

Leicester City Council Proposal – Consultation Response

Executive summary

Leicestershire County Council supports the principle of a two-unitary model as the most effective structure for Leicester, Leicestershire and Rutland and also supports rapid devolution under a Mayoral Strategic Authority. However, we do not support implementing Leicester City Council's proposed boundary expansion (Option 1) as part of Local Government Reorganisation (LGR), because the proposal does not evidence that the benefits outweigh the material financial, service delivery and implementation risks it creates. Nor does the proposal account for the significant negative impact upon the remaining county area. We would ask MHCLG to proceed with LGR and devolution without boundary expansion at this stage, prioritising deliverability, stability and early benefits to residents. If any boundary issues do require attention, these should be considered as limited, evidence led boundary adjustments after reorganisation, following the proper statutory processes and once the Spatial Development Strategy and new governance arrangements are established. We would also require robust assurance on transition costs, service continuity and distributional impacts (including council tax harmonisation) before considering any boundary change.

Note on Leicester City Council Option 1 and Option 2

Leicestershire County Council notes that the City Council has produced a base proposal (Option 2), the existing city plus three southern districts (Oadby & Wigston, Harborough and Blaby), formed of whole district building blocks, with a formal request that the Secretary of State uses modification powers to implement the preferred boundary expansion (Option 1). As the City Council are not supportive of Option 2, Leicestershire County Council are only responding to this consultation on Option 1.

Sensible geographies and economic areas

Two unitary authorities vs three unitary authorities

- Leicestershire County Council agrees with the City Council that a two unitary solution is the optimum for Leicestershire, Leicester and Rutland. Leicestershire County Council also agree that a two unitary solution should include Rutland within its boundaries as this makes most geographic and economic sense.
- This proposal does deliver two new unitary authorities with populations over 500,000. However, Leicestershire County Council does not believe that the benefits of achieving two populations over the threshold outweighs the short and long term risks of this approach, which are set out in more detail below. Of particular concern is that the proposal does not explain how service levels will be set for the new unitary, which combines areas of very different demographic and funding characteristics.
- By contrast, the strength of a two unitary model without boundary expansion is that it can be completed quickly and with limited risk, allowing devolution to happen rapidly and the county areas to enjoy the transformational benefits from unitarization that the City currently enjoys.
- Boundary expansion should only be considered once a proper benefit and risk assessment can be performed and central government is satisfied that the outcomes from LGR and devolution have been achieved.

Methodology for establishing proposed boundaries

No clear link has been demonstrated between the justification for boundary expansion offered in the proposal and the actual boundary lines proposed, given that the proposed boundary is substantially larger.

The evidence offered cannot be described as compelling evidence for boundary expansion that does not use existing districts or parishes and the precedents that might set for LGR and boundary expansion elsewhere.

The proposal is contrary to Boundary Commission guidance

Leicestershire County Council believe that the case for boundary expansion is considerably weaker than that of other cities presented to MHCLG

- Leicestershire County Council have considered each of piece of evidence for expanding the boundary below and why they are not a compelling reason for the boundary expansion proposed:
 - The 'Principal Urban Area', Office for National Statistics modelling and boundaries from the covid-19 lockdowns are presented as three possible models. However, the proposed city boundary does not use any of these models as a base.
 - Data from the census shows residents' commuting patterns, with the argument that the large number of people working in the city but living in the county demonstrates that city boundaries should be increased. However, Leicestershire County Council's analysis of the combined AM/IP/PM peak period "commuter" class trips within the Pan Regional Transport Model (PRTM) shows the reality is far more complex.
 - With regards to sectoral movements of commuter trips, it is true (and expected) that there are many movements between Leicester City and its suburban/surrounding areas. However, as shown by the table below, two-thirds of commuter trips within the area the City is proposing to govern are **not** to/from places within the City's *current* boundary. As such, the logic that they should govern these areas due to the high propensity of city-commuters is flawed, as overall twice as many non-City-commuters live within these areas.

	Leicester City	Elsewhere
Blaby	28%	72%
O & W	46%	54%
Harborough	57%	43%
Charnwood	39%	61%

	TOTAL	35%	65%
○	Whilst it is inarguable that people commute from outside of an urban centre to work, extending the logic used in this proposal would see a large swathe of north Leicestershire move into a Nottingham unitary authority and the south east of England governed from greater London.		
○	Bus and public transport networks are used as a surrogate for the potential future boundary. Again, this simply reflects where commuters might live and is designed to optimise commercial advantage for operators, not optimal local government boundaries.		
○	Particularly unconvincing is the utilisation of customer data from Curve and leisure centres. Curve rightly attracts visitors from across the county, as it is the only large producing theatre. Accordingly, this data cannot be used to prove the logic of an expanded city boundary.		
○	The proposal draws upon the examples of Sheffield and Bradford to show that the current unitary authority is three times more densely populated. Leicestershire County Council notes that one quarter of land in the Bradford UA is in the Nidderdale AONB and so not developable and one third of Sheffield UA is in the Peak District National Park. The context of the creation of the Sheffield UA from South Yorkshire was that the four county boroughs within South Yorkshire were each added to urban district councils and rural district councils. This reflected the four principal population centres in South Yorkshire. This is a fundamentally different population spread, density and structure to Leicestershire where there was only one county borough and so no need to equitably split the pre-1974 county between multiple larger settlements.		
○	Even if one of these potential models for city expansion were particularly compelling, there is then no logical argument presented as to the proposed boundaries in option 1. These are substantially larger than all of the examples presented above. At no point in the proposal is any overarching logic presented for the proposed boundary. Leicestershire County Council do not believe that the proposed boundary is drawn tightly enough to the built-up urban area and functional catchments the submission relies on.		
●	The proposal argues that it creates a coherent split of unitary authorities, with the City unitary being more urban in focus and the county unitary being more rural. However, this ignores the large urban centres within the county, such as Loughborough, Coalville, Melton and Hinckley. Indeed, analysis shows that in the expanded city unitary, 57% of the population will live within an urban setting.		
●	The extent of the revised boundaries proposed means that 26% of the land of the supposedly 'urban' city unitary will actually fall within the ONS classification of 'Smaller rural' land, as this only includes 1% of the city population, it shows that this 26% of land is very sparsely populated indeed.		
●	As this proposal relies heavily upon the argument of two coherent urban and rural unitaries, that the evidence does not bear this out suggests that the whole rationale of boundary expansion is built on flimsy evidence.		
●	Leicestershire County Council is not ignoring the pragmatic realities of some areas of the city where boundaries are complex and lead to poorer public services. It is aware of examples where contiguous streets fall within the city and county, leading to confusion over arrangements for delivery of services.		
●	Boundary change can only be properly assessed once reorganisation is complete to allow a proper evidence base to be developed and need for boundary change fully		

