

AGENDA MANAGEMENT SHEET

Report Title: Local Government Reorganisation

Name of Committee: Council

Date of Meeting: 19 November 2025

Report Director: Chief Executive

Portfolio: Organisational Change

Ward Relevance: All Wards

Prior Consultation: All Leaders' Group, Member briefing - 10 November 2025

Contact Officer: Dan Green, Chief Executive

Public or Private: Public

Report Subject to Call-In: No

Report En-Bloc: No

Forward Plan: No

Corporate Priorities: This report relates to the following priority(ies):
☐ A Healthier Rugby – To support people to live healthier, longer, and more independent lives.
☐ A Thriving Rugby – To deliver a thriving economy which brings Borough-wide investment and regenerates Rugby Town Centre.
☐ A Greener Rugby – To protect the environment and ensure the Borough adapts to climate change.
☐ A Fairer Rugby – To reduce inequalities and improve housing across the Borough.
[Corporate Strategy 2025-2035](#)
☒ This report does not specifically relate to any Council priorities but the reorganisation of local government and Rugby Borough Council is fundamental in how the residents and businesses of Rugby are served in the future and the priorities of the area are met.

Summary: This report provides an update on Local Government Reorganisation (LGR) ahead of the statutory submission deadline on the 28th November 2025.

The report provides an independent evaluation on the two unitary proposals that have been developed for Warwickshire and seeks the views of Councillors on the relative merits of each proposal in accordance with the Government's process for Local Government Reorganisation.

Views are sought from Full Council to inform the extraordinary meeting of Cabinet on 26th November 2025 in their decision about which option to support as part of the final submission to government from Warwickshire.

Financial Implications:

As set out in section 4 of this report.

Risk Management/Health and Safety Implications:

Risk Management issues associated directly with this report are limited.

The risks of LGR itself are substantial, and have been considered by Government, partners and the Council in the development process for LGR proposals.

Environmental Implications:

There are no environmental implications arising directly from this report therefore no Climate Change and Environmental Impact Assessment has been completed.

Legal Implications:

The Local Government and Public Involvement in Health Act 2007 provides the legal foundation for structural changes in local government in England.

The UK Government's current Local Government Reorganisation programme is underpinned by the English Devolution and Community Empowerment Bill (2025) and guided by the English Devolution White Paper published in December 2024. As of 14th November 2025, the English Devolution and Community Empowerment Bill has not yet received Royal Assent.

Equality and Diversity:

There are no equality and diversity implications arising directly from the recommendations of this report. The decision to implement Local Government Reorganisation (and its configuration) will be made by the Government, who are required to consider the Public Sector Equality Duty through their decisions and policies.

As the Local Government Reorganisation programme progresses, there may be further equality and diversity impacts. Equality analysis will be undertaken accordingly to ensure that plans, services and policies arising comply with the Public Sector Equality Duty.

Options:

- 1) To approve the recommendations within this report and identify a preference for a single unitary council for Warwickshire
- 2) To approve the recommendations within this report and identify a preference for two unitary councils for Warwickshire
- 3) To not approve the recommendations within the report and express no preference regarding Local Government Reorganisation within Warwickshire.

Recommendations:

- (1) Council comments on the two proposals for Local Government Reorganisation in Warwickshire (set out in Appendices A and B) to inform the submission to Government by 28 November 2025;
- (2) Council expresses a preference on the form of unitary Government for Warwickshire to inform Cabinet's submission of the final proposal to Government; and
- (3) IT BE RECOMMENDED TO CABINET THAT:

In making its decision, Cabinet include a statement setting out Rugby's specific requests of either option, as determined through the various debates held to date, including:

- Progressing the creation of a Rugby Town Council
- Initiating a Community Governance Review to consider the further formation of Parish Councils within the Rugby urban area.
- Ensuring that the future unitary council covering Rugby Borough maintains a significant local presence, in terms of a public office based within the Borough and services delivered from within the Borough.

- Ensuring that any future unitary council seeks to retain and develop RBC staff wherever possible.
- Ensuring that the structures and governance associated with any future unitary council maintains and, where possible strengthens, democratic accountability.

**Reasons for
Recommendation:**

The proposed recommendations are intended to ensure that Rugby Borough Council maintain a proactive and strategic role in the evolving landscape of Local Government Reorganisation across Warwickshire.

Council - 19 November 2025

Local Government Reorganisation

Public Report of the Chief Executive

Recommendation

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- (2) Council expresses a preference on the form of unitary Government for Warwickshire to inform Cabinet's submission of the final proposal to Government; and
- (3) IT BE RECOMMENDED TO CABINET THAT:

In making its decision, Cabinet include a statement setting out Rugby's specific requests of either option, as determined through the various debates held to date regarding local government reorganisation, including:

- Progressing the creation of a Rugby Town Council
- Initiating a Community Governance Review to consider the further formation of Parish Councils within the Rugby urban area.
- Ensuring that the future unitary council covering Rugby Borough maintains a significant local presence, in terms of a public office based within the Borough and services delivered from within the Borough.
- Ensuring that any future unitary council seeks to retain and develop RBC staff wherever possible.
- Ensuring that the structures and governance associated with any future unitary council maintains and, where possible strengthens, democratic accountability.

1. BACKGROUND

- 1.1. The Government's English Devolution White Paper - Power and Partnership: Foundations for Growth, published in December 2024, outlined a vision to streamline local governance structures to enhance service delivery, accountability and financial sustainability.
- 1.2. The paper sets out a staged pathway for Local Government Reorganisation and introduces a process through which two-tier areas can bring forward proposals for new unitary structures as well as unlocking devolution through expanded Strategic Authority arrangements.
- 1.3. Following publication of the White Paper, the Ministry of Housing Communities and Local Government (MHCLG) issued a formal invitation on 6 February 2025 to councils in two-tier areas to begin developing proposals for unitary structures. Councils were initially asked to submit interim plans by 21 March 2025 with subsequent feedback incorporated into the drafting of the final proposals.
- 1.4. Council considered the submission of an Interim Plan on 19th March 2025. Details of this meeting can be found at the following [link](#)
- 1.5. As resolved by Council on 19th March 2025, monthly All Leaders Group meetings have been used as a means of developing the Council's approach to Local Government Reorganisation. These meetings have been utilised to examine key issues such as future local government structures; Strategic Authority relationships; the potential creation of a Rugby Town Council; strengthening the role of Parish Councils; engagement with key partners; future democratic arrangements; and employee wellbeing through the LGR process.
- 1.6. Following the Council meeting on 19th March 2025, the five Warwickshire District and Borough Councils jointly submitted an Interim Plan to Government, outlining the two options: a single County unitary council or two North/South unitary councils. Within the same submission, Warwickshire County Council submitted an Interim Plan which strongly favoured the creation of a single County unitary council.
- 1.7. Government feedback on these plans, received in early June 2025, did not endorse a specific option but provided guidance on further work required within the full submission. In particular, the feedback highlighted the following key points:
 - Population rationale: While the statutory guidance suggests a population of 500,000 or more, flexibility is allowed. Proposals should clearly explain the rationale for the population size proposed.
 - Service impacts: Consideration should be given to the effects on critical services, including social care, children's services, SEND, homelessness, and wider public services such as public safety. Any disaggregation of services should include details on impacts and mitigation measures.

- Collaboration and evidence: Further work should continue to strengthen collaboration between councils, ensure consistent use of data and assumptions, and demonstrate how evidence supports the outcomes and meets the assessment criteria. An options appraisal is encouraged to show why the preferred approach best meets the criteria.
 - Strategic Authority alignment: Final proposals should set out how each option would interact with a Strategic Authority and deliver benefits to local communities, including meeting statutory devolution tests.
- 1.8. It should be noted that (as specified by government guidance in the invitation to submit proposals) each council can only make one formal proposal for unitary local government, and a proposal can either be submitted individually by a council or jointly with other councils that were invited. To meet the terms of the invitation, the proposal must be for the whole of the area concerned and provide the information requested in the invitation.
 - 1.9. The Secretary of State can decide to take forward proposals that are submitted by areas, with or without modification. If councils within an area cannot agree on a single proposal and submit separate proposals, the preference is for these to be submitted together, as a single submission for the area, which includes all proposals being put forward by councils, and is supported by a shared evidence base.
 - 1.10. MHCLG has published guidance outlining the expected timeline for Local Government Reorganisation in areas, including Warwickshire, requiring councils to submit proposals by 28th November 2025.
 - 1.11. The guidance indicates that new unitary authorities would operate in a 'shadow form' from May 2027, one year prior to their official Vesting Day on 1st April 2028, when they would assume full statutory powers, assets and liabilities.
 - 1.12. During the shadow period, new authorities will be able to recruit staff, establish governance arrangements, and undertake detailed implementation planning, under the leadership of councillors elected in May 2027 who would formally become councillors of the new unitary councils upon Vesting Day.
 - 1.13. Based on MHCLG guidance, the following indicative timeline in diagram 1 outlines key milestones for Warwickshire's Local Government Reorganisation process:

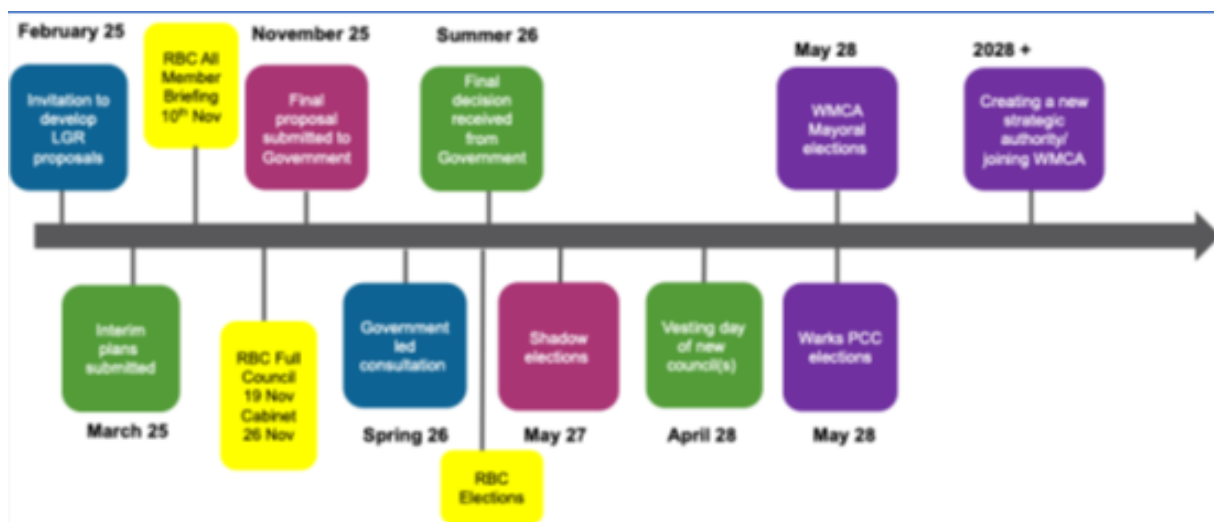


Diagram 1 – key milestones for Local Government Reorganisation in Warwickshire

2. LOCAL GOVERNMENT REORGANISATION PROPOSALS

- 2.1. Since submitting the Interim Plan, the Council has been working collaboratively with partners to develop the two identified viable Warwickshire Local Government Reorganisation proposals.
- 2.2. The Government's Devolution and Local Government Reorganisation agenda aims to simplify local authority structures, strengthen democratic accountability and support economic growth. The Schedule to the Secretary of State's LGR invitation letter sets out the criteria for establishing unitary local government. This forms the framework for the development of proposals and includes:
 - A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.
 - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.
 - Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.
 - 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.
 - New unitary structures must support devolution arrangements.
 - New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.
- 2.3. With these criteria at the core, two proposals for future local government structures in Warwickshire have now been developed, with decision making now happening across the County.
- 2.4. Decision making which has taken place so far indicates the following support:

Warwickshire County Council:	Single Unitary Council
Stratford on Avon District Council:	Two Unitary Councils
Warwick District Council:	Two Unitary Councils
Nuneaton and Bedworth Borough Council:	Two Unitary Councils
North Warwickshire Borough Council:	Two Unitary Councils

- 2.5. The Council has actively engaged in the development of both proposals; joined national or regional local government working networks to compare approaches with other areas; and has maintained continuous engagement with MHCLG.
- 2.6. One proposal (Appendix A) has been developed by Warwickshire County Council and proposes a single unitary council for Warwickshire.
- 2.7. One proposal (Appendix B) has been developed by a consortium of Warwickshire's District and Borough Councils, supported by Deloitte and supplemented with research and analysis carried out by PeopleToo (Appendix C), and proposes two unitary councils for Warwickshire.
- 2.8. Both current drafts of Warwickshire proposals have been circulated to all Rugby Borough Councillors by email and are appended to this report.
- 2.9. Both business cases present different options that, based on independent review, appear to provide evidence toward meeting the statutory criteria.
- 2.10. The proposals are large documents that have been summarised below to give Council a high-level view of the vision, concepts and key ambitions of proposed new unitary organisations.

A) Single Warwickshire Unitary Proposal

Warwickshire County Council has prepared a proposal which examines both the proposition for a single unitary and two unitary model of structural change, identifying a clear preference for a single unitary for Warwickshire. The single unitary proposal core proposition view is that:

“A single unitary is the only model that can deliver genuine local presence and offer the scale and efficiency needed to be financially sustainable into the future. It enables coherent planning, strengthens strategic partnerships and improves accountability through unified leadership and delivery”.

It should be noted that the County Council wishes to establish a 'continuing' single unitary authority built on the foundations of the current County Council. This approach, rather than creating a new council, novates or moves activity to the County Council and aims to reduce transition costs and simplify arrangements.

B) Two Unitary Warwickshire Proposal

Nuneaton and Bedworth Borough Council, North Warwickshire Borough Council, Stratford-on-Avon District Council and Warwick District Council have jointly developed the proposal for a two unitary council Warwickshire. This proposes a Northern and a Southern unitary council.

Rugby Borough Council has inputted into the development of this proposal, however have not been viewed as an equal partner. Development of the proposal has been supported by consultant partners Deloitte, Opinion 13 Research Services and PeopleToo. The two unitary proposal core proposition is:

” This two-council model provides organisations that are close enough to residents to reflect their priorities and sense of place. It also provides sufficient scale to be financially sustainable and to deliver efficiencies”

This proposal implies no ‘continuing’ authorities, suggesting that the creation of two entirely new unitary councils enables a new culture, new working practices and greater fairness through the formation of the new councils.

- 2.11. Diagram 2 below shows the geography of the two proposals for Warwickshire.

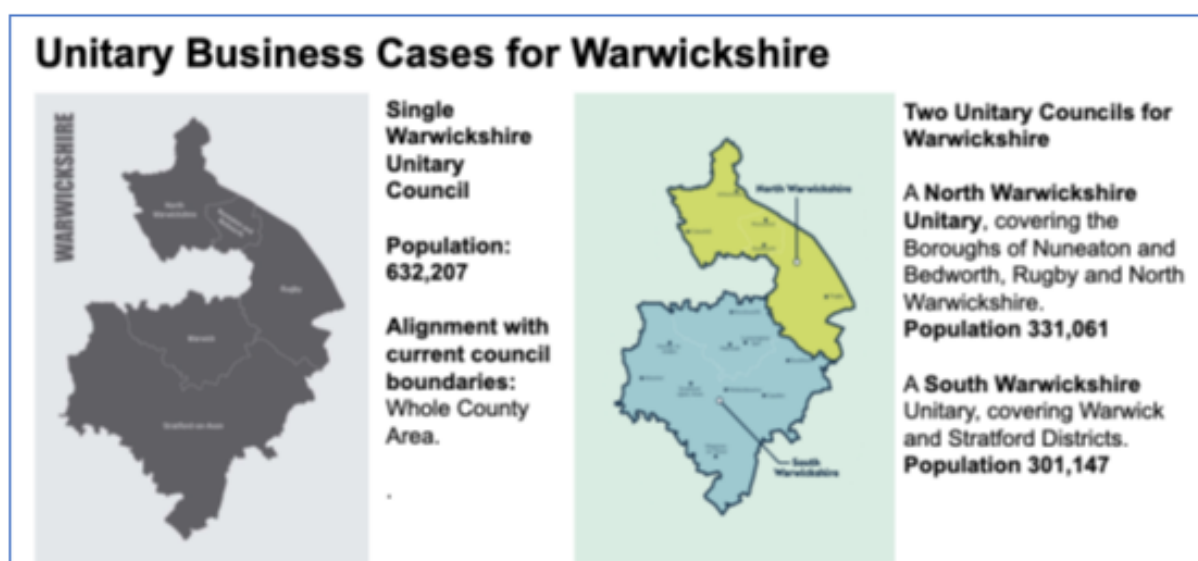


Diagram 2 – the geography of the two LGR proposals for Warwickshire

3. ANALYSIS AND EVALUATION

- 3.1. Throughout the Local Government Review process, the Council has adopted an evidence-led approach to developing and assessing the proposals. Given the complexity of the process, the Council has maintained an open, solutions-focused mindset to ensure the strongest possible proposals for Rugby.

- 3.2. A core principle for assessing the business cases has been the creation of financially sustainable new organisations capable of delivering the best possible services for Rugby Borough Council residents.
- 3.3. To support these aims and to ensure an independent viewpoint, the Council has engaged external support (provided by NC4T Ltd.) to objectively evaluate the two emerging proposals. This can be found at Appendix D.
- 3.4. The analysis was specifically commissioned to:
- Critically evaluate the Local Government Reorganisation proposals for both single and two unitary options.
 - Provide assurance and balanced support to Members in assessing and determining the preferred reorganisation model for Warwickshire ahead of the business case submission.
- 3.5. The analysis draws on external inputs and modelling used in developing the proposals. It applies the MHCLG criteria to identify the key considerations, risks, opportunities and issues for Rugby Borough Council.
- 3.6. Key points raised against the MHCLG criteria include:

Sensible Geography:

A single unitary council for Warwickshire would serve a population of 632,207 and the two unitary proposals see the creation of a northern unitary council serving 331,061 and southern unitary council serving 301,147.

The analysis states that the Government's feedback relating to Interim Plans did not endorse either model. Instead, it set out further requirements for the full submission and indicated that an optimal population size is around 500,000, with flexibility allowed, provided the proposal clearly justifies the population level chosen.

The analysis presents the arguments for both cases. It identifies the key issue being to determine which model would position the council closest to local residents and best placed to deliver effective place-based services. In doing so, it suggests that the effectiveness of local, place based, area committee governance and engagement mechanisms are not dependant of the comparative size of the parent organisation.

Efficiency and Resilience:

The analysis comments that both business cases differ substantially in the structure and clarity of the financial cases, noting that the single unitary council proposal presents a conventional Local Government Reorganisation case, whereas the two unitary council proposal is less transparent with financial modelling that is difficult to follow and assumptions that appear to rely heavily on secondary analysis.

Regarding the financial modelling applied to the proposals, the analysis suggests that “neither case currently provides the full financial model to validate assumptions, but the County-led case is more consistent and aligned with wider LGR precedent.”

High Quality Public Services:

The analysis suggests that the single unitary council proposal starts to give shape to the services and design of the new unitary, including making a strong link to the transformation and partnership agenda.

It suggests that the two unitary council proposal considers mitigating the risks of disaggregation, ensuring a community focus to services and redesigning services around the customer. It states that the core argument for a two unitary model is that it avoids the perceived drawbacks of a large, cumbersome single unitary, however states that this appears to be counter-intuitive given that many of those key services are already delivered across a countywide footprint.

Local Identity:

The analysis states that, by its nature, Local Government Reorganisation and the aggregation of councils is diminishing representation and will place local democracy at greater distance from electors, risking less engagement with local people and a potential democratic deficit.

It states that both proposals detail extensive engagement exercises and presents selected key highlights from this work.

Further, it sets out the basis for community governance as stated within each proposal, noting the importance of establishing strong area governance arrangements to ensure that decisions remain close to communities while strategic services are delivered efficiently at the unitary level.

Supporting Devolution:

The analysis states that both business cases currently express a preference for alignment with the West Midlands Combined Authority (WMCA) and make the case for how the structural model of local government reorganisation best fits devolution.

It notes that the two unitary council proposal suggests more options, as the two individual authorities could look North and South for partners, or a single Strategic Authority could be created for Warwickshire.

In relation to supporting devolution, the analysis suggests the following issues:

- There is currently no clear solution for devolution in Warwickshire, and this will likely be the situation until the summer 2026.

- The key concern in relation to devolution falls under the potential that within the WMCA, there are financial and political risks.
- Additionally, a single unitary council's size could create imbalances within a Strategic Authority.
- A linked concern is that large parts of the population are potentially in a Strategic Authority that bears no relation to the economic geography of the area.

Community Empowerment

The analysis sets out both proposals' aims in relation to community empowerment.

It notes that the two unitary council proposal suggests that it would operate closer to communities, with a greater number of councillors per elector - facilitating a greater understanding of local issues, providing more accessible channels for citizen engagement, and fostering a heightened sense of accountability.

The single unitary council proposal states that it would provide a consistent, countywide framework for community engagement and neighbourhood empowerment and that this would enable integrated, community-focused service delivery.

The analysis emphasises the importance of Rugby Borough Council involvement in the transition and implementation phases of the Local Government Reorganisation, to influence the design of local community engagement.

