



3 June 2025

LOCAL GOVERNMENT REORGANISATION

INTERIM PLAN FEEDBACK: LEICESTERSHIRE, LEICESTER AND RUTLAND

To the Chief Executives of:

Blaby District Council

Charnwood Borough Council

Harborough District Council

Hinckley and Bosworth Borough Council

Leicestershire County Council

Melton Borough Council

North West Leicestershire District Council

Oadby and Wigston Borough Council

Leicester City Council

Rutland County Council

Overview

Thank you for submitting your interim plans. The amount of work from all councils is clear to see across the range of options being considered. For the final proposals, each council can submit a single proposal for which there must be a clear single option and geography and as set out in the guidance, we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued, not partial coverage.

Our aim for the feedback on interim plans is to support areas to develop final proposals. This stage is not a decision-making point, and our feedback does not seek to approve or reject any option being considered.

The feedback provided relates to the following interim plans submitted by Leicestershire, Leicester and Rutland councils:

- The District, Borough and Rutland's case for 'Three Unitary councils in a Future Leicestershire and Rutland'
- The Leicester City Council Local Government Reorganisation – the Case for Change – interim submission

- The Leicestershire Council interim plan – English Devolution White Paper: Developing Proposals for Local Government Reorganisation in Leicester, Leicestershire and Rutland

We have provided feedback on behalf of central government. It takes the form of:

1. A summary of the main feedback points,
2. Our response to the specific barriers and challenges raised in your plans,
3. An annex with more detailed feedback against each of the interim plan asks.

We reference the guidance criteria included in the invitation letter throughout, a copy can be found at: [LEICESTERSHIRE, LEICESTER AND RUTLAND – GOV.UK](https://www.leicestershire.gov.uk/leicestershire-leicester-and-rutland-devolution). Our central message is to build on your initial work and ensure that the final proposal(s) address the criteria and are supported by data and evidence. We recommend that final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.

We welcome the work that has been undertaken to develop local government reorganisation plans for Leicestershire, Leicester and Rutland. This feedback does not seek to approve or discount any option, but provide feedback designed to assist in the development of final proposals. We will assess final proposals against the guidance criteria provided in the invitation letter and have tailored this feedback to identify where additional information may be helpful in enabling that assessment. Please note that this feedback is not exhaustive and should not preclude the inclusion of additional materials or evidence in the final proposals. In addition, Alex Jarvis has been appointed as your MHCLG point person and is ready to engage with the whole area to support your engagement with government.

Summary of the Feedback:

We have summarised the key elements of the feedback below, with further detail provided in the Annex.

1. We welcome the steps you have taken to come together to date to prepare proposals and we note the intention for the area to reconvene post the May County Council elections. We expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable proposals that are in the best interests of the whole area, as per criterion 4:
 - a. **Effective collaboration between all councils across the invitation area will be crucial; we would encourage you to continue to build strong relationships and agree ways of working, including around effective data sharing. This will support the development of a robust shared evidence base to underpin final proposal(s).**
 - b. **It would be helpful if final proposal(s) use the same assumptions and data sets.**

- c. It would be helpful if final proposal(s) set out how the data and evidence supports all the outcomes you have included, and how well they meet the assessment criteria in the invitation letter.
 - d. You may wish to consider an options appraisal that will help demonstrate why your proposed approach in the round best meets the assessment criteria in the invitation letter compared to any alternatives.
- 2. The criteria ask that a proposal should seek to achieve for the whole area concerned the establishment of a single tier of local government (see criterion 1). **For clarity, each council can submit a single proposal for which there must be a clear single option and geography which should cover the whole of the invitation area (Leicestershire, Leicester and Rutland), not partial coverage. As noted in the invitation, it is open to you to explore options with neighbouring councils in addition to those included in the invitation. Where final proposal(s) have implications for a neighbouring invitation area you should consider the impact of your proposals on the whole of the neighbouring invitation area. In addition, we would expect to see engagement and effective data-sharing between council(s) in the invitation area and council(s) in the neighbouring invitation area that are directly impacted. If one or more council(s) in a neighbouring invitation area support the proposal(s) put forward, we would also expect to see this reflected in proposal(s) submitted in response to the letter to the neighbouring invitation area, including a clear single option and geography covering the whole of the neighbouring area, not partial coverage.**
- 3. We note that Leicester City Council indicates that it will not be viable in its current form after 2027/28. **Consideration of how financial risks, such as this, will be managed would be welcome in final proposals.**
- 4. In some of the options you are considering populations that would be below or above 500,000. As set out in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. **All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.**
- 5. New unitary structures must support devolution arrangements. **Across all local government reorganisation proposal(s), looking towards a future Strategic Authority, it would be helpful to outline how each option would interact with a Strategic Authority and best benefit the local community, including**

meeting the criteria for sensible geography in the White Paper and devolution statutory tests.