understood. However, Leicestershire County Council strongly maintain that LGR is not the time for boundary expansion.

- This proposal splits district councils and parish areas across two separate unitary authorities. Parishes are intended to sit wholly within the area of a single principal council, and splitting them across two new unitaries creates immediate governance and electoral anomalies which would have to be resolved through further boundary change work. The Local Government Boundary Commission for England (LGBCE)'s technical guidance is clear that in parished areas, parishes should be used as the building blocks for new electoral divisions to avoid boundaries that are less intelligible to residents and more difficult and costly to administer. The LGBCE cannot create or abolish a parish council and cannot change the boundary of an existing parish. A Community Governance Review (CGR) would need to be carried out in order to achieve this. However, the LGBCE's LGR guidance highlights that, when it comes to a full electoral review of a newly established authority, it asks authorities not to run a concurrent CGR because this can create confusion and complicate arrangements. For these reasons, an option which splits parishes is considered to be poor practice, introducing avoidable administrative burden at the point of reorganisation and first elections, and should be avoided where a viable alternative exists.

Comparison to other cities requesting boundary expansion

- It is noted that Oxford, Gloucester and Lincoln are proposing boundary expansion along the lines of that requested by Leicester City.
- Oxfordshire commissioned independent modelling producing scenario-specific GVA, employment and agglomeration projections. Gloucestershire produced unit-level economic impact calculations with Government-approved sources. Lincoln provided a specific GVA-mismatch analysis showing entrepreneurship growth not translating into economic output due to boundary constraints, plus a quantified innovation cluster (LSIP: £17m GVA pa, 850 jobs, £100m cluster). Leicester's financial case relies on percentage-based aggregate savings with no independent validation.
- Growth mechanism: Oxford identified a precise mechanism, 2.6% Green Belt release yielding 40,000 homes and 29,000 jobs. Lincoln anchored its boundary to the pre-existing Lincoln Strategy Area, a joint Local Plan geography already in use across three councils, giving it a planning-policy foundation that pre-dates and is independent of the LGR process. Gloucester tied expansion to parishes forming the functional urban area with a proven regeneration track record. Meanwhile, Leicester identifies 30,000 homes and 67ha of employment land but does not present an equivalent planning-policy mechanism demonstrating these can only be delivered through boundary expansion rather than through strategic planning across the MSA.
- Global/national significance: Oxford tied expansion to the UK's international competitiveness (£78bn Oxford-Cambridge Corridor prize). Lincoln tied expansion to a nationally significant defence and innovation cluster, including Britain's first Air & Defence College and LSIP. Gloucester tied expansion to a £4bn economy with a demonstrable regeneration track record. Leicester's arguments, while valid locally, do not articulate a comparable national or international economic imperative.
- Neither Gloucestershire, Oxfordshire nor Lincoln rely on suburban tax-base absorption as a primary financial argument. Oxfordshire's financial case is built on growth revenue, new homes and commercial space generating genuinely additional council tax and business rates. Lincoln's financial case is built on service transformation, a prevention-led operating model generating efficiencies, with the city

starting from a notional £8.5m surplus. These approaches are materially stronger because they do not trigger Fair Funding offsets.

- Lincoln's boundary is anchored to the Lincoln Strategy Area, a geography that three councils already use for joint plan-making. This means the boundary is not an invention of the LGR process but a pre-existing, agreed planning geography. Oxfordshire's boundary is explicitly tied to the Green Belt, and Gloucestershire's to surrounding parishes forming the functional urban area.

Developable land in the city area

Leicestershire County Council believe that the city council's argument over the need for access to developable land is negated by the provisions within Spatial Development Strategies which allocate land and housing targets across the wider LLR area.

- Leicestershire County Council acknowledge that the city council has a lack of developable land over the next decade. Whilst it is correct to state that getting agreements from district councils over absorbing the housing and development requirements of Leicester City has had challenges, the principle has never been brought into question.
- This cooperative approach would be cemented through the Spatial Development Strategy process, which Leicestershire County Council welcomes. This will allow joined up planning for the whole of Leicestershire, Leicester and Rutland and ensure that we continue to deliver the housing and development targets that the region needs, but without forcing inappropriate development in inappropriate locations and building on greenspace, simply to meet targets.
- The SDS will look ahead at least 20 years and set the coordinating framework for all local plans within the SDS footprint, identifying the appropriate scale of growth and development. It could also identify the need for regeneration, protection or improvement of the built or natural environment.
- Leicestershire County Council believe that the SDS process within a Strategic Planning Board, in advance of devolution, addresses all of the City Council's concerns around developable land.
- A key barrier to development is the requirement for significant infrastructure funding that makes schemes unviable. The proposal does not address this and will make the challenge more difficult by financially weakening the county council, which is responsible for major infrastructure schemes, and risking a delay to devolution.
- Finally, it is worth noting that boundary expansion does not create any more developable land, it merely moves the administrative responsibilities for that development from one authority to another. It also leads to disruption to planning teams, slowing down potential development in the region.

