded by Councillor M Burke and

RESOLVED THAT:

The minutes of the meeting held on 19 June 2025 be approved as an accurate record of proceedings.

16. PERFORMANCE MONITORING REPORT - 2025/26 QUARTER 1

Councillor A Woodman, the Housing, Property and Customer Services Portfolio Holder presented the report.

Prior to general discussion relating to the report, it was noted that there were still concerns relating to the reporting process of the council's performance and that some Members felt that the Corporate Scrutiny Committee should have the opportunity to review it prior to Cabinet. However, the improvements made to the report following the Committee's previous suggestions were acknowledged. The Strategic Director commented that this was not the agreed process which was set up under the new Council Delivery Plan, and that Cabinet received the report first as they are the body who can enact action on the report and therefore receive it first.

There was also some disappointment shared in the way recommendations from both scrutiny committees were reported to Cabinet and dealt with by Cabinet Members at the meetings. It was felt that they were not considered or acknowledged. The recently adopted Cabinet/Scrutiny Protocol was referenced, and Members were hopeful that improvements would be seen in the future. Councillor A Woodman acknowledged the comments and would report back to Cabinet on the matter.

Comments were made on key performance indicators as they were discussed in turn.

Key Performance Indicator 2 (dealing with planning applications): The Committee welcomed improved processing times, however asked for assurances that quality was not being lost over quantity. The Head of Planning and Infrastructure assured Members that quality of decisions being made on planning applications was still a priority and asked that any concerns on specific applications be raised with him directly.

Key Performance Indicator 5 (delivering the Coalville Regeneration Framework): The Portfolio Holder was asked if the ambitions for the Regeneration Framework would be achievable and how the Cabinet Members felt about it. As the matter did not fall within his portfolio area, Councillor A Woodman agreed to provide feedback outside of the meeting.

Key Performance Indicator 7 and 8 (provision of service and repairs to housing tenants): Members noted the declining satisfaction of housing tenants and asked several questions of clarity which were responded to by officers. Following comments received on the measurable statistics used within the report which were based on the annual targets agreed within the Council Delivery Plan, it was agreed to provide clearer explanations in future reports to assist the Committee in reviewing the data.

Regarding the provision of new homes project, a Member questioned the length and cost to date and asked for a detailed report on the matter. The Strategic Director of Communities explained the procurement process which was contributing to the delay and agreed to provide some further details outside of the meeting.

Key Performance Indicator 9 (private rental tenants able to live safely in their homes): In response to a question relating to the Private Sector Housing Charter, the Head of Community Services confirmed positive feedback from landlords, and it was expected to be launched within the financial year.

Key Performance Indicator 12 (review of waste service): The stagnation in recycling rates was acknowledged by Members. The Head of Community Services outlined the strategy in place to tackle the issue including the food waste collections and twin bin systems already agreed by Cabinet and Council.

Key Performance Indicator 13 (aim to be a carbon neutral Council): It was noted that previous recommendations in relation to this indicator were not considered by Cabinet at its last meeting. Following a discussion on the report due for committee on the matter, it was confirmed that it would be placed on the work programme for the December 2025 meeting.

Key Performance Indicator 16 (customers at the heart of everything we do): Members queried the resolution targets for complaints as it was a recurring issue, the Strategic Director of Communities and Portfolio Holder highlighted the plans that were in place including staff training and process reviews.

Key Performance Indicator 17 (provision of value for money services): Members discussed issues as previously identified in relation to finance systems and the Strategic Director of Resources provided an explanation as to the current status. The delays to the 2024/25 statement of accounts were discussed and the recent completion of the 2023/24 accounts were acknowledged. Following concerns raised in relation to the scrutiny of the matter, it was confirmed that the Audit and Governance Committee were fully aware of the current situation and were regularly updated.

Key Performance Indicator 18 (live within our means): In relation to future financial planning and the possibility of potential budget cuts. The Portfolio Holder confirmed that Cabinet Members received regular updates, and the situation was being monitored. The Strategic Director of Resources acknowledged that the next few years would be difficult financially but assured Members that 2026/27 budget planning had commenced with service areas and the Medium-Term Financial Strategy Report, to be considered in the Autumn, would kick start discussions with Members.

Regarding the Transformation Project spending, at the Chair's request, it was agreed for the Strategic Director of Resources to meet with him outside of the committee to discuss the matter further. Feedback would be provided to the committee at a future meeting.

The Chair thanked the Committee for their comments.

17. FINANCE UPDATE - 2025/26 QUARTER 1

Councillor A Woodman, the Housing, Property and Customer Services Portfolio Holder presented the report.

During discussions several questions of clarity were asked in relation to underspends, contingency budget allocations, vacancy control targets and virements. Responses were provided by the Strategic Director of Resources.

Some concerns were raised in relation to the use of virements and it was questioned if they were being used to mask issues rather than address them. The Strategic Director of Resources explained that it was a common financial practice and that details of all virements were reported to Cabinet monthly, a report that all Members could view for further information. It was agreed that the relevant information from the Cabinet updates be included in the quarterly reports for the committee moving forward.

A comment was made in relation to the current performance against the budget and the fact that, if it was not for the substantial grant received from government, the situation would be much worse.

In relation to the savings programme, it was noted that the planned savings from the removal of a Community Focus Team post was no longer included as the post was retained. It was agreed that more detail regarding the decision to retain the post be provided to Members outside of the meeting.

In relation to the Capital Programme, the reliance on reserves was noted and compliance was questioned. Concerns were also raised regarding the projects due to be delivered and the effect the impending local government reorganisation would have on them. The Strategic Director of Resources assured Members that all was as it should be regarding compliance and confirmed that there was some uncertainty surrounding the use of reserves. This would form part of the budget discussions moving forward. Following on from this discussion, it was agreed that the Strategic Director of Resources would draft a layman's guide on the use of reserves and internal borrowing for Members, and further explanation on the matter would be provided as part of the budget workshops for Councillors.

A discussion was had on future financial reports for the Committee, and it was confirmed that a report regarding plans for the old council office building was scheduled for the December committee meeting and a report regarding the proposals to become a debt free council would be scheduled in due course.

The Chair raised several concerns including the early overspend of budgets, use of virements, rising arrears, overspending on arrears and the transformation budget. He concluded that it was an issue that budgets could not be controlled so early in the financial year and was a concern for the year end. He suggested that separate discussions be had with the Strategic Director of Resources outside of the meeting with updates provided as part of the next financial quarterly update.

The Chair thanked the Committee for their comments.

18. ITEMS FOR INCLUSION IN THE FUTURE WORK PROGRAMME

Consideration was given to the future work programme.

The change of date was noted for the meeting scheduled to consider a report on Local Government Reorganisation to fall in line with the regional timetable.

