

Appendix 2

Design Principles and Options Considered in initial LGR Proposal

Alongside the Devolution focus and Government guidance the following were used as design principles. That any new unitary councils should:

- Strike the right balance between size and maintaining a strong local connection to communities
- Deliver savings and sustainable organisations
- Reflect the way people live their lives and work
- Retain local democratic accountability
- Ensure a strong focus on neighbourhoods, and community partnerships
- Preserve local heritage and civic identities.

Starting from first principles meant looking at a range of options including:

- 1) Two Unitaries: Single County Unitary / City
- 2) Three Unitaries: North / South (Rutland) / City
- 3) Three Unitaries: North (Rutland) / South / City
- 4) Three Unitaries: East(Rutland) / West / City

Maps were generated for each, and considered the following variables:

- Population,
- Workforce,
- Economic inactivity,
- Job density (ratio jobs/workforce), self-containment: commuting,
- Deprivation,
- Proxy for adult social care (pension credits),
- Proxy for children's services (children in poverty),
- Housing (temporary accommodation pressures),
- Financial balance: local authority debt and income

Summary of Government feedback to initial proposal and response

Following submission of the draft proposal to the government, feedback was received by MHCLG on 3rd June 2025. This highlighted several areas where additional information would be welcomed including the approach to debt management, the management of the risks of disaggregating services and the impact of each proposal on services such as social care, children's services, SEND, homelessness and wider public services. MHCLG also stated that they would welcome more detail on the rationale for any proposals which would result in setting up authorities serving less than 500,000 population.

Finally, government encouraged the authorities to work together to develop a robust shared evidence base to underpin final proposals which, wherever possible, should use the same data sets and be clear on assumptions. It was made clear that it would be helpful for final proposals to set out how data and evidence supports outcomes

and how well they meet the assessment criteria. They suggested that those submitting proposals may wish to consider an options appraisal to demonstrate why their proposed approach best meets the assessment criteria in the letter compared to any alternatives, and a counterfactual of a single unitary.

In response to MHCLG's recommendation for consistent datasets across proposals a dedicated data workstream was set up. Efforts to align data with Leicester City and Leicestershire County Council included negotiations for data-sharing agreements, which were protracted but eventually resolved, albeit we have different proposals to them. The workstream has already produced standardised datasets, such as population forecasts, to support the options appraisal and financial modelling, addressing ICC's call for transparency.

To support final proposals for reorganising local government across a Leicester, Leicestershire and Rutland geography, the District and Borough councils of Leicestershire, along with Rutland County Council, have established several workstreams to collaboratively address our approach to issues of significance for the development and implementation of Local Government Reorganisation plans, covering strategic proposal development, organisational proposal development, target models for proposed unitary authorities, and enablement of the reorganisation process.

Each of the eleven workstreams operate under a designated primary liaison officer – typically a Chief Executive, or senior officer from one of the contributing councils. Officers from authorities participating towards the North/City/South proposal contribute on areas of expertise as representatives of their authorities. Workstream meetings take place with varying frequency, holding weekly, fortnightly or monthly meetings, with key updates reported to Chief Executives and Leaders as required.