Ability to deliver the outcomes described in the proposal

Leicestershire County Council believe that further scrutiny of transition cost assumptions and funding realism, including redundancy / programme costs, IT ranges / contingency, and shadow authority costs is required.

Leicestershire County Council would wish to further stress-test the financial model's load-bearing assumptions, including savings phasing, allocation methods and any explicit "dis-economies of scale" effects.

- Transition costs are higher under this proposal. Whereas a single unitary for Leicestershire and Rutland, with no expanded city boundary is forecast to cost £21.5m to deliver in transition costs, the City Council proposal is forecast to cost £28.1m, with significantly higher programme management costs, reflective of the complexity of the change required.
- The financial modelling for these costings was jointly commissioned by the City and County Councils and so is considered robust and reliable.
- However, it should be noted that even with the additional contingency costs applied to the City Council's budgeted transition costs, risks remain due to the complexities involved in complex service disaggregation, multiple IT migrations, and extensive legal negotiations. By retaining existing boundaries and structures, the preferred option streamlines the change process and avoids unnecessary expenditure. It also means that all the benefits of reorganisation are invested in frontline services.
- Due to limited time and complexity there has not been an assessment of the cost to resolve mismatches between populations and assets following boundary change. Resolution will require assets to be relocated (expensive) or shared (undermines case for boundary change).
- Leicestershire County Council also note that the City Council intend to fund transition through capital asset sales, whereas the County Council proposal would use reserves and so preserve assets for more appropriate rationalisation in the future.
- During transition, existing services continue on existing terms from Day 1, with harmonisation phased over subsequent years. The messaging is "nothing changes on Day 1", "bins will be collected, care provided and local offices open for business." This is a sensible approach reducing disruption risk, but it means both legacy authorities' systems, contracts and practices must run in parallel for an unspecified period, creating unquantified duplication costs. Extensive legal agreements will be required to make this happen, eroding the time available to implement improvements that will benefit residents.
- Dual-running of ICT systems is one of the mitigations across all service areas. Specific system divergences are identified: Liquidlogic vs. Mosaic (children's services), City One vs. County SEND2 (SEND), Causeway vs. county asset management (highways). No migration plan, timeline, or cost estimate is provided for any system. ICT migration is consistently identified as one of the highest-risk areas, yet remains at scoping stage.

The right size to be efficient, improve capacity and withstand financial shocks

Overall financial assumptions

- The proposal makes the argument that LGR will improve the overall health of local government in Leicestershire and Rutland in a two unitary model. The financial modelling has been jointly commissioned by Leicester City Council and Leicestershire County Council and so we accept the assumptions made around savings. However, the overall health of the county area will be reduced in favour of the City, a situation that will be extremely challenging when the transitional arrangements from funding reform cease.

Impact on deprivation-related costs

Leicestershire County Council suggest that there are unintended financial consequences of these proposals by moving areas from the county into the city and that this will impact on the sustainability of the county unitary.

- These proposals will allow the city unitary to rebalance its deprivation somewhat. The boundary expansion means that the city unitary acquires some less deprived areas. Currently 85% of LSOAs fall within the bottom half most deprived LSOAs in the country. Under option 1 falls to 57%.
- At no point in the proposal does the City Council explain how changing the balance in deprivation between the two unitaries, by bringing less deprived areas into the City Unitary might improve service levels for residents, or affect the financial performance of the city council. It is simply presented *ipso facto* as a benefit. Given all of the other disbenefits of boundary expansion, Leicestershire County Council do not believe that simply adjusting deprivation balance is a strong enough reason to expand the city.
- Furthermore, whilst improving the need and deprivation balance in the city might be to Leicester City Council's benefit, it will have a substantial and harmful impact on the financial resilience of the county council. Leicestershire is a relatively small county with low funding per head – so is very sensitive to loss of scale – currently the lowest CSP per head of the two-tier counties for 2025/26 and is projected to remain the lowest over the next 3 years. The City fringe is one of the cheapest areas to service due to lower than average rurality and this area would be lost to city expansion, driving up average costs per head across the rest of the unitary authority.
- The cost per resident in the city is 30% higher than the county. The single unitary for Leicestershire and Rutland option ensures maximum scale and efficiency whilst also bringing down the cost of services in Rutland, which are currently very high comparatively at £1,685 per head.
- A single county unitary incorporating Rutland gives a total cost per head of £906 across the expanded region. In the city expansion option, the County area loses scale and efficiency, bringing its cost per head up to £968. This neatly demonstrates the effects of economies of scale for the county that would be lost through an expanded city boundary.

The financial sustainability of the City

Leicestershire County Council has seen no evidence to the overall impact of moving the council tax base from the county to the city through boundary expansion and whether this does anything other than simply

moving funding from one authority to another, rather than fundamentally revising the finances of local government.