- 3.7 The analysis states that both proposals employ an options-appraisal methodology using the MHCLG evaluation criteria as the core framework. However, neither proposal evidences any external, collective or independent input into this appraisal, therefore the analysis suggests that while the appraisals do comprehensively summarise the key strengths and weaknesses of each structural approach, the apparent self-assessment bias reduces the weight and impact of the rankings.
- 3.8 Both proposals carried out engagement exercises, the results of which can be found in Appendix E (Warwickshire County Council led consultation) and Appendix F (4 District Councils led consultation).

4 FINANCIAL IMPLICATIONS

- 4.1 The financial analysis of the two options for local government in Warwickshire are set out within the business cases attached at Appendix A and B.

- 4.2 Although there are no direct financial implications arising from this report, decisions made regarding Local Government Reorganisation will have an impact on the finances of the successor council(s).
- 4.3 In the years preceding Local Government Reorganisation it is essential that financial planning and decision making is robust to ensure that the transfer takes place as smoothly as possible.
- 4.4 In July 2025 the Secretary of State notified all Local Authorities of the Structure Changes order that will be implemented from October 2026. This will limit the activity that can take place before Vesting day.
- 4.5 Recognising that there will be a cost of transition an earmarked budget will be required, as the expectation is that this is funded locally. The latest reserve risk assessment has included £3.000 million for this, which is based on the five district council's contribution a share of 50% of the estimated cost. As part of the budget setting process for 2026/27 further analysis will take place and a proposal to establish an earmarked reserve from existing balances will be presented to Council.

5 NEXT STEPS

- 5.1 On 26th November 2025 Cabinet will consider this matter and determine the submission to government which Rugby Borough Council will support. In determining this matter, it will consider comments made by Council.
- 5.2 Subject to Cabinet's decision, the proposal for Local Government Reorganisation for Warwickshire will be finalised and submitted to the Secretary of State for Housing, Communities and Local Government by 28th November 2025.
- 5.3 Following receipt of the submissions that the Minister of State for Local Government and English Devolution receive in response to the Secretary of State's invitation to councils in Warwickshire to submit proposals for unitary local government, a statutory consultation will be undertaken.
- 5.4 The consultation will be conducted by the Ministry of Housing, Communities and Local Government, seeking views and will ask several questions (aligned to the Statutory Guidance Criteria) about each proposal to help inform the assessment of the proposals. The consultation process is expected to be 6-7 weeks.
- 5.5 Following an announcement to the House of Commons as to the Government's intended action on LGR for Warwickshire, it is envisaged that consultation with the existing councils will commence on a draft Structural Changes Order. The finalised Order will set out the key steps towards the new unitary councils being formed, including:
- Establishing the single tier authority
 - Setting out the duties and functions of the shadow authority
 - Covering electoral arrangements for the unitary councils

- Implications on the functions of the sovereign councils
 - Provisions regarding the Joint Committees
 - Implementation Team
 - The electoral arrangements for those unitary councils.
- 5.6. Irrespective of the proposal accepted there will then be intensive and wide-ranging steps required to deliver the aggregation and disaggregation of services across several existing councils in order to make the new unitary council(s) 'safe and legal' on Vesting Day.
- 5.7. This means the ultimate role of the shadow authority, it's members and officers are to prepare for the new unitary authority to be safe and legal on Vesting Day, including ensuring the continuity of public services delivery. Given the amount of work and the compressed time to undertake that work, following the submission of proposals for LGR to Government by 28th November 2025, Officers will continue to further prepare for the ultimate decision by Government on the proposals to be implemented (as indicated in the timeline at Diagram 1 of this report).
- 5.8. The decision on LGR for Warwickshire will be made by Government following its statutory consultation later in 2026 and will be announced by Summer Recess 2026. Rugby Borough Council will have the opportunity to respond to the statutory consultation on the options the government puts forward.
- 5.9. Rugby Borough Council remains a sovereign council until the Vesting Day of a new unitary authority and must continue to comply with its statutory duties, powers and functions. These will be restricted later in the process by virtue of a Structural Changes Order, if made, and further information will be provided throughout the process on the implications for Rugby Borough Council.

LIST OF APPENDICES

APPENDIX A	Single Unitary Council Proposal
APPENDIX B	Two Unitary Council Proposal
APPENDIX C:	Two Unitary Council Proposal - PeopleToo Analysis
APPENDIX D:	External Analysis Provided By NC4T
APPENDIX E	Resident Engagement Summary - WCC
APPENDIX F:	Public Engagement Report - 4 District/ Borough Councils

Name of Meeting: Council

Date of Meeting: 19 November 2025

Subject Matter: Local Government Reorganisation

Originating Department: Chief Executive's Office

DO ANY BACKGROUND PAPERS APPLY ☒ **YES** ☐ **NO**

LIST OF BACKGROUND PAPERS

Doc No	Title of Document and Hyperlink
1	18 th February 2025 Council Report – Local Government Reorganisation link
2	19 th March 2025 Council Report – Local Government Reorganisation link
3	English Devolution and Community Empowerment Bill link
4	English Devolution White Paper link

☐ Exempt information is contained in the following documents:

Doc No	Relevant Paragraph of Schedule 12A



One Warwickshire, Stronger Together

Local Government Reorganisation Final Proposal

November 2025

Introduction **Leader of the Council**

To follow post Cabinet.

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opportunity and
outcomes**

**2. Options
appraisal**

**3. Transforming
lives in
Warwickshire**

**4.
Implementation**

1. Vision, opportunity and outcomes

The case for LGR in Warwickshire

Benefits of a single unitary in Warwickshire

Warwickshire Council

The vision

The outcomes

The opportunity

The local government and public service
landscape in Warwickshire

Creating opportunities in Warwickshire

Public and stakeholder engagement

Ask of Government

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Implementation planning

Programme view

Headline benefits

Critical path

Supporting evidence for government

Section 1:
**Vision,
opportunity
and outcomes**

This section sets out the vision for Local Government Reorganisation in Warwickshire, the outcomes it will deliver, and the specific ‘asks’ for Government to help achieve the vision.

1. Vision, opportunity and outcomes

The case for LGR in Warwickshire
Benefits of a single unitary in Warwickshire
Warwickshire Council
The vision
The outcomes
The opportunity
The local government and public service landscape in Warwickshire
Creating opportunities in Warwickshire
Public and stakeholder engagement
Ask of Government
The recommended model



The case for **Local Government Reorganisation in Warwickshire**

- Warwickshire is a county with a proud heritage, a dynamic economy and strong communities. However, the current two-tier system of local government is no longer fit for purpose. It creates duplication, inefficiency and confusion for residents, while limiting the county's ability to deliver high quality, sustainable public services and to respond to the challenges of the future
- Local Government Reorganisation (LGR) and devolution is a once in a generation opportunity to reform public services. The focus must be on how best to improve outcomes for the people of Warwickshire and address some of the challenges and differences in opportunity that exist in some parts of the county and for some people.
- There is wide agreement in Warwickshire that there are only two realistic options for LGR for the county: a single unitary covering the whole county or two unitaries (north and south). This proposal sets out the case for a single unitary council for Warwickshire as the only model which meets the Government's six criteria for LGR.

The benefits of a single unitary council in Warwickshire

A single unitary is the only model that can deliver genuine local presence and offer the scale and efficiency needed to be financially sustainable into the future. It enables coherent planning, strengthens strategic partnerships and improves accountability through unified leadership and delivery.

The key benefits of community engagement, local presence and neighbourhood working can be equally strong in a well-designed single unitary as they would be with two unitaries. The new unitary council would tailor its approaches to different places through effective place-based and neighbourhood working, working closely with different communities to progress their local priorities.

A single unitary will provide a consistent, countywide framework for community engagement and neighbourhood empowerment. It enables integrated, community-focused service delivery and aligns effectively with key partners to support joint working. Done well, it will ensure all communities have meaningful opportunities to shape local services and decisions.

A single unitary council for Warwickshire is stronger, delivers the greatest impact and makes sense for the following key reasons:

Simplicity and clarity

- It gives every resident has one council to contact, via consistent and integrated front doors, regardless of their query, location or service need.
- It will consistently deliver, high-quality services for all, ensuring no person or community is left behind.

Strategic voice and devolution

- It's larger scale amplifies influence both regionally and nationally, strengthening strategic partnerships and giving residents a stronger seat at the table for key decisions.
- It creates a county wide platform for strategic planning to improve the delivery of Government outcomes, like housebuilding and infrastructure targets.
- It preserves the heritage and identity of Warwickshire and its sense of place.
- It enables more effective and joined up working with partners across the public sector to drive greater benefit from devolution.

Financial sustainability

- It prevents costly and disruptive disaggregation of county wide provision like social care, children's services, education and public health.
- It can use its scale to ensure fair access to services in the most deprived places.
- It generates £18.7 million in annual net benefits, three times better than the two-unitary model, with a payback period of 2.9 years.
- It strips out the duplication and increased cost that two unitaries would bring.
- It ensures that resources are available across the whole of Warwickshire, avoiding a situation where financial modelling suggests the north would not be financially viable and creating a clear winner and loser in a two unitary model.
- It meets the Government's guiding principle of 500,000 based on Warwickshire's population of circa 630,000.

Warwickshire Council The Vision



The vision is simple:

***One Warwickshire,
Stronger Together***

Warwickshire will be a county where communities flourish and public services work together to make life better for everyone.

The vision for Warwickshire is rooted in the belief that people thrive when services are joined up, accessible, and community-led.

The new Warwickshire Council will be a bold and unifying force - working together with public services, the voluntary, community and local enterprise sector, businesses and communities to deliver real change.

Together we will build



Stronger communities

Engaging local people, building trust, and working alongside communities to develop local solutions that reflect Warwickshire's diverse places and needs.



Stronger finances

Managing demand and future financial shocks as one county, delivering improved value for money, creating economies of scale and ensuring sufficient resources are available where they are most needed.



Stronger voice

Representing the whole county, influencing national and regional decisions, unlocking greater investment and advocating confidently for Warwickshire's people and places.



Stronger partnerships

Working directly with partners, to reduce crisis interventions, shape preventative solutions to challenges across the public sector and investing in what works.



Stronger services

Joining up services and making it easier, simpler, and faster for residents to get the help they need first time and in the way that works best for them.



Stronger places

Driving economic growth across the county and delivering on national priorities, like economic growth, housebuilding and infrastructure targets.



Stronger outcomes

Breaking down barriers to opportunity and developing solutions to promote social and economic prosperity.

Warwickshire Council The Outcomes

The outcomes the new Warwickshire Council will deliver are set out below, aligned to local and nationally driven priorities and the Government's draft Local Government Outcomes Framework.

National Government Outcomes Framework

Outcomes for Warwickshire

**Economic prosperity and
regeneration**



Access to jobs: Accelerated economic growth delivering increased prosperity for residents, creating high quality jobs and reducing the gap in average earnings in the north of the county.

Health and wellbeing



Healthy living: Extended healthy life expectancy through coordinated and targeted action focused on the wider influences of health, maximising independence and reducing inequalities, with access to joined-up health and social care services.

**Homelessness and
housing**



Access to homes: Increased supply and affordability of housing along with the associated infrastructure and school places required for population growth.

**Adult Social Care:
Quality, Independence
and Neighbourhoods**



Opportunities to learn: Lowering the barriers to opportunity, particularly by raising educational attainment and adult skills.

**Every child achieving and
thriving**



Growing up safely: Ensuring all children have a good start in life through reformed children's services with the emphasis on prevention and early intervention, and effective safeguarding wherever it is needed.

**Best start in life, child
safety and poverty**



Getting around: Improved transport and digital connectivity, especially in rural areas.

Multiple disadvantage



Environment: Meeting environmental challenges head on through an integrated approach.

**Transport, Local
Infrastructure and
Planning**



Places to be proud of: Improved town centres and high streets, building a pride in place.

Environment

**Neighbourhoods and
Community Safety**

The opportunity for Warwickshire

With a clear focus on delivering the vision, the levers of local government reorganisation, public service reform and devolution will be used to unlock the significant opportunities which exist for Warwickshire, its communities, people and places.

Stronger communities – Engaging local people, building trust, and working alongside communities to develop local solutions that reflect Warwickshire’s diverse places and needs.

- Involving communities in decision making: the creation of community networks, local committees and new town and parish councils in areas that don’t have them will give councillors and residents greater influence in decisions that impact their area.
- Working alongside communities to take practical action: a consistent approach will be taken across the county to resident engagement and community participation.
- Enabling communities to lead: working directly with residents to understand challenges, deliver community-led solutions and deliver new programmes tailored to the priorities of their area.



Stronger finances – Managing demand and future financial shocks as one county, delivering improved value for money, creating economies of scale and ensuring sufficient resources are available where they are most needed.

- Working as one county enables economies of scale, reducing the cost of delivery and providing flexibility in how resources are used.
- Delivering substantial financial benefits while enhancing resilience to systemic financial challenges across the county.
- Protecting services against the impact and costs of disaggregation, better equipping the county to tackle inequalities and differences in service demand.



Stronger voice – Representing the whole county, influencing national and regional decisions, unlocking greater investment and advocating confidently for Warwickshire’s people and places.

- Building on Warwickshire’s Level 2 Devolution Deal, further devolution will maximise powers and funds held locally, giving Warwickshire greater control to shape its future.
- One clear voice for Warwickshire, promoting Warwickshire on the national stage and influencing national policy decisions.
- Strong voice in the region, championing local priorities, influencing direction and securing investment.



Stronger partnerships - Working directly with partners, to reduce crisis interventions, shape preventative solutions to challenges across the public sector and invest in what works.

- Bringing public services together around shared goals, improving coordination and access to public sector services.
- Single voice for Warwickshire will enable better collaboration with NHS, Police, universities, businesses, voluntary, community and social enterprise sector both strategically and in local places.
- Using shared data and insights to improve outcomes and deliver services more effectively.



Stronger services – Joining up services and making it easier, simpler, and faster for residents to get the help they need first time and in the way that works best for them.

- Reducing duplication and increasing service synergies to enable a joined-up approach to addressing local issues.
- Residents experience a universal service offer, accessed through a range of different locations and consistent and integrated front doors.
- Locally designed services will give residents the right support at the right time



Stronger places – Driving economic growth across the county and delivering on national priorities, like economic growth, housebuilding and infrastructure targets.

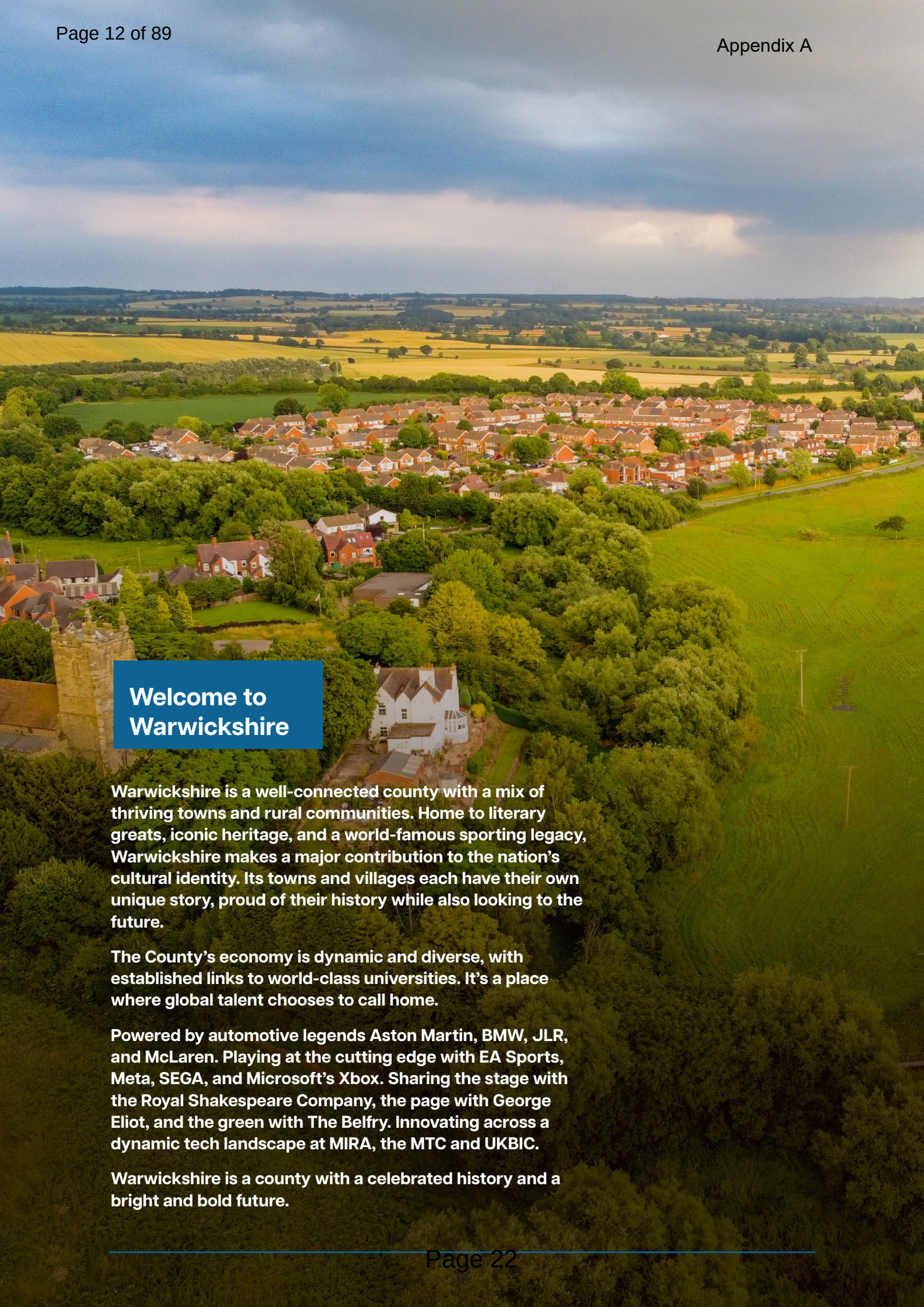
- Ensuring the right infrastructure and connectivity is in place to enable growth across the whole county, especially for key sectors.
- Taking a targeted and joined up approach to education, skills, jobs and health to support those who are economically inactive.
- Pilot schemes and new trials will be rolled out to provide support for high growth potential businesses and to accelerate inclusive economic growth.



Stronger outcomes – Breaking down barriers to opportunity and developing solutions to promote social and economic prosperity.

- Working closely with individuals to enable deeper understanding of the root causes of complex, long standing challenges to co-create more effective solutions which unlock opportunities.
- Locally designed services will give residents the right support at the right time, making support closer and accessible to residents.
- Integrated teams will use a place-based approach to reduce inequalities, removing barriers to opportunity and increasing social mobility.





Welcome to Warwickshire

Warwickshire is a well-connected county with a mix of thriving towns and rural communities. Home to literary greats, iconic heritage, and a world-famous sporting legacy, Warwickshire makes a major contribution to the nation's cultural identity. Its towns and villages each have their own unique story, proud of their history while also looking to the future.

The County's economy is dynamic and diverse, with established links to world-class universities. It's a place where global talent chooses to call home.

Powered by automotive legends Aston Martin, BMW, JLR, and McLaren. Playing at the cutting edge with EA Sports, Meta, SEGA, and Microsoft's Xbox. Sharing the stage with the Royal Shakespeare Company, the page with George Eliot, and the green with The Belfry. Innovating across a dynamic tech landscape at MIRA, the MTC and UKBIC.

Warwickshire is a county with a celebrated history and a bright and bold future.

The local government landscape in Warwickshire

Democratic representation and responsibilities for delivering local services are currently split across three tiers of local government:

Town and Parish Councils – There are 221 town and parish councils in Warwickshire, covering most of the county except for Nuneaton and Bedworth Borough and Rugby Town.

District and Borough Councils – Warwickshire has five district/borough councils, which collectively cover the whole county. They are Nuneaton and Bedworth Borough Council, North Warwickshire Borough Council, Rugby Borough Council, Stratford-on-Avon District Council, and Warwick District Council.

County Council - Warwickshire County Council works in close partnership with the district and borough councils and other public, voluntary sector and business partners across the county, sub-region and region. The County Council also administers the £3bn Warwickshire Pension Fund on behalf of 58 employers.

How the current system could be improved

Duplication and overlap across the two tiers of local government (district/borough and county) increases costs, creates inefficiencies and makes it more difficult to deliver key outcomes.

Complexity in the system creates inefficiencies in the use of resources and leads to slower decision-making and delivery, making it harder to drive improvement.

Multiple layers of government are confusing for residents, who often struggle to understand which council is responsible for which service. This undermines public accountability and transparency in decision-making.

Having split responsibilities creates barriers to strategic planning, joined up service delivery and effective partnerships with wider public sector partners.

These themes are evident in the feedback received from the public engagement undertaken over Summer 2025.

The public service landscape in Warwickshire

Blue light Services Police and Fire and Rescue Services in Warwickshire operate on a whole-county footprint. This approach offers several advantages:

- The ability to take a coordinated approach to the deployment of resources across the county based on risk and demand.
- Simpler, stronger partnership arrangements between emergency services, local authorities and health services.
- Joint training, shared intelligence and coordinated incident responses.
- More effective business continuity planning and disaster preparedness.