Response to your requests for support from government

Please see below our response to the specific barriers and challenges that were raised in your interim plans.

1. The position of Rutland

You highlighted the need for clarity regarding Rutland County Council's preferences towards local government reorganisation. As above, Rutland is part of your invitation area and it is open to Rutland to submit proposals in response to the 5 February invitation letter for Leicestershire, Leicester and Rutland, which cover the whole of the invitation area, not partial coverage. **If one or more council(s) in a neighbouring invitation area support the proposal(s) put forward, we would also expect to see this reflected in proposal(s) submitted in response to the letter to the neighbouring invitation area (Lincolnshire, North Lincolnshire and North East Lincolnshire), including a clear single option and geography covering the whole of the neighbouring area, not partial coverage. We would expect to see collaboration between councils in Leicestershire and Lincolnshire to further develop proposals, and to ensure that the implications of both areas' plans are fully considered within any proposal(s) submitted by council(s) in either area.**

2. Boundary Changes

You have requested feedback on the implications of boundary changes on timescales for local government reorganisation, as well as what approach should be taken to proposed boundary changes in the November submission. As the invitation letter sets out boundary changes are possible, but "existing district areas should be considered the building blocks for proposals, but where there is a strong justification more complex boundary changes will be considered".

The final proposal(s) must specify the area for any new unitary council(s). If a boundary change is part of your final proposal, then you should be clear on the boundary proposed, which could be identified by a parish or ward boundary, or if creating new boundaries by attaching a map.

Proposals should be developed having regard to the statutory guidance which sets out the criteria against which proposals will be assessed (including that listed above). If a decision is taken to implement a proposal, boundary change can be achieved alongside structural change. Alternatively, you could make a proposal for unitary local government using existing district building blocks and consider requesting a Principal Area Boundary Review (PABR) later. Such reviews have been used for minor amendments to a boundary where both councils have

requested a review – such as the recent Sheffield/Barnsley boundary adjustment for a new housing estate. PABRs are the responsibility of the Local Government Boundary Commission for England who will consider such requests case-by-case.

3. Clarity on the population criteria

You have asked for clarity on the 500,000 population criteria. As set out in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.

We recommend that final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.

4. Direct Ministerial engagement

We note the request to have direct engagement and ongoing dialogue with decision makers across government. Government is committed to supporting all invited councils equally while they develop any proposal(s). Alex Jarvis has been appointed as your MHCLG point person and is ready to engage with the whole area on issues you wish to discuss further ahead of the deadline for final proposals on 28 November 2025.

5. Request to rule out options so as not to incur additional costs

The interim plans are not a decision-making point; decisions will be made on the basis of full proposals. This feedback does not seek to approve or discount any option or proposal, but provide feedback designed to assist in the development of final proposals.

6. Weighting applied to assessment criteria

You asked whether government will be weighting the criteria against which final proposals are assessed. The criteria are not weighted. Our aim for this feedback is to support areas to develop final proposals that address the criteria and are supported by data and evidence. Decisions on the most appropriate option for each area will be judgements in the round, having regard to the guidance and the available evidence.

7. Access to other Government departments

You asked for access to and facilitation of discussions with other government departments, emphasising the importance of direct communication with key departments to test operating models and understand positions on policy. Alex Jarvis, your MHCLG point person, will be able to support your engagement with other government departments, and MHCLG colleagues will continue to work with HM Treasury on issues regarding local government reorganisation.

8. Request for temporary protection from any impacts of funding reforms

We acknowledge the requests for temporary protection from any impacts of upcoming local government funding reforms.

Government recently consulted on funding reforms and confirmed that some transitional protections will be in place to support areas to their new allocations. Further details on funding reform proposals and transition measures will be consulted on after the Spending Review in June.