- The proposal acknowledges that "future projection is difficult due to the Fair Funding Review," but does not follow the logic of its own financial case to its conclusion. With funding allocations finalised after the proposals were submitted the position is now much more clear. The city's 2026/27 revenue budget explicitly states that it gains from full council tax base equalisation because its tax base is relatively low, and that it benefits from deprivation-targeted funding including the £11.7m Recovery Grant. The City is now budgeting to produce a financial surplus.
- Boundary expansion would absorb suburban properties predominantly in higher council tax bands, raising the city's tax base, but under Fair Funding, a higher tax base triggers is accounted for in equalisation, lower RSG top-up, and potential loss of deprivation-weighted grants. The proposal counts the suburban tax yield as a gain without modelling the offsetting loss in formula funding, creating a significant risk that the claimed £28m improvement is substantially overstated. Nor is it addressed whether suburban and rural communities would see their needs accurately reflected within a city-dominated funding profile, how business rates, assets, liabilities and reserves would be allocated between authorities, or, as parish council stakeholders noted, whether the benefits accrue to the city rather than to parishes and their communities.
- Funding reform takes away the financial sustainability justification. Firstly, by materially increasing the relative funding of the City which is going up by 36% compared to 16% for the County area when transitional protections fall out. But also by having 100% equalisation of Council Tax in the methodology the on-going benefits of growing the base are removed.
- The recent funding settlement has put the city on a much stronger footing. In 2026/27 the city is projecting an end of year surplus after making only £5m of savings. The county council gap is £15m assuming £23m of savings are delivered.
- Leicestershire County Council do not believe that this proposal clearly demonstrates that boundary change improves public service sustainability, and instead simply shifts pressures and responsibilities between councils at significant cost and service disruption.
- The City Council has not provided any evidence that its financial position is worse than the County Council's. Both authorities have significant general fund deficits, and the County Council has a far more significant SEND pressures (including transport). A cursory review of comparative service offers shows that the City is able to offer more discretionary services at a higher level, for example:
 - No street light dimming or overnight switch off
 - Extended Household Waste Site opening hours
 - An extensive Youth Service
- The City is already better funded than the County Council, with the City having a Core Spending Power of £1,150 per person compared to £960 for the County based on figures for 2025/26.

The financial sustainability of the County

- Overall, the effects of boundary change will be to materially worsen an already difficult financial position for the County Council. At the end of the MTFs the County Council's gap between income and expenditure is £85m after £48m of savings.
- Several risks have not been quantified in this proposal, for example disruption to service assets will be material. Some of Leicestershire County Council's key bases are close to the City and tens of millions would be required to re-locate if joint arrangements cannot be established. As mentioned, joint arrangements are rarely long-term solutions.
- Due to the number of residents moving between authorities, there will need to be a rebalancing of funding. For some funds, such as the Better Care Fund, it is forecast that £37.8m of County Council BCF Funding will be lost. In the County, BCF is paid at £141 per head, whereas at £207 per head in the City. If the County BCF continued to be paid at the current rate, with a lower caseload, it could cause a significant future budget gap due to the lack of economies of scale at this lower payment rate.
- The City's preferred expansion option tips the balance of savings in the City's favour, with the City benefiting from almost 60% of the savings generated. This leaves the residual County area with a budget gap of around 6% of net spend in 2028/29.

Council tax harmonisation

- The proposal acknowledges a 21% range between the highest and lowest Band D bills across LLR. It states harmonisation must occur but does not indicate whether expansion-area residents would face increases or decreases. This is a significant gap as the change in population is so significant.
- This also makes it harder for equalisation of the high Rutland Council Tax to be resolved.

High quality, sustainable public services

Impact on individual service areas

Leicestershire County Council do not believe that the fragmentation examples are material and systemic (children / SEND; housing / homelessness; highways / transport / flood), and this suggests that boundary change is not the right lever.

Leicestershire County Council does not believe that the proposal clearly demonstrates that boundary change improves public service sustainability, rather than shifting pressures and responsibilities between councils.

- The proposal makes the case that boundary expansion is critical to improve services in several key areas. Leicestershire County Council maintain that the imperative for boundary change is neither clear nor urgent. Indeed, it has not been proposed before the government letter on LGR. Leicestershire County Council have tested each of these assumptions to see whether the issues highlighted are actually material and whether the supposed 'failings' are systemic and things that boundary expansion would solve.
- Adult Social Care – the case is made that boundary expansion “brings the wider urban/suburban area into a single commissioning approach, reducing duplication,

giving providers a consistent route into brokerage and safeguarding, and scaling Leicester's established practice in areas such as reablement, where performance indicators show strong outcomes across a large population." The case study focusses on outcomes from the urgent community response service.

- Whilst there are arguments for greater economies of scale through commissioning over a wider area, the proposed city boundaries include large swathes of rural Leicestershire, undermining the urban/suburban focus suggested here.
- The expanded city boundary could create some economies of scale for the city unitary, but will create similar diseconomies of scale across almost all commissioned services within the remaining county unitary.
- Currently the county homecare contract is paid in zones – urban, rural, fringe and isolated. The urban packages are the most popular as there are more people living in those areas and there is less travel time required for providers so they are more profitable. Having less of these would impact on costs for Leicestershire County Council as more packages would be in the higher cost zones, less packages for providers and those available are more expensive to provide which would mean potential less providers who work with Leicestershire County Council due to not having the availability of the work and an impact on Leicestershire County Council's ability to find care for those people who we commission packages for and the current responsiveness we have.
- The proposal argues a single expanded city would enable one commissioning approach, one brokerage hub and consistent tariffs. However, joint commissioning across council boundaries is already established practice nationally under Section 75 of the NHS Act 2006 and through pooled budget arrangements. The proposal itself notes "well over 100 partnership arrangements across different geographies" already exist across LLR. Consistent commissioning could be pursued through a formal joint commissioning agreement without structural change.
- Both Leicestershire County Council and Leicester City Council's Adult Social Care services are currently rated as 'Requires Improvement'. Complex disaggregation of services would be highly unwise at a time when service improvement is needed and could further put the quality of service delivery at risk.
- The case study presents a model of service delivery that is different to that in the county. However, the model could be adopted by the county council, should they so wish, it is not a natural outcome of boundary expansion.
- This suggests that the criticisms of current delivery of Adult Social Care are not systemic and related to the current city boundary. It also suggests that overall outcomes could be worse in the county, as a result of boundary expansion.
- SEND and education – the case is made that boundary expansion "aligns mainstream, special and alternative provision across the wider urban area, reducing duplication in home-to-school transport, applying stronger statutory performance more consistently, and giving families clearer and faster routes to support." The case study makes the argument that in city schools there are greater levels of embedded SEND support which county children may be able to access after the boundary expansion as they might be within the catchment area of city schools.