Warwickshire Fire and Rescue Service (WFRS) is part of Warwickshire County Council providing a fire and rescue service to everyone living in, visiting or travelling through Warwickshire, working to prevent incidents and emergencies from occurring, protecting people through safe buildings and businesses, and responding to those in need during an emergency.

The Healthcare System Regionally, NHS England - Midlands provides oversight and support to the Coventry and Warwickshire Integrated Care Board (C&W ICB), which acts as the strategic commissioner of healthcare services across the sub-region.

Warwickshire is part of the Coventry and Warwickshire Integrated Care System (ICS), a partnership of NHS organisations, local councils and other stakeholders, working collaboratively to improve health outcomes and reduce inequalities. The ICS is underpinned by the Integrated Care Strategy, which draws on the Joint Strategic Needs Assessments and Health and Wellbeing Strategies of both Warwickshire County Council and Coventry City Council.

At a county level, the C&W ICB has delegated commissioning responsibilities for urgent and emergency care, community services, continuing healthcare and the NHS element of the Better Care Fund to the Warwickshire Care Collaborative Committee. This committee includes senior leaders from the NHS and Warwickshire County Council.

From a healthcare system perspective, Warwickshire is divided into three 'places' - Warwickshire North, Rugby and South Warwickshire – each with its own Health and Wellbeing Partnership. These partnerships are responsible for delivering the Warwickshire Health and Wellbeing Strategy, with oversight from the Warwickshire Health and Wellbeing Board.



Locally, Warwickshire County Council is working with South Warwickshire NHS Foundation Trust to enhance joint commissioning and delivery, supported by the rollout of Neighbourhood Health Plans and Integrated Neighbourhood Teams.

Looking to the future, the C&W ICB is clustering with Herefordshire and Worcestershire ICBs, whilst retaining its own separate identity and legal status. The two ICBs are working together to streamline operations and develop a unified Population Health Plan.

The sub-region

West Midlands Combined Authority: All six Warwickshire councils are non-constituent members of the West Midlands Combined Authority (WMCA).

Warwickshire devolution: The County Council is one of three county areas to have secured a Level 2 devolution deal with Government, with devolved powers including adult skills and compulsory purchasing powers.

The Coventry and Warwickshire sub-region: Even though Coventry and Warwickshire are separate areas administratively, they share a great deal when it comes to the sub-regional economy. Many people who work in Coventry live in Warwickshire, and vice versa. The area's growing innovation sector, which is key to its future economic success, makes sense only when looking at the sub-region together.

The area's connectivity is not just about the UK. Its global connections are a core part of its economic make-up. As the UK seeks to redefine its wider economic relationships, Coventry and Warwickshire has a major contribution to make.

Coventry and Warwickshire Anchor Alliance: The Coventry and Warwickshire Anchor Alliance is an informal alliance of local councils, acute hospital trusts and Coventry and Warwickshire Partnership Trust (CWPT), the University of Warwick and Coventry University. The Alliance works together and uses its influence to benefit local people and achieve the best value for money for Coventry and Warwickshire – as employers, purchasers, land and asset owners.



Creating opportunities in Warwickshire

Warwickshire has strengths and performs well as a place to live, work and do business. Judged against national averages, the county compares favourably across many of the established social, economic and health indicators. The table below provides an illustrative overview of Warwickshire’s performance, and a broader range of measures can be found in the **State of Warwickshire Report**.

Employment

80.9% of 16-64 year olds are in employment.

This is the third highest rate of all county councils and **above the England average** of 75.5%

Figures for Q2 2025

Economy

The latest data (2023) shows that **Gross Value Added (GVA) per head of population** was

£40,735 in Warwickshire

compared to an England average of **£36,632**.

Post-16 Journey

In 2024, the proportion of **16-17 year olds**

Not in **Education, Employment or Training** was **3.2%**

in Warwickshire compared to **5.4% in England**

Education

49.6% of Key Stage 4 pupils achieved a **strong pass**

(grade 9-5) in **English and Maths in Warwickshire** in 2024/25 compared to **45.2%** in England

Community Safety

The total recorded **criminal offences** (excluding fraud) per 1,000 residents in **Warwickshire** in Q1 2025 was

25% less than the England average.

Health

Life expectancy at 65 years is significantly better in Warwickshire than the England average.

The average woman can expect to live to 86.4 years and the average man can expect to live to 83.9 in Warwickshire.

Public engagement - benefits

Engagement with the public has been undertaken through an open survey along with the Voice of Warwickshire residents' panel. This set out to understand more about what people felt the benefits of LGR would be along with any concerns.

Instead of asking people to comment on a specific model, broader questions were asked. These were designed to help shape the final proposal and future operating model. The results from the two main questions that were asked are set out below.

What do you think are the benefits of bringing all your council services together under one or more unitary councils for Warwickshire in the future?

Themes	Sub-themes
Cost efficiency and savings	Reducing duplication and streamlining - staff, buildings, systems; economies of scale; potential reduction of tax for residents
Improved and more efficient services and ways of working	Improved services through integration and co-ordination; unified vision, strategies and policy; improved workforce; use of technology and data
Improved interaction with residents	Reduced confusion and improved understanding; simpler point of contact; improved engagement and presence
Simpler governance	Improved accountability and transparency; less bureaucracy; fewer councillors
Consistency and equity	More consistent and equitable delivery of and access to services
Opportunities and best practice	Calling on examples from areas that do things well and sharing best practice; potential for greater collaboration
Greater external influence	Greater political influence and lobbying powers; regional presence

“ It would mean residents only deal with one council for all services, rather than navigating between county and district councils.”

“ The same level of services across the whole of Warwickshire with less division for the north and south of the county.”

“ A single council could take a more holistic view of issues like housing, transport, and economic development, leading to more coherent and long-term planning across the region.”

Public engagement - concerns

What, if anything, concerns you about bringing all your council services together under one or more unitary councils for Warwickshire in the future?

Main theme	Sub-themes
Loss of local knowledge, focus, representation and presence	Less local democracy and representation; lack of knowledge and understanding of local areas; smaller and rural areas overlooked; loss of local focus and identity; loss of proximity of council buildings to residents.
LGR implementation, integration and transition challenges	Job losses and staff morale; doubts about efficiency and cost savings; cost of implementation; loss of knowledge and expertise; impact on current partnerships and projects; identity and culture of current councils.
Understanding and meeting the needs of different communities	Difference in needs of communities across Warwickshire and particularly the north and south of the county.
Quality and responsiveness of service delivery	Concerns about service deterioration; inequalities in provision of services; impacts on planning and development.
Funding distribution	Questions and concerns about allocation and distribution of funds.
Governance and accountability	Reduced accountability; organisation too large and remote; increased power of fewer decision makers; increased bureaucracy; impacts on the role of a councillor.
Engagement and communication with residents	Contact and communication more difficult; reduced engagement with residents; reduced access to councillors and decision makers.

“This could lead to short-term instability or service fragmentation, especially if the transition isn’t carefully managed.”

“Lack of local people access to ‘in person’ contact with people in the Council. Not everyone can use the internet/phone to interact with people. Some need to be able go into an office and speak to a real person.”

“Money being pooled into larger projects and smaller infrastructure being left uncared for. Tourist areas being catered for/ spent more money on than other parts of the county”

Stakeholder engagement

Engagement has taken place with key stakeholders including public sector partners, town and parish councils, business groups and the voluntary, community and social enterprise sector. This set out to understand the impact of LGR on those the council most closely works with to shape the development of the final proposals.

Group	Nature of engagement and key themes
Voluntary, Community and Social Enterprise Sector	• Bilateral conversations with groups and wider workshop, with ongoing future engagement. • Local engagement essential especially with smaller grass-roots organisations; building on community strengths; importance of informed engagement as part of implementation process.
Town and Parish Councils	• Regular engagement with town and parish councils and smaller working group supported by WALC (Warwickshire Association of Local Councils). • The creation of Local Committees and community networks, the parishing of currently non-parished areas, the options for devolved services and assets and how the funding would work
Colleges and further education providers	• Workshop. • Identifying opportunities to prioritise social mobility; existing data infrastructure and systems are fragmented and hinder progress; strategic decisions need to be locally informed.
Businesses and Large-Scale Employers	• Initial workshop held by the Warwickshire Chamber of Commerce with the Coventry and Warwickshire Growth Hub and Federation of Small Businesses. Universities attended. A forum has been created for regular engagement. • Challenges around accessing funding and increasing supply costs.
Warwickshire Police - Chief Constable and Police and Crime Commissioner	• Bilateral discussions. • Impact of local government reorganisation for community safety and supporting community cohesion.
Anchor Alliance including Coventry City Council, Universities and Hospital Trusts	• Bilateral discussions. • Public Service Reform and discussing innovative solutions for collaborating across the system. Focus on short and long term opportunities for Public Service Reform.
Health partners including Integrated Care Board and Hospital Trusts	• Bilateral discussions. • Impact of local government reorganisation on the health system; how can local government reorganisation support existing health and wellbeing priorities; need to minimise disruption to partnerships and critical service delivery.
Trades unions	• Ongoing bilateral engagement. • Impacts of local government reorganisation for workforce.
District and Borough Councils	• Collective information sharing including a data repository. • Leader/Chief Executive meetings; monitoring officer meetings and S151 officer finance meetings.

Ask of Government

Request of government:

1. Government decides to create a single unitary council for Warwickshire, to be called Warwickshire Council.
2. The new Warwickshire Council is afforded continuing authority status, to ease transition and minimise cost to the public.
3. The electoral arrangements for the Warwickshire Council adopts the County Council's divisional boundaries and doubles up the number of elected members to 114 on an interim basis for transition, followed closely by a full Local Government Boundary Commission for England (LGBCE) review.
4. Warwickshire Council has elections on a four-year cycle.
5. Opportunities for devolution are maximised through the admission of Warwickshire Council to full membership of the West Midlands Combined Authority at the earliest opportunity.

Local Government Reorganisation: Recommended model

A single unitary council (Warwickshire Council, is the recommended model which meets the Government's six criteria.

A single unitary is the only model that can deliver genuine local presence AND offer the scale and efficiency needed to be financially sustainable into the future. It enables coherent planning, strengthens strategic partnerships, and improves accountability through unified leadership and delivery.

1

Single tier of local government for the whole area

A single unitary offers the optimal scale for financial resilience, operational efficiency, and service sustainability. With a population now of c.630,000, it provides financial sustainability, maximises long-term savings achieved with lower transition costs. This creates capacity to protect and enhance service delivery whilst avoiding the underfunding of the north to meet prevailing need in a two unitary scenario.

2

Right size to achieve efficiencies, improve capacity and withstand financial shocks

A single unitary delivers the platform for consistent, high-quality, and sustainable public service delivery. It is the only model that ensures financial viability across the whole county, particularly in the north, by enabling services to be maintained and improved in areas with the greatest need. It supports public service reform while avoiding the significant risks, costs, and disruption associated with disaggregating countywide services.

3

Prioritise delivery of high quality and sustainable public services to citizens

A single unitary preserves and promotes a unified Warwickshire identity, reinforcing the county's strong historic heritage, cultural cohesion, and sense of place, working alongside communities to ensure that local voices are heard and influence decision making.

4

Work together to come to a view that meets local needs and is informed by local views

A single unitary provides the scale, coherence, and leadership capacity needed to take-on and utilise devolved powers effectively. It offers a singular strategic voice for Warwickshire with regional partners and Strategic Authority arrangements, strengthening Warwickshire's direct influence and ability to deliver on local and national priorities.

5

Support devolution arrangements

A single unitary will provide a consistent, countywide framework for community engagement and neighbourhood empowerment. It enables integrated, community-focused service delivery and aligns effectively with key partners to support joint working. Done well, it will ensure all communities have meaningful opportunities to shape local services and decisions.

6

Enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment

Case Study

Health in All Policies

Health in All Policies (HiAP) is a strategic approach that embeds health considerations across all services, beyond traditional healthcare. Instead of addressing issues like obesity in isolation, HiAP leverages areas such as transport, planning, and education to improve health outcomes. Since its endorsement by the Health and Wellbeing Board in 2021, all 6 councils in Warwickshire have committed to embedding HiAP into council culture and decision-making.

Since its endorsement, WCC Public Health has worked closely with planning colleagues across Warwickshire districts and boroughs to embed health systematically into planning policy. Key achievements include developing practical resources, delivering workshops, and contributing to the South Warwickshire Local Plan and Nuneaton & Bedworth's Health Impact Assessment guidance.

HiAP supports a whole-area approach to tackling the wider determinants of health. Local Government Reorganisation enables a consistent application of HiAP across all services, ensuring every policy decision contributes to improved health and wellbeing. This unified approach helps break down barriers to opportunity, address root causes of inequality, and promote long-term social and economic prosperity across Warwickshire.

Section 2: Options appraisal and preferred model

This section sets out an assessment of both a single and a two unitary model against the Government’s criteria.

It includes the detailed analysis of the financial case and the impact of disaggregation.

2. Options appraisal

The options
The options appraisal
The financial appraisal
Impact of disaggregation



Local Government Reorganisation: Options appraisal



Option 1 – Single unitary

Population (2024): 632,207
Population (2040)*: 716,378

Alignment with current council boundaries:

Whole County Area
Expanding Town and Parish Councils



Option 2 – North-South unitaries

Population (2024): 632,207
Population (2040)*: 716,378

Population (2024):

Northern Unitary: 331,060 (52%)

Southern Unitary: 301,147 (48%)

Population (2040)*:

Northern Unitary: 366,086 (51%)

Southern Unitary: 350,293 (49%)

Alignment with current council boundaries:

Northern Unitary: North Warwickshire, Nuneaton and Bedworth and Rugby
Southern Unitary: Warwick and Stratford-on-Avon

Expanding Town and Parish Councils

*Mid-2022 based population projections to 2040 (ONS)

Local Government Reorganisation: Options appraisal

Criteria	Key elements	Option A One UA	Option B Two UAs
1 - Sensible single tier of local government 	Establishes a single tier of Local Government for the whole of the area concerned	High	Medium
	Sensible economic breakdown: with a tax base which does not create undue inequalities	High	Medium
	Sensible geographic breakdown: which will help increase housing supply and meet local needs	High	Medium
2 - Right sized local government 	A population of 500,000 or more (unless this figure does not make sense for an area)	High	Low
	Supports efficiencies and value for money for council taxpayers	High	Low
	Improves capacity and supports the council to withstand financial shocks	High	Low
	Manageable transition costs	High	Low
3 - High quality, sustainable services 	Improves local government and service delivery	High	High
	Avoids unnecessary service fragmentation / disaggregation	High	Low
	Opportunity for public service reform including where this will lead to improved value for money	High	Medium
	Improves delivery of, or mitigates risk of, negative impact on crucial services	High	Low
4 - Meets local needs 	Meets local needs and is informed by local views	High	High
	Improves / mitigates risk to issues of local identity, cultural and historic importance	Medium	High
5 - Supports devolution arrangements 	Helps to support devolution arrangements / unlock devolution	High	Medium
	Sensible population size ratios between local authorities and any strategic authority	High	High
6 - Local engagement and empowerment 	Enables stronger community engagement	High	High
	Delivers genuine opportunities for neighbourhood empowerment	High	High

This options appraisal compares two potential models for local government reorganisation in Warwickshire. It assesses each model against the Government's six unweighted criteria, as reaffirmed in interim feedback to all reorganisation areas.

Each criterion is supported by sub-criteria, which guide the evaluation. Both models are rated High, Medium, or Low against each sub-criterion, reflecting how well they align with the Government's priorities.

High = the option meets most or all of the criteria

Medium = the option meets some of the criteria

Low = the option meets few or none of the criteria

Criteria 1 - A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government

MHGLG guidance

- a) Proposals should be for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area.
- b) Proposals should be for a sensible geography which will help to increase housing supply and meet local needs.
- 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.
- d) Proposals should describe clearly the single tier local government structures it is putting forward for the whole of the area, and explain how, if implemented, these are expected to achieve the outcomes described.

Option 1 – Single unitary	Option 2 – Two unitary model
Strengths ✓ Preserves and enhances the functional economic geography of Coventry and Warwickshire which is critical to future economic growth for the county and, enables a more coherent and integrated approach to economic development, inward investment, and strategic infrastructure planning. ✓ Facilitates the creation of a single, cohesive Local Plan, streamlining spatial planning and enabling more effective alignment with housing, transport, and environmental strategies. ✓ Preserves county footprint which avoids imbalance in population size, council tax bases and service demands which would impact on future sustainability in a two unitary model. Weaknesses ✗ Risk around local engagement and buy-in; operating model to address and mitigate the perception of being too large or remote.	Strengths ✓ Reduces the number of Local Plans from five to two, offering a degree of streamlining in planning policy and development control functions. ✓ There are differences in the economic profiles and strengths of two unitaries but also within the proposed geographies. Weaknesses ✗ Creates imbalance in population sizes, council tax bases, and service demands between a north and a south unitary council, risks creating disadvantage to the north unitary and financial sustainability and resilience risks. ✗ Risks disrupting and complicating the successful partnership working across the functional economic geography of Coventry and Warwickshire. ✗ Transition complexity and scale provides significant risk to service delivery. ✗ Disaggregation of ownership of Warwickshire Property Development Group may complicate creation of new homes.
High	Medium

Criteria 2 - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks

MHGLG guidance

- a) As a guiding principle, new councils should aim for a population of 500,000 or more.
- b) There may be certain scenarios in which this 500,000 figure does not make sense for an area, including on devolution, and this rationale should be set out in a proposal.
- c) Efficiencies should be identified to help improve councils' finances and make sure that council taxpayers are getting the best possible value for their money.
- d) 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.

Option 1 – Single unitary

Strengths

- ✓ Population of c,630,000 meets the Government's guiding population size and makes sense for the area, providing a strong foundation for financial sustainability and operational resilience.
- ✓ Greater financial resilience through a broader and more balanced council tax and business rates base compared to a two unitary model, helps spread financial risk across a stronger balance sheet, avoids imbalances between funding and costs in the north unitary which would impact service levels in the parts of Warwickshire with the highest needs and levels of deprivation.
- ✓ Enhanced financial sustainability and resilience flows from higher savings and lower implementation costs compared to a two-unitary model, due to synergies, the avoidance of service disaggregation costs/risks, duplication/waste and simpler, quicker transition.
- ✓ Implementation should improve realisation of benefits by avoiding disaggregation of large volume/cost countywide services and by aggregating district/borough functions to a single council
- ✓ Greater efficiency savings achievable through streamlined governance, integrated service delivery, and economies of scale across all major functions
- ✓ Financial benefits of a single unitary provide best means to protect and enhance universal services, such as libraries, youth services, and community development, as well as investing in transformation opportunities by reducing duplication and unlocking resources.
- ✓ Shorter payback period, with strong net financial benefits projected within five years and recurring annually thereafter, supporting long-term reinvestment in frontline services.

Weaknesses

- ✗ The risk of interruption to service delivery increases with a single unitary if implementation and change are not managed effectively. This is due to the size of the council and complexity of aggregating five sets of district and borough functions into a single council along with system integration.

High

Criteria 2 - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks

Option 2 – Two unitary model

Strengths

- ✓ Savings are achievable, particularly through rationalisation of district-level functions and overheads, but these are lower than a single unitary due to the costs of disaggregating major countywide service areas.

Weaknesses

- ✗ Neither North (331,060) nor South (301,147) Warwickshire meets the 500,000 guiding population size now or in the medium-term (to 2040). This creates concerns about long-term financial resilience and capacity.
- ✗ No obvious reasons why Warwickshire is an exceptional case for which the significant risks and costs of disaggregation justify two unitaries.
- ✗ Population projections suggest long-term population differences, which would exacerbate disparities in service demand and financial sustainability over time.
- ✗ Lower net benefits (overall savings and higher implementation costs) due to duplication of services and overheads and the need to disaggregate countywide services such as adult and children's social care, Public Health, education and highways, as well as aggregation of district/borough functions into two councils. This could increase unit costs which are currently low, especially in adult social care. Additional implementation costs incurred in relation to establishment of Warwickshire Fire & Rescue Authority as a separate combined fire and rescue authority.
- ✗ Increased financial pressure on non-statutory services, as higher transition and operating costs may necessitate reductions in discretionary spending and constrain future investment in transformation opportunities.
- ✗ Fragmentation of business rates base and economic development functions likely to weaken the county and sub-regional strategic approach, impacting Warwickshire's regional and national influence over economic growth, skills and investment.
- ✗ Population distribution in relation to demand does not improve either the council tax base or projected split of funding between two unitaries, creating financial viability questions for the North Warwickshire council which has a higher share of service demand/cost than its share of funding and population in the highest cost service areas. In the longer-term, pressure on Council Tax and more rapid increases in demand/cost for social care and education services in the south will create growing financial pressures compounded by the absence of scale.
- ✗ ICT services and infrastructure would be duplicated across two newly formed unitary authorities. Undertaking the aggregation and disaggregation of existing systems twice would be highly complex and costly, requiring significant duplicated investment in two sets of change management, ICT infrastructure, and workforce development activity rather than one set with a single unitary.

Low

Criteria 3 - Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens

MHGLG guidance

- a) Proposals should show how new structures will improve local government and service delivery and should avoid unnecessary fragmentation of services.
- b) Opportunities to deliver public service reform should be identified, including where they will lead to better value for money.
- c) Consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety.