The meeting commenced at 6.30 pm

The Chair closed the meeting at 8.16 pm

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CORPORATE SCRUTINY COMMITTEE – MONDAY, 27
OCTOBER 2025

Title of Report	LOCAL GOVERNMENT REORGANISATION	
Presented by	Councillor Richard Blunt Leader of the Council	
Background Papers	Cabinet report – 9 January 2025 Cabinet report – 25 February 2025	Public Report: Yes
Financial Implications	There are no financial implications arising from this report, however, the financial implications for a three unitary model are set out in the draft final proposal.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	There are no direct legal implications arising from this report, however, legal advice will be sought, where necessary, as the process progresses.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	Any staffing and corporate implications are set out within the draft final proposal.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	This report outlines the work undertaken by the District and Borough Councils in Leicestershire and Rutland County Council to produce a final Local Government Reorganisation Proposal for Leicester, Leicestershire and Rutland (LLR). The report also details the public consultation that has been carried out and how this has informed the final submission. The purpose of this report is to seek comments from the Corporate Scrutiny Committee prior to Cabinet considering the draft proposal for approval.	
Recommendations	THAT CORPORATE SCRUTINY COMMITTEE CONSIDERS THE DRAFT LOCAL GOVERNMENT REORGANISATION PROPOSAL FOR LEICESTER, LEICESTERSHIRE AND RUTLAND AND PROVIDES ANY COMMENTS FOR CONSIDERATION BY CABINET AT ITS MEETING ON 28 OCTOBER 2025.	

1.0 BACKGROUND

- 1.1 On 16 December 2024 the Government published its English Devolution White Paper (the “White Paper”). This outlined a very clear ambition for every area in England to move towards setting up a strategic authority, led by an elected mayor, formed when two or more upper-tier authorities combine. The White Paper outlined the powers and funding which could be devolved to such authorities, including those relating to transport, strategic planning, skills and employment, business support, environment and energy, health and public safety.
- 1.2 The Government also set a clear expectation that in two-tier areas, such as Leicestershire, local government be reorganised with new unitary councils established to replace district, borough and county councils. They stated that this would lead to better outcomes for residents, save significant money and improve accountability.
- 1.3 The White Paper explained that new Unitary Councils must be the right size to achieve efficiencies, improve capacity and withstand financial shocks. It stated that for most areas this will mean creating Councils with a population of 500,000 or more but recognised that there may be exceptions to ensure that new structures make sense for an area, including for devolution, and decisions will be on a case-by-case basis.
- 1.4 It was made clear in the White Paper that the delivery of high quality and sustainable public services to citizens and communities will be prioritised above all other issues. In addition, new Councils are expected to take a proactive and innovative approach to neighbourhood involvement and community governance so that citizens are empowered.
- 1.5 It was recognised that all levels of local government have a part to play in bringing improved structures to their area through reorganisation, including by sharing information and working proactively to enable robust and sustainable options to be developed and considered. It was stated that there is an expectation that all Councils in an area will work together to develop Unitary proposals that are in the best interests of the whole area, rather than developing competing proposals. In addition, there is an expectation that all Councils in an area will work with relevant government departments to bring about these changes as swiftly as possible.
- 1.6 Councils were invited to work collaboratively with other local authorities in their area to develop a proposal for local government reorganisation. It was requested that a draft plan be submitted by 21 March 2025 and a full plan by 28 November 2025. Following the publication of the White Paper, the District and Borough Council convened a meeting of all 10 councils in early January 2025 with a view to establishing whether a unified and collaborative approach to evaluating the options and responding to the aspirations of the White Paper was possible. Unfortunately, despite this and subsequent efforts, it was not possible to secure agreement to this approach from all ten councils but the 7 district/borough councils and Rutland County Council did commit to a single and collaborative approach to reviewing the evidence, evaluating the options and working toward a shared position, in line with the Government’s expectations.
- 1.7 It is anticipated that elections for shadow unitary councils will be held in May 2027, with new unitary councils going live on 1 April 2028. Leicestershire County Council, Leicester City Council, Rutland County Council and each of the districts and borough councils will continue to operate until the go live date for the new unitary authorities.

- 1.8 On 9 January 2025 Cabinet agreed to delegate to the Chief Executive, in liaison with the Leader of the Council, the authority to undertake such work as was considered necessary in response to the white paper and subsequent approach from government.
- 1.9 Further guidance was provided in a letter from the Minister of State for Local Government and Devolution to all council leaders in Leicestershire on 15 January 2025. This outlined the criteria against which proposals will be assessed.

Interim Proposal

- 1.10 Discussions took place with all local authorities across Leicester, Leicestershire and Rutland and a joint proposal was submitted to Government on the 21 March 2025 on behalf of all of the districts and boroughs and Rutland County Council. In developing this initial proposal, the councils focussed on how best to unlock the benefits of devolution for our area and deliver the right approach for reorganisation.
- 1.11 Alongside the devolution focus and Government guidance the following were used as design principles. That any new unitary councils should:
- Strike the right balance between size and maintaining a strong local connection to communities;
 - Deliver savings and sustainable organisations;
 - Reflect the way people live their lives and work;
 - Retain local democratic accountability;
 - Ensure a strong focus on neighbourhoods, and community partnerships; and
 - Preserve local heritage and civic identities.
- 1.12 Starting from first principles meant looking at a range of options including:
- 1) Two Unitaries: Single County Unitary / City
 - 2) Three Unitaries: North / South (Rutland) / City
 - 3) Three Unitaries: North (Rutland) / South / City
 - 4) Three Unitaries: East(Rutland) / West / City

Maps were generated for each, and considered the following variables:

- Population
 - Workforce
 - Economic inactivity
 - Job density (ratio jobs/workforce), self-containment: commuting
 - Deprivation
 - Proxy for adult social care (pension credits)
 - Proxy for children's services (children in poverty)
 - Housing (temporary accommodation pressures)
 - Financial balance: local authority debt and income
- 1.13 The leaders and chief executive of the districts/boroughs and Rutland County Council met regularly to progress the interim plan proposal. Regular briefings with the wider membership and staff were held throughout the process. Briefings also took place with local MPs ahead of the submission.

Public and stakeholder engagement to inform interim proposal

- 1.14 Public and stakeholder engagement was carried out to inform the draft interim proposal. Feedback from the public was obtained via an online questionnaire which received over 4,600 responses.

That online survey found:

- Extensive support for the three-council proposal
 - Significant opposition to a single unitary authority
 - Enthusiasm to get the future boundaries with Leicester to a level that suited both the City and its wider geography
 - The crucial importance of local representation and identity
 - Challenges to really achieve cost savings and efficiency
- 1.15 The north/south configuration with Rutland County Council in the north was found to offer the best balance in terms of population sizes. It was also found to best reflect the way people live and work in the area, align better with housing and service demands, and support existing strong links between towns in the north and south, and their relationship with the wider economy.
- 1.16 This proposal is referred to as the North, City, South proposal, reflecting the areas these new unitary authorities would serve
- 1.17 Leicestershire County Council and Leicester City Council both submitted their own proposals. Leicestershire County Council proposing a single unitary for Leicestershire, excluding Rutland with no changes to the city boundaries. The City Council submission proposes a significantly extended city boundary and a unitary authority that rings around the city including Rutland.

Progress since the interim plan submission

- 1.18 Following submission of the draft proposal to the government, feedback was received from the Ministry of Housing, Communities and Local Government on 3 June 2025 (attached at Appendix A). This highlighted several areas where additional information would be welcomed including the approach to debt management, the management of the risks of disaggregating services and the impact of each proposal on services such as social care, children's services, SEND, homelessness and wider public services. MHCLG also stated that they would welcome more detail on the rationale for any proposals which would result in setting up authorities serving less than 500,000 population.
- 1.19 Finally, government encouraged the authorities to work together to develop a robust shared evidence base to underpin final proposals which, wherever possible, should use the same data sets and be clear on assumptions. It was made clear that it would be helpful for final proposals to set out how data and evidence support outcomes and how well they meet the assessment criteria (attached at Appendix B). They suggested that those submitting proposals may wish to consider an options appraisal to demonstrate why their proposed approach best meets the assessment criteria in the letter compared to any alternatives and a counterfactual of a single unitary.