- This argument is incorrect as access to schools is governed by straight line distance from home, rather than a child being within the boundary of a local authority.
- There is a realistic scenario where educational outcomes for children with SEND are worse under these proposals as special schools relied upon by county residents move into the city, making sufficiency worse.
- Children’s Services – the proposal argues that boundary expansion “creates a more coherent unitary council footprint for safeguarding, early help and placements, improving sufficiency by growing fostering and residential capacity closer to home and commissioning once with providers”. The case study argues that children in foster care with EHCPs would be better served with boundary expansion as currently they might move to a new fostering placement outside of the current city boundary.
 - Whilst the case study clearly highlights a complex situation for looked-after children, it does not seem to be a systemic failing that boundary expansion will naturally resolve. The challenges of being handed over from one authority to another could be resolved far more easily through better liaison between caseworkers, shared access to data or a joint SEND strategy, rather than boundary expansion.
 - The proposal highlights improvements in commissioning for the City unitary, but the same caveats around additional costs for the county unitary apply, as with Adult Social Care above. There are also significant risks to the City’s Children’s Services department, already rated ‘Requires Improvement’, of taking on a major disaggregation that could further put service levels at risk.
 - Whilst boundary expansion might reduce some of these instances of fragmentation of service provision, it does not remove it entirely. It is a certainty that “edge effects” will continue to be experienced even with an expanded boundary. Arguably these will be worsened as a rural county unitary diverges in practice from the urban/suburban city.
- Housing and homelessness – the proposal argues that boundary expansion will align “pathways, tenancy standards and homelessness strategies across the expanded city, tackling concentrated pressures with one strategy and extending Leicester’s inhouse landlord model to improve safety and sustainment of tenancies.” The case study is around access to housing stock for homeless families in Leicester City.
 - The case study shows a clear example where access to services for county residents that might move into the expanded city would decline, as it argues that county housing stock could be used to house high priority residents from Leicester City.
 - In Leicester City 21.5% of housing is in the social rented sector and 78.5% is privately owned. In Leicestershire the respective figures are 10.8% and 89.1%. In Rutland the respective figures are 10.2% and 86.5%, with a further 3.3% of housing owned by other public sector. There is thus a relatively smaller stock of social rented housing in the county area.
 - Total households on the housing waiting list per 1,000 households:
 - Leicester 42.5
 - Leicestershire 21.2
 - Rutland 31.7
 - Detail:
 - Charnwood 14.6
 - Harborough 16.2
 - North West Leicestershire 17.1

- Blaby 19.8
 - Hinckley and Bosworth 23.6
 - Melton 25.5
 - Oadby and Wigston 57.2
- This shows that the housing waiting list need is greatest in Leicester City. It is important to note though that the waiting list is even more acute in Oadby and Wigston, one of the areas that will be fully absorbed by the proposed expansion. This suggests that simply expanding the boundary of the city will not automatically improve access to social housing for City residents. It is likely to be controversial if one of the outcomes of LGR is that county residents find it hard to access social housing.
 - The City Council believes that by having a housing strategy “across the two new authorities for urban and rural areas” it would join up areas with high need and those with high stock. This is an issue which is, in part, solved by SDS and not something that boundary expansion will deliver. Using the SDS to ensure appropriate levels of house building across the whole of Leicester, Leicestershire and Rutland, is a much better approach to dealing with lack of access to social housing, rather than simply redistributing the existing pool of social housing in favour of city residents. Indeed, homelessness prevention and rough sleeping strategies are already coordinated across LLR through existing multi-agency partnerships. Allocations policies could be harmonised through a shared choice-based lettings system (such as HomeChoice, referenced in the proposal) without requiring boundary change.
 - The proposal notes that HRA debt apportionment poses “significant technical challenges.
- Highways and transport – the City Council claim that “the city could plan and manage transport improvements and maintenance across the travel-to-work area more coherently, applying consistent policies, coordinating works and scaling delivery capacity for schemes.” The case study presented concerns major arterial routes in the city where cycle lanes stop at the county boundary, along with bus routes and highway maintenance regimes.
 - Enhanced Partnerships under the Bus Services Act 2017 can already operate across local authority boundaries. The proposal itself notes the MSA would provide strategic transport planning across LLR, a function existing regardless of city boundary expansion. The bus coordination benefit is attributable to devolution and the MSA rather than to city boundary expansion specifically.
 - Whilst it is true that on major arterial routes into the city, the approach to the highway will vary at the authority boundary, this is an issue that can be resolved through coordinated planning and strategic direction from the MSA. It is not a systemic problem solved solely by boundary expansion.
 - There is also a high likelihood that highway maintenance will decline in an expanded city unitary authority. Currently the city has no responsibility for rural roads, with greater focus needed on winter service, surface dressing, drainage and flood response and vegetation maintenance. As presented above, the expanded city is taking on significant rural assets, rather than being solely urban.
 - Neighbourhood and environmental services – the proposal makes the case that boundary expansion “removes anomalies across district boundaries, standardises licensing and enforcement, and improves efficiency and equity in waste, cleansing, public safety and other visible services.” It provides an example of one street in

Harborough District where the boundary is mid-way through the road and consequently the residents have differing refuse collection arrangements.