Option 1 – Single unitary

Strengths

- ✓ Population of c,630,000 meets the Government's guiding population size. This scale delivers enhanced purchasing power and economies of scale enabling benefits and efficiencies in commissioning, procurement and market management and supporting more effective use of resources and improved outcomes for residents.
- ✓ Streamlined organisational structures reduce overhead costs and eliminate duplication, releasing more capacity for service delivery.
- ✓ Integrated delivery models building on service synergies across areas and supporting early intervention and prevention, reducing long-term demand and improving sustainability and enabling approaches that reflect local needs and priorities.
- ✓ Economies of scale achieved across core services and support functions enabling higher quality services, reduced overhead costs and improved resilience. Shared systems and processes, and simpler transition enhance performance and planning.
- ✓ A consistent and integrated front door for the whole of Warwickshire improves the resident experience, reducing failure demand and delivering greater simplicity, accountability and transparency for residents, businesses and communities.
- ✓ Strengthens strategic partnerships by aligning with the operational footprints of key partners such as Warwickshire Police, the NHS and Integrated Care System, sub-regional economic bodies and other anchor institutions such as universities.
- ✓ Avoids fragmentation of crucial countywide services, preserving strategic oversight and ensuring continuity in areas such as education/SEND, highways, public health and social care (adults and children's).
- ✓ Provides a unified voice as system leader for Public Service Reform in Warwickshire, particularly in the Coventry and Warwickshire sub-region.

Weaknesses

- ✗ If services like homelessness and planning are moved to a single council, there's a higher risk of disruption especially if the transition is not managed well.
- ✗ The size and complexity of the transition could cause short-term issues like service disruption, higher staff turnover, and reduced confidence from stakeholders.
- ✗ Through transition, there is a risk of losing the close local connections that district and borough councils have with community groups and local partners.

High

Criteria 3 - Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens

Option 2 – Two unitary model

Strengths

- ✓ Increased service synergies can support early intervention and prevention, allowing each council to tailor approaches to local needs and priorities.
- ✓ Reduction in overheads and duplication compared to the existing two-tier model but compared to a single unitary, there will be less resource to invest in services due to duplicated costs.
- ✓ It will simplify access for residents, improving clarity of service responsibility and enhancing user experience.
- ✓ Differing approaches to service delivery between the two new unitary councils (north and south) allows for greater tailoring of service standards to better reflect the distinct demographic and socio-economic profiles of each area.

Weaknesses

- ✗ Fragmented delivery across key countywide services such as Adult and Children's Social Care, Education, SEND, Highways, Public Health risks inconsistency and reduced strategic coherence.
- ✗ Disaggregation could complicate the operation and impact of Warwickshire Property and Development Group
- ✗ Two separate, complex transitions may significantly disrupt service delivery and quality - likely to impact services for several years.
- ✗ Disaggregation would have negative impacts on workforce capacity and capability, disparity of service provision/quality, market and financial impacts including increased costs, loss of purchasing power and leverage, loss of financial scale, and higher transitional costs, meaning less resource to invest in prevention and Public Service Reform in Warwickshire.
- ✗ Two councils would require the duplication of statutory posts, and many management, specialist and joint roles across services as well as statutory boards impacting on both councils and partners. This would present recruitment and retention challenges and have financial impacts.
- ✗ Transitional complexity of delivering both disaggregation and aggregation of services effectively from day one - risks disrupting service delivery and impacting continuity of provision for residents.
- ✗ Trust models, partnerships and shared service arrangements for countywide services such as children's and adults reduce financial control, weaken service synergy, and introduce complex governance structures that may hinder effective decision-making and are at greater risk of future failure.
- ✗ Higher service demand in a north unitary, coupled with a lower tax base, is likely to create capacity and resourcing challenges and lack of flexibility and resilience to respond to demand-led pressures, impacting service levels in the places with the highest need.

Low

Criteria 4 - 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

MHGLG guidance

- a) It is for councils to decide how best to engage locally in a meaningful and constructive way and this engagement activity should be evidenced in your proposal.
- b) Proposals should consider issues of local identity and cultural and historic importance.
- c) Proposals should include evidence of local engagement, an explanation of the views that have been put forward and how concerns will be addressed.

Option 1 – Single unitary	Option 2 – Two unitary model
Strengths ✓ A single unitary model preserves and promotes a unified Warwickshire identity, reinforcing the county's shared heritage, historical importance, cultural cohesion, and sense of place. ✓ The operating model of a new, single unitary council would address the concerns raised through the public engagement feedback. Weaknesses ✗ The larger geographic and population footprint of a single council may risk diluting the distinct cultural and social identities of individual towns and districts if the council and its operating arrangements are poorly designed. ✗ Some residents and stakeholders may perceive the council as too remote, impacting trust and confidence in the council if it is not well-designed and locally connected to different places.	Strengths ✓ This model may better reflect some of the distinct local identities, traditions, and historical affiliations that exist across different parts of Warwickshire. Weaknesses ✗ There is a risk that dividing the county into two councils could fragment Warwickshire's overarching cultural and community identity, potentially weakening the shared sense of place that underpins county-wide initiatives and partnerships. ✗ Risk from oversimplifying north-south boundaries. Within two unitaries there are still distinct identities which could be diluted within this model.
High	Medium

Criteria 5 - New unitary arrangements must support devolution arrangements

MHGLG guidance

- a) Proposals will need to consider and set out for areas where there is already a Combined Authority (CA) or a Combined County Authority (CCA) established or a decision has been taken by Government to work with the area to establish one, how that institution and its governance arrangements will need to change to continue to function effectively; and set out clearly (where applicable) whether this proposal is supported by the CA/CCA /Mayor.
- b) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.
- c) Proposals should ensure there are sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities.

Option 1 – Single unitary

Strengths

- ✓ A single unitary allows continued alignment of Warwickshire's governance footprint with the Coventry and Warwickshire functional economic geography and builds on the existing relationship with the West Midlands Combined Authority (WMCA).
- ✓ North and south unitaries would have similar population size to most other members of the strategic authority if membership of the WMCA is pursued by each new unitary council.
- ✓ The strategic scale and capacity of a single county-wide unitary is better suited to absorbing and deploying devolved powers, particularly in areas such as transport, skills, housing, and economic development.
- ✓ The model supports the Government's ambition for stronger, more accountable local leadership, with a clear mandate and capacity to negotiate and deliver devolution deals that reflect Warwickshire's priorities.
- ✓ Best option to build on existing Level 2 Devolution Deal and secure enhanced devolution benefits for the whole of Warwickshire, including up to Level 4 powers with WMCA membership.

Weaknesses

- ✗ Risk of single unitary council being seen as too large within a combined authority compared to the size of other constituent members.
- ✗ Perception that Warwickshire's rurality is a poor fit with the WMCA metropolitan areas.

High

Option 2 – Two unitary model**Strengths**

- ✓ This model allows each unitary council to tailor its approach to sub-regional priorities and partnerships, potentially enabling locally responsive devolution arrangements.
- ✓ North and south unitaries would have similar population size to other members of the strategic authority if membership of the WMCA is pursued by each new unitary council.

Weaknesses

- ✗ A two unitary model risks a fragmented strategic voice for the county within a strategic authority and other regional forums which could weaken the county's overall influence and its ability to secure and coordinate devolution deals effectively.
- ✗ Different approaches to devolution between the two new unitary councils may lead to inconsistencies in service delivery and strategic planning, reducing the benefits of devolution to the county as a whole and to the strategic authority.

Medium

Criteria 6 - New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment

MHGLG guidance

- a) Proposals will need to explain plans to make sure that communities are engaged.
- b) Where there are already arrangements in place it should be explained how these will enable strong community engagement.

Option 1 – Single unitary

Strengths

- ✓ A single unitary council provides a coherent framework for community engagement across the entire county, including local committees, community networks, and creating new town and parish councils in unparished areas. This reduces fragmentation and ensures that all communities across the county benefit from a consistent offer and approach, tailored to local priorities, embedding a strong sense of local civic pride within the framework of a strong strategic Warwickshire Council.
- ✓ A county-wide approach allows for the standardisation of engagement mechanisms, ensuring that rural, urban, and marginalised communities have access to influence and the ability to shape local services.
- ✓ A well designed single unitary can offer a highly localised operating model focusing on different places while maintaining strategic scale.
- ✓ More balanced resources will enable greater investment in local community engagement in all parts of Warwickshire.

Weaknesses

- ✗ If it is not well-designed, there is a risk that a single council may be perceived as more distant from local communities, particularly in rural or geographically isolated areas. This could impact levels of trust and engagement unless mitigated by strong local governance arrangements.
- ✗ Managing diverse local priorities within a single structure requires significant focus on local engagement mechanisms within the council's target operating model to ensure that all voices are heard and valued.
- ✗ There is a risk that the scale of the council, if it is not well-designed, may limit the responsiveness to local issues, particularly in rural or more isolated communities, where local context is critical to effective service delivery and community engagement.

High

Option 2 – Two unitary model

Strengths

- ✓ Two smaller unitary councils may be perceived as more locally accessible and responsive, particularly in areas with strong local identities. This can enhance trust and foster a sense of ownership among residents.
- ✓ Each unitary council can develop bespoke community engagement strategies that reflect the specific needs, demographics, and priorities of their localities. This flexibility may support more innovative and context-sensitive approaches to neighbourhood empowerment.

Weaknesses

- ✗ Operating two separate engagement infrastructures may lead to duplication of effort and increased administrative overheads.
- ✗ The two-unitary model risks diluting the ability to deliver a coherent and unified strategic offer to communities, particularly in relation to Town and Parish Councils and the local VCSE sector. Fragmentation may hinder the development of county-wide frameworks for collaboration, funding, and capacity-building, reducing the overall effectiveness of neighbourhood empowerment initiatives.
- ✗ Financial viability risks for the north Warwickshire unitary likely to reduce scope to invest in local community engagement.

Medium

Local Government Reorganisation: Options appraisal

Housing

Annual housing targets across Warwickshire have increased by 69% under the revised National Planning Policy Framework (NPPF), representing an uplift in expected delivery. This change highlights the need to reassess the effectiveness of the current planning system in supporting growth.

At present, planning responsibilities are split between district and borough councils (local planning and housing services) and the County Council (highways and infrastructure). This two-tier model contributes to delays in housing delivery due to fragmented processes, limited staff capacity, and inefficiencies caused by planning matters being passed between councils. All six councils report challenges in recruitment, retention, and overall service performance within their planning functions.

The current pace and capacity of planning services are a barrier to growth. A simplified, responsive system would support consistent infrastructure planning across a wider geography and enable Warwickshire to meet its housing and economic ambitions more effectively. A single county wide housing and homelessness service could combine with functions such as highways planning, transport, and public health to create a strategic and integrated approach to planning, housing and infrastructure. This would enable better use of staff resources, reduce duplication, and allow for digital innovation to accelerate planning processes.

Service Delivery

At present, many of Warwickshire's major council services, such as adult social care, public health, housing and homelessness, are split across the existing two tiers of local government, and often not joined up. This creates fragmented strategic approaches and service delivery, delays in decision-making, and inconsistent support for residents. A unitary model would remove these barriers, allowing services to be designed and delivered in a unified way.

Bringing services together under one unitary council creates new opportunities to offer earlier and more proactive support to residents. By adopting data-driven, preventative approaches, the council can spot emerging needs sooner and respond more quickly and in a joined-up way. This approach helps build stronger relationships with residents and supports them more holistically to live well. It represents a fundamental shift in how public services work in Warwickshire, aiming to reduce demand caused by crisis.

Service demand across Warwickshire is uneven and projected to rise over time, particularly in high-cost, high-pressure areas such as Adult

Social Care, Children's Social Care, and Special Educational Needs and Disabilities (SEND). These services account for a considerable proportion of local authority responsibilities and expenditure, particularly in the north of the county where their share of costs is higher than their proportion of the population, and their growth trajectory highlights the need for more targeted resource planning and flexible delivery models.

A single unitary council provides the greatest opportunity to respond effectively to these pressures. It enables strategic, county-wide commissioning and market management and avoids the complexity and longer-term implications of disaggregation in these critical services. This approach supports more resilient service delivery across the county and improves long-term outcomes. In contrast, a two-unitary model risks higher costs, duplicated leadership teams, and fragmented commissioning. Existing localised approaches would need to be replicated, stretching capacity and reducing efficiency. A single unitary model supports sustainable service delivery by enabling smarter resource deployment, stronger market oversight, and a more coherent response to rising demand.

Disaggregation

A single unitary model would avoid disaggregation of critical statutory services and minimise disruption to residents. Services such as social care, SEND, public health, home to school transport and highways benefit from maintaining scale and stability from their countywide footprint. These services require strategic oversight, consistency, and economies of scale. A single unitary council would enable joined-up planning and delivery and ensure that resources are deployed where they are most needed.

Current, well-established, integrated partnership arrangements, including Warwickshire Health and Wellbeing Board, Warwickshire Safeguarding Children Partnership Board and the Home Environment Assessment and Response Team (HEART), have proven effective in improving outcomes for residents.

A single unitary would also support a unified approach to data sharing and population health management, reducing duplication and enabling services to be preventative and resident focused. Current locality working arrangements across Adult and Children's Social Care demonstrate how countywide services can provide both scale and tailor services to reflect local need without needing separate councils.

Disaggregation in a two unitary model brings with it an additional £8.6m annual recurrent cost. In a two unitary model, the profile of demand and share of resources would result in the north unitary have insufficient resources to meet levels of need, reducing service levels in the most deprived parts of the county. Disaggregation is also a time consuming and complex exercise which would be required at the same time as aggregation of district and borough council functions into a two unitary model, adding to the complexity, costs and risks of implementation.

Local Government Reorganisation: Financial appraisal

Our approach to assessing the financial aspects of LGR options has involved three key elements: firstly, to assess the costs and benefits of one and two unitary councils; secondly, disaggregating funding, costs, Medium-Term Financial Strategies, reserves and balance sheets in a two unitary scenario to understand financial resilience and sustainability; and thirdly, consideration of council tax harmonisation.



Financial assessment of different LGR options

Benefits of one/two unitary councils

Implementation costs

Disaggregation costs and risks

Investment appraisal – payback



Financial sustainability and resilience of different options (balance sheet)

Disaggregation of county council costs using appropriate cost drivers and work by Newton Europe to model 'people services' costs by district and borough

Disaggregation of sources of revenue (Council Tax/tax base, business rates, government grants) taking account of likely impact of funding reform (using the national Pixel Model)

Balance sheet – debt, borrowing/Capital Financing Requirement, assets, reserves, commercial, SEND deficit, Housing Revenue Account

Wider financial risks



Council Tax harmonisation

Harmonisation approach (lowest, highest, weighted average)

Timescale (up to 7 years)

Town and Parish Councils, Rugby town centre special expenses

Local Government Reorganisation: Costs and benefits of one and two unitaries

The financial assessment underpins the options appraisal and is particularly relevant to Government criteria 1 and 2. Although LGR will deliver significant financial benefits, these will not be sufficient to address all the financial challenges facing local government in Warwickshire. These pressures flow from increases in demand and cost which are unsustainable, increasing much more quickly than funding.

As a result, the new council/s will need to innovate and find additional savings in either scenario. Maximising the financial benefits of LGR, and financial sustainability and resilience of local government in Warwickshire, are therefore important considerations.

Analysis of costs and benefits of LGR:

A single unitary offers the more compelling financial argument than a two unitary model, with increased net benefits over time and a shorter payback period. A single unitary model will support with easing of financial pressure across Warwickshire's councils.

Summary of costs and benefits of LGR scenarios

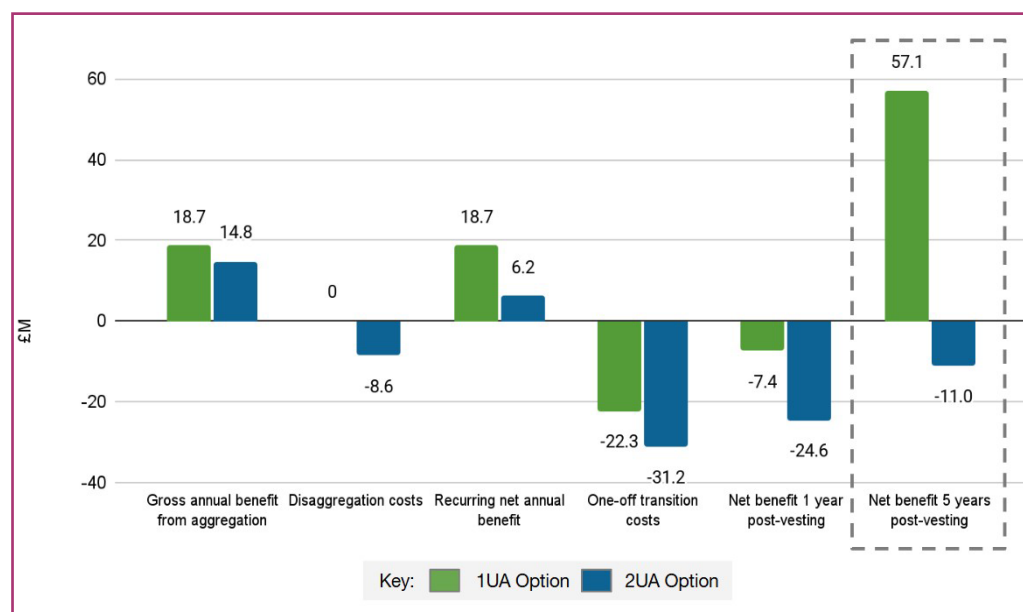
Option	Gross annual benefit from aggregation (£M) ¹	Additional Annual Costs (£M) (Disaggregation Costs)	Recurring net annual benefit (£M)	Recurring net annual savings per resident (£) ²	One off transition costs (£M)	Net benefit one year post-vesting (£M)	Net benefit five years post-vesting (£M)	Payback Period (years from first costs incurred) ³
1 Unitary Council	18.7	0	18.7	29.60	22.3	(7.4)	57.1	2.9
2 Unitary Councils	14.8	8.6	6.2	9.80	31.2	(24.6)	(11.0)	7.7

1. Gross annual benefit when at 100% phasing from Y3

2. Recurring savings per resident when benefits phased to 100%

3. First costs occurred in pre-vesting year, year 0 (2027/28)

Key reorganisation costs and benefits for single and two unitary option



A single unitary offers significantly greater net benefit when compared to a two unitary model providing over 3 times higher recurring net annual benefit and 29% lower transition costs. This difference is predominantly driven by the additional annual costs of disaggregating services in a two unitary model. Five years post-vesting, this results in a single unitary model easing financial pressures across Warwickshire's councils by £57.1m, whilst a two unitary model worsens the financial position by £11.0m. This means that more funding will be required for significantly less financial gain.

Implementation costs

One-off transition costs would be considerably higher for a two unitary model compared to a single unitary model. This is driven by the higher costs of external and programme management support, for example, in creating two new organisations.

Total one-off costs for a two unitary model would be **~40% higher** than those for a single unitary model. Redundancy costs are lower for a two unitary model compared to a single unitary model. However, this is a result of a reduction in staff savings achieved through aggregation.

One-off transition costs

Cost category	Approach	Cost (£M)	
		1UA	2UA
Programme transition costs	See appendix 2 Financial Case for Local Government Reorganisation in Warwickshire for breakdown of costs	16.2	26.1
Redundancy cost (incl. pension strain)	Redundancy cost as a proportion of salary (current assumption) multiplied by total FTE saving (detailed in Benefits of Aggregation in Section 2.5)	6.1	5.2
Total one-off costs		22.3	31.2

It is assumed that one-off transition costs for a single unitary will be funded from reserves which are at a healthy level across the six councils, with the option of flexible use of capital receipts as a backstop if necessary. However, there are risks about transition costs for a north unitary as the available to use reserves would run out by year three. This is further explored as part of the financial sustainability analysis.

Disaggregation costs

In a two unitary model, there are additional recurring costs owing to the need to duplicate significant county council structures after disaggregating major services such as adult social care, children's services, public health, education, fire and rescue, economic development and highways, as well as support services and the Warwickshire Pension Fund. This means that there would be additional costs incurred only when transitioning to a two unitary model.

Category	Reduction in benefits from aggregation (£M)	Additional disaggregation costs (£M)	Increase in transition costs (£M)	One-year post-vesting impact	Five-year post-vesting impact
Impact (£m)	3.9	8.6	8.9	£17.2m of lost financial opportunity	£68.1m of lost financial opportunity.
Impact timeline	Ongoing	Ongoing	One-off		

One-off transition costs for a single unitary are £22.3m, £8.9m (30%) lower than for two unitaries. There are no additional disaggregation costs, whereas a two unitary scenario costs £8.6m each year in additional disaggregation costs.

Payback period

A single unitary will have a lower payback period of 2.9 years compared to 7.7 years for two unitaries from the point of initial investment. The single unitary scenario payback period is lower due to the initial investment being recouped relatively quickly as cost reductions and efficiencies from reorganisation take effect, delivering full benefits sooner. In contrast, a two unitary scenario has a longer payback due to lower overall benefits and significantly higher ongoing costs, so it takes longer to achieve net financial benefits.