- 1.20 In response to MHCLG's recommendation for consistent datasets across proposals a dedicated data workstream was set up. Efforts to align data with Leicester City and Leicestershire County Council included negotiations for data-sharing agreements, which, whilst protracted, were eventually resolved, albeit we have different proposals to them. The workstream has already produced standardised datasets, such as population forecasts, to support the options appraisal and financial modelling, addressing Leicestershire County Council's call for transparency.
- 1.21 To support final proposals for reorganising local government across a Leicester, Leicestershire and Rutland geography, the district and borough councils of Leicestershire, along with Rutland County Council, have established several workstreams to collaboratively address our approach to issues of significance for the development and implementation of Local Government Reorganisation plans, covering strategic proposal development, organisational proposal development, target models for proposed unitary authorities, and enablement of the reorganisation process.
- 1.22 Each of the 11 workstreams operate under a designated primary liaison officer – typically a chief executive, or senior officer from one of the contributing councils. Officers from authorities participating towards the North/City/South proposal contribute on areas of expertise as representatives of their authorities. Workstream meetings take place with varying frequency, holding weekly, fortnightly or monthly meetings, with key updates reported to chief executives and leaders as required.
- 1.23 The leaders, chief executives and other senior officers have continued to meet regularly since submission to support the development of detailed proposals for the creation of three unitary councils – North, City, South.

Public and stakeholder engagement to inform the final proposal

- 1.24 A comprehensive public and stakeholder engagement programme was undertaken, this commenced on 9 June and ran until 20 July 2025.
- 1.25 Independent engagement experts Opinion Research Services (ORS) were commissioned to engaged with a diverse range of stakeholders, from residents, businesses and partner organisations to the voluntary sector and our town and parish councils.
- 1.26 A dedicated website (www.northcitysouth.co.uk) was created and various quantitative and qualitative methods including open questionnaires, focus groups, workshops, telephone interviews and face to face meetings were utilised.
- 1.27 Over 6,400 people across Leicester, Leicestershire, and Rutland shared their views to help shape proposals for how local services could be delivered in the future. ORS reviewed and collated the feedback received from the engagement and presented this to the authorities. A summary is appended to the submission to MHCLG.

Key findings included:

- Over half (56%) of individual questionnaire respondents agreed with the proposal for three unitary councils.
- Around three fifths (61%) of individual questionnaire respondents agreed with the areas covered by the North, City, South proposal, it was generally considered the most logical division of Leicester, Leicestershire and Rutland.

- Considerable opposition to the city expansion - overall the strongest opposition was seen across the various deliberative activities in relation to a potential expansion of Leicester City Council's boundaries.
- 1.28 Although the North, City, South interim proposal set out that no boundary change is being proposed, participants were still asked to consider a future change and respondents were asked to consider if Leicester City Council boundaries were to change in future whether a larger or more limited expansion should be considered.
- 1.29 Overall, a clear majority (86%) of questionnaire respondents preferred that only a limited expansion of the city boundaries should be considered, while a much smaller proportion (6%) felt that a larger expansion should be considered. Just under one in ten (8%) had no particular preference. The telephone survey respondents also favoured a limited expansion (64%). Of those respondents who left comments in the open-ended text question, some 40% expressed disagreement with any form of city expansion. There was also considerable opposition to the potential expansion of Leicester City Council's boundaries across the qualitative engagement sessions.
- 1.30 The overall findings in the ORS public and stakeholder engagement report have informed the final submission document, particularly in terms of the question of boundary changes but also extensive support for the 3 unitary, North, City, South proposal on the basis of maintaining local accountability and helping to retain local identities.
- 1.31 Financial modelling over the summer shows there is no strong business case, including financial rationale, for changing the city boundary. Full details of the options appraisals are set out in the draft final proposal.

Key Components of the Revised Proposal

- 1.32 The key components of the revised proposal are:
- **Devolution Readiness:** The model supports the introduction of a strategic authority by delineating strategic and delivery roles and creating a structure with appropriate size ratios and geographies to support the MSA. Data sources include the 2021 Census, 2028 population projections and service demand proxies (e.g., pensioner credits, children in poverty, temporary accommodation costs) together with the extensive engagement set out above and financial modelling. We propose to progress the Mayoral Strategic Authority (MSA) at pace in parallel with the creation of new authorities unlike the other proposals for LGR in our area which sidetrack the MSA until new local government structures are implemented.
 - **Supporting Economic Growth, Housing and Infrastructure:** The North unitary will drive innovation through assets such as Loughborough University, while the South will foster enterprise growth through Mira Technology Park and the wider M69 growth corridor. Independent economic analysis has been commissioned from the Economic Intelligence Unit using the Oxford Economic Forecasting Model.
 - **Creating financially resilient councils which are the right size to secure efficiencies:** The proposal offers the right balance between scale and physical geography to ensure sufficient financial resilience, while maintaining an ability to deliver services effectively and remain accessible to our diverse communities.

Financial modelling projects annual efficiency savings of over £44 million through Workforce efficiencies, Procurement efficiencies, Income equalisation, Democratic savings and Asset rationalisation. More detail showing the financial assumptions underpinning this approach is set out in Sections 3, 5 and Annex 2 of the proposal. To validate the model, it underwent rigorous scrutiny by independent, experienced former Section 151 officers from non-Leicestershire councils as well as current Section 151 officers from existing councils.

- **Transformed and prevention-focussed services to achieve high-quality, innovative and sustainable public services:** The model adopts a prevention-focused approach, which sets out a path to reducing demand through locality focused service planning, which dovetails with the emerging agenda driven by the NHS 10-year plan for the new Integrated Care Board (ICB) structures in Leicestershire and Rutland. Our approach delivers a prevention framework, for understanding and measuring population health by looking at both health outcomes and health factors, such as behaviours, clinical care, social and economic conditions, and the physical environment. We have engaged with a representative group of councils delivering social care services across small geographies, building on the findings of the Peopletoo report which demonstrates that unitary authorities with a population of 350k and below, perform better in terms of key areas of expenditure across Adult Social Care and Children's Services. Our model has also been informed through the data sharing between LLR on adult and children's social care.
- **Responding to diverse communities and validating local places and identities:** Through independent engagement with over 5,000 survey respondents, focus group and interviews our approach has facilitated very significant resident input. Our Neighbourhood governance proposals have been shaped in the light of this feedback to address concerns about local identity and service continuity.
- **Enabling Strong Democratic Accountability and Community Engagement:** Ensuring local connection and meaningful influence and engagement, aligned to neighbourhoods, enshrined in the Council's governance processes and providing an appropriately scaled civic infrastructure linking local areas and the unitary authorities.

2.0 FINANCIAL IMPLICATIONS

- 2.1 The draft final proposal sets out the high-level assumptions and financial modelling that has been undertaken to support the submission. The proposal includes the best estimates that can be made at the point of publication of the financial position of the unitary option.
- 2.2 Ultimately local government reorganisation and devolution will have significant financial implications for the operation of local government across Leicestershire. The draft final proposal, includes a full business case and sets out detailed analysis of the financial and non-financial impacts of final submission, including estimated costs of implementation the new councils.
- 2.3 There are costs associated with preparing a proposal for a single tier of local government. These costs will be on top of existing service pressures and do not take into account leadership time and other opportunity costs, which are currently being absorbed, however, the costs will increase significantly over the next 18 months as

work is undertaken to establish the new councils to begin operation from the 1 April 2028.

