



## **North Devon Council**

Report Date: Wednesday, 19 March 2025

Topic: Local Government Reorganisation

Report by: Ken Miles, Chief Executive and Leader

### **1. INTRODUCTION**

- 1.1. The English Devolution White Paper was issued in December which was then followed by a letter from the Minister on 5<sup>th</sup> February.
- 1.2. Both documents make clear that government wish to remove two tier local government and expand the network of unitary authorities.
- 1.3. The letter invited local authorities to come forward with proposals for local government reorganisation.
- 1.4. This report highlights the requirements being set out by government and allows Council to consider submitting an interim proposal by the deadline of 21<sup>st</sup> March.

### **2. RECOMMENDATIONS**

- 2.1. That Council note this report and consider whether to submit an interim proposal and if so what that should be.

### **3. REASONS FOR RECOMMENDATIONS**

- 3.1. To allow Council to consider its options in respect of local government reorganisation

### **4. REPORT**

- 4.1. The legislation under which government propose to advance local government reorganisation is the Local Government and Public Involvement in Health Act 2007 (The Act).
- 4.2. Section 2 of the Act gives the power to the Secretary of State to issue a statutory invitation to local authorities to submit proposals for reorganisation. The letter issued on the 5/2/25 constitutes a statutory invitation under s2 and asks for proposals to be submitted by the 28<sup>th</sup> November. It also asks for interim proposals by the 21<sup>st</sup> March but that is not part of the statutory code.
- 4.3. The effect of section 7 of the Act is that once a proposal has been submitted in November, the Secretary of State's power to reorganise an area is activated. Any proposal does not need the consent of other councils affected and the powers can be activated just by one proposal being submitted.
- 4.4. Although all authorities in an area could decide not to submit any proposals in the hope of retaining the two tier system, government has made its policy direction clear and has also linked reorganisation to devolution meaning that

a deeper, more extensive devolution deal is not likely unless reorganisation takes place.

4.5. The letter sets out some guidance on how final proposals should be framed and what they should consider. The letter is set out in full in **Appendix 1** to this report but some of the criteria to highlight are:-

4.5.1 Any proposal should seek to establish a single tier of local government for the whole area,

4.5.2 Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks,

4.5.3 Structures must prioritise the delivery of high quality and sustainable public services,

4.5.4 Proposals should highlight how councils in the area have sought to work together in drawing up proposals,

4.5.5 New structures must support devolution arrangements,

4.5.6 New structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment,

4.5.7 Proposals should use existing boundaries as building blocks,

4.5.8 Proposals should plan for unitaries with populations of at least 500,000

4.6 In relation to the final two points above, government has indicated that specific cases could be made for crossing boundaries or for lower population levels.

4.7 Although not part of the statutory invitation, the letter also asked for interim plans to be submitted by the 21<sup>st</sup> March. Conversations with government officials have now made clear that government is not expecting fully worked up or detailed proposals at this stage; it is asking for draft plans simply to see what the current thinking in an area is.

4.8 Having said that, the letter does set out 8 criteria that government will expect to see in an interim proposal although it does accept that it may not be possible to provide all of this information at this stage.

4.9 It is fair to say that all authorities are likely to have difficulty in being able to provide much detail at this stage. This is because much of the data on which councils would want to base a decision is not yet available. Data such as the disaggregation of county council service costs is still awaited as is data on the demand for particular services in each district.

4.10 Any interim proposal put forward, and any other options, will therefore still have to be rigorously tested during the period from 21<sup>st</sup> March to 28<sup>th</sup> November meaning that whatever option is put forward at this stage could change as further work is carried out.

4.11 It is also fair to point out that because of the very short time frame given, extensive public engagement and engagement with partners has not taken place and so again any final proposals that go forward on the 28<sup>th</sup> November will have to be framed and influenced by proper engagement from 21<sup>st</sup> March.

- 4.12 Because the statutory process is not commenced until a formal proposal is submitted before the 28<sup>th</sup> November, it is anticipated that even if a council does not submit an interim proposal by the 21<sup>st</sup> March, it will still be able to submit a formal proposal after that date.
- 4.13 Locally, all of the Devon District Councils, excluding Exeter, have been collaborating on an interim proposal that has been referred to as the “1:4:5” model. This is shown on the map attached as **Appendix 2**. Members will note that this option includes both Torridge and North Devon Councils within a proposed unitary authority that also comprises Exeter, Mid Devon and East Devon councils.
- 4.14 Discussions have taken place at 2 working groups set up to consider options and whilst no firm conclusions could be formed, Members did express the preference to be grouped with Torridge, as a result of the deep strategic partnerships that exists, and with a significant economic area such as Exeter, to ensure financial sustainability.
- 4.15 As mentioned above, it has not been possible to “test” that option against the data yet as this is currently unavailable.

## 5. RESOURCE IMPLICATIONS

- 5.1. There will be significant costs associated with this process. At the present time, most District authorities are working together on the 1:4:5 proposal and so there is scope for sharing costs associated with drawing up the full proposals.
- 5.2. If Council decided to submit its own formal proposals in November, the costs associated with drawing that up will need to be borne by the Council. It is anticipated that those costs could be in excess of £100,000 - £150,000

## 6. EQUALITIES ASSESSMENT

- 6.1. There are no equality implications flowing from this report but equality issues will be considered when engaging with the public at later stages.

## 7. ENVIRONMENTAL ASSESSMENT

- 7.1. None undertaken as unnecessary

## 8. CORPORATE PRIORITIES

- 8.1. What impact, positive or negative, does the subject of this report have on:
- 8.1.1. The commercialisation agenda: The report contains general information about local government reorganisation which, if it happens, will impact upon corporate priorities.
- 8.1.2. Improving customer focus and/or
- 8.1.3. Regeneration or economic development



9. CONSTITUTIONAL CONTEXT

9.1. The decision in respect of the recommendations in this report can be made pursuant to Article 4 of the Constitution.

10. STATEMENT OF CONFIDENTIALITY

This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

11. BACKGROUND PAPERS

The following background papers were used in the preparation of this report: (The background papers are available for inspection and kept by the author of the report).

12. STATEMENT OF INTERNAL ADVICE

The author (below) confirms that advice has been taken from all appropriate Councillors and Officers: .....add name and job title.....