

Report to: Cabinet



Date of Meeting 26th November 2025

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Review date for release N/A

Local Government Reorganisation - Full Proposal

Reimagining Devon: Believe in Better

Report summary:

Cabinet and Council have received a series of reports over the course of this year on the topic of Local Government Reorganisation (LGR) and Devolution. These followed the publication of the English Devolution White paper in December 2024, which committed to ending the current two-tier system of District and County Councils, and the subsequent invitation from the Secretary of State to submit proposals for a single tier of government.

This report represents the culmination of the process that has been undertaken, in collaboration with the other District and Borough Councils across Devon, over the course of this year to respond to this invitation. Support is sought to submit the full proposal for the 4-5-1 model of local government reorganisation in conjunction with a proposed modification to extend the current boundary of Plymouth City Council. The full 'Reimagining Devon: Believe in Better' proposal is available through the background information links and key aspects of the case for change are summarised in this report.

The deadline for submission is the 28th November and a delegation is sought to the Chief Executive in consultation with the Deputy Leader to meet this timeline. Post submission attention will quickly switch to planning for implementation, initially on an option agnostic basis, and a further delegation is sought to enable this work to proceed.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

It is recommended that Cabinet;

- Subject to Full Council endorsement, approves the submission to the Secretary of State for Housing, Communities and Local Government of the full proposal for the 4-5-1 model of local government reorganisation as set out in 'Reimagining Devon: Believe in Better' as the Council's response to the Secretary of State's invitation
- Supports proposing the 4-5-1 + option to the Secretary of State through a modification to extend the current boundary of Plymouth City Council to incorporate parts of four adjacent parishes in South Hams
- Invites Full Council to endorse the above proposals to the Secretary of State for Housing, Communities and Local Government
- Delegates authority to the Chief Executive in consultation with the Deputy Leader to submit the proposals to the Secretary of State for Housing, Communities and Local Government by the deadline of 28th November 2025.
- Delegates authority to the Chief Executive in consultation with the Deputy Leader to progress initial preparatory work for the implementation of local government reorganisation

in collaboration with other Devon Councils in advance of a formal decision made as to the preferred option and to support associated consultation

Reason for recommendation:

To ensure that the Council responds to the invitation to submit proposals for a single tier of local government and continues to influence future local government reorganisation in Devon.

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Portfolio(s) (check which apply):

- ☐ Assets and Economy
- ☐ Communications and Democracy
- ☒ Council, Corporate and External Engagement
- ☐ Culture, Leisure, Sport and Tourism
- ☐ Environment - Nature and Climate
- ☐ Environment - Operational
- ☐ Finance
- ☐ Place, Infrastructure and Strategic Planning
- ☐ Sustainable Homes and Communities

Equalities impact High Impact

Whilst future local government reorganisation will have a significant impact, the current stage is the submission of potential options. The next stage is to both consult on the proposed options and to ultimately chose the preferred option will be led by the Ministry of Housing, Communities and Local Government. An initial Equality Impact Assessment has been prepared to support the 4-5-1 proposal and is available through the background links. Members must have regard to that Equality Impact Assessment when reaching their decision.

Climate change High Impact. Local Government Reorganisation provides an important opportunity for service delivery that integrates environmental stewardship, the protection of landscapes and assets and the promotion of key sectors such as clean energy. It therefore has the potential to address both climate and biodiversity objectives and the achievement of a zero carbon future.

Risk: High Risk; The future configuration of local government will have a substantial bearing on service delivery. There are currently a number of competing proposals being developed. The lack of a single preferred option at present necessarily creates uncertainty and ambiguity. The need to commit resources to developing the options and subsequently to focus on implementation of the preferred option creates a further risk of detracting from core service delivery.

Links to background information

[Reimagining Devon: Believe in Better Full Proposal](#)

[Equality Impact Assessment](#)

[LGR update report for Cabinet 3/09/2025 \(page 72\)](#)

Link to [Council Plan](#)

Priorities (check which apply)

- ☒ A supported and engaged community
- ☒ Carbon neutrality and ecological recovery
- ☒ Resilient economy that supports local business

1. Background and context

1.1 The English Devolution White Paper was published in December 2024 and set out the government's commitment to end the current two-tier structure of local government. Subsequently Cabinet and Council have received a series of reports in relation to local government reorganisation and devolution over the course of this year. This has been alongside briefings for both councillors and staff as well as wider public and stakeholder engagement.