3.0 OTHER OPTIONS CONSIDERED

- 3.1 The options appraisal set out in the draft final proposal considers 5 different options and explains the analysis and judgements made for each.
- 3.2 The Council could do nothing and not provide a submission to government, as it is not a statutory requirement, however it is important that the Council expresses a view, otherwise the Government has indicated it will impose (through legislation) a solution that it thinks will work for an area. The Council will also be a statutory consultee on all proposals that are taken forward by government for Leicester, Leicestershire and Rutland, thus giving the Council the opportunity to comment on alternative proposals at that stage.

4.0 NEXT STEPS

- 4.1 The draft final proposal will be circulated to the Committee as an additional paper once available and the Corporate Scrutiny Committee is invited to provide any comments on the document prior to Cabinet considering it at its meeting on 28 October 2025
- 4.2 The final decision regarding which, if any, of the proposals will be implemented will be made by the Secretary of State. They can choose to do this with or without modifications.
- 4.3 Prior to making an order to implement a proposal all local authorities affected by the proposal (except the authorities that made it) will be consulted, along with other persons considered appropriate by the Secretary of State.
- 4.4 While the Secretary of State has not confirmed when a final decision is expected, if a decision was made to implement any proposal, officials would then work with organisations across Leicestershire to move to elections to a new shadow unitary council. As set out earlier in the report, it is currently anticipated that these could be held in May 2027.
- 4.5 A shadow authority is one that is elected to carry out the preparatory functions of a new unitary council/s until the day that it formally comes into effect. This is commonly called “vesting day.” At this stage it is envisaged that vesting day would be 1 April 2028. All existing councils across Leicestershire and Rutland County Council would continue to operate and deliver services until vesting day.

Policies and other considerations, as appropriate	
Council Priorities:	<ul style="list-style-type: none"> - Planning and regeneration - Communities and housing - Clean, green and Zero Carbon - A well-run council
Policy Considerations:	None directly arising from the report.
Safeguarding:	None directly arising from the report.
Equalities/Diversity:	In developing the draft final proposal regard was given to equality implications and how the proposals might affect those groups with protected characteristics and there are no areas of concern.
Customer Impact:	None directly arising from the report although depending on the future structure of local government services customers may be impacted. This will need to be given detailed consideration.
Economic and Social Impact:	None directly arising from the report.
Environment, Climate Change and zero carbon:	None directly arising from the report.
Consultation/Community Engagement:	A comprehensive public and stakeholder engagement programme was undertaken between 9 June 2025 and 20 July 2025. The report sets out how the engagement was carried out and the public and stakeholder engagement report has informed the draft final submission document.
Risks:	<p>Local Services could be impacted negatively - it is noted that during any period of change our services need to continue to be delivered in the best interests of the Council's residents. Resources will be directed as appropriate and any additional resource be sourced.</p> <p>Resourcing implications of continuing to deliver services during a period of change - the Council will ensure that resources are directed appropriately and reserves utilised to ensure that there is as little impact on service delivery as possible during a period of change.</p> <p>The proposal is not chosen for implementation - the councils are committed to continuing to share data and engaging constructively with each other, Leicester City Council and Leicestershire County Council to deliver whichever model is chosen.</p>
Officer Contact	Allison Thomas Chief Executive allison.thomas@nwleicestershire.gov.uk

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Ministry of Housing,
Communities &
Local Government

3 June 2025

LOCAL GOVERNMENT REORGANISATION

INTERIM PLAN FEEDBACK: LEICESTERSHIRE, LEICESTER AND RUTLAND

To the Chief Executives of:

Blaby District Council

Charnwood Borough Council

Harborough District Council

Hinckley and Bosworth Borough Council

Leicestershire County Council

Melton Borough Council

North West Leicestershire District Council

Oadby and Wigston Borough Council

Leicester City Council

Rutland County Council

Overview

Thank you for submitting your interim plans. The amount of work from all councils is clear to see across the range of options being considered. For the final proposals, each council can submit a single proposal for which there must be a clear single option and geography and as set out in the guidance, we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued, not partial coverage.

Our aim for the feedback on interim plans is to support areas to develop final proposals. This stage is not a decision-making point, and our feedback does not seek to approve or reject any option being considered.

The feedback provided relates to the following interim plans submitted by Leicestershire, Leicester and Rutland councils:

- The District, Borough and Rutland's case for 'Three Unitary councils in a Future Leicestershire and Rutland'
- The Leicester City Council Local Government Reorganisation – the Case for Change – interim submission

- The Leicestershire Council interim plan – English Devolution White Paper: Developing Proposals for Local Government Reorganisation in Leicester, Leicestershire and Rutland

We have provided feedback on behalf of central government. It takes the form of:

1. A summary of the main feedback points,
2. Our response to the specific barriers and challenges raised in your plans,
3. An annex with more detailed feedback against each of the interim plan asks.

We reference the guidance criteria included in the invitation letter throughout, a copy can be found at: [LEICESTERSHIRE, LEICESTER AND RUTLAND – GOV.UK](https://www.leicestershire.gov.uk/leicestershire-leicester-and-rutland-devolution). Our central message is to build on your initial work and ensure that the final proposal(s) address the criteria and are supported by data and evidence. We recommend that final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.

We welcome the work that has been undertaken to develop local government reorganisation plans for Leicestershire, Leicester and Rutland. This feedback does not seek to approve or discount any option, but provide feedback designed to assist in the development of final proposals. We will assess final proposals against the guidance criteria provided in the invitation letter and have tailored this feedback to identify where additional information may be helpful in enabling that assessment. Please note that this feedback is not exhaustive and should not preclude the inclusion of additional materials or evidence in the final proposals. In addition, Alex Jarvis has been appointed as your MHCLG point person and is ready to engage with the whole area to support your engagement with government.

Summary of the Feedback:

We have summarised the key elements of the feedback below, with further detail provided in the Annex.

1. We welcome the steps you have taken to come together to date to prepare proposals and we note the intention for the area to reconvene post the May County Council elections. We expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable proposals that are in the best interests of the whole area, as per criterion 4:
 - a. **Effective collaboration between all councils across the invitation area will be crucial; we would encourage you to continue to build strong relationships and agree ways of working, including around effective data sharing. This will support the development of a robust shared evidence base to underpin final proposal(s).**
 - b. **It would be helpful if final proposal(s) use the same assumptions and data sets.**

- c. It would be helpful if final proposal(s) set out how the data and evidence supports all the outcomes you have included, and how well they meet the assessment criteria in the invitation letter.
 - d. You may wish to consider an options appraisal that will help demonstrate why your proposed approach in the round best meets the assessment criteria in the invitation letter compared to any alternatives.
- 2. The criteria ask that a proposal should seek to achieve for the whole area concerned the establishment of a single tier of local government (see criterion 1). **For clarity, each council can submit a single proposal for which there must be a clear single option and geography which should cover the whole of the invitation area (Leicestershire, Leicester and Rutland), not partial coverage. As noted in the invitation, it is open to you to explore options with neighbouring councils in addition to those included in the invitation. Where final proposal(s) have implications for a neighbouring invitation area you should consider the impact of your proposals on the whole of the neighbouring invitation area. In addition, we would expect to see engagement and effective data-sharing between council(s) in the invitation area and council(s) in the neighbouring invitation area that are directly impacted. If one or more council(s) in a neighbouring invitation area support the proposal(s) put forward, we would also expect to see this reflected in proposal(s) submitted in response to the letter to the neighbouring invitation area, including a clear single option and geography covering the whole of the neighbouring area, not partial coverage.**
- 3. We note that Leicester City Council indicates that it will not be viable in its current form after 2027/28. **Consideration of how financial risks, such as this, will be managed would be welcome in final proposals.**
- 4. In some of the options you are considering populations that would be below or above 500,000. As set out in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. **All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.**
- 5. New unitary structures must support devolution arrangements. **Across all local government reorganisation proposal(s), looking towards a future Strategic Authority, it would be helpful to outline how each option would interact with a Strategic Authority and best benefit the local community, including**

meeting the criteria for sensible geography in the White Paper and devolution statutory tests.