- Whilst Leicestershire County Council acknowledge this example and recognise a number of similar examples around the county, Leicestershire County Council does not accept that this is a material problem that boundary expansion should be solving. Boundary change could be considered once reorganisation is complete to allow a proper evidence base to be developed and need for boundary change fully understood. However, Leicestershire County Council strongly maintains that LGR is not the time for boundary expansion.
- In all of the service examples a common issue is that the required service changes have not been considered, with no plausible solution put forward. Simple adoption of existing City council policies and approaches will not be possible, due to the county's 30% lower funding per resident, nor would they be appropriate due to the deprivations, age and rurality characteristics of the areas being adopted.

The risk of 'edge effects'

Leicestershire County Council do not believe that boundary expansion reduces fragmentation rather than moving it, noting the submission's own recognition of continuing "edge effects".

- This proposal makes the case that key services are fragmented at the boundary of the current city and county. However, as noted above, Leicestershire County Council are not convinced that boundary expansion reduces fragmentation rather than moving it, noting the submission's own recognition of continuing "edge effects". By removing some of the semi-urban areas from the county unitary, boundary expansion could have the undesired effect of heightening the fragmentation that it moves, but putting the boundary at a point where there is a cliff edge change in provision from urban/semi-urban to rural services that are not delivered in a similar manner.
- Fragmentation is not currently a significant issue.

The risks from disaggregation and expansion of boundaries

Leicestershire County Council are particularly concerned of the risks of disaggregation of services, particularly when not based on a district council footprint, and are not assured that the benefits outweigh the harms.

- Leicestershire County Council have serious concerns over the practical implementation of the proposed boundary and how this might impact services.
- Risks for services from disaggregation:
 - Fragmented boundaries: disaggregating key services such as: street lighting, waste depots and waste sites at a street by street level poses serious risks to the ongoing delivery of these services.
 - Imbalance in Demand and Funding: the movement of population and need between the county and the expanded city unitary will lead to significant changes in the overall profile of need within the new authorities. For example,

32% of people who draw on Adult Social Care services within the County would require their social care needs to be met within the City as they reside in the proposed expansion – the scale of the transfer of this care required could cause significant transition risks and long term funding challenges.

- Loss of economies of scale: Increased unit provision cost to the Council to lack of economy of scale in many services. Also, increased rurality means that remaining services, including waste collection or homecare, in county unitary are more expensive to deliver. Significant changes to funding allocations would be required.
- Deterioration in Adult Social Care: The expanded city would absorb responsibility for adult social care for a suburban, and in places, semi-rural, population currently served by the county. The proposal argues the city can scale its existing commissioning and practice models (reablement, direct payments, urgent community response) across the wider footprint, with a single brokerage hub simplifying hospital discharge. However, this assumes that models designed for a compact, urban geography with relatively concentrated demand and short travel times will translate effectively to a more dispersed suburban and rural setting, where provider markets are thinner, domiciliary care rounds are longer, and workforce recruitment is already more challenging. No workforce capacity assessment is presented to test this assumption. The county has an older age profile (20.6% aged 50-64 vs. 15.9% in the city), meaning demand patterns in the expansion area may differ materially, not only in volume but in type, with a likely higher prevalence of isolated older people, limited public transport access to day services, and greater reliance on domiciliary rather than residential care. The proposal does not address how the city's delivery model would adapt to these fundamentally different operating conditions.
- Deterioration in Children's Services: This is the highest-risk service area. The Ofsted performance gap is significant: the city is rated "Requires Improvement" while the county is rated "Outstanding." The proposal acknowledges that "Ofsted position diverges... so public confidence will need careful management during transition", a communications measure, not a service quality safeguard. Additional risks include different ICT systems (Liquidlogic vs. Mosaic) requiring dual-running and migration; differing safeguarding thresholds; workforce morale and retention during change; and unclear roles during transition. The proposal does not set out a performance improvement plan, a timeline for achieving Good or Outstanding, or any undertaking to protect service standards during transfer.
- Lack of some services within the City unitary: some services such as Public Rights of Way, Parish Council Support, or Strategic Road Network Infrastructure Management are either not currently held by the City Council, or not held to the degree or complexity that would be required in an expanded city unitary. This would require the creation of new specialist teams.
- Reduced Service Accessibility: Families are transferred from an Ofsted rated 'Outstanding' service in the County to a 'Requires Improvement' in the City. Schools and early year providers located in the boundary expansion area would transfer to the City and included in their sufficiency planning. This would cause immediate issues in early years and school place sufficiency for Leicestershire (potential oversufficiency in the city) due to the number of schools and early years providers in the boundary expansion area. Significant loss of HWRC capacity for Leicestershire

residents (Whetstone is the largest HWRC in Leicestershire, handling 16% of all HWRC tonnage). Potential need for construction of additional large HWRC to provide additional capacity.