1.2 The Secretary of State issued a formal invitation in February 2025 (see Appendix A) to submit proposals for a single tier of local government in Devon. This sets out six criteria against which proposals would be assessed as follows;

1. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.
2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.
3. Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.
4. Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views.
5. New unitary structures must support devolution arrangements.
6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

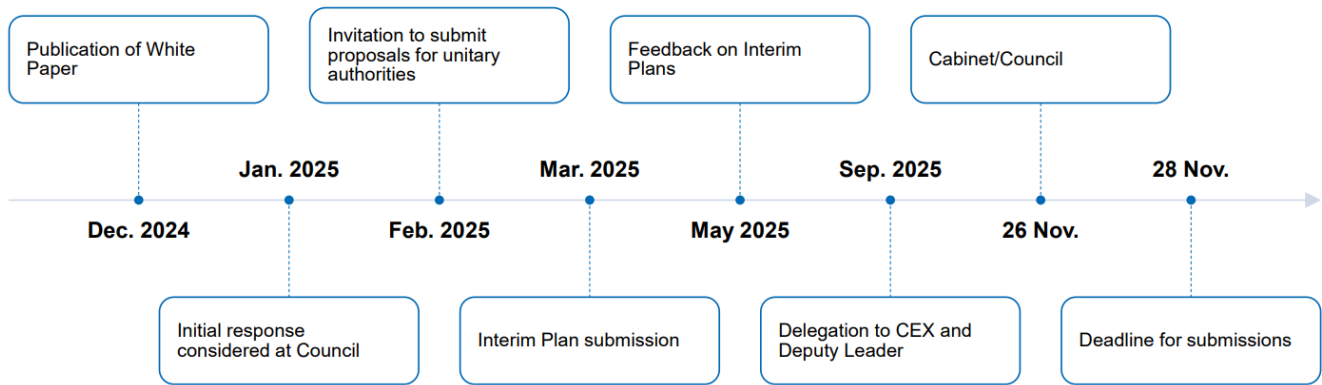
The guideline population for new principal authorities is 500k with strategic authorities having a guideline population of 1.5m

1.3 In response to the invitation Devon local authorities submitted their interim plans for local government reorganisation in March 2025. In total six interim plan submissions were made as follows;

- Interim Plan submitted by 7 of the 8 Devon district councils (East Devon District Council, Mid Devon District Council, North Devon District Council, South Hams District Council, Teignbridge District Council, Torridge District Council and West Devon Borough Council) and Torbay Council
- Devon County Council Interim Plan
- Exeter City Council Interim Plan
- North Devon District Council Interim Plan
- Plymouth City Council Interim Plan
- Torbay Council Interim Plan

1.4 The Ministry of Housing, Communities and Local Government provided collective feedback on all the of the Interim Plans in May. The next substantive deadline was then the submission of full proposals by the 28th November. Each Council can only support one option.

1.5 The timeline is summarised below;



2. The Full Proposal

2.1 This Council has, since March of this year and the submission of the Interim Plan, expressed its support for the 4-5-1 model of local government reorganisation. This anticipates the following;

- A new unitary covering Torbay and southern Devon comprising the existing administrative areas of South Hams, Teignbridge, Torbay and West Devon.
- A new unitary covering Exeter and northern Devon comprising the existing administrative areas of East Devon, Exeter, Mid Devon, North Devon and Torridge.
- Plymouth City Council on its existing boundary

2.2 Over the course of the summer considerable time and effort has been invested in to developing this model into a complete full proposal. This has included securing input from over fifty officers drawn across the District and Borough Councils in Devon together with Torbay Council. Specialist support has also been commissioned in relation to finance matters (Pixel) and to develop the case more widely (KPMG). A key strength of this process has been the scope for both peer support, such as input from Torbay in relation to social care where the unitary council has expertise that does not exist in the District Councils, and challenge to ensure that the case has been developed in the most robust way possible.

2.3 Alongside the collaboration between this group of Councils there has been extensive consultation and engagement with external stakeholders. This engagement campaign received nearly 6,000 responses from residents, businesses, and community groups, helping to directly shape the final proposals. A series of briefings and engagement events have also been undertaken with statutory organisations, Members of Parliament, local businesses and parish and town councils.

2.4 The most recent Cabinet report in relation to local government reorganisation was considered in September. It was resolved to receive a further report detailing the full proposal for the 4-5-1 model of local government reorganisation. This report fulfils this resolution and the full 'Reimagining Devon: Believe in Better' proposal is available through the background links and the Executive Summary of this is included at Appendix B. It puts forward a vision to transform local government and secure a better, more prosperous future for all communities across Devon.