We will not be able to provide further clarification on future allocations in the meantime but are open to discussing assumptions further if we can assist in financial planning.

9. Working together and data sharing

We expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable proposals that are in the best interests of the whole area.

10. Timeframe for local government reorganisation, devolution and interaction with local elections

You have requested clarity on the timelines for the local government reorganisation programme and the impact on local elections. As set out in the White Paper, we expect to deliver an ambitious first wave of reorganisation in this Parliament.

The Government will work with areas to hold elections for new unitary councils as soon as possible as is the usual arrangement in the process of local government reorganisation. We anticipate that, on the most ambitious timelines, there could be elections to 'shadow' unitary councils in May 2027, ahead of "go live" of new councils on 1 April 2028.

Our expectation is that any local authorities dissolved as a result of local government restructuring will cease to exist on the date that new councils "go live". The role of a shadow authority is to take all the necessary steps to prepare for the assumption of full local government functions and powers on vesting day and

ensure continuity of public service delivery on and after this date. It does not have a role in carrying out the functions of predecessor councils except for where this is expressly provided.

We are clear that reorganisation should not delay devolution and plans for both should be complementary.

11. Stability of local government finances

We note your concerns around local government finances and the risk that a delay to local government reorganisation and wider devolution could prevent cost efficiencies being made. Ministers have committed to reforming the way in which local authorities are funded through a multi-year settlement from 2026-27, fixing local audit and creating a sustainable way to fund social care.

As set out above, Government recently consulted on funding reforms and confirmed that some transitional protections will be in place to support areas to their new allocations. Further details on funding reform proposals will be consulted on further after the Spending Review in June. We will not be able to provide further clarification on future allocations in the meantime but are open to discussing assumptions further if we can assist in financial planning.

We would welcome further information about the situation locally, and you are encouraged to discuss the impact on local government reorganisation progress with your MHCLG point person.

12. Capacity/resources to mobilise and implement a successful transition

You have identified that local government reorganisation will be reliant upon adequate capacity and resource being available to support developing proposals and the transition. £7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.

In terms of transitional costs, as per the invitation letter, we expect that areas will be able to meet transition costs over time from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects. We note the estimate of your transition costs and comment further on this in the table below

13. Clarity on timetable and feedback

You asked for clarity on the timetable for local government reorganisation, particularly for feedback to support your work to continue at pace. This is our

feedback to support you to develop final proposal(s), and we are open to providing ongoing support to your work towards the 28 November submission deadline. Alex Jarvis has been appointed as your MHCLG point person and is ready to engage with the whole area on issues you wish to discuss further.

14. Devolution Engagement

You requested that the district and borough councils be engaged in discussions on devolution in order to reflect the current position on devolution in final proposals for local government reorganisation. The invitation letter sets out that new unitary structures should support devolution. As you will be aware, it is envisaged that the new unitary authorities created through the local government reorganisation process would become the constituent members of any future MCA in the region.

We are encouraged by your continued support for devolution for your area. It is for areas to propose robust devolution proposals, and consensus is needed from all the relevant authorities for these proposals to go ahead. All such proposals will be assessed against the criteria set out in the English Devolution White Paper. District councils, ahead of local government reorganisation, should play an active role in devolution arrangements, via engagement with their upper-tier authorities. We expect all councils in an area to work together and to share information.

15. Continuation of Ceremonial rights

Separately to interim plans, questions have been asked in regards to Rutland's ceremonial status and ceremonial rights more generally; there is no intention that the priorities set out in the English Devolution White Paper will impact on the ceremonial counties or the important roles that Lord Lieutenants and High Sheriffs play as the Monarch's representatives in those counties, and ceremonial counties will be retained. Where local government reorganisation might affect ceremonial privileges, we will work with local leaders to ensure that areas retain their ceremonial rights and privileges.