- Complexity in Service Division and Asset Allocation: Some assets and services, such as care homes and specialist highways equipment, are not evenly distributed or easily visible. Splitting them could lead to gaps in provision, inefficiencies and disputes over responsibility and funding. Particular concerns include:
 - Boundary changes would result in the loss of care homes and beds across Oadby & Wigston (19 homes, 584 beds), parts of Charnwood (including Syston, Thurmaston, Queninborough, Anstey, Birstall, Wanlip—portion of 45 homes, 1434 beds), Harborough (portion of 15 homes, 727 beds), and Blaby (portion of 18 homes, 444 beds). Community Life Choices (CLC) services for people with learning disabilities would also be significantly reduced: Oadby & Wigston would lose 2 services, Charnwood a portion of 13 (12 for LD), and Blaby a portion of 4 (2 for LD). The largest impact would be on Community Life Choices services for people with learning disabilities—necessitating either out-of-county commissioning or new in-county service development if demand exceeds provision.
 - Carlton Drive Short Breaks respite would be part of the City, reducing the offer for County residents who need respite (unless we commission in an out of area provision. From April to August 2025, Carlton Drive provided 796 respite, full night stays. This is on average 159 full night stays per month or approx. 40 per week. This is a large resource to lose if it becomes part of the City's resources. Carlton Drive also provides urgent respite for times of unplanned events and is a facility to accommodate people at very short notice which could impact on care pathway teams
 - Waterlees supported living accommodation, currently providing 9 flats and 15 supported living places, staffed by Leicestershire County Council staff
 - Reduction in Leicestershire specialist provisions. One area special school, one SEMH school and 5 Enhanced Resource Provision (431 places) that cater for children within the scope of this option but also a significant amount outside of the scope for this option. This would leave an increased deficit of specialist provisions available, especially for children and young people residing in Harborough, which utilise many of these provisions.
 - Whetstone waste transfer station is a business-critical asset to the County Council which would transfer to Leicester City Council. This would require extensive waste flow remodelling and service reconfiguration. Could potentially require the construction of additional WTS at significant capital cost to enable delivery of County Unitary waste service. There is a risk to service resilience in finding appropriate alternative waste sites in planning terms.
 - Loss of Whetstone trade waste service and associated income.
 - Blaby District Council waste depot (district depot with the best facilities) transfers to Leicester City Council risks leaving the wider Leicestershire unitary with insufficient depot capacity. Again, this

would require service reconfiguration and could impact on the efficiency and resilience of waste collection services for residents.

- Risks from IT system disaggregation: While the complexity and difficulty of merging IT systems is well known these issues are significantly worse when it comes to disaggregation of line of business systems. For example Adults and children's system are notoriously difficult to extract work cases from to then import into another system. The reasons for this are systems are often deeply interconnected, with complex workflows, shared data, and overlapping processes that support both service delivery and compliance requirements. Splitting them apart is not simply a technical task—it requires a careful analysis of how information flows between different teams, what data is shared, and how those interdependencies support case management and safeguarding across age groups. To achieve the required outcomes it may require significant redesign to preserve both the integrity of records and the quality of care. The sensitivity of the data involved and the need to comply with strict regulatory requirements add further layers of complexity, making the process both time-consuming and resource intensive.

Impact of the urban/rural unitary authority divide

Leicestershire County Council are not satisfied that service levels will actually improve as a result of boundary expansion, or whether this proposal simply redistributes demand

Leicestershire County Council believes that the movement of rural areas into the City will adversely impact service levels as an urban authority struggles to cope with the service requirements of rural infrastructure

- Above all, Leicestershire County Council are not convinced that the City Council has made a consistent case for boundary change either in terms of the coherency of the urban/semi-urban vs rural split, or in terms of financial improvement through expanded council tax base.
- The city's proposal makes the case that boundary expansion is important as it would bring the semi-urban and rural areas into the city unitary, thus increasing the council tax base, with higher valued properties, and also decreasing the overall levels of deprivation. Leicestershire County Council do not believe that the City makes the case that service levels will improve in this scenario and their bid requires clearer, quantified proof that this would be the case. The current proposal seems to envisage a redistribution of demand, rather than lower overall costs for the whole of LLR, or improved service performance across LLR.
- Indeed, there is a strong argument that by acquiring large amounts of rural Leicestershire, service performance in the expanded unitary will actually decline as the authority struggles to manage the competing challenges of, for example, highway maintenance on rural roads, for an authority used to focussing on the urban highway. Leicestershire County Council believe that the when 26% of the land in the city

unitary is actually rural, the authority will acquire poses a particular risk to service delivery in the following areas:

- Asset geography and route design – rural assets are dispersed and routes are longer. Dead mileage is higher and round design must change to maintain productivity.
- Winter service – rural resilience depends on barn locations, long runs and experienced drivers who can cover exposed routes in severe weather. Rotas and priority networks differ from urban operations.
- Carriageway preservation – rural networks rely on seasonal programmes such as surface dressing. The same specialist cohort is shared with winter operations so fragmentation raises unit costs and risks programme viability.
- Drainage and flood response – rural drainage involves ditches, grips and ordinary watercourses requiring different plant, methods and response plans than urban kerb and gully regimes.
- Vegetation and environmental maintenance – verges, hedges and grips require cyclic maintenance across dispersed routes often outside urban cycles.
- Public Rights of Way – a largely rural PRow network needs dedicated inspection, enforcement and works across parishes and farmland.
- Management and maintenance of County Farms estate.
- Inspection, enforcement and emergency response – rural footprints need different standby coverage, incident access plans and inspection schedules to maintain response times and safety.

Being informed by local views and meeting local needs

Data sharing

- We would agree that “there has been good collaboration during the process with data being made available and shared across all councils, underpinned by a data sharing agreement. The city and county councils have also conducted joint financial modelling of the options. This was offered to the district/Rutland group but was not taken up.”
- Leicestershire County Council have continued to work with the city council to ensure shared financial data that can be used for consistent modelling.

The reliability of the survey data

Leicestershire County Council considers there is a risk from proceeding with a boundary expansion that is clearly rejected by a substantial majority of public respondents to all questionnaires.

Leicestershire County Council is mindful of feedback from local MPs on their views concerning expansion of the city boundary.

Leicestershire County Council’s experience shows that reported public confusion over which council to contact is predominantly resolved through unitarisation. The minimal benefits for boundary change should not

influence a decision versus demonstrated and crucially evidenced service / cost outcomes

Leicestershire County Council maintains that the engagement evidence does not demonstrate that feedback was representative and materially shaped the City's proposal, rather than being referenced selectively to support a preferred model.