Transformation costs and benefits

Transformation is the delivery of benefits from changes to systems, processes and broader approaches to service delivery that go beyond the benefits from aggregation as part of reorganisation.

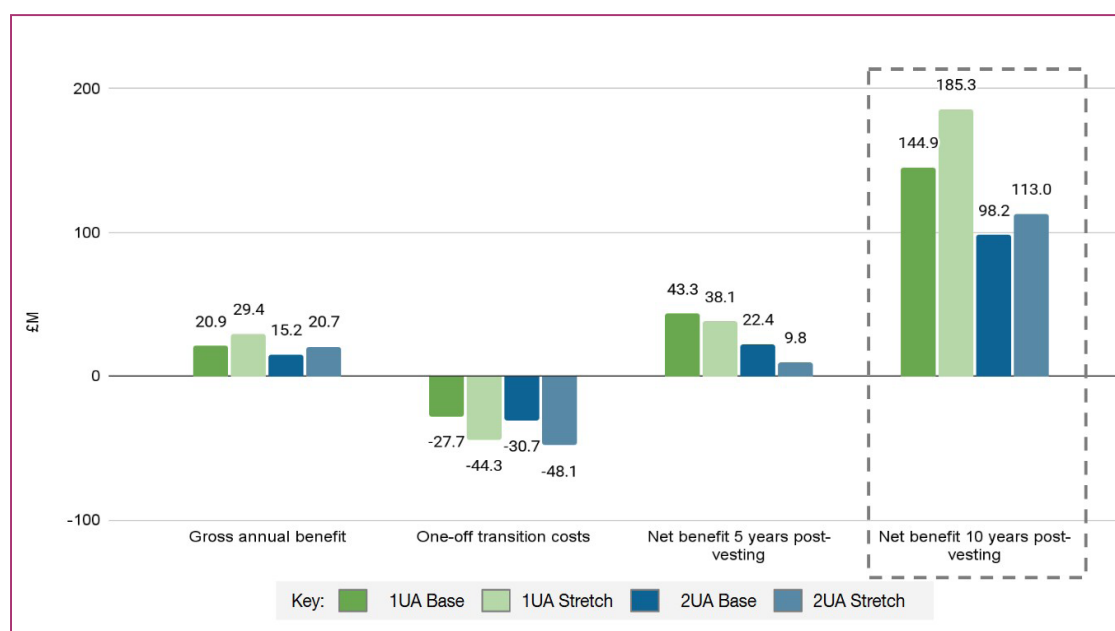
Analysis compares two 'transformation scenarios' that have been developed to reflect the level of ambition that can be applied to Local Government Reorganisation in Warwickshire. The benefits achieved through these scenarios are additional to the benefits described above from reorganisation. Each transformation scenario is based upon different assumptions for costs and benefits, detailed in appendix 2.

Reorganisation	This approach represents the savings delivered by bringing together teams from different councils and the immediate efficiencies of economies of scale across staffing, property and third party spend. This approach would involve the change required to ensure legal compliance and maintenance of essential services. This approach does not fundamentally alter service delivery mechanisms and benefits are primarily derived from amalgamation of existing councils. It is these financial benefits that have been included in the analysis to date.
Lower Level of Transformation – Base	This involves targeted enhancements within a council or multiple councils' service areas. It focuses on system changes and technological upgrades to improve efficiency and effectiveness within services, without necessarily affecting other council functions.
Higher Level of Transformation – Stretch	This is an ambitious approach that leverages technology to transform multiple council functions across resultant councils. It aims for comprehensive improvements that enhance capabilities across services, leading to better overall performance and integration.

A single unitary council provides **a better springboard for additional benefits to be realised from LGR**. Reorganisation into a single unitary council enables the utilisation of greater economies of scale across staffing, third party spend, and property, consistently automating and standardising processes and forms, managing workload volumes more efficiently, applying consistent mechanisms for managing local markets to promote more consistent provider unit costs, conducting supplier consolidation and supplier relationship management.

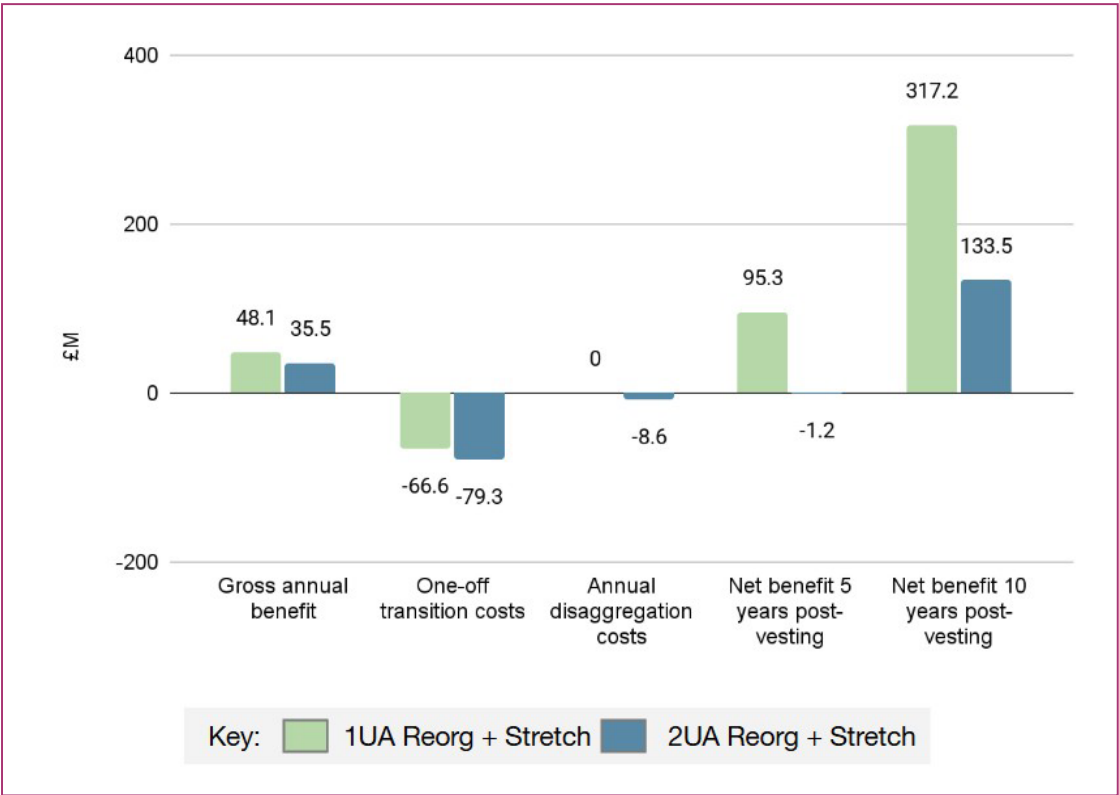
Ten years post-vesting, a single unitary council could realise **48% greater benefit from additional base transformation**, compared with a two unitary scenario.

Key Transformation Costs and Benefits for Single Unitary and Two Unitary Options (additional to reorganisation cost/benefits)



The sum of costs and benefits of reorganisation and the ‘stretch’ transformation scenario together are illustrated below.

Reorganisation and Stretch Transformation



When stretch transformation is delivered alongside reorganisation, a single unitary could allow an additional 238% in net benefit compared to a two unitary option within ten years post-vesting.

In summary, three times higher recurring annual net benefits arising directly from reorganisation alone, a total net benefit of £18.7m per year. In the medium-term analysis shows that five years post-vesting, the total net benefit is projected to be £57.1m.

By investing in transformation activity, a single unitary scenario could realise 48% in additional benefits (£46.7m) in ten years post-vesting compared to a two unitary scenario. Analysis shows this figure rises to an additional 64% in a stretch transformation scenario (£72.3m). Transformation benefits would be additional to any benefits realised from reorganisation alone.

Financial sustainability and resilience of different options

This section illustrates the financial sustainability through analysing how the costs and benefits of reorganisation align with the wider financial context of the proposed unitary councils in the single and two unitary scenarios given the pressures on local government finances more generally. It does this through consideration of the impact of reorganisation on resource forecasts, costs and the reserves position of the proposed unitary councils in one and two unitary scenarios.

Note that the financial sustainability analysis incorporates benefits from reorganisation but does not assume any additional benefits from transformation activity.

Disaggregating funding

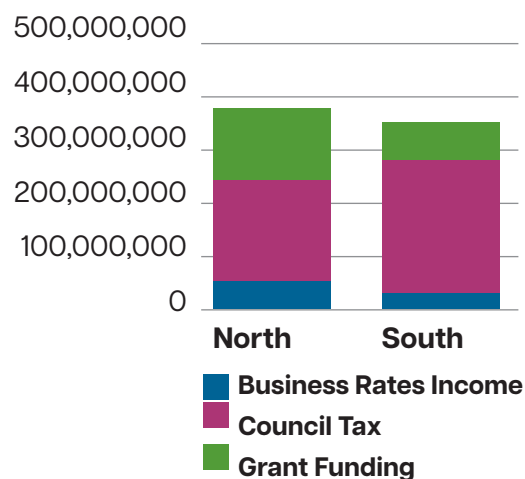
Using a national model developed by 'Pixel', used by all six Warwickshire councils, we have identified how resources would be split between two councils. The Pixel model is a national model which takes account of the estimated impacts of the Government's Fair Funding reforms as set out in a recent consultation. The likely impact of Fair Funding reforms is therefore built into the MTFS modelling in this analysis.

Our analysis has split funding sources (business rates income, Council tax and grant funding) between the two unitaries, which leads to an allocation which mirrors the population (52% north, 48% south). North Warwickshire will be more reliant on business rates and Government grants whereas South Warwickshire would see a heavy reliance on council tax to fund services.

This assumes:

- Annual council tax increases up to the referendum limit (4.99%).
- A 1.5% annual council taxbase increase in line with historic trends.
- Abolition of Rugby town centre 'special expenses' and creation of new town and parish councils there and in Nuneaton and Bedworth and Bulkington.
- Government grants and Settlement Funding Assessment cash frozen each year.

Sources of Funding in Two Unitary Model excluding Fire



	North	South
Population	322,741	295,082
Share of population	52.2%	47.8%
Share of Council Tax base	46%	54%
Share of business rates	58%	42%
Share of grant funding	63%	37%
Overall share of funding post-LGR	51.7%	48.3%

Using Medium-Term Financial Strategy (MTFS) returns from all six councils and published budget information for 2025/26, we have modelled how county council spend would disaggregate between the two councils using appropriate cost drivers. The relevant district and borough costs have been added to the disaggregated county council costs for north and south unitaries in a two unitary scenario.

The following cost drivers have been used to disaggregate county council spend:

- Independent analysis by Newton Europe of current spending for 'people services' (social care and education)
- ONS mid 2024 population estimates
- Deprivation - count of population in lower super output areas (LSOAs) in most deprived 25% of LSOAs in England
- Area
- Taxbase
- Waste tonnages
- Pupil numbers
- Road lengths

Analysis of the 2025/26 County Council Budget by Cost Driver

	Budget (£'000)	Share of WCC Budget	Allocated to north	Allocated to south
Adult Social Care	232,984	36.8%	52.7%	47.3%
Children's Social Care	115,601	18.3%	60.8%	39.2%
Population ¹	83,386	13.2%	52.4%	47.6%
Population and pupil numbers ²	56,544	8.9%	56.9%	43.1%
Population (inc. aged weighted) plus 5% deprivation ³	33,032	5.2%	57.4-51.2%	42.6-48.9%
Waste tonnages	16,787	2.7%	53.2%	46.8%
Road length	19,622	3.1%	42.6%	57.4%
Pupil numbers	12,102	1.9%	54.5-60.4%	45.5-39.6%
Area	671	0.1%	36.2%	63.8%
Taxbase	(2,858)	-0.5%	46%	54%
Overheads and Support	64,980	10.3%	54.7%	45.3%
	632,849			

Notes:

1.Used for economy and transport management, Trading Standards and Community Safety, Transport Strategy and Road Safety, Fire and Rescue, Regeneration and Strategic Planning, Customer Contact, Community Partnerships, Libraries, Heritage and Regeneration, Capital Financing, County Coroner, Members' Allowances and Expenses

2.Used for transport delivery only

3. Used for economy and skills, health and care commissioning and public health

Local Government Reorganisation: Disaggregating the MTFS

The combined WCC budgets, adjusted for ongoing future spending pressures and savings built into existing MTFS figures, appears below.

	North Unitary					South Unitary					Single Unitary				
	Year 1 2028- 29 £m	Year 2 2029- 30 £m	Year 3 2030- 31 £m	Year 4 2031- 32 £m	Year 5 2032- 33 £m	Year 1 2028- 29 £m	Year 2 2029- 30 £m	Year 3 2030- 31 £m	Year 4 2031-32 £m	Year 5 2032- 33 £m	Year 1 2028- 29 £m	Year 2 2029- 30 £m	Year 3 2030- 31 £m	Year 4 2031-32 £m	Year 5 2032-33 £m
Approved budget 2025/26	346	346	346	346	346	287	287	287	287	287	633	633	633	633	633
On-going Future Spending Pressures	70	95	120	145	170	60	82	103	123	143	130	178	223	269	314
On-going Future Savings	(27)	(31)	(31)	(31)	(31)	(23)	(26)	(26)	(26)	(26)	(50)	(58)	(58)	(58)	(58)
WCC Net Revenue Requirement	389	410	435	460	485	324	343	363	384	404	713	753	798	844	889

Additional spending pressures have been included for each district and borough council based on three-year averages and spend has been adjusted for creation of new town and parish councils in Rugby, Nuneaton, Bedworth and Bulkington and abolition of Rugby town centre special expenses. The net revenue requirement is split 55% to the north unitary and 45% to the south.

	North Unitary					South Unitary					Single Unitary				
Current by Council	Year 1 2028- 29 £m	Year 2 2029- 30 £m	Year 3 2030- 31 £m	Year 4 2031-32 £m	Year 5 2032- 33 £m	Year 1 2028- 29 £m	Year 2 2029- 30 £m	Year 3 2030- 31 £m	Year 4 2031- 32 £m	Year 5 2032- 33 £m	Year 1 2028- 29 £m	Year 2 2029- 30 £m	Year 3 2030- 31 £m	Year 4 2031- 32 £m	Year 5 2032-33 £m
North Warwickshire	12	13	13	13	14						12	13	13	13	14
Nuneaton and Bedworth	20	22	24	25	26						20	22	24	25	26
Rugby	21	22	23	24	25						21	22	23	24	25
Stratford						22	22	22	23	23	22	22	22	23	23
Warwick						19	19	20	20	21	19	19	20	20	21
Warwickshire	389	410	435	460	485	324	343	363	384	404	713	753	798	844	889
Unitary Net Revenue Requirement	442	467	495	522	550	365	384	405	427	448	807	851	900	949	998

Local Government Reorganisation: Financial viability

This table compares the disaggregated net revenue requirement (costs) against the funding split (income) generated by the national Pixel model, which takes account of the estimated impacts of the Government's Fair Funding reforms. This shows a material funding gap in the north. The main driver of this is the significantly higher proportion of costs of children's social care, Home to School transport, SEND and, to a lesser extent, adult social care, which arise in the north of the county relative to the estimated share of resources. This would create a clear financial sustainability issue from the outset and a clear imbalance of resourcing versus need in the north and south, risking damage to service levels in the places with the highest levels of need and deprivation.

Newton Europe's analysis shows that demand and costs grow faster in a south Warwickshire unitary between 2025-2040 compared with the north, but overall costs remain higher in the north. Taken in combination with higher unit costs in the south, this will create increasing financial pressures over the medium term compounded by lack of scale and higher overheads of two new unitary councils. Conversely in the short term, a North Warwickshire unitary would exist with a budget deficit from day one of the new council requiring additional savings in the parts of the county with the highest levels of need, and significant use of available reserves which would run out by Year 3. This would reduce the scope to invest in transformation to address the causes of the higher demand levels in the north.

Considering Warwickshire as a whole, a single unitary is the more financially resilient and sustainable option, with only marginal additional savings required in Years 4 and 5. The surplus or deficit will be eroded if councils use the difference between the outputs of the Fair Funding review and current MTFs assumptions before vesting day.

	North Unitary					South Unitary					Single Unitary				
	Year 1 2028- 29 £m	Year 2 2029- 30 £m	Year 3 2030- 31 £m	Year 4 2031- 32 £m	Year 5 2032- 33 £m	Year 1 2028- 29 £m	Year 2 2029- 30 £m	Year 3 2030- 31 £m	Year 4 2031- 32 £m	Year 5 2032- 33 £m	Year 1 2028- 29 £m	Year 2 2029- 30 £m	Year 3 2030- 31 £m	Year 4 2031-32 £m	Year 5 2032-33 £m
Net Revenue Requirement	442	467	495	522	550	365	384	405	427	448	807	851	900	949	998
Settlement Funding Assessment and Grants	(171)	(171)	(171)	(171)	(171)	(105)	(105)	(105)	(105)	(105)	(276)	(276)	(276)	(276)	(276)
Council Tax	(256)	(269)	(283)	(296)	(311)	(294)	(308)	(323)	(340)	(357)	(550)	(577)	(606)	(636)	(668)
Impact of Taxbase growth	(4)	(8)	(12)	(17)	(22)	(4)	(9)	(14)	(19)	(24)	(8)	(17)	(26)	(36)	(46)
Total Resourcing	(431)	(448)	(466)	(484)	(504)	(403)	(422)	(442)	(464)	(486)	(834)	(870)	(908)	(948)	(990)
Annual (Surplus)/ Deficit before cost/benefit of reorganisation	11	19	29	38	46	(38)	(38)	(37)	(37)	(38)	(27)	(19)	(8)	1	8

Reserves to support reorganisation and MTFs

Based on estimated reserves at 31 March 2026 as reported by councils on the RA Form submission to MHCLG used Net Revenue Spend to split reserves as follows - 54.7% North, 45.3% South. The following reserves are not available to support reorganisation or help balance the revenue budget - Estimated school level reserves; Dedicated Schools Grant Adjustment Account level; Reserves held on behalf of third parties for specific projects; and contractual commitments.

The existing provision to offset the DSG Schools Grant Adjustment Account has been retained pending a government decision on how to bring the DSG back into balance. 50% of the specific risk and budget stabilisation reserves have been retained, with the reduction based on no longer needing to hold reserves to cover financial risks associated with the Fair Funding review and Business Rates reset, and rationalisation of risk reserves post any move to a unitary council structure.

This analysis assumes:

- A provision for General Reserves - estimated at 5% of net spend – is retained as the minimum level of reserves.
- No reserves are used to support the revenue budget prior to vesting day given:
 - The more positive impact of the Fair Funding Review than Warwickshire councils had assumed in their previous MTFs.
 - The limits on council expenditure that would be covered by a Section 24 agreement issued by Government following its decision about LGR in Warwickshire.

	Single Unitary	North Unitary	South Unitary
	£m	£m	£m
Reserves held to cover planned future revenue and capital spending	31	12	19
50% of specific risks reserves	35	18	17
50% of budget stabilisation reserves	33	22	11
Other reserves	8	8	0
Estimated unallocated financial reserves level	58	31	27
Less provision for General Reserves (est 5% of net spend)	(40)	(22)	(18)
Total Reserves to Support Reorganisation	125	69	56

Impact of LGR costs/benefits and use of reserves

Bringing together the benefits and costs of LGR with the MTFS model, and disaggregation of reserves shows that a single unitary council; would have stronger financial resilience and sustainability compared with a two unitary model where the north unitary would run out of reserves by Year 3 without significant further spending reductions on top of current savings and the benefits of LGR. A single unitary would maintain a strong and stable reserves position, excluding the issue of SEND deficits, throughout its first five years, and would generate a surplus position at the end of each of the five years.

	North Unitary					South Unitary					Single Unitary				
	Year 1 2028- 29 £m	Year 2 2029- 30 £m	Year 3 2030- 31 £m	Year 4 2031- 32 £m	Year 5 2032- 33 £m	Year 1 2028- 29 £m	Year 2 2029-30 £m	Year 3 2030-31 £m	Year 4 2031- 32 £m	Year 5 2032- 33 £m	Year 1 2028- 29 £m	Year 2 2029- 30 £m	Year 3 2030- 31 £m	Year 4 2031-32 £m	Year 5 2032- 33 £m
Budget position pre LGR cost/gain	11	19	29	38	46	(38)	(38)	(37)	(37)	(38)	(27)	(19)	(8)	1	8
Benefits	(4)	(6)	(8)	(8)	(8)	(4)	(5)	(7)	(7)	(7)	(9)	(14)	(19)	(19)	(19)
Disaggregation costs	5	5	5	5	5	4	4	4	4	4	0	0	0	0	0
Transition costs	4	4	0	0	0	4	4	0	0	0	6	6	0	0	0
Budget position post LGR cost/gain	16	22	26	35	43	(34)	(35)	(40)	(40)	(41)	(30)	(27)	(27)	(18)	(11)
Available Reserves at year start	(69)	(45)	(23)	0	0	(56)	(45)	(41)	(41)	(41)	(125)	(108)	(102)	(102)	(102)
Pre-vesting day transition	8	0	0			7	0				11	0			
In-year transition costs	4	4	0			4	4				6	6			
Reserves to balance budget	12	18	23			0	0				0	0			
Available Reserves at year end	(45)	(23)	0	0	0	(45)	(41)	(41)	(41)	(41)	(108)	(102)	(102)	(102)	(102)
Extra savings needed to balance	-	-	3	35	43	-	-	-	-	-	-	-	-	-	-

Consolidated Warwickshire balance sheet

Based on the 2023/24 audited accounts, modelling of a disaggregated balance sheet shows the total value of Warwickshire's net assets is £2.6bn, which has been allocated. 53% North Warwickshire and 47% South Warwickshire. Property, Plant and Equipment has been allocated by physical location and value rather than a proxy indicator.

