

Scrutiny Commission: 10 March 2025

Local Government Reorganisation

10 March 2025

Introduction



Content of Interim Plan



Summary of Engagement undertaken to date



PWC Analysis

(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 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.

(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 – benefits of bringing services together, focus on avoiding the unnecessary fragmentation of services, simplified structures which are less confusing for the public.

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

Enhancing Local Identity and Cultural and Historic Importance – through strengthening local communities, supporting local heritage, promoting cultural and leisure services, enhancing public amenities.

Indicative efficiency saving opportunities – high level review of 2019 business case indicates the estimated saving of £30m is still valid, achieved by reducing senior management and back-office costs, making more efficient use of buildings and having fewer councillors and elections.

Options requiring existing councils to be split would reduce savings and increase implementation risk

Financial Benefits – savings allow funding to be redirected from overheads to front line services, greater purchasing power and joining up adjacent services such as waste collection and disposal.

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

Preferred Option – single county option on existing geography:



Indicative implementation costs are £19m (2019 figure) comprising:

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



Savings expected to be in the same ballpark as 2019 ~£30m comprised of:

Back Office - £17m
Service Management - £8m
Senior Management - £5m
Members/elections - £1m



Ongoing savings likely to be at 50% higher than two unitary option -£10m p.a.

Proposed authority would avoid duplication of the existing county council overheads



Payback period estimated as two years – costs could be funded locally on spend to save basis

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

Other options – two unitary authorities, or single unitary with expanded city boundaries



Indicative implementation costs of two unitary councils would be less than one unitary - but savings significantly less

Duplication of costs
Loss of economies of scale and purchasing power
Implementation significantly more complex as all County Council Services require splitting



Savings expected to be in the same ballpark as 2019 for a two unitary option - £18m



There are costs associated with the expansion of the City Boundaries:

Overheads will not reduce in line with the smaller organisation
Splitting existing service provision boundaries
Reallocation of assets
uncertainties over how funding re-allocated



Payback period for two unitary option estimated as three years.

(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



Empowering Parish and Town Councils – to ensure that the unitary council is committed to local communities and supports them to thrive. Undertake Community Governance Reviews in unparished areas such as Loughborough, Market Harborough, etc.

(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 1,000 online and freepost responses have been received, as of 6 March – feedback will be analysed when it closes on 18 March.



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.