- The survey carried out by this proposal has several issues which call into question how reliable its conclusions might be:
 - The response rate was the lowest of any proposal at only 810 participants. There was no randomised survey. It was heavily promoted to city staff, yet the responses of staff cannot be disaggregated from the overall.
 - Questions were phrased in such a way that respondents were unlikely to disagree e.g. whether they consider themselves to live in either an urban area or suburb, whether councils should reflect how people live, work and travel across an area, whether councils should represent areas that share common issues. The majority of questions were not about the City's LGR proposal.
 - The narrative about the survey results stated at the start that there were opinions for, against and neutral regarding the City's proposal, however, the report only supplied a selection of supportive quotes. It was stated at the start that town/parish councils were against the proposals but no negative quotes were provided, only ones noting some agreement.
 - The question about knowing which council to use showed just 15% were unsure, however, the commentary extrapolated the views of these 121 people to imply that 30,000 residents shared this view. There was no indication whether these 121 people lived in the proposed city expansion area or elsewhere, yet it was implied to be representative of them.
 - Concerns over boundary expansion was most common issue raised in the comments by a long way (42% of comments while the next most common issue attracted 10% of comments)
 - 488 people made comments and 341 of these people expressed a concern about boundary expansion. This is 70% of comments but the report chose to use 42% of all responses. The typical comments were overwhelmingly negative about city expansion.
 - Linked to this high level of opposition to boundary expansion, all of the local MPs that responded to the city council also refuted the idea of boundary expansion.
 - This proposal claims that Leicestershire County Council councillors opposed city expansion by a tiny margin (23 to 22) in July 2025. This is an incorrect reading of this vote, which related to specific amendments. In November 2025, the council voted unanimously to oppose city expansion.
- There is a clear and substantial risk to the delivery of LGR if the wholesale boundary expansion promoted in this plan were to take place. It runs the risk of alienating local communities and local authorities and preventing them from engaging fully in the process of LGR, bringing the timescales and outcomes into doubt.

Supporting devolution

- Leicestershire County Council agree with the proposal for two unitary authorities underneath one MSA as the best solution for rapid devolution.
- However, Leicestershire County Council disagree with the premise that balanced population sizes are key to ensuring devolution is effective. This proposal claims that boundary expansion to create a urban-focussed and rural-focussed unitary would make for a more effective MSA. As Leicestershire County Council have already stated, the current proposals do not achieve this urban/rural split, but even if that split were attainable, the mix of functions at MSA level are such that clearly defined lower level authorities are not necessary. The recently announced SDSs for regional areas mean that development planning will be conducted over the Strategic Planning Board.
- Leicestershire County Council do not believe that a convincing case has been made that the complexities of boundary expansion, redrawing of parish boundaries, aggregation and disaggregation of services, does not pose a substantial risk to achieving devolution on the timescales indicated by MHCLG. There would not be the capacity within any organisation for significant devolution.
- Unless a Strategic Authority is created and takes on all potential powers at the same time as boundary expansion there will be a significant amount of disaggregation of function that will ultimately be transferred. This is disruptive and not a good use of public money.

Enabling stronger community engagement and gives the opportunity for neighbourhood empowerment

- The proposal calls for a Leader and Cabinet model of governance for both unitaries, which is in line with our proposals.

Neighbourhood area committees

Leicestershire County Council does not believe that the proposed Neighbourhood Area Committees contain sufficient detail to provide assurance that they will allow stronger community engagement and neighbourhood empowerment.

- The proposal advocates for Neighbourhood Area Committees, although limited detail is provided for these at this stage. A governance review is to be undertaken in the transition phase to establish more detail of the precise make up these committees. Leicestershire County Council believe this is important, in order to avoid them becoming a 'talking shop' with little influence.
- LCC's proposal for Area Committees is considerably stronger because it includes a budget assigned to each area to give local people and partners the opportunity to participate in and influence local decision making and service priorities through community grants. To this end, committees could choose to hold themed meetings focused on specific issues and establish task-and-finish groups to address topics in greater depth. Area Committees would play a vital role in the Council's future governance model, acting as locally focused bodies with autonomy to influence decisions and drive community-led change. To ensure value for money remains a priority, they would not be responsible for direct service delivery, but would hold an important oversight function, ensuring services are delivered effectively and reflect

the needs of their local areas. For example, this includes supporting initiatives around community safety, health and wellbeing, using preventative approaches, which are increasingly recognised in NHS neighbourhood health service models as effective in improving outcomes and reducing demand on public services.

- Disappointingly, this proposal also misses the opportunity to deliver visible decision making that truly affects residents' lives in a decentralised way. In LCC's two unitary model there is a clear commitment to Area Planning and Licensing Committees, ensuring that residents can see and influence decision making that has a real impact on their local areas.

Parish Councils

Leicestershire County Council is uncertain of the status and governance of unparished areas in the city and county.

- Whilst the proposal says that parish councils will remain, there is no discussion of the place of unparished areas in the future model and governance of these areas is left unclear.
- Boundary expansion will involve significant changes to parish boundaries in six areas, which would be complex and require a community governance review. This should not run concurrently with LGR and the splitting of parishes will create immediate governance and electoral anomalies.

Levels of councillors and representation

- The mix of councillors proposed seems reasonable, with slightly lower ratios for the rural county areas, but in keeping with other similar local authorities.
- Political marginalisation risk is not explicitly addressed. Expansion-area residents would move from district councils (where they often comprise the majority electorate) to a much larger city unitary where they would constitute a minority. Neighbourhood area committees are offered as the mechanism for community voice but are described in principle only, no delegated powers, budgets or terms of reference are specified. This is a significant gap given that the most vocal opposition comes from the areas that would be absorbed.