Response to your requests for support from government

Please see below our response to the specific barriers and challenges that were raised in your interim plans.

1. The position of Rutland

You highlighted the need for clarity regarding Rutland County Council's preferences towards local government reorganisation. As above, Rutland is part of your invitation area and it is open to Rutland to submit proposals in response to the 5 February invitation letter for Leicestershire, Leicester and Rutland, which cover the whole of the invitation area, not partial coverage. **If one or more council(s) in a neighbouring invitation area support the proposal(s) put forward, we would also expect to see this reflected in proposal(s) submitted in response to the letter to the neighbouring invitation area (Lincolnshire, North Lincolnshire and North East Lincolnshire), including a clear single option and geography covering the whole of the neighbouring area, not partial coverage. We would expect to see collaboration between councils in Leicestershire and Lincolnshire to further develop proposals, and to ensure that the implications of both areas' plans are fully considered within any proposal(s) submitted by council(s) in either area.**

2. Boundary Changes

You have requested feedback on the implications of boundary changes on timescales for local government reorganisation, as well as what approach should be taken to proposed boundary changes in the November submission. As the invitation letter sets out boundary changes are possible, but "existing district areas should be considered the building blocks for proposals, but where there is a strong justification more complex boundary changes will be considered".

The final proposal(s) must specify the area for any new unitary council(s). If a boundary change is part of your final proposal, then you should be clear on the boundary proposed, which could be identified by a parish or ward boundary, or if creating new boundaries by attaching a map.

Proposals should be developed having regard to the statutory guidance which sets out the criteria against which proposals will be assessed (including that listed above). If a decision is taken to implement a proposal, boundary change can be achieved alongside structural change. Alternatively, you could make a proposal for unitary local government using existing district building blocks and consider requesting a Principal Area Boundary Review (PABR) later. Such reviews have been used for minor amendments to a boundary where both councils have

requested a review – such as the recent Sheffield/Barnsley boundary adjustment for a new housing estate. PABRs are the responsibility of the Local Government Boundary Commission for England who will consider such requests case-by-case.

3. Clarity on the population criteria

You have asked for clarity on the 500,000 population criteria. As set out in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.

We recommend that final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.

4. Direct Ministerial engagement

We note the request to have direct engagement and ongoing dialogue with decision makers across government. Government is committed to supporting all invited councils equally while they develop any proposal(s). Alex Jarvis has been appointed as your MHCLG point person and is ready to engage with the whole area on issues you wish to discuss further ahead of the deadline for final proposals on 28 November 2025.

5. Request to rule out options so as not to incur additional costs

The interim plans are not a decision-making point; decisions will be made on the basis of full proposals. This feedback does not seek to approve or discount any option or proposal, but provide feedback designed to assist in the development of final proposals.

6. Weighting applied to assessment criteria

You asked whether government will be weighting the criteria against which final proposals are assessed. The criteria are not weighted. Our aim for this feedback is to support areas to develop final proposals that address the criteria and are supported by data and evidence. Decisions on the most appropriate option for each area will be judgements in the round, having regard to the guidance and the available evidence.

7. Access to other Government departments

You asked for access to and facilitation of discussions with other government departments, emphasising the importance of direct communication with key departments to test operating models and understand positions on policy. Alex Jarvis, your MHCLG point person, will be able to support your engagement with other government departments, and MHCLG colleagues will continue to work with HM Treasury on issues regarding local government reorganisation.

8. Request for temporary protection from any impacts of funding reforms

We acknowledge the requests for temporary protection from any impacts of upcoming local government funding reforms.

Government recently consulted on funding reforms and confirmed that some transitional protections will be in place to support areas to their new allocations. Further details on funding reform proposals and transition measures will be consulted on after the Spending Review in June.

We will not be able to provide further clarification on future allocations in the meantime but are open to discussing assumptions further if we can assist in financial planning.

9. Working together and data sharing

We expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable proposals that are in the best interests of the whole area.

10. Timeframe for local government reorganisation, devolution and interaction with local elections

You have requested clarity on the timelines for the local government reorganisation programme and the impact on local elections. As set out in the White Paper, we expect to deliver an ambitious first wave of reorganisation in this Parliament.

The Government will work with areas to hold elections for new unitary councils as soon as possible as is the usual arrangement in the process of local government reorganisation. We anticipate that, on the most ambitious timelines, there could be elections to 'shadow' unitary councils in May 2027, ahead of "go live" of new councils on 1 April 2028.

Our expectation is that any local authorities dissolved as a result of local government restructuring will cease to exist on the date that new councils "go live". The role of a shadow authority is to take all the necessary steps to prepare for the assumption of full local government functions and powers on vesting day and

ensure continuity of public service delivery on and after this date. It does not have a role in carrying out the functions of predecessor councils except for where this is expressly provided.

We are clear that reorganisation should not delay devolution and plans for both should be complementary.

11. Stability of local government finances

We note your concerns around local government finances and the risk that a delay to local government reorganisation and wider devolution could prevent cost efficiencies being made. Ministers have committed to reforming the way in which local authorities are funded through a multi-year settlement from 2026-27, fixing local audit and creating a sustainable way to fund social care.

As set out above, Government recently consulted on funding reforms and confirmed that some transitional protections will be in place to support areas to their new allocations. Further details on funding reform proposals will be consulted on further after the Spending Review in June. We will not be able to provide further clarification on future allocations in the meantime but are open to discussing assumptions further if we can assist in financial planning.

We would welcome further information about the situation locally, and you are encouraged to discuss the impact on local government reorganisation progress with your MHCLG point person.

12. Capacity/resources to mobilise and implement a successful transition

You have identified that local government reorganisation will be reliant upon adequate capacity and resource being available to support developing proposals and the transition. £7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.

In terms of transitional costs, as per the invitation letter, we expect that areas will be able to meet transition costs over time from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects. We note the estimate of your transition costs and comment further on this in the table below

13. Clarity on timetable and feedback

You asked for clarity on the timetable for local government reorganisation, particularly for feedback to support your work to continue at pace. This is our

feedback to support you to develop final proposal(s), and we are open to providing ongoing support to your work towards the 28 November submission deadline. Alex Jarvis has been appointed as your MHCLG point person and is ready to engage with the whole area on issues you wish to discuss further.

