

Update on D&S IFCA's Funding Officers' Recommendation

That Members note the Officers' report

1. Background

The Chair and the Chief Officer have worked with Defra officials since 2018 to address the funding crisis facing D&S IFCA. In 2025, Defra had engaged with Local Authorities to review the funding structure of D&S IFCA and were moving towards a point when options for change would be presented to the Minister for consideration.

In the update, received from Defra in March 2026, the Chair was informed that a precursor submission had been received by the Minister, and that discussions would take place. The precursor submission must be completed before any further Ministerial engagement on the Devon and Severn IFCA review could take place. The Defra official also confirmed that they were engaged with MHCLG's local devolution restructuring programme and would follow up with contacts in April to assess opportunities linked to the review.

On 9th June 2026, Defra provided the Chair with a further update, setting out that: *'Our Minister has agreed work seeking to address the funding challenges D&SIFCA have been facing. This is a significant step forward and will focus on preparing advice for our Minister on options to amend levy contributions from local authorities within the membership of D&SIFCA. We will share further information on our proposal and timeline as Ministers make further decisions'*.

2. Impact on D&S IFCA

Officers understand that the reorganisation plans will affect Devon County Council, Gloucestershire County Council, Plymouth City Council and Torbay Council. The plans are to replace the two-tier system of local government, with single unitary councils responsible for all local government responsibilities in the newly defined areas. The consultation has led to a number of preferred options being suggested. For example, in Devon, five different options for three of four unitary councils have been proposed. D&S IFCA could have up to four unitary councils instead of the three councils it has now.

The attached report (Annex B) from the AIFCA summarises the potential consequences for six of the ten IFCA's from the proposed local government reorganisation.

The final decisions by the Government on the new unitary councils are expected in Summer 2026, leading to "Shadow Council" elections in May 2027. *'The shadow*

councils are temporary bodies that will be responsible for a smooth transition in service delivery’.

The update from Defra is very encouraging and it is welcome that the Minister is taking a direct interest in the funding of D&S IFCA. The timeline set out for the reorganisation of the councils may mean that the options for levy changes could be submitted later this year.

Although not mentioned in the Defra update, how New Burdens Funding is provided to the funding councils will be important. In order to achieve the necessary uplift in D&S IFCA’s operational budget, the New Burdens Funding must be in addition to the base levy contributions received from the councils. This would bring D&S IFCA in line with the other IFCAs.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers

Annex B - Local Government Reorganisation: Implications for IFCA Funding, Membership and Governance

IFCA FWG MTFP Report 26-27

[June 2025, Authority papers Agenda Item 8 - Funding of D&S IFCA](#)