14% of net assets are current. 86% are long-term assets; 85% of long-term debtors (12 months + in accounting terms) are in South Warwickshire which relate largely to loans made by Warwick District Council for the construction of housing which are due to be repaid by 2028.

By value, only 20% of the six councils' combined balance sheet is held in usable reserves and therefore available to support the revenue budget and/or the housing revenue account.

An analysis of three Government indicators of borrowing and debt risk shows a slightly higher risk in South Warwickshire but no fundamental issues. This does not account for SEND deficits.

	Single Unitary	North Unitary	South Unitary
	£m	£m	£m
Property, Plant and Equipment	3,050	1,558	1,493
Investment Properties	71	46	25
Long-term Investments	112	62	50
Long-term Debtors	111	17	94
Long-Term Assets	3,343	1,682	1,661
Current Assets	710	406	304
Current Liabilities	(329)	(193)	(136)
Long-Term Borrowing	(700)	(315)	(385)
Net Pension Liability	(220)	(104)	(115)
Other Long-Term Liabilities	(168)	(87)	(81)
Long-Term Liabilities	(1,088)	(507)	(582)
Net Assets	2,636	1,389	1,247
Usable Reserve - non HRA	(441)	(232)	(209)
Usable Reserve - HRA	(80)	(48)	(33)
Unusable Reserves	(2,114)	(1,109)	(1,005)
Total Reserves	(2,636)	(1,389)	(1,247)

	North Warwickshire	South Warwickshire	Single Unitary
External borrowing as a percentage of net assets at March 2024	20%	26%	22%
Internal borrowing as a percentage of usable reserves at March 2024	27%	37%	31%
Debt servicing as percentage of 2025/26 council tax requirement	8%	9%	9%

Key balance sheet and wider financial risks

General balance sheet risks: A series of balance sheet risks apply in all scenarios – SEND deficits, borrowing, commercial ventures and concerns about opening balances for four of the district and borough councils who received disclaimed audit opinions for 2023/24, three of which also have recommendations from their external auditors to improve their production of the annual accounts.

Dedicated Schools Grant (DSG) statutory override: DSG is the main government grant for education, with the High Needs Block (HNB) funding services for ages 0-25 with SEND. The DSG deficit is the county council's biggest financial risk, mirroring a national issue—deficits are expected to exceed £6bn by March 2026 due to underfunding and rising demand post-Covid.

A statutory override has been in place since 2020 which allows negative reserves to be placed on balance sheets to cover accumulated DSG overspends, extended to March 2028. Warwickshire's DSG HNB deficit is forecast at £151m by the end of 2025/26, impacting cash and borrowing (costs could reach £25m/year by 2030/31). Current spend is £92m north (62%), £55m south (38%); by 2040, demand could shift this to 55% north, 45% south. Without extra government funding, new councils must find resources to cover DSG deficits if and when the statutory override ceases. Government is due to announce how it intends to deal with these deficits in the provisional local government finance settlement in December.

Capital Financing Requirement (CFR): this measures the amount of borrowing that still needs to be repaid to fund capital spend that has already been spent, i.e. the amount of capital expenditure that is not funded

by capital receipts, capital grants or revenue contributions incurred. Warwickshire's CFR is projected to be £1,268m by March 2028 split £570m (45%) north and £698m (55%) south. Three quarters of the CFR relates to just two authorities Warwick District Council (29%) and the County Council (46%). There is a relatively higher CFR in the south than north, which means there is higher risk associated with borrowing in the south and greater revenue costs of borrowing.

Commercial activity: The six local councils in Warwickshire are currently owners (or part owners) of seventeen companies, eleven of which are owned (or part-owned) by the County Council. A number of opportunities arise from companies operating over a wider area and synergies between companies, but there are risks of disaggregating county council company ownership between two councils.

Housing Revenue Account (HRA): Four of the district and borough councils have a Housing Revenue Account (HRA) for their housing stock. This financially ringfences the HRA from councils' general funds. For the purposes of this analysis, the HRA has not been factored in as it is separate from core council budgets. Further detailed work on the HRA will be required as part of aggregation once the new model of local government in Warwickshire has been decided.

Pay harmonisation: the 2023/24 accounts reported 6,650 employees across the six councils (66% in the county council, 34% in the district and borough councils). Creation of a standard and consistent grading structure (pay harmonisation) across all services is a financial risk whereby potential cost will depend on relative differences in pay scales, the balance of in-house and contracted out services and variations in service offer. Legal compliance, staff morale and operational effectiveness would indicate the new council/s should do this relatively quickly.

Council Tax harmonisation – the starting point

The majority of total council tax is the charge from the County Council. This is almost 90% of the council tax to be harmonised and is already harmonised. The focus on council tax harmonisation is the equalisation of those council tax charges levied by the district/borough councils.

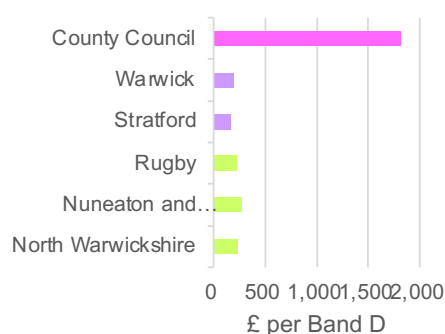
Five principles have driven the modelling of harmonisation options:

1. Support financial sustainability through the maximisation of council tax income.
2. Ensure the council tax set provides for a consistent service offer across all areas.
3. Strive for fairness to taxpayers within and between areas.
4. Enable the delivery of savings and transformational change.
5. Drive operational effectiveness and enable forward-looking decision making.

The key choices and recommended approach to harmonisation is set out below. Ultimately, decisions on harmonisation will be for the new unitary councils depending on the MTFS position at the time.

Under the recommended approach the gross difference in council tax levels across the five areas of Warwickshire is £78.85 or 3.6%. This places the range of council taxes in Warwickshire broadly in the middle of other council areas that have unitarised recently.

2025/26 Band D Council Tax



Choice	Recommended approach
Increase by weighted average or to maximum of 4.99% increase for any predecessor area	Weighted average council tax increase at referendum level
Abolish or maintain Rugby town centre special expenses	Abolish Rugby town centre special expenses through the creation of a town council with spending reduced by the same amount as the council tax income
Introduce new town and parish councils in Nuneaton, Bedworth and Bulkington	Create town/parish councils across Warwickshire with the cost of service responsibilities transferred equivalent to the council tax income generated
Period of harmonisation between 1 and 7 years	One year harmonisation

Local Government Reorganisation: Impact of disaggregation

Disaggregating services, where responsibilities currently held by the county council are split between two different councils, can create a variety of challenges depending on the service area. The table below outlines the degree of impact on delivery, cost and accessibility for different service areas.

Service Area	Impact rating	Commentary
People based services	High	Large scale/ cost/ volume, people-based services covering adult and children's social care, children's services, education and public health would face the greatest impact for disaggregation. • Inconsistent care and service standards across regions due to split and potentially more complex governance. • Loss of economies of scale, increased market competition, unit costs and competition for staff. • Duplication of safeguarding boards and SEND coordination efforts. • Impact on partnerships and services delivered or commissioned in partnership (eg with health) • Challenges in maintaining continuity for vulnerable individuals moving between areas. • Added complexities of new boundaries for service delivery • Newton Europe's work allocating costs to each district and borough by service user postcode provides the detailed financial picture.
Community services	High	Services such as transport, highways delivery, planning, waste disposal and economic growth would be significantly impacted by disaggregation. • Increased costs for maintaining separate vehicle fleets and potential impact on location of depots. • Inefficient waste management strategies and varied recycling standards. • Inconsistent road maintenance and infrastructure investment. • Fragmented economic growth strategies and reduced leverage for inward investment.
Universal Services	Medium	Services like libraries, registration and heritage already deliver services across the county at multiple access points however, disaggregation would require some duplication of systems and management. • Separate library catalogues and membership systems reducing access to shared resources. • Increased administrative overheads for birth, death, and marriage registrations. • Increased competition in the local area for national funding programmes. • Reduced ability to run countywide cultural or literacy programmes.
Support services	Medium	All six councils have a range of support services including Workforce, Legal, ICT, Finance and Facilities. Disaggregation would require two established functions with management and leadership capability. It is estimated that this would not be achievable with current capability and capacity of the workforce. • Duplication of IT systems and cybersecurity frameworks. • Increased costs for legal services and procurement processes. • Challenges in maintaining consistent HR policies and payroll systems. • Reduced efficiency in public asset management.

Local Government Reorganisation: Impact of disaggregation

The service areas listed below face significant impact and challenges from disaggregation.

Service Area	Commentary
Warwickshire Fire and Rescue Authority	Moving to a two unitary councils model would require creation of a Warwickshire Combined Fire and Rescue Authority, other options either not being viable or legally possible. Whilst this would importantly preserve county wide coverage, allowing flexible deployment of resources, and co-terminosity with the Police footprint, transitioning to a new governance structure would initially be disruptive with transition costs and shorter term funding pressures following its separation from the county council. It may also result in two governance changes in quick succession if Government pursues the model of Strategic Authority Mayors taking on accountability for policing and fire functions.
Education	Currently, SEND provision in schools is planned to meet county-wide needs. New boundaries would complicate placing children, as current rules are based on distance, not council borders. Home-to-school transport would become more complex and harder to manage with additional boundaries. Recruitment challenges would likely mean that specialist countywide teams that currently work to place geographies would need to be replaced with more generalist teams, reducing flexibility and resilience, and creating pressures for a north unitary as a result of the imbalance in demand. With demand greatest in a north unitary, workload would be increased and costs increased without the scale to smooth and absorb this. Planning responsibilities—such as school sufficiency, capital investment, and new school funding—could become less clear, with overlaps and potential disputes between councils. Admissions processes may become inconsistent, especially for schools near borders. Creating two sets of management and support teams would increase costs and reduce capacity.
Public Health	Unless a shared Public Health function is established, splitting public health services between two smaller councils risks increasing cost as a result of reduced scale. This could have a detrimental impact on the quality and level of services provided. It would disrupt local delivery alignment from NHS strategic footprints, reduce economies of scale, and disrupt commissioning—making services less viable and attractive to providers. A key concern is the disaggregation of 11 core public health contracts worth approximately £22.5 million per year, some of which are jointly commissioned with Coventry and have breakpoints post-2028. Splitting contracts and workforces would lead to downsizing, duplication of statutory duties e.g. pharmaceutical needs assessments, and reduced capacity, resulting in less detailed input and potentially poorer health outcomes. Smaller authorities would also have reduced national influence and a limited ability to address health inequalities, particularly in the north where these are most acute with healthy life expectancy worse than in the south.

Social Care	Splitting services between two councils would lead to duplication, disruption, and fragmentation of our care market. It would require duplication of management roles (statutory and non-statutory), worsening already difficult local and national recruitment challenges. Statutory partnerships like the Warwickshire Adult Safeguarding Board would need to be duplicated, and renegotiated. It would also cut across existing integrated work with the NHS. Partners would face extra work to engage with two councils, and splitting existing Section 75 agreements could destabilise staff and services. A smaller market footprint may reduce provider interest, increase competition, and drive-up commissioning costs. Service standards and practice could become inconsistent across the two new councils, and data sharing, IT systems, and performance monitoring across the two councils would be more complex. Income differences between the two councils could affect resilience and the ability to deliver consistent services. The transition to the new model could cause delays in care, missed assessments, and safeguarding risks, with there being significant technical issues in relation to Ordinary Residents for a number of years specifically due to the breaking up of the current Warwickshire county footprint.
Highways	Supply chains and labour movements that currently operate across the county would be disrupted, and transport networks, especially bus routes, would cross boundaries, making coordination more difficult. Smaller commissioning areas may struggle to attract providers, leading to higher prices or reduced delivery capacity for services like transport delivery and parking enforcement (a recent review highlighted a lack of market interest in tendering at a below county level). Specialist countywide teams would be broken up, reducing resilience and expertise. Budget splits may not reflect the differing infrastructure and network needs (e.g. more dual carriageways in the north), and procurement is likely to become more expensive. Small teams with unique roles may be particularly affected, as they cannot be easily replicated across two councils.

Case Study**Families First Pathfinder****Warwic Warwickshire's Fair Chance Employment Programme**

Warwickshire County Council's Fair Chance Employment Programme is an innovative initiative developed with local employers to make recruitment more inclusive, flexible, and accessible. Delivered by the Warwickshire Skills Hub, the programme helps businesses reshape job opportunities to better support individuals who face barriers entering the workforce, helping employers access untapped talent and supporting people into employment. Central to this is the Fair Chance Jobs Portal, which showcases high-quality roles designed with progression pathways and inclusive practices, reflecting a commitment to opening up employment opportunities across the county.

LGR and further devolution helps Warwickshire to shape a more locally responsive skills system. Building on Warwickshire County Council's Level 2 Devolution Deal, which devolves responsibility for 19+ skills provision from 2026, the council can pursue additional devolved powers, such as Free Courses for Jobs, Skills Bootcamps, and careers education. These opportunities would enable Warwickshire to expand and tailor initiatives like the Fair Chance programme, ensuring employment and skills support meets local needs and delivers real impact.

Section 3: **Transforming lives in Warwickshire**

This section sets how the vision for Warwickshire will be delivered through transformation activity and new ways of working.

3. Transforming lives in Warwickshire

Warwickshire Council

Target Operating Model

Stronger services

Service synergies and joining up

Stronger communities

Community governance

Democratic representation

Stronger communities, stronger

partnerships

Public service reform in Warwickshire

Stronger places

Devolution for Warwickshire

Delivering for Warwickshire

**1. Vision,
opportunity and
outcomes**

**2. Options
appraisal**

**3. Transforming
lives in
Warwickshire**

**4.
Implementation**

Warwickshire council Target Operating Model

The new Warwickshire council will design an operating model that builds on all the best elements of the six predecessor councils driven by the following key principles that are aligned to the vision for a stronger Warwickshire:

A single council means residents will experience easier and simpler access to services, with less bureaucracy and faster responses, enabled by good service design and digital innovation at scale. By removing duplication, more funding can be directed to frontline services that matter most like social care, housing, and community safety.

Community powered: the council will embed community involvement in its decision-making, working alongside communities to take practical action which delivers local priorities and supporting communities to lead.



Stronger Communities

Value for money: using the right balance of working at scale and local presence to improve the economy, efficiency and effectiveness of local government in Warwickshire, with a laser focus on delivering and tracking tangible benefits for residents.



Stronger Finances

Systemic approach with partners: collaborating closely with partners, focusing on collectively agreed outcomes, enabling public service reform and systemic approaches to tackle Warwickshire's biggest challenges and deliver on Warwickshire's major opportunities.



Stronger Voice

Integration for prevention: a model that balances strategic scale with local delivery by combining the best of the previous six councils and maximising the benefits of integrating services, shifting resources upstream to support prevention based on effective use of data.



Stronger Partnerships

Visible local presence and digitally-enabled services: accessible services and choice of channel for residents, businesses and visitors, with consistently high standards of customer service driven by data, insight and digital innovation.



Stronger Services

Place and neighbourhood working: the structure will combine countywide activity where it is most effective with place-based working embedded within the operating model and integrated neighbourhood teams working as locally as possible.



Stronger Places

Purpose-driven culture: driven by a clear purpose to improve lives and communities through prevention and supported by strong council culture, values and behaviours; simple, clear, forward-thinking, evidence-based strategies and commissioning approaches to achieve the best outcomes.



Stronger Outcomes

Stronger services: Service synergies and joining up

Creating Warwickshire Council provides an opportunity to work more efficiently by combining the best ideas and practices from the six current councils. It also allows new ways for services to work together, so the council can be more innovative, efficient, and effective. Below are some examples of the impact that combining services will have on delivering the vision.

Local presence, local pride, local leadership

Linking housing to children's and adult social care services

will better support families in temporary accommodation, the ageing population and people of working age with physical, mental and learning disabilities. Closer collaboration means homes can be designed to support independence and reduce future care needs.

Bringing together public health, environmental health and leisure will support a holistic approach to wellbeing, social care, and economy and skills and, increase access to healthy lifestyle options, support employment and reduce demand on health and social care services.

Value for money, high performing service delivery

Bringing together waste collection, disposal and recycling

will enable better route and schedule optimisation, staff utilisation and access to shared resources.

The aggregation of support services such as human resources, legal, finance and IT will enable financial efficiencies through reduced duplication and streamlined staffing arrangements.

Joining up property ownership across the county will cut costs by reducing the number of buildings needed, enabling Warwickshire Council to drive better value for money and regeneration activity from its property portfolio.

Combining customer and digital services will create consistent and integrated contact points for residents and enable greater innovation using integrated data to improve the user experience.

Case Study

Housing Services

In Warwickshire, housing services are split across five district and borough councils, while highways and infrastructure planning sit with the county council. This fragmented system causes delays, duplication, and inconsistent service quality, challenges that are becoming more pressing with the 69% rise in housing targets under the new National Planning Policy Framework. LGR offers a chance to streamline planning services under a single-tier authority. A single housing service working alongside social care, health and transport will create a strategic and integrated approach to planning, housing and infrastructure that reduces delays for developers and the council whilst better meeting residents needs.

Outcomes and impact for residents

A single set of planning policies, will enable a more consistent approach to planning. This will improve the ability to make land available for developments to coordinate faster delivery of housing and infrastructure and promote a holistic approach to regeneration.

A single heritage and culture offer will retain and build on Warwickshire's strong identity and brand as a destination of choice.

A single strategic approach to traffic management and regulation will improve parking in town centres and give property and business owners clear and consistent standards to guide applications for licences (for example HMO licences, premises licences, food related licences)

A countywide approach to transport will create joined up planning, coordinated infrastructure investment and better connections across the county.

Case Study

Local Transport Plan

Warwickshire County Council adopted its fourth Local Transport Plan (LTP4) in July 2023, setting the framework for maintaining and improving the county's transport network. Developed through extensive consultation, LTP4 and its supporting Area Strategies reflect local priorities. LGR offers the opportunity to consolidate governance and streamline decision-making, enabling sharper resource alignment and faster delivery of LTP4's goals, such as boosting active travel, improving public transport, and using smart technology. A single unitary council can better target investment, avoid conflicting strategies, tackle transport inequality, and unlock sustainable economic growth right across Warwickshire.

Stronger communities: Community governance

Community Governance and Locality Working

Warwickshire Council's approach to community governance will place residents and local communities at the heart of local decision-making. Through the establishment of local committees and community networks there will be clear, accessible structures that enable communities to get involved in shaping priorities, influencing outcomes, and taking ownership of local initiatives.

These governance mechanisms will build a coherent framework that fosters collaboration, amplifies local voices, and aligns efforts around a shared vision. Empowering residents to lead on what matters most to them will drive more responsive, inclusive, and effective local decision-making.



Community Powered Warwickshire

Since 2021, the Community Powered Warwickshire approach has focused on harnessing the power of communities to tackle inequalities and social inclusion. This approach will become the DNA of a new council, embedded countywide, and at local place and neighbourhood level. The approach will put communities in the driving seat, leading from the front to deliver local priorities that are important to them.



Involve communities in decision making

- Bring the voices and experience of communities into the heart of decision making
- Let communities have a greater say in the big decisions that affect them and involve communities early in the process and let them know what gets agreed



Working alongside communities to take practical action

- Listen to practical community ideas and changes that can improve their lives
- Work with communities to put their ideas into action, involving communities in the process
- Be honest, take risks and learn by doing



Enable communities to lead

- Welcome people who choose to step forward in their community
- Let communities determine the focus of their community leadership role
- Make it as easy as possible for communities to lead, at times this may mean simply getting out of their way

Stronger communities: Community governance

A consistent, countywide approach to community engagement and governance will ensure all residents have equal opportunities to participate in local decision-making. This will lead to more sustainable community-led solutions and will enable the council to respond more quickly to take local action when and where it is needed. It will also support better data sharing and resource planning, making the council more agile, accountable, and responsive to communities.

1) Local Committee

Local committees will be formal council committees made up of local councillors and responsible for a defined set of functions over a defined area, with scope to expand as the committees mature. A senior council officer will lead for each local committee, ensuring the council co-ordinates and integrates delivery, performance and engagement on a place perspective.

Local committees will enable local councillors to make place-based decisions and provide a local forum for involving partners and stakeholders and facilitating engagement with communities. This approach will reduce duplication in partnership working and create a more streamlined process for residents to share their views.

Local Committee functions may include:

- Recommending or approving local grant funding awards.
- Influencing policy and strategy development, including helping to shape major proposals affecting their area.
- Receiving and scrutinising performance information relevant to the area.
- Advising on boundary consultations.
- Acting as consultees on major decisions affecting the area.
- Decision-making in relation to specific service areas where appropriate to delegate on an area basis.