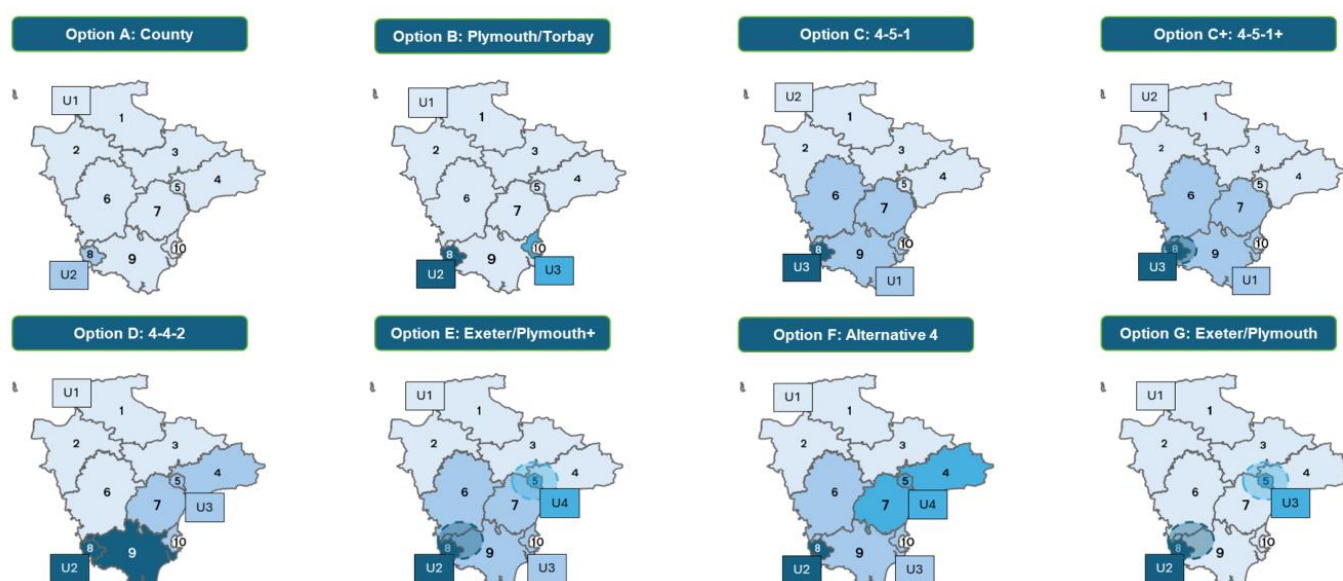
2.5 Throughout the development of the full proposal careful attention has been paid to each of the government's six criteria to ensure that these are responded to comprehensively. A watchword has been balance – ensuring that the proposed unitary authorities establish the basis for an enduring equilibrium that will best meet the needs of all Devon residents and businesses and provide a platform for successful devolution more widely.

2.6 Four key aspects of the full proposal are outlined below;

1. Options appraisal

2.7 Devon is a large county covering over 6,000 sq km and with a population in excess of 1.2m people. Invariably there are a number of potential options as to how local government can be configured in relation to the government's criteria, each with their own advantages and disadvantages. In order to ensure an evidence-led approach a comprehensive options appraisal has been undertaken. The starting premise for this was not to ordain the 4-5-1 option but instead to rigorously test and verify its performance against the government's six criteria in conjunction with other potential options.

2.8 In total eight options have been considered including combinations of two, three and four unitaries across Devon as set out below. Whilst these were based on the building blocks of existing local government boundaries in the first instance, options that include boundary changes have also been considered and tested in order to take account of proposals being promoted by other Councils in Devon. This includes potential extensions to the current boundary of Plymouth City Council and the creation of a standalone Exeter unitary.



2.9 Each option was tested against the government's six criteria. The methodology employed by KPMG ensured that the assessment was mapped across to identifiable metrics and data sources to aid transparency and auditability. This includes considering relative population sizes both today and projected forward to 2040 to ensure that a lasting equilibrium is struck. Alongside both the quantitative and qualitative assessment, two strategic filters were also applied so as to respond to unique local circumstances in Devon including an understanding of place and the interplay between rural and urban areas. This helped to ensure alignment with Devon's unique geography and governance landscape.

2.10 The full options appraisal is set out in Appendix 3 to the full proposal. It can be seen from this that whilst the 4-5-1 proposal performs well against the six criteria, the option that achieves the most balanced outcome includes an extension to the existing Plymouth City area to incorporate parts of four adjacent parishes that are the focus for development as part of the Joint Local Plan. This is known as the Plymouth Policy Area and forms the basis for what is known as the 4-5-1 + option.

2.11 This report specifically recommends that the full proposal for the 4-5-1 model of local government reorganisation, as set out in the 'Reimagining Devon: Believe in Better' document, is submitted as the Council's response to the Secretary of State's invitation. It is further recommended that the 4-5-1 + option is proposed to the Secretary of State in the form of a modification to extend the current boundary of Plymouth City Council. This is set out at Appendix 1 to the full proposal.

