

Date of meeting:	24 November 2025
Title of Report:	Plymouth City Council's Local Government Reorganisation Proposal for Devon
Lead Member:	Councillor Tudor Evans OBE (Leader)
Lead Strategic Director:	Tracey Lee (Chief Executive)
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Your Reference:	PWB/LGR/DEVO/251124
Key Decision:	Yes
Confidentiality:	Part I - Official

Purpose of Report

This report advises the City Council of a report to be considered by Cabinet on 24 November 2025 regarding local government reorganisation for Devon. The purpose of the Cabinet report is to seek endorsement of Plymouth City Council's Local Government Reorganisation Proposal for Devon to be submitted in response to the Statutory Invitation issued by the Secretary of State for Housing, Communities and Local Government under Section 2 of the Local Government and Public Involvement in Public Health Act 2007.

On 12 November 2025, the Scrutiny Management Board considered a draft of the City Council's proposal for local government reorganisation in Devon. The comments of the Scrutiny Management Board and the proposed response have been incorporated into the Cabinet report.

Recommendations and Reasons

That the City Council:

1. Endorses the "Plymouth City Council's Local Government Reorganisation Proposal for Devon" attached as Appendix A.

Reason: To inform the City Council of the proposal set out in the attached "Plymouth City Council's Local Government Reorganisation Proposal for Devon" in advance of Cabinet's consideration of the submission in response to the Government's Statutory Invitation issued by the Secretary of State for Housing, Communities and Local Government to Plymouth City Council on 05 February 2025 and to comply with the requirement to submit a single proposal by 28 November 2025.

Alternative options considered and rejected

Option 1: To not respond to the Government's statutory invitation to Plymouth City Council to submit a proposal for local government reorganisation in Devon.

This option was rejected as this would not be in the best long-term interests of local residents and businesses in terms of the sustainability of services provided. It would also not be in the best long-term interests of the city in relation to its unique and ambitious growth agenda. The absence of any submission to the Government by the City Council also risks a proposal being agreed for the rest of Devon that would undermine its long-term future.

Option 2: To submit a different proposal for local government reorganisation in response to the statutory invitation.

At its meeting on 17 March 2025 the City Council considered three options and approved the "Plymouth Growth Area" option now being put forward as "expanded Plymouth" as part of the final proposal taking account of the feedback from the "Big Community Conversation". The City Council has also had to respond to the Government's requirement set out in the letter of 15 May 2025 for its proposal to relate to the whole area of Devon. The City Council considers that its proposal for four unitary councils for Devon represents the best structure for local government in the area and the one that best addresses the opportunities for wider devolution as and when its preferred South West Peninsula Mayoral Strategic Authority is created. The option to submit a different proposal has therefore been rejected.

Relevance to the Corporate Plan and/or the Plymouth Plan

Establishing an "expanded Plymouth," an "expanded Exeter," an "expanded Torbay," alongside a new "Devon Coast and Countryside" unitary council, will maximise the ability to unlock new funding streams, new powers, and achieve operational service efficiencies across the whole of Devon. Further innovations in service delivery would enable the priorities as set out in the Corporate Plan to be achieved over the long-term. The proposal for an "expanded Plymouth" will help achieve all six of the Corporate Plan priorities and specifically will secure long-term growth opportunities which will meet the Corporate Plan commitments to build more homes for social rent and affordable ownership and deliver green investment, jobs, and skills. The proposal for local government in Devon has been developed in accordance with the Corporate Plan values of "democracy," "responsibility," "fairness," and "co-operation." The proposal for an "expanded Plymouth" and for four unitary councils to replace the existing two-tier councils in Devon will also help in achieving the Plymouth Plan objectives of creating a "healthy city," a "growing city," an "international city" and a "regional city."

Implications for the Medium-Term Financial Plan and Resource Implications:

Plymouth City Council will develop and agree a Medium-Term Financial Plan and budget for the current council (on current City Council boundaries) until such time as a decision is made by Government on future arrangements for local government in Plymouth and Devon. As set out in the attached proposal, the four unitary councils would deliver operational efficiencies and improve financial sustainability for local government across the whole of Devon, including Plymouth. The initial cost of implementing the proposal (if agreed) would be funded from one-off resources, paid back through efficiency savings over the first 3-4 years of the expanded Plymouth City Council.

Financial Risks

The principal financial risks relate to uncertainty in the financial estimates prepared to support the proposal. The financial analysis is based on data collated from councils across Devon, as well as published financial information; however, all information used is historic and the level of demand, cost or income could vary from the assumptions used in the financial modelling. This risk has been mitigated as far as possible through detailed financial modelling, undertaken to a level of granularity and in collaboration with a working group of finance officers across Devon. Specialist external consultants have also been commissioned to estimate formula-driven income streams, and to support balance sheet analysis. The full proposal (to be considered by Cabinet and the City Council on 24 November 2025) is attached as Appendix A and sets out the financial risks in more detail.

Legal Implications

In February 2025, the Secretary of State issued an invitation to all councils in Devon, including Plymouth City Council, to submit proposals for structural change to include the creation of new unitary authorities. The statutory basis for this invitation is section 2 of the Local Government and Public Involvement in Health Act 2007 (the Act), brought about as a result of the Government's English Devolution White Paper (2024). The White Paper sets out the Government's commitment to simplify the structure of local government with a view to delivering significant savings, more sustainable and higher quality services, and improved accountability.

The Act permits four types of proposal for a single tier of local government based on whole district building blocks. The Council must therefore submit a base case proposal based on existing district boundaries to satisfy this statutory requirement. However, the Secretary of State has a power of modification under section 7 of the Act to make modifications to proposals where he has received a request to do so. Cabinet is therefore being asked to approve a ministerial request for a modification to the Council's base case proposal to enable the proposed four unitary council model for Devon to be brought forward, with three of those councils extending their existing boundaries.