14. Devolution Engagement

You requested that the district and borough councils be engaged in discussions on devolution in order to reflect the current position on devolution in final proposals for local government reorganisation. The invitation letter sets out that new unitary structures should support devolution. As you will be aware, it is envisaged that the new unitary authorities created through the local government reorganisation process would become the constituent members of any future MCA in the region.

We are encouraged by your continued support for devolution for your area. It is for areas to propose robust devolution proposals, and consensus is needed from all the relevant authorities for these proposals to go ahead. All such proposals will be assessed against the criteria set out in the English Devolution White Paper. District councils, ahead of local government reorganisation, should play an active role in devolution arrangements, via engagement with their upper-tier authorities. We expect all councils in an area to work together and to share information.

15. Continuation of Ceremonial rights

Separately to interim plans, questions have been asked in regards to Rutland's ceremonial status and ceremonial rights more generally; there is no intention that the priorities set out in the English Devolution White Paper will impact on the ceremonial counties or the important roles that Lord Lieutenants and High Sheriffs play as the Monarch's representatives in those counties, and ceremonial counties will be retained. Where local government reorganisation might affect ceremonial privileges, we will work with local leaders to ensure that areas retain their ceremonial rights and privileges.

ANNEX: Detailed feedback on criteria for interim plan

Ask – Interim Plan Criteria	Feedback
<p>Identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities.</p> <p>Relevant criteria:</p> <p>1 c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement</p> <p>&</p> <p>2 a-f) - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks</p> <p>&</p> <p>3 a-c) Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens</p>	<p>We welcome the initial thinking on the options for local government reorganisation in Leicestershire, Leicester and Rutland and recognise that this is subject to further work. We note the local context and challenges outlined in the proposals and the potential benefits that have been identified for the options put forward. Your plans set out your intention to undertake further analysis, and this further detail and evidence on the outcomes that are expected to be achieved of any preferred model would be welcomed.</p> <p>For the final proposal(s), each council can submit a single proposal for which there must be a clear single option and geography and, as set out in the guidance, we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued, not partial coverage.</p> <p>You may wish to consider a fuller options appraisal against the criteria set out in the letter to provide a rationale for the preferred model against alternatives.</p> <p>Proposals should be for a sensible geography which will help to increase housing supply and meet local needs, including future housing growth plans. All proposals should set out the rationale for the proposed approach.</p> <p>Where there are proposed boundary changes, the proposal should provide strong public services and financial sustainability related justification for the change.</p> <p>Given the financial pressures you identify it would be helpful to further understand how efficiency savings have been considered alongside a sense of place and local identity.</p> <p>We welcome the initial financial information provided. In final proposal(s) it would be helpful to include a high-level financial assessment which covers transition costs and overall forecast operating costs of the new unitary councils. Referencing criteria 1 and 2, you may wish to consider the following bullets that it would be helpful to include in a final proposal:</p>

	<ul style="list-style-type: none"> • high level breakdowns, for where any efficiency savings will be made, with clarity of assumptions on how estimates have been reached and the data sources used, including differences in assumptions between proposal(s) • information on the counterfactual against which efficiency savings are estimated, with values provided for current levels of spending • a clear statement of what assumptions have been made and if the impacts of inflation are taken into account • a summary covering sources of uncertainty or risks, with modelling, as well as predicted magnitude and impact of any unquantifiable costs or benefits • where possible, quantified impacts on service provision, as well as wider impacts <p>We recognise that financial assessments are subject to further work. The bullets below indicate where further information would be helpful across all options:</p> <ul style="list-style-type: none"> • data and evidence to set out how your final proposal(s) would enable financially viable councils across the whole area, including identifying which option best delivers value for money for council taxpayers • further detail on potential finances of new unitaries, for example, funding, operational budgets, potential budget surpluses/shortfalls, total borrowing (General Fund), and debt servicing costs (interest and MRP); and what options may be available for rationalisation of potentially surplus operational assets • clarity on the underlying assumptions underpinning any modelling e.g. assumptions of future funding, demographic growth and pressures, interest costs, Council Tax, savings earmarked in existing councils' MTFS • financial sustainability both through the period to the creation of new unitary councils as well as afterwards <p>We welcome the information in your interim plans on the disaggregation of services. For proposals that would involve disaggregation of services we would</p>
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	<p>welcome further details on how services can be maintained where there is fragmentation, such as social care, children's services, SEND, homelessness, and for wider public services including public safety. Under criterion 3c you may wish to consider:</p> <ul style="list-style-type: none"> • how each option would deliver high-quality and sustainable public services or efficiency saving opportunities • what would be the impact of proposals on the shared social care services between Leicestershire County Council and Rutland County Council? • what would the different options mean for local services provision, for example: <ul style="list-style-type: none"> • do different options have a different impact on SEND services and distribution of funding and sufficiency planning to ensure children can access appropriate support, and how will services be maintained? • what is the impact on adults and children's care services? Is there a differential impact on the number of care users and infrastructure to support them among the different options? • what partnership options have you considered for joint working across the new unitaries for the delivery of social care services? • do different options have variable impacts as you transition to the new unitaries, and how will risks to safeguarding be managed? • do different options have variable impacts on schools, support and funding allocation, and sufficiency of places, and how will impacts on schools be managed? • what impact will there be on highway services across the area under the different approaches suggested? • what are the implications for public health, including consideration of socio-demographic challenges and health inequalities within any new boundaries and their implications for current and future health service needs? What are the implications for how residents access services and service delivery for populations most at risk? <p>We would encourage you to provide further details on how your proposals would maximise opportunities for public service reform, so that we can explore how best to support your efforts.</p>
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<p>Include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.</p> <p>Relevant criteria - 2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.</p>	<p>We note the estimated transition costs included in all plans, and the initial thinking on service transformation and back-office efficiencies. We would welcome further clarity in final proposal(s) on the assumptions and data used to calculate transition costs and efficiencies (see criterion 2d).</p> <p>As per criterion 2, the final proposal(s) should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.</p> <ul style="list-style-type: none"> • within this it would be helpful to provide more detailed analysis on expected transition and/or disaggregation costs and potential efficiencies of proposals. This could include clarity on methodology, assumptions, data used, what year these may apply and why these are appropriate • detail on the potential service transformation opportunities and invest-to-save projects from unitarisation across a range of services - e.g. consolidation of waste collection and disposal services, and whether different options provide different opportunities for back-office efficiency savings? • where it has not been possible to monetise or quantify impacts, you may wish to provide an estimated magnitude and likelihood of impact • summarise any sources of risks, uncertainty and key dependencies related to the modelling and analysis • detail on the estimated financial sustainability of proposed reorganisation and how debt could be managed locally <p>We note the financial pressures that councils are facing. It would be helpful if additional detail on the councils' financial positions and further modelling is set out in detail in the final proposal(s).</p> <p>We would encourage you to work together and recommend that all options and proposals should use the same assumptions and data sets or be clear</p>
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	where and why there is a difference (linked to criterion 1c).
<p>Include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with the Local Government Boundary Commission for England guidance.</p> <p>Relevant criteria: 6) New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.</p>	<p>We welcome the initial assessments made across all interim plans on the options for and importance of democratic representation. We note where early views on councillor numbers have been provided which we will be sharing with the Local Government Boundary Commission for England (LGBCE).</p> <p>There are no set limits on the number of councillors although the LGBCE guidance indicates that a compelling case would be needed for a council size of more than 100 members.</p> <p>New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.</p> <p>Additional details on how the community will be engaged specifically how the governance, participation and local voice will be addressed to strengthen local engagement, and democratic decision-making would be helpful.</p> <p>In final proposal(s) we would welcome detail on your plans for neighbourhood-based governance, the impact on parish councils, and the role of formal neighbourhood partnerships and area committees.</p>
<p>Include early views on how new structures will support devolution ambitions.</p> <p>Relevant Criteria: 5) New unitary structures must support devolution arrangements.</p> <p>Specifically 5b) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.</p>	<p>We welcome the consideration of devolution in your plans. We also note the reference to the option for Rutland to join with authorities in Lincolnshire as part of the Greater Lincolnshire Combined County Authority (GLCCA).</p> <p>Across all local government reorganisation proposal(s), looking towards a future Strategic Authority, it would be beneficial to provide an assessment that outlines if there are benefits and disadvantages in how each option would interact with a Strategic Authority and best benefit the local community, including meeting the criteria for sensible geography in the White Paper and devolution statutory tests.</p> <p>If an option of Rutland joining GLCCA is being considered, further information would be helpful on the implications for the governance arrangements in</p>

