



One Council
for Leicestershire

Local Government Reorganisation – Interim Plan

Cabinet: 18 March 2025

Options

Preferred Option – Single Unitary Council for Leicestershire based on existing local authority boundaries and excluding Leicester City and Rutland.

- Greatest financial benefit and a swifter payback of implementation costs.

Two unitary authorities for Leicestershire and Rutland.

- Significantly below the population size referred to in the English Devolution White Paper.
- Every service delivered by the County Council would need splitting to create two new services.
- More organisations would exist so greater total level of management, back office and infrastructure support required.
- Loss of purchasing power.
- Less choice for residents e.g. with libraries and recycling and household waste sites.
- Lower salaries could create recruitment issues.

Extension of City Council boundary with a second unitary outside (doughnut).

- Loss of funding would be greater than the costs transferred to the City Council.
- Reduction in choice for remaining county residents where physical assets transferred to the City.
- Risk of assets transferred being significantly different to the level of residents in the area.
- Complexity and cost of reorganisation would increase significantly as county services would require disaggregating.
- Preparatory work for change would increase.

(a) Identify any barriers or challenges where further clarity or support would be helpful.

Understanding the other proposals being put forward by the local area was seen as a barrier – now we know what they are we can engage on a way forward

Clarity from the Government on around timing and how it will be making decisions about which proposals to progress help us to focus efforts on how we fulfil the criteria.

Assurance that there will be temporary protection from any negative impacts which may flow from funding reforms.

(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.

Size and Boundaries – preferred option is single unitary council for Leicestershire, using existing district council areas as building blocks. Current population just over 734,000.

High Quality and Sustainable Public Services –focus on avoiding the unnecessary fragmentation of services, benefits of bringing services together with simplified structures, enhancing local identity and cultural and historic importance.

Ensuring no undue advantage to a particular area – through a single approach to the economy, strategic collaboration, consistent service delivery, infrastructure improvement and simplified governance. Not splitting councils removes the risk that funding is not allocated correctly

(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.

Financial summary based upon the 2019 case (savings are pro-rata until year 3):

	One Unitary	Two Unitaries
Annual savings (ongoing)	£30m	£18m
Transition costs (one-off)	£19m	£17.5m
Total net benefit over 5 years	£107m	£47m
Payback period	2 years	3 years

A review has been undertaken to ensure that the 2019 financials that identified a single unitary as the preferred option remain appropriate for this interim submission.

Efficiency Savings From:

- Member's Allowances + Elections
- Senior Managers
- Back-office support, including IT systems
- Property requirements
- Service management & administration

Benefits Reduced in the Two Unitary option due to an additional organisations overheads to pay for

(c) Include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.

Financial summary based upon the 2019 case:		
	One Unitary	Two Unitaries
Transition costs	£19m	£17.5m

Main Cost Areas:

- Redundancy costs
- Cost of integration and decommissioning IT systems
- Implementation Team and specialist support
- Communications and Training
- Merging of Operations

The 2019 business case indicated that the lower savings for a two unitary case would result in lower implementation cost. However:

- Implementation riskier, as all services require significant change
- Investment will be required in an unknown initiative to make up for the shortfall in savings.
- Disaggregation costs likely to have increased due to significant increase in social care costs.

Further Transformational savings maximised in single unitary option:

- Investment in prevention and new technology easier to justify
- Integration benefits of district and county services at greater scale
- Streamlined strategic planning through a single local plan
- Greater purchasing power

(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 arrangement 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.



Governance and Decision-Making Arrangements – Cabinet and Strong Leader model, with Area Committees (two options of 10 (based on a population of roughly 70k, to address issues around sense of community and common sense of place) and 7 (based on parliamentary constituency areas) and Area Planning Committees for local decision making.



Number of Councillors – 110.



Member roles and responsibilities



Local models of services delivery – supporting communities to thrive by devolving delivery of some local services to community groups and empowered town and parish councils on a voluntary basis.

(e) Include early views on how new structures will support devolution ambitions.

The proposed single unitary authority for Leicestershire and consequent development of a Spatial Development Strategy will remove the current barriers (administrative and political) to strategic planning.

Leicester and Leicestershire are a functional economic area. The boundaries of Leicestershire provide a good approximate fit to key economic geographies such as travel to work patterns.

A single unitary council for Leicestershire would form part of a sensible geography for a local authority, with the intention ultimately being to form part of a Strategic Mayoral Authority with Leicester City, through a devolution deal.

Having a single unitary council for the city and a single unitary council for the county support a fair balance between the different socio-economic factors of the two areas.

The proposal is the least complex re-organisation allowing devolution to be embarked upon more quickly

(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.



A short survey to capture initial feedback from residents, staff, stakeholders and businesses on our ‘One Council for Leicestershire’ proposal launched on 20 February



Around 1,200 online and freepost responses have been received.



Targeted events have been held with Parish and Town Councils and the Voluntary and Community Sector – both of which were well attended and positively received.



Sessions are also taking place with the Business and Skills Sector and staff, and with leaders of the district, city and Rutland councils

(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.

The early engagement will be followed by a more comprehensive and wide-ranging consultation exercise over the summer.

Details are being finalised, but plans are likely to include:

- Focus groups - representative members of the public and key stakeholders will be part of focus groups, to inform the further refinement of proposals and public consultation.
- Extensive internal and external communications - including a dedicated edition of residents' newsletter, Leicestershire Matters - distributed to all households - email marketing, social media and digital and community advertising.
- Online information – including video clips, summary documents and fact sheets.
- Social media activity to encourage dialogue – including dedicated ‘social’ events such as Q&A session
- Online ‘consultation forums’ - enabling people to browse and comment on proposals.
- A series of roadshows to target communities - and encourage feedback through a questionnaire.
- Targeted stakeholders and groups – through established networks.
- Members, supported by officers, will be encouraged to host public meetings - to explain the proposals and engage with residents.
- Workshops with a range of staff groups – to gain feedback and help shape plans

- (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.**



This depends on the complexity and number of proposals.



Work on a proposal for a single unitary authority for Leicestershire can largely be met from existing resources, supplemented with external support where independence or specialist input where the knowledge isn't held internally is needed.

(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.

Leicestershire County Council will naturally focus on business as usual and ongoing service provision.

Further meetings with LLR Leaders will be arranged.

Pre-existing forums will be used for partner engagement.

Look forward to receiving meaningful feedback from MHCLG.