2. Financial Case

2.12 Whilst the government's stated position is that each of the six assessment criteria carry equal weight, there is no doubt, given the challenges facing local government, that the financial case will be a vital component of the proposal and that this will be very influential in terms of informing the government's preferred choice of option. This has certainly been the case in the recent decision regarding Surrey which is in the vanguard of current LGR proposals.

2.13 The development of the financial case has benefited from input from seven s.151 officers and specialist input from both Pixel and KPMG. This triangulation has helped to ensure the development of a very robust financial case, including benchmarking against examples nationally. The headlines are that implementation costs are expected to be repaid in 2 years 9 months in the base case and 2 years 11 months for the stretch case (the difference being due to higher upfront costs for the latter) and that savings over 10 years will be between circa £500m and £800m for the base and the stretch case respectively. The figures are summarised in the table below;

Option 4-5-1	Base Case £'million	Stretch Case £'million
Recurring Saving from Year 6	77.1	124.5
Total Implementation Costs	(73.9)	(101.0)
Cumulative Benefit / (Cost) after 5 years	122.9	183.0
Cumulative Benefit / (Cost) by 10 years	508.3	805.3
Payback Period	2 Years and 9 Months	2 Years and 11 Months

3. Councillor numbers and local representation

2.14 Ensuring effective representation in the new unitaries has been a key concern in developing the case. The guidance from the Local Government Boundary Commission is that each authority should have representation that matches its unique characteristics. Whilst no fixed ratios are put forward, it is clear that more than 100 or less than 30 councillors to an authority would require 'an extremely strong and compelling case'.

2.15 With this in mind, analysis has been undertaken to consider different ratios that stay within these parameters. This is presented in the table below;

Councils		Current					Wards - Electorate/member				
		Members	Total wards	Multi wards	Population	Electorate	3000	3500	4000	4500	5000
5	East Devon	60	30	18	150,800	126,436	42	36	32	28	25
	Mid Devon	42	22	15	82,800	65,778	22	19	16	15	13
	North Devon	42	25	12	98,600	79,672	27	23	20	18	16
	Torridge	36	16	15	68,100	54,073	18	15	14	12	11
	Exeter	39	13	13	130,800	91,121	30	26	23	20	18
	Total	219	106	73	531,100	417,080	139	119	105	93	83
4	South Hams	31	20	9	90,842	71,693	24	20	18	16	14
	Teignbridge	47	24	18	137,074	106,864	35	31	27	24	21
	Torbay	36	16	15	139,385	104,753	35	30	26	23	21
	West Devon	31	18	11	58,754	44,363	15	13	11	10	9
	Total	145	78	53	426,055	327,673	109	94	82	73	65
Grand Total		364	184	126	957,155	744,753	248	213	187	166	148