	<p>GLCCA. Also, consideration of the impact on the remainder of Leicestershire and Leicester would be welcome. We would also appreciate consideration of how this would best benefit the local community, including meeting the criteria for sensible geography in the White Paper and devolution statutory tests. We would also recommend you consult with the GLCCA mayor.</p>
<p>Include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals.</p> <p>Relevant criteria: 6a&b) new unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment</p>	<p>We welcome the engagement that has taken place to date across all interim plans and how these views have been reflected. We would encourage you to continue with your plans for engagement locally in a meaningful and constructive way with residents, the voluntary sector, local community groups and councils, public sector providers and business to inform your proposal(s).</p> <p>For proposals that involve disaggregation of services, you may wish to engage in particular, with those residents who may be affected.</p> <p>It would be helpful to see detail that demonstrates how local ideas and views have been incorporated into the final proposal(s) including those relating to neighbouring authorities where relevant.</p>
<p>Set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area.</p> <p>Relevant criteria: Linked to 2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking</p>	<p>We welcome the indicative costs that are set out in plans and recognise the work to consider the costs of preparing proposals and standing up an implementation team. Further clarity on how you arrived at the estimated costs and more detail on the underlying assumptions and data that have informed these figures would also be helpful.</p> <p>We would welcome further detail in your final proposal(s) over the level of cost and the extent to which the costs are for delivery of the unitary structures or for transformation activity that delivers additional benefits.</p> <p>£7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.</p>

forward transformation and invest-to-save projects.	
<p>Set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area.</p> <p>Relevant criteria: 4 a-c) Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views.</p>	<p>We note the intent for all councils to reconvene following the recent May local elections to continue discussions on a way forward for local government reorganisation in the area.</p> <p>Effective collaboration between all councils in the invitation area, and the proposed Mayoral Strategic Authority area will be crucial; areas will need to build strong relationships and agree ways of working, including around effective data sharing to further develop proposals.</p> <p>Should Rutland County Council wish to be included in proposals submitted by a council(s) in Lincolnshire, we would expect collaboration between councils in Leicestershire and Lincolnshire to further develop proposals, and to ensure that the implications of both areas' plans are fully considered within any proposal submitted by councils in each area.</p> <p>This will enable you to develop a robust shared evidence base to underpin final proposals (see criteria 1c). We recommend that final proposals should use the same assumptions and data sets or be clear where and why there is a difference.</p>

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Ministry of Housing, Communities & Local Government

Jim McMahon OBE MP

*Minister of State for Local Government and
English Devolution*
2 Marsham Street
London
SW1P 4DF

Your reference:

Our reference:

To: Leaders of two-tier councils and
unitary councils in and neighbouring
Leicestershire

Blaby District Council
Charnwood Borough Council
Harborough District Council
Hinckley and Bosworth Borough
Council
Leicestershire County Council
Melton Borough Council
North West Leicestershire District
Council
Oadby and Wigston Borough Council
Leicester City Council
Rutland County Council

5 February 2025

Dear Leaders

This Government has been clear on our vision for simpler, more sustainable, local government structures, alongside a transfer of power out of Westminster through devolution. We know that councils of all political stripes are in crisis after a decade of decline and instability. Indeed, a record number of councils asked the government for support this year to help them set their budgets.

This new government will not waste this opportunity to build empowered, simplified, resilient and sustainable local government for your area that will increase value for money for council taxpayers. Local leaders are central to our mission to deliver change for hard-working people in every corner of the country through our Plan for Change, and our councils are doing everything they can to stay afloat and provide for their communities day in, day out. The Government will work closely with you to deliver these aims to the most ambitious timeline.

I am writing to you now to formally invite you to work with other council leaders in your area to develop a proposal for local government reorganisation, and to set out further detail on the criteria, guidance for the development of proposals, and the timeline for this process. A formal invitation with guidance for the development of your proposals is attached at Annex A. This invitation sets out the criteria against which proposals will be assessed.

Developing proposals for reorganisation

We expect there to be different views on the best structures for an area, and indeed there may be merits to a variety of approaches. Nevertheless, it is not in council taxpayers' interest to devote public funds and your valuable time and effort into the development of multiple proposals which unnecessarily fragment services, compete against one another, require

lengthy implementation periods or which do not sufficiently address local interests and identities.

The public will rightly expect us to deliver on our shared responsibility to design and implement the best local government structures for efficient and high-quality public service delivery. We therefore expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable unitary proposals that are in the best interests of the whole area to which this invitation is issued, rather than developing competing proposals.

This will mean making every effort to work together to develop and jointly submit one proposal for unitary local government across the whole of your area. The proposal that is developed for the whole of your area may be for one or more new unitary councils and should be complementary to devolution plans. It is open to you to explore options with neighbouring councils in addition to those included in this invitation, particularly where this helps those councils to address concerns about their sustainability or limitations arising from their size or boundaries or where you are working together across a wider geography within a strategic authority.

I understand there will be some cases when it is not possible for all councils in an area to jointly develop and submit a proposal, despite their best efforts. This will not be a barrier to progress, and the Government will consider any suitable proposals submitted by the relevant local authorities.

Supporting places through change

It is essential that councils continue to deliver their business-as-usual services and duties, which remain unchanged until reorganisation is complete. This includes progress towards the Government's ambition of universal coverage of up-to-date local plans as quickly as possible. To support with capacity, I intend to provide some funds for preparing to take forward any proposal, and I will share further information later in the process.

Considering the efficiencies that are possible through reorganisation, we expect that areas will be able to meet transition costs over time from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.

The default position is that assets and liabilities remain locally managed by councils, but we acknowledge that there are exceptional circumstances where there has been failure linked to capital practices. Where that is the case, proposals should reflect the extent to which the implications of this can be managed locally, including as part of efficiencies possible through reorganisation, and Commissioners should be engaged in these discussions. We will continue to discuss the approach that is proposed with the area.

I welcome the partnership approach that is being taken across the sector to respond to the ambitious plans set out in the White Paper. My department will continue to work closely with the Local Government Association (LGA), the District Councils Network, the County Councils Network and other local government partners to plan how best to support councils through this process. We envisage that practical support will be needed to understand and address the key thematic issues that will arise through reorganisation, including managing service impacts and opportunities for the workforce, digital and IT systems, and leadership support.