ANNEX: Detailed feedback on criteria for interim plan

Ask – Interim Plan Criteria	Feedback
Identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities. Relevant criteria: 1 c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement & 2 a-f) - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks & 3 a-c) Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens	We welcome the initial thinking on the options for local government reorganisation in Leicestershire, Leicester and Rutland and recognise that this is subject to further work. We note the local context and challenges outlined in the proposals and the potential benefits that have been identified for the options put forward. Your plans set out your intention to undertake further analysis, and this further detail and evidence on the outcomes that are expected to be achieved of any preferred model would be welcomed. For the final proposal(s), each council can submit a single proposal for which there must be a clear single option and geography and, as set out in the guidance, we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued, not partial coverage. You may wish to consider a fuller options appraisal against the criteria set out in the letter to provide a rationale for the preferred model against alternatives. Proposals should be for a sensible geography which will help to increase housing supply and meet local needs, including future housing growth plans. All proposals should set out the rationale for the proposed approach. Where there are proposed boundary changes, the proposal should provide strong public services and financial sustainability related justification for the change. Given the financial pressures you identify it would be helpful to further understand how efficiency savings have been considered alongside a sense of place and local identity. We welcome the initial financial information provided. In final proposal(s) it would be helpful to include a high-level financial assessment which covers transition costs and overall forecast operating costs of the new unitary councils. Referencing criteria 1 and 2, you may wish to consider the following bullets that it would be helpful to include in a final proposal:

	• high level breakdowns, for where any efficiency savings will be made, with clarity of assumptions on how estimates have been reached and the data sources used, including differences in assumptions between proposal(s) • information on the counterfactual against which efficiency savings are estimated, with values provided for current levels of spending • a clear statement of what assumptions have been made and if the impacts of inflation are taken into account • a summary covering sources of uncertainty or risks, with modelling, as well as predicted magnitude and impact of any unquantifiable costs or benefits • where possible, quantified impacts on service provision, as well as wider impacts We recognise that financial assessments are subject to further work. The bullets below indicate where further information would be helpful across all options: • data and evidence to set out how your final proposal(s) would enable financially viable councils across the whole area, including identifying which option best delivers value for money for council taxpayers • further detail on potential finances of new unitaries, for example, funding, operational budgets, potential budget surpluses/shortfalls, total borrowing (General Fund), and debt servicing costs (interest and MRP); and what options may be available for rationalisation of potentially surplus operational assets • clarity on the underlying assumptions underpinning any modelling e.g. assumptions of future funding, demographic growth and pressures, interest costs, Council Tax, savings earmarked in existing councils' MTFS • financial sustainability both through the period to the creation of new unitary councils as well as afterwards We welcome the information in your interim plans on the disaggregation of services. For proposals that would involve disaggregation of services we would
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	welcome further details on how services can be maintained where there is fragmentation, such as social care, children's services, SEND, homelessness, and for wider public services including public safety. Under criterion 3c you may wish to consider: • how each option would deliver high-quality and sustainable public services or efficiency saving opportunities • what would be the impact of proposals on the shared social care services between Leicestershire County Council and Rutland County Council? • what would the different options mean for local services provision, for example: • do different options have a different impact on SEND services and distribution of funding and sufficiency planning to ensure children can access appropriate support, and how will services be maintained? • what is the impact on adults and children's care services? Is there a differential impact on the number of care users and infrastructure to support them among the different options? • what partnership options have you considered for joint working across the new unitaries for the delivery of social care services? • do different options have variable impacts as you transition to the new unitaries, and how will risks to safeguarding be managed? • do different options have variable impacts on schools, support and funding allocation, and sufficiency of places, and how will impacts on schools be managed? • what impact will there be on highway services across the area under the different approaches suggested? • what are the implications for public health, including consideration of socio-demographic challenges and health inequalities within any new boundaries and their implications for current and future health service needs? What are the implications for how residents access services and service delivery for populations most at risk? We would encourage you to provide further details on how your proposals would maximise opportunities for public service reform, so that we can explore how best to support your efforts.
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Include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities. Relevant criteria - 2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.	We note the estimated transition costs included in all plans, and the initial thinking on service transformation and back-office efficiencies. We would welcome further clarity in final proposal(s) on the assumptions and data used to calculate transition costs and efficiencies (see criterion 2d). As per criterion 2, the final proposal(s) should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects. • within this it would be helpful to provide more detailed analysis on expected transition and/or disaggregation costs and potential efficiencies of proposals. This could include clarity on methodology, assumptions, data used, what year these may apply and why these are appropriate • detail on the potential service transformation opportunities and invest-to-save projects from unitarisation across a range of services - e.g. consolidation of waste collection and disposal services, and whether different options provide different opportunities for back-office efficiency savings? • where it has not been possible to monetise or quantify impacts, you may wish to provide an estimated magnitude and likelihood of impact • summarise any sources of risks, uncertainty and key dependencies related to the modelling and analysis • detail on the estimated financial sustainability of proposed reorganisation and how debt could be managed locally We note the financial pressures that councils are facing. It would be helpful if additional detail on the councils' financial positions and further modelling is set out in detail in the final proposal(s). We would encourage you to work together and recommend that all options and proposals should use the same assumptions and data sets or be clear
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	where and why there is a difference (linked to criterion 1c).
Include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with the Local Government Boundary Commission for England guidance. Relevant criteria: 6) New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.	We welcome the initial assessments made across all interim plans on the options for and importance of democratic representation. We note where early views on councillor numbers have been provided which we will be sharing with the Local Government Boundary Commission for England (LGBCE). There are no set limits on the number of councillors although the LGBCE guidance indicates that a compelling case would be needed for a council size of more than 100 members. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment. Additional details on how the community will be engaged specifically how the governance, participation and local voice will be addressed to strengthen local engagement, and democratic decision-making would be helpful. In final proposal(s) we would welcome detail on your plans for neighbourhood-based governance, the impact on parish councils, and the role of formal neighbourhood partnerships and area committees.
Include early views on how new structures will support devolution ambitions. Relevant Criteria: 5) New unitary structures must support devolution arrangements. Specifically 5b) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.	We welcome the consideration of devolution in your plans. We also note the reference to the option for Rutland to join with authorities in Lincolnshire as part of the Greater Lincolnshire Combined County Authority (GLCCA). Across all local government reorganisation proposal(s), looking towards a future Strategic Authority, it would be beneficial to provide an assessment that outlines if there are benefits and disadvantages in how each option would interact with a Strategic Authority and best benefit the local community, including meeting the criteria for sensible geography in the White Paper and devolution statutory tests. If an option of Rutland joining GLCCA is being considered, further information would be helpful on the implications for the governance arrangements in