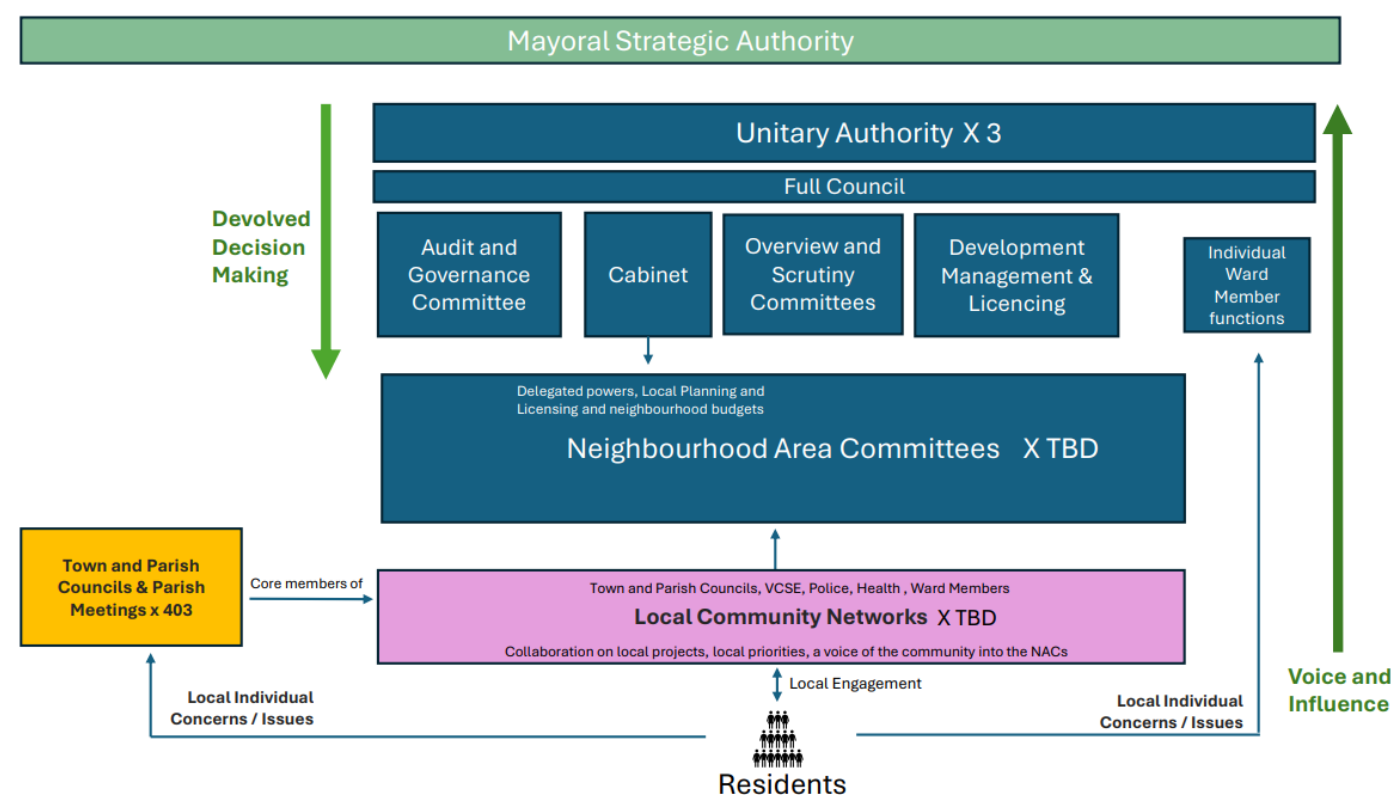
2.16 For the proposed unitary authority that includes the East Devon area the 4,500:1 ratio gives a total number of councillors of 93. This has been increased by one to reflect the current community governance review that is underway at Cranbrook and the substantial growth in population that is expected over the next five years. If the 4-5-1 option is selected, the proposed councillor numbers

will form the basis for elections to the shadow authority in May 2027 and for the first term of the new authority.

2.17 Alongside the question of councillor numbers, there is no doubting that any successor unitary authority will cover a larger population. In order to both maintain effective governance arrangements and enhance democratic participation within this elevated context, there is a need to consider 'hyper-local' arrangements. In the full proposal these are comprised of the following;

- Neighbourhood Area Committees – these include statutory function of the authority such as planning and licensing and which are organised on sub-geographies, potentially initially aligning to existing District boundaries in order to provide continuity. These can then be shaped by how local area would want it to work for them.
- Local Community Networks - these can focus on matters such as community governance, developing community action plans and local service delivery and spending issues.

2.18 The full proposal is careful not to put forward a template approach that would apply to all areas. Rather there is a commitment to co-create future arrangements, working with local parish and town councils, in order to respond effectively to local circumstances and ensure that these complement rather than usurp current arrangements. This is set out in the diagram below.