Timelines and next steps for interim plans and full proposals

We ask for an interim plan to be submitted on or before 21 March 2025, in line with the guidance set out in the attached Annex. My officials will provide feedback on your plan to help support you to develop final proposals.

I will expect any full proposal to be submitted **by 28 November**. If I decide to implement any proposal, and the necessary legislation is agreed by Parliament, we will work with you to move to elections to new 'shadow' unitary councils as soon as possible as is the usual arrangement in the process of local government reorganisation.

Following submission, I will consider any and all proposals carefully before taking decisions on how to proceed. My officials are available throughout to discuss how your reorganisation and devolution aspirations might work together and what support you think you might need to proceed.

This is a once in a generation opportunity to work together to put local government in your area on a more sustainable footing, creating simpler structures for your area that will deliver the services that local people and businesses need and deserve. As set out in the White Paper, my commitment is that clear leadership locally will be met with an active partner nationally.

I am copying this letter to council Chief Executives. I am also copying this letter to local Members of Parliament and to the Police and Crime Commissioner.

Yours sincerely,



JIM MCMAHON OBE MP

Minister of State for Local Government and English Devolution

LOCAL GOVERNMENT AND PUBLIC INVOLVEMENT IN HEALTH ACT 2007**INVITATION FOR PROPOSALS FOR A SINGLE TIER OF LOCAL GOVERNMENT**

The Secretary of State for Housing, Communities and Local Government, in exercise of his powers under Part 1 of the Local Government and Public Involvement in Health Act 2007 ('the 2007 Act'), hereby invites any principal authority in the area of the county of Leicestershire, to submit a proposal for a single tier of local government.

This may be one of the following types of proposal as set out in the 2007 Act:

- Type A – a single tier of local authority covering the whole of the county concerned
- Type B – a single tier of local authority covering an area that is currently a district, or two or more districts
- Type C – a single tier of local authority covering the whole of the county concerned, or one or more districts in the county; and one or more relevant adjoining areas
- Combined proposal – a proposal that consists of two or more Type B proposals, two or more Type C proposals, or one or more Type B proposals and one or more Type C proposals.

Proposals must be submitted in accordance with paragraphs 1 to 3:

1. Any proposal must be made by **28 November 2025**.
2. In responding to this invitation an authority must have regard to the guidance from the Secretary of State set out in the Schedule to this invitation, and to any further guidance on responding to this invitation received from the Secretary of State.
3. An authority responding to this invitation may either make its own proposal or make a proposal jointly with any of the other authorities invited to respond.

Signed on behalf of the Secretary of State for Housing, Communities and Local Government.



F KIRWAN

A senior civil servant in the Ministry of Housing, Communities and Local Government

5 February 2025

SCHEDULE

Guidance from the Secretary of State for proposals for unitary local government.

Criteria for unitary local government

- 1. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.**
 - a) Proposals should be for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area.
 - b) Proposals should be for a sensible geography which will help to increase housing supply and meet local needs.
 - c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement.
 - d) Proposals should describe clearly the single tier local government structures it is putting forward for the whole of the area, and explain how, if implemented, these are expected to achieve the outcomes described.
- 2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.**
 - a) As a guiding principle, new councils should aim for a population of 500,000 or more.
 - b) There may be certain scenarios in which this 500,000 figure does not make sense for an area, including on devolution, and this rationale should be set out in a proposal.
 - c) Efficiencies should be identified to help improve councils' finances and make sure that council taxpayers are getting the best possible value for their money.
 - d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.
 - e) For areas covering councils that are in Best Value intervention and/or in receipt of Exceptional Financial Support, proposals must additionally demonstrate how reorganisation may contribute to putting local government in the area as a whole on a firmer footing and what area-specific arrangements may be necessary to make new structures viable.
 - f) In general, as with previous restructures, there is no proposal for council debt to be addressed centrally or written off as part of reorganisation. For areas where there are exceptional circumstances where there has been failure linked to capital practices, proposals should reflect the extent to which the implications of this can be managed locally, including as part of efficiencies possible through reorganisation.

3. Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.

- a) Proposals should show how new structures will improve local government and service delivery, and should avoid unnecessary fragmentation of services.
- b) Opportunities to deliver public service reform should be identified, including where they will lead to better value for money.
- c) Consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety.

4. Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views.

- a) It is for councils to decide how best to engage locally in a meaningful and constructive way and this engagement activity should be evidenced in your proposal.
- b) Proposals should consider issues of local identity and cultural and historic importance.
- c) Proposals should include evidence of local engagement, an explanation of the views that have been put forward and how concerns will be addressed.

5. New unitary structures must support devolution arrangements.

- a) Proposals will need to consider and set out for areas where there is already a Combined Authority (CA) or a Combined County Authority (CCA) established or a decision has been taken by Government to work with the area to establish one, how that institution and its governance arrangements will need to change to continue to function effectively; and set out clearly (where applicable) whether this proposal is supported by the CA/CCA /Mayor.
- b) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.
- c) Proposals should ensure there are sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities.

6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

- a) Proposals will need to explain plans to make sure that communities are engaged.
- b) Where there are already arrangements in place it should be explained how these will enable strong community engagement.

Developing proposals for unitary local government

The following matters should be taken into account in formulating a proposal:

Boundary Changes

- a) Existing district areas should be considered the building blocks for your proposals, but where there is a strong justification more complex boundary changes will be considered.
- b) There will need to be a strong public services and financial sustainability related justification for any proposals that involve boundary changes, or that affect wider public services, such as fire and rescue authorities, due to the likely additional costs and complexities of implementation.

Engagement and consultation on reorganisation

- a) We expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable unitary proposals that are in the best interests of the whole area to which this invitation is issued, rather than developing competing proposals.
- b) For those areas where Commissioners have been appointed by the Secretary of State as part of the Best Value Intervention, their input will be important in the development of robust unitary proposals.
- c) We also expect local leaders to engage their Members of Parliament, and to ensure there is wide engagement with local partners and stakeholders, residents, workforce and their representatives, and businesses on a proposal.
- d) The engagement that is undertaken should both inform the development of robust proposals and should also build a shared understanding of the improvements you expect to deliver through reorganisation.
- e) The views of other public sector providers will be crucial to understanding the best way to structure local government in your area. This will include the relevant Mayor (if you already have one), Integrated Care Board, Police (Fire) and Crime Commissioner, Fire and Rescue Authority, local Higher Education and Further Education providers, National Park Authorities, and the voluntary and third sector.
- f) Once a proposal has been submitted it will be for the Government to decide on taking a proposal forward and to consult as required by statute. This will be a completely separate process to any consultation undertaken on mayoral devolution in an area, which will be undertaken in some areas early this year, in parallel with this invitation.

Interim plans

An interim plan should be provided to Government on or before **21 March 2025**. This should set out your progress on developing proposals in line with the criteria and guidance. The level of detail that is possible at this stage may vary from place to place but the expectation is that one interim plan is jointly submitted by all councils in the area. It may be the case that the interim plan describes more than one potential proposal for your area, if there is more than one option under consideration. The interim plan should:

- a) identify any barriers or challenges where further clarity or support would be helpful.
- b) identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities.
- c) include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.
- d) include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with the Local Government Boundary Commission for England guidance.
- e) include early views on how new structures will support devolution ambitions.
- f) include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals.
- g) set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area.
- h) set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area.