

Local Government Reorganisation – Draft Business Case

Leader's Speech

Mr Chairman, I rise to move the motion on the order paper in my name.

This is without doubt the single most important issue we will make as a Council since the last reorganisation in 1997.

I'd like to thank the officers who have worked tirelessly to get this proposal ready for our debate today.

I am setting out the case for the future of local government in Leicestershire and Rutland, not just in response to the Government's call to end the two-tier system, but for a brand new Council, bringing together the best of both county and district- into a council fit for the 21st century and beyond.

The County Council's proposal for a single unitary authority is the right choice for our communities, our finances, and our future. This is a critical moment for local government in our area and a chance to build a more effective, efficient, and responsive council that is fit for the challenges of the next generation.

Our current system is too complex and hasn't delivered. Leicestershire operates under a two-tier model: a county council, seven district councils, and, alongside us, unitary authorities for Leicester City and Rutland. This patchwork approach means residents often don't know who is responsible for what. Services are duplicated, and precious resources are spent on bureaucracy rather than the things that matter to people's everyday lives, like social care, roads, schools, public health, housing, and community safety.

The Council also operates under the Leicester, Leicestershire and Rutland footprint for its police, fire and public health services. A key part of the Government guidance and indeed feedback from MHCLG, is that they expect proposals to reflect the LLR geography to deliver all local government services. This proposal achieves that key demand.

We are facing significant pressures: our population is growing and ageing, demand for services is rising, and our funding per head is the lowest of any county council in England.

The Government itself has asked us to bring forward proposals for unitary local government, with clear criteria: to save money, to deliver high-quality sustainable services, to empower communities, and to unlock devolution for more local control and funding.

This part of the proposal is critical. Agreeing a unitary council first unlocks the greater prize of devolution, under a directly elected mayor. I've consistently said, "no mayor,

no money” and this proposal will allow us to compete on a level playing field with our immediate regional neighbours and speak with one voice to Government.

Let’s be clear - standing still is not an option. If we do nothing, we risk falling behind, missing out on vital funding, and losing the ability to deliver the services our residents rely on.

Our proposal is straightforward: one brand new Council for Leicestershire and Rutland, based on current boundaries, with Leicester City retaining its current boundaries. This single new authority would be responsible for all local services. It would streamline decision-making, is based on a sensible geography for service delivery, retains our historic civic and cultural identities, eliminates duplication, and puts public money where it belongs: on the front line.

Financially this proposal is strong. Independent analysis shows that, by reducing management layers and back-office costs, we can save around £40 million a year, savings which have been independently analysed. That is money that can be reinvested in the services people care about. We avoid splitting up highly rated services like children’s social care, and we keep our historic borders and local identity intact. No breaking up of communities, no forced transfer of land to Leicester City.

We propose that the new Council will comprise 90 councillors, each representing around 6,500 electors, to ensure strong local representation. Area committees will bring decision making closer to neighbourhoods, and there is real potential to devolve services to parish and town councils or community groups where it makes sense and where it is wanted.

Local planning and development control decisions will also be kept local, delivered via local area and constituency area planning committees, similar to the North Yorkshire Council model. This is not about centralisation or a county council takeover. It’s about accountability and empowerment, giving people a genuine voice in how services are delivered locally for the benefit of future generations.

We have learned from the experience of other reorganisations. Our implementation plan is phased, realistic, and designed to minimise disruption. We will keep residents and staff informed, protect vital services from day one, and use digital tools to improve access and efficiency. We will invest in our workforce and build a culture of openness and innovation.

Our proposal has thoroughly considered and assessed the alternatives, and our options appraisal evaluates both the district councils’ proposal of splitting the county into two and options for the City to expand its boundaries.

The evidence shows these options would cost county taxpayers more, deliver less, and create unnecessary disruption. Splitting services risks a postcode lottery, fragmented delivery, and higher management costs. Expanding Leicester City’s boundaries would mean breaking up communities, transferring assets, and increasing

risk, without any real service or financial benefit. In fact, the bigger the city, the worse off the county becomes.

In other words, any other option is high-risk and high cost.

Let us not lose sight of the goal: better services for residents, not more councils for the sake of it.

Some have asked if a single council will be too big or too remote. I want to reassure you: most decision-making already happens locally. Over 80 per cent of the council tax you pay goes on existing county-wide services. Our area committee models, local delivery teams, and strong partnerships will keep services close to communities while giving them the resources and influence they need. We are not building a distant bureaucracy, but a modern, agile council that puts residents first.

We are not alone in this ambition. Across England, unitary councils are delivering better outcomes, saving money, and providing simpler access to services. We owe it to the people of Leicestershire and Rutland to seize this opportunity and deliver a council that is sustainable for the next generation.

In summary, our proposal for a single unitary authority for Leicestershire and Rutland offers:

- Significant annual savings, reinvested in frontline services.
- Simplified, joined-up services with one council to contact.
- Stronger community engagement through area committees and service devolution.
- Preservation of local identity and historic borders.
- Is the key to future devolution of powers.
- A clear, deliverable plan with widespread support and independent validation.

Let us choose a future that is simpler, stronger, and fit for purpose. Let us take advantage of this opportunity to put residents first, deliver better services, and ensure that Leicestershire and Rutland remain places we are proud to call home.

Thank you.

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