Case Study

Community Powered Mancetter South & Ridge Lane

A community-powered pilot in Mancetter and Ridge Lane has united residents, councillors, voluntary groups, and police to tackle shared priorities. Quarterly meetings drive action through a joint plan shaped by the community. Outcomes include highways improvements, a junior Police Community Support Officer scheme in schools, Social Fabric Fund investment, and targeted events like cost-of-living support showcases. This grassroots model strengthens local decision-making and community ownership of services. It shows how deeper resident involvement can drive more responsive outcomes. LGR presents an opportunity to embed and scale this approach across wider areas, building stronger, more empowered communities.

2) Community networks (Neighbourhood Area Committees)

The new community networks will likely cover 20,000-30,000 residents and will be a forum to collaborate with communities. Their initial design could include the following key features:

Partnerships: Community networks will enable communities to lead, bringing together local councillors, town and parish councils, partners, and stakeholders to collaborate and stimulate local action.

Community led: Each community network will be supported to develop a simple, locally-owned neighbourhood plan to reflect community priorities.

Dedicated leadership: A senior council officer will be assigned to each network to provide strategic oversight and ensure communities are being heard.

Place-based focus: Community networks will focus on addressing local challenges, improving the local area, driving pride in place and sharing learning across the county. This will enhance the work of the Coventry and Warwickshire Place Forum, Health and Wellbeing Board, place-based health and care partnerships, community safety partnerships and council overview and scrutiny committees.

Aligned with a community-powered approach, community networks will reflect local needs and allow flexibility in structure, function and ways of working, potentially building on existing networks.

Community network footprints will be developed with local councillors and partners building on the best of what already exists. To allow for flexibility but ensure consistency, community networks will follow a set of guiding principles.

Such guiding principles may include:

- Based on natural communities and population centres.
- Using existing forums that work well and not reinventing the wheel.
- Adopting a flexible and iterative approach – not ‘one size fits all’.
- Developed with communities, leveraging existing assets.
- Multi-agency, informal partnerships of local stakeholders.
- Complementing and building on existing partnership arrangements and footprints (such as Health based Integrated Neighbourhood Teams & Police Safer Neighbourhood Teams).
- Setting community priorities and creating a Local Action Plan.

Case Study

Local Councils Charter-

The Local Council Charter sets out how the county council works with district, borough, town, and parish councils to improve services and decision-making locally. It reflects a commitment to community-powered approaches and stronger collaboration across the different tiers of local government. LGR offers an opportunity to build on the Charter, making it simpler for town and parish councils to work within new governance arrangements. A single council will streamline communication, strengthen local representation, and ensure communities are directly involved in shaping decisions, making service delivery more joined-up, responsive, and aligned to local priorities.

3) Town and Parish Councils

Town and parish councils have an essential role in supporting thriving communities and will have the opportunity to take on devolved assets and services. The approach will be flexible and collaborative; offering a list of devolution options that allow town and parish councils to take on responsibilities aligned with their capacity, appetite, and local priorities.

New town and parish councils will be created in areas that do not currently have them including Bedworth, Bulkington, Nuneaton and Rugby.

Principles of working with Town and Parish Councils could include:

Building on strong foundations: The new Warwickshire Council will build on existing relationships and structures to foster collaboration and continuity. These relationships provide a trusted platform for engagement, enabling shared learning, co-design, and a consistent approach to local governance while recognising the important and distinct role that town and parish councils play.

Flexibility: The flexible framework supports tailored arrangements that reflect the diversity of communities, empowering councils to shape their role in service delivery and local leadership.

Community-centred: Town and parish councils will continue to play a key role in local democratic accountability, acting as visible and trusted leaders within their communities.

Financial neutrality: That any devolution would be financially neutral, and, at the point of transfer, would ensure town and parish councils are adequately resourced to undertake any additional functions and services.

Case Study

Lillington Community Action Forum

The Lillington CAF brings together local groups and partners to coordinate community-led action, amplify local voices, and support initiatives that boost wellbeing, inclusion, and neighbourhood pride. Projects like Arty-Folks' Window Wonderland, the Sunflower Campaign, and Mosaic Mural have transformed public spaces through creative collaboration. LGR offers the chance to scale LCAF's impact. By formalising its role, LCAF can access larger funding and deliver ambitious, joined-up projects. Its place-based approach ensures services reflect Lillington community's needs. With stronger recognition and support, LCAF can build long-term capacity and secure grassroots initiatives, and could be a blueprint for other community networks.

Stronger communities: Democratic Representation

Councillor numbers - proposed approach

The proposal for councillor numbers has taken into account the current electorate size and councillor numbers in Warwickshire, alongside the Local Government Boundary Commission for England (LGBCE) criteria. A number of options have been considered. This proposal presents a simple solution, based on doubling up on an interim basis pending a full LGBCE review.

Current position

Electorate for Warwickshire based on 2025 data is **461,453**.

Warwickshire County Council has **57 councillors** over **57 divisions**, average of **1:8,096 ratio** electors per councillor.

District and Borough Councils have a total of **200 councillors** over **108 wards**, average of **1: 2,307** electors per councillor.

District and Borough Councils have wards of 1, 2 and 3 councillors - no uniformity of ratios or councillors per ward.

The last Warwickshire County Council (LGBCE) review was in 2015.

The latest District and Borough Council review (LGBCE) was in North Warwickshire - this is currently under review.

Given housing development growth in Warwickshire there is a recognised need for a full LGBCE review following the establishment of the new council.

LGBCE Criteria

The need to secure equality of representation

The need to reflect the identities and interests of local communities

The need to secure effective and convenient local government

The proposal on an interim basis pending a full LGBCE review is to double up the number of councillors in existing county divisions leading to **114 elected members**

Although above the LGBCE upper limit of 99; it presents a simple solution which retains the existing county council divisional boundaries, which are established and recognisable, as the interim building block

It would result in an **average of 4,047 electors per councillor** based on 2025 electorate data which provides equality of representation and is comparable to other unitary councils

It is relatively close to the LGBCE number of 99 (+15) and would not require changes to divisional boundaries which would require a disproportionate amount of attention and engagement for a short interim period given there would be a full LGBCE review post vesting

It would provide sufficient councillors to engage with and discharge expected committee and scrutiny committees, securing effective and convenient local government

It would provide the representation required to reflect the identities and interests of local communities pending a full review without creating a democratic deficit over the short term

Stronger communities: Democratic Representation

Options	Comments
1. Adopt WCC existing divisional boundaries as building block (57) and double up to 2 councillors per division	114 councillors – above Local Government Boundary Commission for England 's (LGBCE) upper limit but simple, retains existing divisional boundaries, sufficient to discharge governance requirements and allows for a full boundary review following vesting day.
2. Adopt the DC/BC ward boundaries as the building block with 1 councillor per ward	108 councillors - above LGBCE upper limit but retains existing ward boundaries and allows for a full boundary review following vesting day. Would likely result in more significant electoral variances across the county.
3. Option 1 but scaled back (-15) to upper LGBCE number of 99	99 councillors – meets LGBCE upper limit, would require boundary changes or 15 divisions having a single councillor on an interim basis. Would likely result in electoral variances in some areas.
4. Option 2 but scaled back (-9) to upper LGBCE number of 99	99 councillors – meets LGBCE upper limit, would require boundary changes or reducing a number of 2/3 member wards on an interim basis. Would likely result in significant electoral variances in some areas.
5. Calculation based on governance requirements (number of committees, number of seats)	91 – 97 councillors – Likely closer to 97. Assumes a similar ratio of councillors to seats as in current model (57:64 or 0.89 councillors per seat) with an assumption of 7.5% of councillors sitting on more than one committee. Would require boundary changes on an interim basis and LGBCE involvement.
6. Calculation based on electoral equality (5,000 electors per councillor) with new divisional boundaries	92 councillors – would require the merging or redrawing of boundary lines to standardise electoral equality but does not take account of future growth/ development potential prior to or close to shadow elections. Would require boundary changes on an interim basis and LGBCE involvement.

Stronger Partnerships: Public Service Reform in Warwickshire

Local Government Reorganisation provides a launch pad for Warwickshire Council to drive wide reaching and lasting Public Service Reform with partners across the county.

The opportunity for Public Service Reform is a significant benefit of Local Government Reorganisation and represents a unique moment to transform how public services are delivered in Warwickshire.

Partners will work together, putting residents first to address complex challenges through integrated solutions informed by deep local knowledge.

Services will be joined-up in clear pathways that prioritise upstream prevention and people and communities will be empowered, to shape, design and deliver local services.

By working as one system, with shared ambition and goals, change will be delivered at scale and with pace.

Partners will inspire one another to embrace innovation and adopt forward thinking ways of working, with the common core goal of improving lives and outcomes for communities, helping business grow and enhancing people's life opportunities in Warwickshire.

Case Study

Warwickshire Resilience Forum

Warwickshire's Resilience Forum (WRF) coordinates multi-agency responses to major emergencies and involves government departments, emergency services, NHS bodies, utilities, and transport providers. Currently, it works across six councils, which can slow decision-making and resource deployment. Replacing these with a single council will stream in coordination and enable faster, more efficient emergency responses. This structural simplification will reduce duplication, improve accountability, and support clearer engagement with communities. A single council strengthens WRF's ability to deliver joined-up, nimble and timely responses which best protect residents and address the wider impacts of emergencies.

Public Service Reform: the principles

Working with partners we will ensure that the following principles are embedded in the delivery of Public Service Reform.

People-centric

Public services will be personal and suited to each person and place reflecting the unique strengths and needs of Warwickshire's difference communities.

Integration by default

Services will work together across organisational boundaries to create smooth, joined-up experiences for those needing support, ensuring residents receive the right help at the right time.

Prevention first

Providing early support to those who need it and moving away from costly crisis intervention. It will reduce long-term costs by understanding the root causes of problems, removing waste and duplication and ensuring residents receive timely, effective support that improves outcomes.

Public Service Reform: the enablers

Public Service Reform will be underpinned by the following enablers to drive positive outcomes:

Technology

Public services will utilise digital innovation and, technology to coordinate and target action, drive effective service delivery, reduce costs and improve outcomes for residents.

Data

Public services will use a solid, shared evidence base, enhanced by AI and predictive analytics to maximise impact and efficiency.

System-wide

Transformation will be planned and delivered at a system level with shared ambition, goals and resources.

Public Service Reform: the ways of working

Public Service Reform will build on existing strong relationships across the county. It marks a new way of partners working together to improve the lives of Warwickshire residents.

Test, learn and grow

Change will be developed through a flexible and iterative approach, enabling innovation to meet the specific needs of different parts of Warwickshire.

Integrated leadership

Integrated, countywide leadership will enable the sharing of ambition, responsibility and risks across sectors and open up opportunities for integrated, preventative working, integrated budgets, delivering better value for money.

Community Powered Warwickshire

Giving the residents of Warwickshire more control over decisions that affect their lives and the services they rely on.

This approach will build on Warwickshire's strong track record of innovation including:

- Creating Opportunities
- Community Powered Warwickshire
- South Warwickshire Local Plan
- Integrated Care System Place Boards
- Homes for Ukraine
- LEADER agreement with North Warwickshire Borough Council, Hinckley and Bosworth Borough Council and DEFRA
- Families First for Children Pathfinder
- Believe in Bedworth Neighbourhood Regeneration plan
- Business Growth Warwickshire Programme
- Warwickshire Property and Development Group
- Level 2 Devolution Deal.

Public Service Reform as transformation

Local Government Reorganisation provides the platform required for system wide Public Sector Reform, which in turn will enable continuous change and improvement for people and communities in Warwickshire.

Theme	Local Government Reorganisation	Public Service Reform
Stronger communities	Enhance local accountability and community engagement by creating structures that are more transparent, accessible, and responsive, creating better outcomes for residents.	Residents will be actively involved in designing and delivering services, creating genuine connection between public services, people and place.
Stronger services	Streamlining structures and reducing duplication across councils, leading to cost savings, faster decision-making and better targeting of resources.	The redesign and integration of public services will breakdown organisational barriers, giving residents a smooth, joined up pathway to receive the tailored support they need.
Stronger outcomes	Providing clearer strategic direction, improved service delivery and stronger capacity to tackle county-wide challenges such as housing, transport and public health. Improving outcomes, reducing long-term costs and delivering better value for money.	Digital and data transformation will align public service provision around a clear purpose of prevention to help people live their best lives by tackling root causes and providing early support.
Example	Local Government Reorganisation	Public Service Reform
Council on the high street	Maximising the benefits of bringing all services together in a single council, co-locating council teams in community/health hubs in key locations across the county.	Co locating public sector partners to create one stop shops and access points for residents.
Community voice	Local committees and community networks incorporate community voice into decision making.	Public services across Warwickshire designed with residents.
Data	Multiple access points through consistent and integrated front doors for council services in Warwickshire, bringing together data and a single view of the resident to support solution-focused, preventative approaches.	Joining up public service data and using predictive analytics to support efficient use of resources.

Public Sector Reform Top 10 opportunities

Engagement with partners through Warwickshire's Anchor Alliance has identified an initial top ten opportunities for Public Sector Reform across the county, demonstrating real commitment and drive to deliver system wide transformation.

A joined-up, slicker, and quicker planning process with partners to support the faster, simpler and more cost-effective delivery of the infrastructure and homes we need.

1

One-stop shops in Warwickshire towns where public services are co-located, utilising existing community facilities such as libraries.

2

Technical and vocational education opportunities for young people to meet the needs of the local economy and businesses.

3

Wraparound support for mental health, substance misuse, and employment.

4

Joined up support by bringing health and care teams together in local areas to make it easier for people to get the support they need. This includes health, public health and social care working side by side in neighbourhoods to help prevent problems before they happen.

5

Enhancing the business experience through joined-up, integrated support for the setup, scale-up, and growth of businesses.

6

Utilising the combined regulatory powers of trading standards, Public Health, the Fire and Rescue Service, environmental health, and licensing to take a whole-system approach to tackling complex challenges.

7

A public service strategy for regeneration across towns and rural areas.

8

Public services committed to working together with community networks to provide opportunities for residents to have their say and influence changes that affect them.

9

Joined-up digital, data, and community solutions to tailor the support people need, enabling them to tell their story once and receive help more quickly.

10

Stronger places, stronger voice: Devolution for Warwickshire

Warwickshire Council will build stronger places and stronger voice for the county, optimising further devolution opportunities, by:

- ✓ Continuing Warwickshire's devolution journey, building on the Level 2 devolution deal, by enabling Warwickshire to join a Strategic Authority, securing maximum powers and resources through devolution.
- ✓ Unlocking access for greater investment in housing, transport, skills & infrastructure. This means more jobs, better connectivity and greater opportunities for residents from all communities.
- ✓ Exercising greater strategic influence over targeted initiatives delivered over a wider Strategic Authority geography including economic growth, spatial and infrastructure planning, transport, housing and employment pathways.
- ✓ Aligning Local Growth Plans to help attract investment aligned with local priorities to support development of key growth sectors.
- ✓ Maintaining the whole county economy, totalling £25.167 billion in 2023.
- ✓ Offering a single strategic voice for Warwickshire into the Strategic Authority, strengthening the ability to secure and deliver on local priorities.
- ✓ The whole of Warwickshire being part of a Strategic Authority, in line with the Government's principle of 'alignment' between devolution and public sector boundaries.
- ✓ Strengthening Warwickshire's strategic presence and voice in national and regional decision-making.
- ✓ Preserving the connected identity of Warwickshire with sufficient proximity for residents to engage with the Strategic Authority and hold it to account.

Warwickshire alone does not meet the minimum population size set by Government of 1.5m for a Strategic Authority. To align with the Government's principles for devolution agreements, it is anticipated that, regardless of the number of unitary councils, the whole of Warwickshire would need to be covered by the same Strategic Authority.

Warwickshire shares a border with six other counties and the WMCA area (Coventry, Solihull and Birmingham). The only Strategic Authority in the region is the West Midlands Combined Authority (WMCA) which is an Established Mayoral Strategic Authority with a Trailblazer devolution deal (powers and resources).

There is strong alignment between Warwickshire and Coventry given the strong functional economic geography. However, Coventry City Council is a full constituent member of the WMCA and is not seeking to leave the WMCA to form another arrangement.

There are multiple potential configurations for joining or creating a Strategic Authority and an initial assessment of options against Government criteria and economic factors show the WMCA to be the best option for Warwickshire and the region.

On the 14th October 2025 Warwickshire County Council agreed the following:

'The Council accepts that full constituent membership of the WMCA would be the best arrangement for any new council or councils in Warwickshire to meet the Government's requirement of full devolution.'

A Strategic Authority should:

- Connect clearly to Warwickshire's identity and needs
- Be close enough for residents to engage with it and hold it accountable
- Preserve the fundamental importance of the Coventry and Warwickshire functional economic geography
- Align with the existing public service delivery footprint

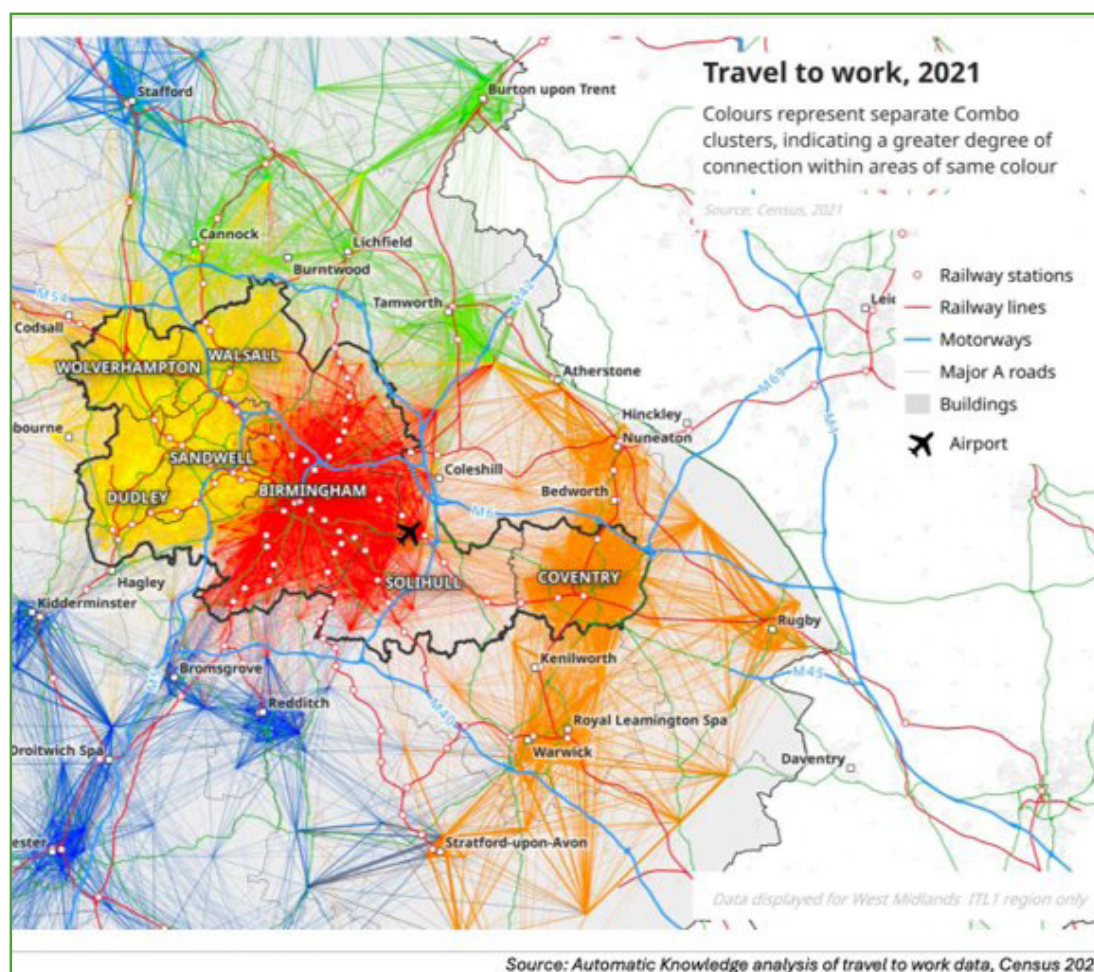
Warwickshire borders six counties and has multiple options for Strategic Authority configuration. Below is an initial assessment of Strategic Authority options to meet the Government's devolution principles and requirement of full devolution, which identifies WMCA full constituent membership as the best arrangement.

