Communities and Local Government

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5 December 2007

Chief Executive
Exeter City Council

Our Ref:
Your Ref:

BY EMAIL

Dear Chief Executive,

PROPOSALS FOR FUTURE UNITARY STRUCTURES

In response to the Invitation to councils in England issued by the Secretary of State on 26 October 2006, your council submitted on 25 January 2007 a proposal for future unitary structures. I wrote to you on 8 February 2007 informing you that your council's proposal conformed to the terms of the Invitation, and on 27 March 2007 informing you that your proposal, together with the further information that you provided to explain and clarify it, would be proceeding to stakeholder consultation.

On 25 July 2007, I wrote to inform you that, in the Secretary of State's judgement, there was a reasonable likelihood that, if implemented, the proposal would meet the outcomes specified by each of the criteria set out in the invitation. However, the Secretary of State recognised that there were risks to your proposal achieving the outcomes specified by the affordability criterion. You were therefore invited to undertake further work and to submit additional information on the financial viability of your proposal to which the Secretary of State would have regard before taking final decisions.

I am now writing to inform you that, after consideration of the additional information which your council and other councils have submitted on the financial viability of your proposal, and after having had due regard to all the relevant information available,

P Rowsell
Deputy Director Local Democracy
Department for Communities and Local Government
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the Secretary of State considers that there are still a number of risks to the financial case set out in the proposal. In particular she believes that, allowing a reasonable estimate for costs, the pay back period for your proposal may be over the 5 years specified by the affordability criterion. Overall, therefore, she has concluded that there is not a reasonable likelihood of the proposal achieving the outcomes specified by this criterion.

Consequently, she is at present minded not to implement your proposal and has decided to ask the Boundary Committee for advice on it, under section 4 of the Local Government and Public Involvement in Health Act 2007. Under the Act, the Boundary Committee may, in respect of unitary proposals referred to it, recommend that your unitary proposal is implemented, is not implemented, or it may make alternative unitary proposals which may cover a wider area. The Secretary of State intends to specify in her request that the matters on which the Committee's advice is sought includes whether, for the area affected, the City and remaining county area, there could be alternative unitary solutions involving boundary changes, which would meet the five criteria set out in the Invitation. The Secretary of State further intends, in guidance to the Boundary Committee, to highlight the possibility that any alternative unitary solutions may involve changes to the boundaries of the existing Devon unitaries of Plymouth City and Torbay.

If you have any queries about the substance of the decision you should write in the first instance to Terry Willows at Terry.Willows@communities.gsi.gov.uk.

Yours sincerely,

P Rowsell