	GLCCA. Also, consideration of the impact on the remainder of Leicestershire and Leicester would be welcome. We would also appreciate consideration of how this would best benefit the local community, including meeting the criteria for sensible geography in the White Paper and devolution statutory tests. We would also recommend you consult with the GLCCA mayor.
Include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals. Relevant criteria: 6a&b) new unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment	We welcome the engagement that has taken place to date across all interim plans and how these views have been reflected. We would encourage you to continue with your plans for engagement locally in a meaningful and constructive way with residents, the voluntary sector, local community groups and councils, public sector providers and business to inform your proposal(s). For proposals that involve disaggregation of services, you may wish to engage in particular, with those residents who may be affected. It would be helpful to see detail that demonstrates how local ideas and views have been incorporated into the final proposal(s) including those relating to neighbouring authorities where relevant.
Set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area. Relevant criteria: Linked to 2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking	We welcome the indicative costs that are set out in plans and recognise the work to consider the costs of preparing proposals and standing up an implementation team. Further clarity on how you arrived at the estimated costs and more detail on the underlying assumptions and data that have informed these figures would also be helpful. We would welcome further detail in your final proposal(s) over the level of cost and the extent to which the costs are for delivery of the unitary structures or for transformation activity that delivers additional benefits. £7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.

forward transformation and invest-to-save projects.	
Set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area. Relevant criteria: 4 a-c) 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.	We note the intent for all councils to reconvene following the recent May local elections to continue discussions on a way forward for local government reorganisation in the area. Effective collaboration between all councils in the invitation area, and the proposed Mayoral Strategic Authority area will be crucial; areas will need to build strong relationships and agree ways of working, including around effective data sharing to further develop proposals. Should Rutland County Council wish to be included in proposals submitted by a council(s) in Lincolnshire, we would expect collaboration between councils in Leicestershire and Lincolnshire to further develop proposals, and to ensure that the implications of both areas' plans are fully considered within any proposal submitted by councils in each area. This will enable you to develop a robust shared evidence base to underpin final proposals (see criteria 1c). We recommend that final proposals should use the same assumptions and data sets or be clear where and why there is a difference.