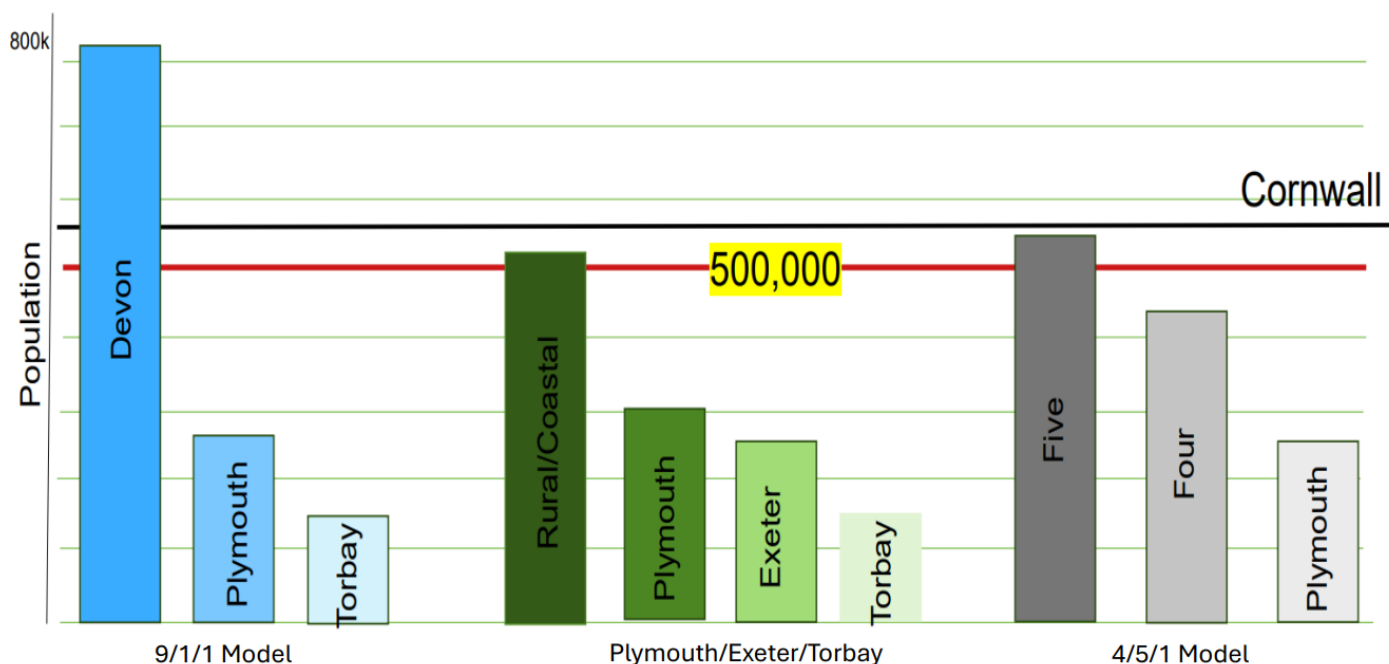


2.19 The intent of these proposals is to give local people a stronger voice in the decisions that affect them, empowering them to shape services that truly reflect their aspirations and priorities.

4. Devolution and the establishment of a Mayoral Strategic Authority

2.20 Whilst there is a focus on how new principal authorities, in the form of unitary councils, will be configured, it is also important to consider how these will support future devolution arrangements. Indeed this is one of the government's six criteria. All Devon authorities wrote to the Minister of State for Local Government and English Devolution in July expressing a joint interest in future devolution opportunities. The letter proposed the creation of a South West Peninsula Mayoral Strategic Authority (MSA). The proposed MSA would encompass a population of in excess of 1.2 million people and a diverse economy worth over £25 billion annually. The Leaders stated their commitment to working at pace including a desire to discuss the proposals further at Ministerial level. It is also highlighted that whilst Cornwall Council had declined to participate at this time, the door would be left open for them to join in the future.

2.21 The full proposal for the 4-5-1 model has been mindful of the need to successfully facilitate future devolution. Again the watchword of balance comes to the fore. According to the 2021 census the population of Cornwall was just over 570,000 people. The two new unitary authorities would be broadly aligned with this figure and the chart below shows the balance relative to the three main options that are expected to be submitted.



3. Alternative options

3.1 It has been highlighted that the sheer scale of Devon, both in terms of population and land area, means that there are alternative ways of configuring future unitary authorities. It is expected that two main options will be submitted alongside the 4-5-1 model as follows;

- The 9-1-1 model – this is favoured by the County Council and would see Plymouth City and Torbay Councils remain as unitaries on their current boundaries with the rest of Devon forming one large unitary.
- Plymouth, Exeter and Torbay and the rest of Devon – Plymouth and Exeter City Councils along with Torbay Council have recently confirmed that they jointly support a four unitary model that will see the continuation of Torbay on its current boundaries, an expanded Plymouth City Council and a new Exeter unitary council with the rest of Devon also becoming a single unitary. A proposal to expand the current boundary of Torbay is also being promoted by Plymouth and Exeter City Councils.