The Secretary of State may implement proposals, with or without modification, but must undertake a statutory consultation exercise before any Structural Changes Order (SCO) can be made. The consultation must include all affected authorities and others considered appropriate and will be led by Government. This statutory consultation process is separate to the Council's own consultation and engagement activity which has already been undertaken.

The implementation of proposals submitted to the Secretary of State will ultimately require a SCO to bring into being any newly created unitary authorities and to deal with matters such as the transfer of property, contracts, and staff to the newly created entity. Alternatively, the Secretary of State may permit existing unitary authorities to be "continuing authorities" with their requested boundary change without the need to abolish the existing authority. This option is being proposed for Plymouth and Torbay in order to reduce the significant financial, resource and service delivery implications that the creation of a new authority would necessitate.

In relation to the duty under Section 17 of the Crime and Disorder Act 1998 for the City Council to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, (a) crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment); and (b) the misuse of drugs, alcohol and other substances in its area; and (c) re-offending in its area; and (d) serious violence in its area, the local government proposal for Devon to have four unitary authorities replacing the existing two-tier structure has been discussed with the Chief Constable of Devon and Cornwall Police. The City Council has also considered the Section 17 duty under the 1998 Act and concluded that its proposal for four unitary councils will be consistent with it.

Carbon Footprint (Environmental) Implications:

Through devolution, the Government has committed to making Britain a clean energy superpower. It therefore sees a major role for the new Mayoral Strategic Authorities in achieving this aim and addressing climate change. The Power and Partnership: Foundations for Growth White Paper refers to several initiatives which the City Council has been active in delivering such as Warm Homes, the Social Housing Decarbonisation Fund, the Public Sector Decarbonisation Scheme, and the heat network Advanced Zoning Pilot which will form part of the Integrated Settlement for 2025/2026. Whilst the White Paper sees a major role for Mayoral Strategic Authorities, Plymouth City Council has been very active in this area and the creation of an expanded boundary will open up further opportunities for decarbonisation initiatives across the wider area of an “enlarged Plymouth” and also through the work of the South West Peninsula Mayoral Strategic Authority. A single-tier structure provides further opportunities for more coordinated planning across functional areas to deliver more joined-up decarbonisation initiatives. The integration of strategic planning, transport planning, infrastructure coordination, housing delivery and climate change initiatives will be easier if provided by one authority. This applies not only to the expanded Plymouth authority but all four unitary authorities that are part of Plymouth’s local government reorganisation proposal for Devon. A Climate Impact Assessment (CIA) has been undertaken and concludes that the overall impact of the local government proposal prepared by the City Council on climate and environmental outcomes is, at this strategic stage, neutral. This reflects the high degree of uncertainty surrounding future governance arrangements, service delivery models, and spatial planning frameworks, which precludes robust forecasting. The assessment does not identify direct positive or negative climate impacts but highlights several areas where future implementation could influence outcomes. The proposal demonstrates a strategic commitment to environmental responsibility, but its climate impact will depend entirely on future implementation decisions. The assessment recommends tailored mitigation planning during the implementation stage to ensure climate resilience and environmental integrity are upheld across the expanded geography.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination, and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

There are a number of key strategic risks that apply to this local government reorganisation process. The main risk is that the Secretary of State accepts the base case proposal to not alter Plymouth City Council’s boundary and/or accepts alternative proposals being developed by Devon County Council for a huge single unitary council across the whole of Devon, or the “1-4-5” proposal by the district councils which assumes Plymouth would stay on its existing boundary. All of these would severely constrain Plymouth’s ability to maximise the opportunities for growth and limit the ability to secure more joined up services for those settlements that are already functionally connected to the city. A further risk is that the Secretary of State accepts other proposals being put forward that will create a situation whereby the South West Peninsula Mayoral Strategic Authority is dominated by authorities that put urban issues as secondary and where ambitions for growth are muted. The main mitigation for these risks has been to establish a strong consensus with Exeter City Council and to ensure that the final proposal is of the highest quality that sets out a compelling case for the four unitary council proposal advanced by the City Council, with a strong overarching vision and supporting evidence base. Another risk, which was also highlighted in the report on devolution agreed by the City Council on 09 January 2025, is the very real possibility of the whole process of devolution and reorganisation diverting capacity and resources away from the continuing delivery of high-quality services to residents and businesses. The key mitigation for this risk is to adopt a proportionate approach to the process, and the establishment of the Local Government Reform Team with dedicated resources with the ability to commission external specialist capacity to undertake and complete key future workstreams, whilst maintaining existing service delivery across the council.

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Plymouth City Council's Local Government Reorganisation Proposal for Devon (November 2025)							
B	Plymouth City Council's Local Government Reorganisation Proposal for Devon (November 2025) Appendices Appendix 1 – Finance Appendix 2 – List of Parishes Appendix 3 – Implementation Plan Appendix 4 – Letters of Support Appendix 5 – List of figures and tables Appendix 6 – List of acronyms Appendix 7 – Key terms explained Appendix 8 – Sources Appendix 9 – Climate Impact Assessment Appendix 10 – Equalities Impact Assessment (One further appendix to follow w/c 17 November 2025)							
C	Plymouth LGR Engagement Report							

Background papers:

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

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Originating Extended Leadership Team member: Tracey Lee, Chief Executive											
Please confirm the Strategic Director(s) has agreed the report? Choose Yes Date agreed: 14 November 2025 (Tracey Lee, Chief Executive)											
Cabinet Member approval: Councillor John Stephens, Cabinet Member for Strategic Planning and Transport (as per delegated authority) Date approved: 14 November 2025											