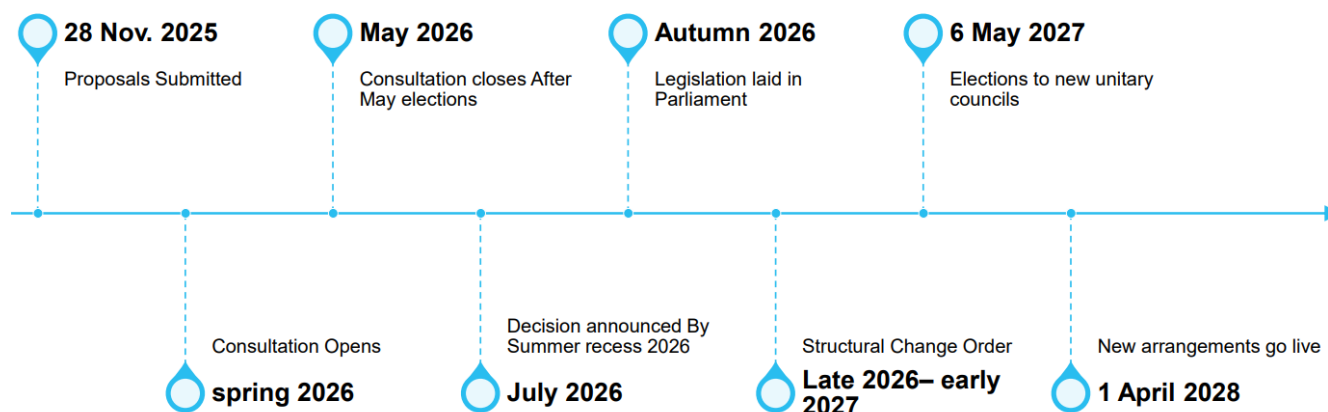
3.2 The options appraisal referred to above has sought to consider, as far as possible, the known alternative options that were likely to come forward. The four unitary model including Plymouth, Exeter and an expansion of Torbay has emerged at a relatively late stage and was not one of the specific options tested in the appraisal. Nevertheless the relative merits of a four unitary model compared to a three unitary model have been considered.

3.3 Ultimately both of these options will have merit in terms of how they perform against the six criteria. But there are also obvious concerns. For the 9-1-1 model these relate to sheer scale of a single unitary council covering all of the existing District areas. This would immediately place the authority at the largest unitary in terms of population served, comfortably exceeding the current largest (North Yorkshire at circa 635k) and only behind the metropolitan boroughs of Birmingham and Leeds (at circa 1.18m and 845k respectively). This raises wider concerns about councillor representation and associated ratios given the upper figure of 100 councillors from the Boundary Commission guidance. For the four unitary model there is a concern as to the viability of a large unitary council that is predominantly rural and coastal in its focus and shorn of any large urban areas which are the key economic drivers. It is unclear how this model performs against the first three criteria in particular.

4. Next steps

4.1 Each authority has the opportunity to respond to the invitation to submit proposals for a single tier of local government by the deadline of the 28th November. A nil response has been discounted as there is an imperative to influence the future configuration of local government in Devon.

4.2 After the point at which full proposals have been submitted the process will be led by the Ministry of Housing, Communities and Local Government. Consultation on the submitted options is expected to take place early in 2026 with a final decision on the preferred option expected in July. Following this a Structural Change Order process will be instigated in order to provide the required legislative basis for the new unitary authorities. Elections to the shadow authorities are expected to take place in May 2027 with the vesting day for the new authorities expected to be 1st April 2028. The overall timeline is set out below;



4.3 Whilst following the submission of full proposals the process will then be led by MHCLG, and despite the likelihood of multiple different options, the focus will quickly shift to implementation. It will be important for all Councils to work together on an option agnostic basis to progress this work, ideally through the formation of a single Programme Management Office. This will help to lay the foundations for successful reorganisation irrespective of which option is chosen later in 2026.

5. Legal Compliance

5.1 The 4-5-1 proposal constitutes a compliant proposal prepared in accordance with Part 1 of the Local Government and Public Involvement in Health Act 2007 (“the Act”) and the 5 February 2025 statutory invitation from the Ministry of Housing, Communities and Local Government to develop a proposal for local government reorganisation for Devon. The Proposal has been prepared having regard to the guidance issued by the Secretary of State relating to what the proposal should seek to achieve and the matters that should be considered in formulating it.

5.2 Under the Act a proposal may be one of the following types:

- **Type A:** a single tier of local authority covering the whole of the county concerned
- **Type B:** a single tier of local authority covering an area that is currently a district, or two or more districts
- **Type C:** a single tier of local authority covering the whole of the county concerned, or one or more districts in the county; and one or more relevant adjoining areas
- **Combined proposal:** a proposal that consists of two or more Type B proposals, two or more Type C proposals, or one or more Type B proposals and one or more Type C proposals.

5.3 The Act only permits the Secretary of State to invite a local authority to make one proposal and does not permit a combined proposal if they are alternatives. A proposal may not specify an area as one for which there should be a single tier of local government unless the whole or any part of

that area is currently a two-tier area. These restrictions are reinforced by the terms of the February invitation which limits the authorities to whom it is addressed to one proposal.

5.4 As the invitation was addressed to all the local authorities comprising the historic county of Devon, the 4-5-1 Proposal is a Type A proposal.

5.5 Once a proposal has been submitted, the Secretary of State may decide to implement it, with or without modification or take no action. The Secretary of State's powers to make modifications is a wide one, although not so wide as to allow for extensive changes that transform a proposal so that it becomes a different animal. With that in mind, given that proposals are constrained to existing boundaries, some modifications to those boundaries are recommended, in the form of the 4-5-1 + option, were the Secretary of State minded to exercise his power of modification.

6 Conclusion

6.1 Local Government Reorganisation represents a seminal opportunity to reimagine and improve future public service delivery in Devon. The chosen option is likely to endure for many decades. Considerable time and effort has been invested in developing the full proposal for the 4-5-1 model in conjunction with the other District and Borough Councils across Devon. This is considered to represent a credible and persuasive option that responds to all six of the government's criteria for unitary authorities. It is focused on achieving tangible improvements to service delivery and provides the necessary strategic coherence, financial sustainability, and local accountability to unlock Devon's full potential.

6.2 In summary the 4-5-1 proposal considered to represent the best option for local government reorganisation in Devon for the following reasons;

- Enables every area of Devon to thrive and to retain local identities
- Puts communities at the heart of decision-making, ensuring services are designed and delivered in the most appropriate way
- Large enough to be sustainable, small enough to be responsive to community needs.
- Aligns governance with functional economic areas and local strengths
- Respects natural boundaries like Dartmoor National Park, National Landscapes and World Heritage sites
- Unlocks the ability for greater devolution of powers from government

6.3 Whichever option is ultimately progressed, it will be important for the local government family in Devon to pull together to ensure the best possible outcomes for Devon residents and businesses with the focus needing to quickly shift to preparatory work to support successful implementation. Further reports will come to Cabinet and Full Council as key milestones are reached.

Financial implications:

Although the report and the recommendations proposed have no direct financial implication at this stage, Government's decision and subsequent implementation have fundamental financial implications. The Council's adopted Medium Term Financial Strategy sets out the implications leading up to reorganisation, with an approach to budget setting and meeting key objectives in the remaining period. The proposed submission recommended in this report offers significant financial savings over the current local government structures in place. East Devon's Finance Team have been involved throughout the formation of the submission along with the other authorities involved, with additional support from Pixel and KPMG. As stated in the report option appraisal against the key criteria (including financial sustainability) was undertaken by KPMG.

Legal implications:

Local government reorganisation is governed by the Local Government and Public Involvement in Health Act 2007. The Council has submitted an interim proposal and feedback has been provided on this from MHCLG. A final proposal is required to be submitted by 28 November 2025.

Full council's views will be sought on the draft proposals at a special meeting of council but the final decision rests with the Cabinet as approval of this proposal is an executive function in accordance with the Local Government Act 2000 Section 9D (2). Members are advised to consider all the information contained in the report and the Appendices in order to make an informed decision on the final proposal.

Following submission of the final proposal, the Secretary of State may implement a proposal, with or without modification, or decide to take no action. The Secretary of State may not make an order implementing a proposal unless he consults every authority affected by the proposal (except the authority or authorities which made it), and such other persons as he considers appropriate.

The best value duty is contained in S3 of the Local Government Act 1999 as a result of which the Council is under a duty to make arrangements to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The report sets out the financial and other implications of the proposed model in the final proposal which members are advised to consider in full.

LOCAL GOVERNMENT AND PUBLIC INVOLVEMENT IN HEALTH ACT 2007

INVITATION FOR PROPOSALS FOR A SINGLE TIER OF LOCAL GOVERNMENT

The Secretary of State for Housing, Communities and Local Government, in exercise of his powers under Part 1 of the Local Government and Public Involvement in Health Act 2007 ('the 2007 Act'), hereby invites any principal authority in the area of the county of Devon, to submit a proposal for a single tier of local government.

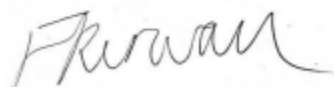
This may be one of the following types of proposal as set out in the 2007 Act:

- Type A – a single tier of local authority covering the whole of the county concerned
- Type B – a single tier of local authority covering an area that is currently a district, or two or more districts
- Type C – a single tier of local authority covering the whole of the county concerned, or one or more districts in the county; and one or more relevant adjoining areas
- Combined proposal – a proposal that consists of two or more Type B proposals, two or more Type C proposals, or one or more Type B proposals and one or more Type C proposals.

Proposals must be submitted in accordance with paragraphs 1 to 3:

1. Any proposal must be made by **28 November 2025**.
2. In responding to this invitation an authority must have regard to the guidance from the Secretary of State set out in the Schedule to this invitation, and to any further guidance on responding to this invitation received from the Secretary of State..
3. An authority responding to this invitation may either make its own proposal or make a proposal jointly with any of the other authorities invited to respond.

Signed on behalf of the Secretary of State for Housing, Communities and Local Government.



F KIRWAN

A senior civil servant in the Ministry of Housing, Communities and Local Government

5 February 2025