Options	Devolution White Paper Criteria							
	Feasibility	Population	Sensible Economic Geography	Contiguity	No devolution island	Delivery	Alignment	Identity
1 Join the existing West Midlands Combined Authority as a full (constituent) member	✓	High	High	✓	✓	High	High	High
2 Join a new strategic authority including Warwickshire and Worcestershire which could also include Herefordshire	✓	High	Medium	✓	✓	Medium	Medium	Medium
3 Join a new Warwickshire, Worcestershire, Gloucestershire, Herefordshire strategic authority	✓	High	Medium	✓	✓	Medium	Low	Medium
4 Join a new strategic authority including Warwickshire, Leicestershire, Leicester City and Rutland	✗	High	Medium	✓	✓	Medium	Low	Medium
5 Join a new strategic authority including Warwickshire, Oxfordshire, Worcestershire and Gloucestershire	✗	High	Medium	✓	✓	Medium	Low	Medium
6 Join a new strategic authority including Warwickshire, North Northamptonshire and West Northamptonshire	✗	High	Low	✓	✓	Medium	Low	Medium
7 Join a new Warwickshire, Oxfordshire, Buckinghamshire and Berkshire strategic authority	✗	High	Low	✓	✓	Low	Low	Low

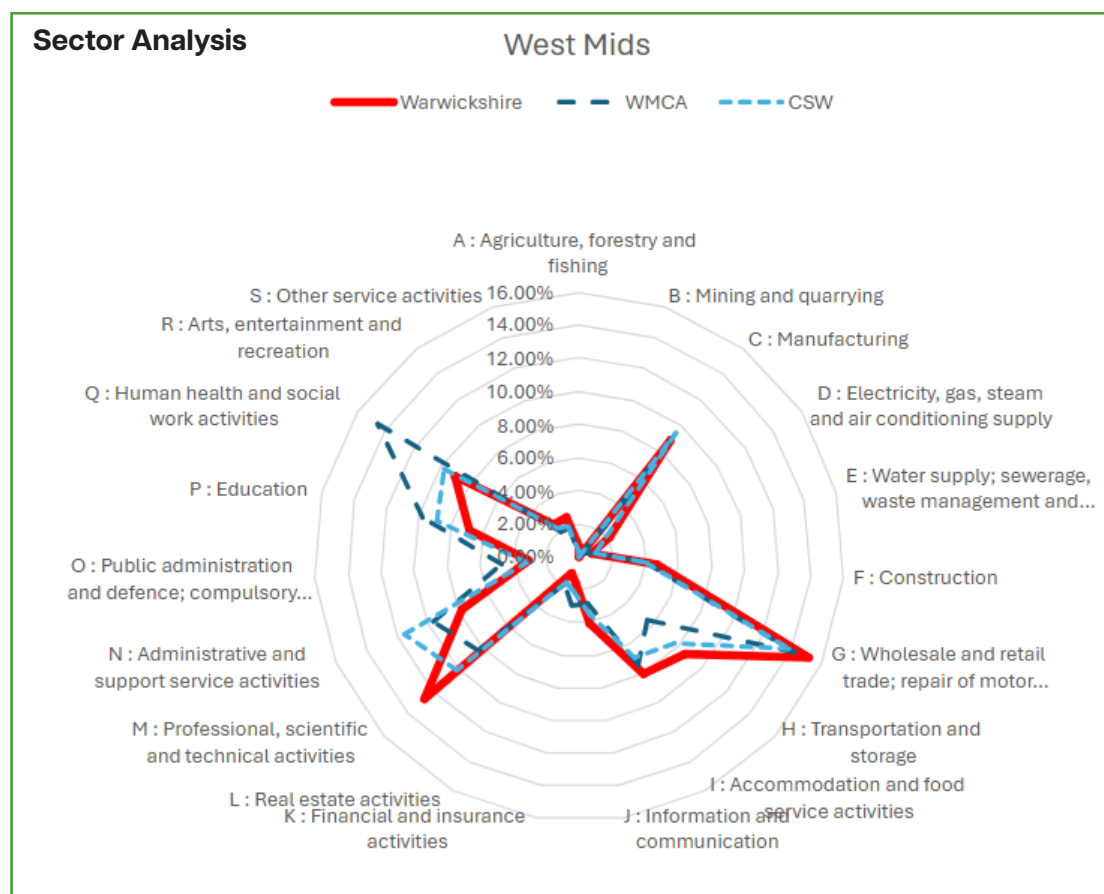
Alignment with West Midlands Combined Authority

The WMCA was formed in 2016 on the footprint of the three [then] Local Enterprise Partnerships (LEP) – Birmingham and Solihull, the Black Country, and Coventry and Warwickshire. All six Warwickshire local authorities are non-constituent members of the WMCA.

Travel to work data emphasises strongest connectivity following existing transport links and highlights strength of connection with Coventry, and to a lesser extent Birmingham and Solihull. More detailed analysis of commuting and other trips undertaken highlights a strong concentration within the Coventry and Warwickshire area.



Given the interconnected nature of the Coventry & Warwickshire economy it is unsurprising that the Warwickshire economy aligns closely and has a strong connection with the wider West Midlands. They share key strengths in advanced manufacturing, especially automotive and engineering, and in digital and creative industries, with Warwickshire's gaming cluster complementing WMCA's wider tech base. Both areas have strong professional and financial services sectors and play an important role in logistics thanks to excellent transport links.



In 2023, the Gross Value Added (GVA) of the West Midlands region was £175bn, of which Warwickshire contributed £25bn or 14.4% while only having 10% of the region's population. Warwickshire's GVA per hour worked is around 17.5% above the regional average.

Becoming a full constituent member of the WMCA aligns with the existing Coventry and Warwickshire functional economic geography and the Coventry and Warwickshire Integrated Care System boundaries.

The assessment of strategic authority options against Government criteria and economic factors show the WMCA to be the best option for Warwickshire and the region.

Joining the WMCA, an Established Mayoral Strategic Authority, builds on the existing WMCA membership, preserves the Investment Zone and also accelerates and provides access to the highest level of devolved funding and powers for Warwickshire. In contrast, creating a new Mayoral Strategic Authority with neighbouring counties with a wider geographical footprint would not reflect the same strong functional economic relationship.

Stronger Places: Delivering for Warwickshire

The table below shows the potential, combined impact and 'stretch' of Local Government Reorganisation, Public Service Reform and Devolution on outcomes for Warwickshire residents, aligned to the national outcomes framework.

Meeting the Government Outcomes	Local Government Reorganisation	Public Service Reform	Devolution
Economic prosperity and regeneration	Countywide approach to support economic growth and investment, with an integrated business support offer and all levers of economic growth in a single tier of council.	Building on powers over adult skills funding, working with public sector partners to align workforce planning and improve job opportunities.	Devolved powers to join up youth and adult skills provision with employment support and regional labour needs.
Health and wellbeing	Health partnerships extending to all elements of local government services, enabling place-based interventions and holistic wellbeing, embedding Health in all Policies to reduce inequalities.	Focus on addressing wider determinants of health and commitment to early intervention and prevention, to achieve shared priorities to improve healthy life expectancy and people's wellbeing.	Statutory health duty; integration of health priorities with regional growth agenda and Anchor Alliance organisations.
Homelessness and housing	Integrated housing and social care services to better support temporary care, a focus on care at home and accommodation with care and to develop end-to-end solutions for children, adults and families.	Joined up, system wide solutions across health, police and local government, to ensure good quality housing and preventing homelessness.	Devolved powers and funding to accelerate housing delivery; ability to lead pilot schemes testing new approaches addressing homelessness and increasing affordable housing.

Meeting the Government Outcomes	Local Government Reorganisation	Public Service Reform	Devolution
Adult social care: Quality independence and neighbourhoods	Maintaining a countywide service with the required scale for effective commissioning. Tailored local delivery options meet need in different places, maximising healthy, independent living.	Embedding neighbourhood models for integrated health and care, ensuring all residents have access to the services they need to live healthily, happily and independently.	Statutory health duties, regional strategic partnerships with health bodies and powers to shape regional adult care strategies.
Every child achieving and thriving	Placing the child at the centre of service provision across ages and key stages, with joined up data sharing.	Full partnership solutions to SEND and other long-term challenges, to reduce educational inequalities, improve attainment and maximise inclusion.	Connecting learning pathways to post-16 skills opportunities and local labour needs for complete 0-18 educational journeys.
Best start In life, child safety and child poverty	Improved early years coordination across health, education, housing and social care, building on Families First Pathfinder to develop a local offer and ensure no child falls between the gaps.	PSR embeds a system wide approach to prevention through early intervention and collaboration, reducing child poverty and improving outcomes in children's crucial early years.	Regional data sharing and access to regional early years pilots, building on lessons learnt from neighbouring authorities and local successes.
Multiple disadvantage	Building on Creating Opportunities to develop a consistent and targeted approach to supporting residents facing multiple disadvantages in the most deprived communities.	Joined up, preventative approaches with partners from health, police, VCSE to develop a holistic response, reduce crisis intervention and improve long-term outcomes.	Access to regional pilots and integrated settlement for targeted interventions to reduce inequalities across the county.

Meeting the Government Outcomes	Local Government Reorganisation	Public Service Reform	Devolution
Transport, local infrastructure, and planning	Rapid improvement of transport links. Joined up planning, better connections across the county, and integrated transport programmes. A reformed, holistic approach to planning with streamlined governance and decision making with a single council accelerating delivery of housing and infrastructure.	Integration of strategic and local planning transforms the planning system in Warwickshire, delivering quicker housing and infrastructure and reducing costs.	Opportunities for devolved powers relating to highways and public transport e.g. bus franchising, trains, regional cross-ticketing and consolidation of transport funding. Devolved funding for regeneration; powers to raise additional funding for strategic infrastructure; strategic partnership with Homes England.
Environment	Bringing together waste collection, disposal and recycling to enable better route and schedule optimisation. Coordinated approach to protecting accessible green spaces.	System wide approach to support access to green spaces and engage with community-led environmental initiatives.	Devolved powers for local area energy planning, heat network zoning and funding for retrofit schemes.
Neighbourhoods and community safety	Community Safety Partnership with unified leadership and streamlined links to partners enables a county wide strategic approach to be tailored locally.	Collective use of data with partners, community engagement and developing a system-wide approach to reducing crime and reducing fear of crime.	New partnerships across Police and Crime Commissioner, Police, community safety using unlocked funding to implement new approaches for Violence Against Women and Girls and serious violence prevention.

Transformational change in Warwickshire requires a programme approach for transition that reflects the opportunities and ambition of the new council. To ensure best outcomes for residents an implementation plan has been developed ensuring smooth transition to a new council with capacity to build a stronger future for communities, business and residents alike across the county.

Case Study

Families First Pathfinder

Warwickshire County Council is in the second wave of the Department for Education Families First Pathfinder. This is a national test and learn initiative to rebalance children's social care away from costly crisis intervention to more meaningful and effective early support. The pathfinder offers new delivery models for family help, child protection, family networks and multi-agency safeguarding arrangements ahead of a national transformation.

The Warwickshire Families First approach strengthens connection to people and communities through locality working and building strong partnerships with local services, bringing together partners from children's services, health, police, education and wider services into integrated, multi-disciplinary teams so the whole family is supported.

Public Service Reform provides an opportunity to extend this approach more widely. By embedding integrated neighbourhood teams the new council can simplify access to support, reduce reliance on crisis interventions, and deliver more consistent outcomes. Working in partnership across sectors enables earlier, preventative responses that are rooted in place and tailored to local needs, making services easier to navigate, more accessible and responsive for residents.

Section 4: Implementation

This section sets out the headline approach to implementation and supporting evidence.

4. Implementation

Implementation planning
Programme view
Headline benefits
Critical path
Supporting evidence for government



Local Government Reorganisation: Implementation planning

To successfully move to a new Warwickshire Council, it is important to have a clear and effective plan so residents can benefit from the changes. A clear plan for the transition has been created, which outlines the key steps, timeline, expected benefits, and an early overview of the programme.

Further detailed programme planning will follow as reorganisation progresses. Challenges to delivery are expected, particularly in maintaining business-as-usual service delivery while resourcing a substantial programme of work to implement the new council. Risk identification and management will be critical to mitigate these challenges, ensuring a smooth transition to the new council.

A comprehensive implementation plan provides the structure, clarity, and coordination needed to manage a complex and significant transition. It will play a critical role in:

- Protecting Warwickshire's most vulnerable residents.
- Safeguarding the continuity of statutory service delivery.
- Establishing the foundations for long-term transformation and innovation.
- Supporting staff and organisational readiness to ensuring a safe and successful Vesting Day and maintaining service/business continuity.
- Enabling effective communication and engagement, building trust and transparency through structured engagement.
- Aligning and enabling resources and responsibilities across existing authorities and enables coordination of resources.

Considerations for Implementation Planning:

- Strong leadership unifying citizens, partners and staff through the transition to a new organisation.
- All partners collaborate to create a clear identity, vision and values for the new organisation. One that delivers for all communities.
- Early and continuous engagement with stakeholders to build trust in the new organisation.
- Early planning from all organisations involved will be required to ensure sufficient skilled resources to support the transition to a new organisation in a timely way.

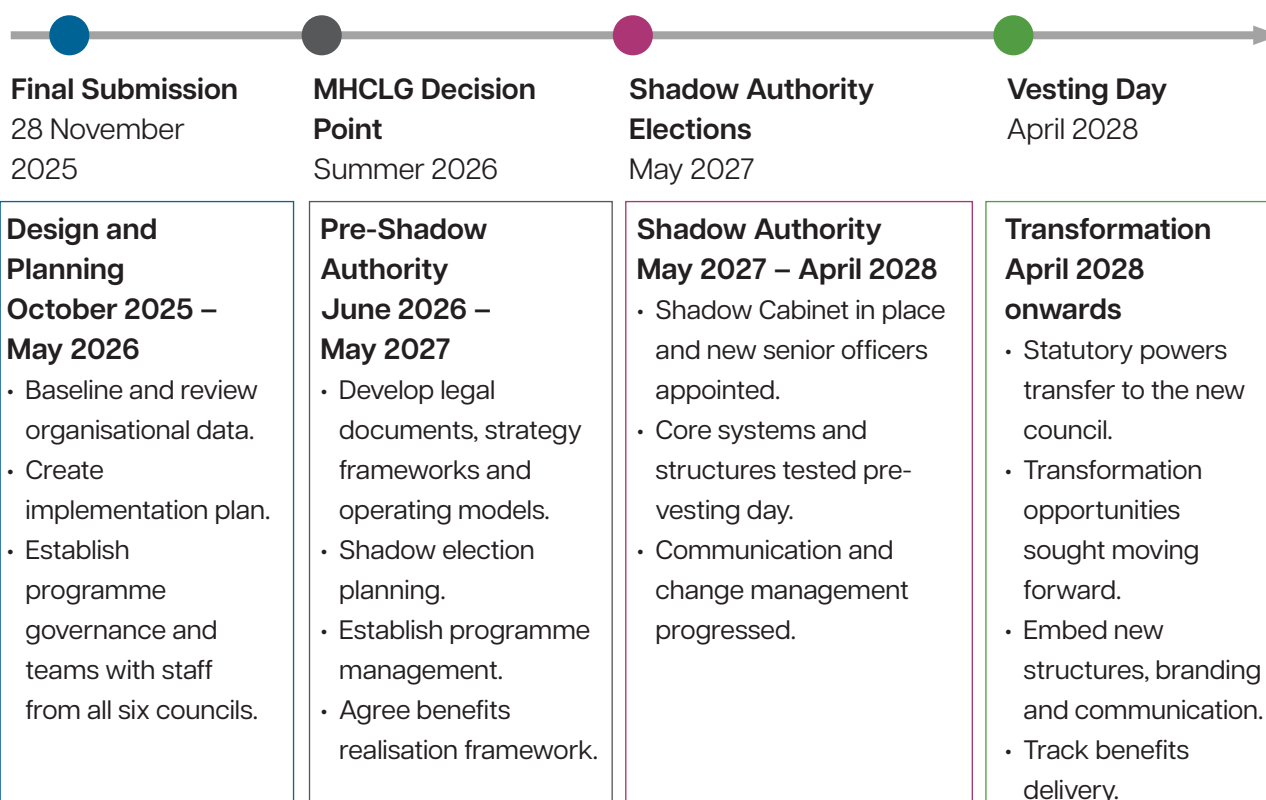
The proposed structure of the programme is based on six key workstreams which are commonly used across the sector for local government reorganisation implementation:

- People & Culture
- Finance, Commercial and Assets
- Legal, Community and Governance
- Customer, Data, Digital and AI
- Service Delivery, Continuity and Resilience
- Communication and Engagement

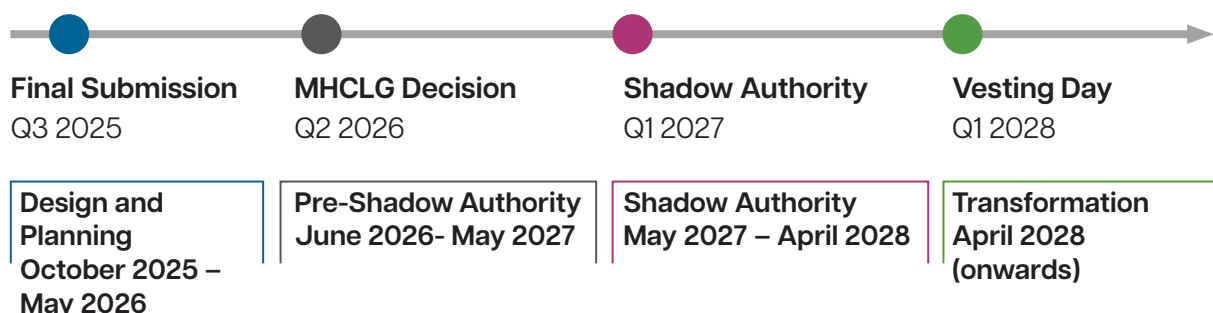
The focus during the first three phases will be on ensuring the safe and legal creation of the new council, with significant transformational activity to follow.

The diagram below sets out the key phases and milestones to achieve a single unitary council in Warwickshire.

Timeline and Key Dates



Local Government Reorganisation: Programme view



Design and Planning October 2025 – May 2026

An implementation plan will need to be developed and a LGR Portfolio Management Office established to manage the programme. Engagement across all six councils will be a priority to build learning and share best practice.

To deliver Public Service Reform (PSR) and ensure that its benefits are realised, PSR must begin immediately and be embedded throughout every stage of developing a new model of Local Government. PSR principles will be integral to implementation, particularly during Phase 2: Pre-Shadow Authority and Phase 3: Shadow Authority.

Collaboration:

- Shared working principles and formal data-sharing agreements are being developed to support a unified evidence base across all tiers of local government in Warwickshire – including county, district, borough, town, and parish councils.

Implementation plan development:

- Initial research and analysis initiated to provide a comprehensive overview of current arrangements, identifying key challenges, risks, and opportunities across all relevant services and operational areas.

Engagement:

- Plans will be put in place to maintain engagement with residents, communities, and businesses and ensure that they have meaningful opportunities to shape the final operating model. This ensures that local voices are embedded in the design of the future council.

Pre-Shadow Authority
June 2026- May 2027

Following the government's decision, there will be an initial pause to agree joint planning and working arrangements with the five district and borough councils to support the delivery of the new council.

As part of this phase, consideration will be given to the future structure of the new unitary authority. Initial outlines and frameworks for the new operating model will be developed, including governance arrangements.

It is anticipated that some activities, such as the gathering of baseline data, will continue during this period. Preparations will also begin for the 2027 shadow elections, and formal engagement with unions will commence.

From a programme perspective, the number and scope of projects required within each workstream will be established, and the programme team will be expanded.

- Pause post Government decision to agree joint planning and working arrangements with district and borough councils to deliver the new council.
- Development of key financial products underway, including a Council Tax harmonisation model. Supported by a comprehensive review of assets, property holdings, and contractual arrangements to ensuring smooth transition.
- Work begins on the design of the new council's digital architecture, ensuring systems are aligned, secure, and capable of supporting integrated service delivery.
- New target operating model developed shaping the new council's structure and informing recruitment strategies, with a particular focus on leadership and critical roles.
- New governance frameworks are being designed to support effective decision-making and strengthen partnership working across sectors and geographies.
- Baseline assessments of legal and governance responsibilities are being completed to ensure compliance and operational readiness.
- Detailed benefits framework, benefits tracker and performance framework developed.
- Detailed preparations are underway for the 2027 shadow elections, including electoral arrangements and transitional governance protocols.

Shadow Authority May 2027 – April 2028

Elections will be held, and the new Shadow Authority will be created to oversee further preparatory work and progress implementation activities. Appointments to the Chief Executive and senior leadership roles will be made to begin work within the Shadow Authority.

Detailed planning will be undertaken to support the transition of services to the new unitary council. Communication and engagement will remain a constant throughout the journey to establishing the unitary council.

Elections to be held in May 2027 to establish the new Shadow Authority, providing democratic legitimacy and leadership ahead of Vesting Day.

Shadow Authority oversees preparatory work, shaping the final governance arrangements, and ensuring a smooth transition to the new council structure and alignment with the direction towards a Strategic Authority.

Workstream delivery will be in full progress and will include:

- People and culture
- Finance, commerce and assets
- Legal, community and engagement
- Service delivery
- Digital and data
- Communications and engagement

Transformation April 2028 (onwards)

Once the new council is in place and has had time to settle, a continuous improvement approach will be adopted.

- Teams and services will adapt to new ways of working, ensuring systems and processes are functioning effectively and that any early issues are identified and resolved promptly.
- The new infrastructure will be subject to continuous review and refinement, with a focus on delivering the operational and financial benefits set out in the full proposal.
- As the new council becomes established, focus will shift to long-term strategic planning. A continuous improvement approach will be adopted, using testing and learning to refine services, drive reform and deliver the anticipated efficiencies of a single unitary council.
- By the end of this phase, technology, workforce, and service delivery functions should be operating smoothly and consistently across the new council.
- This phase does not have a fixed end date. It marks the beginning of the new council's journey, underpinned by a sustained commitment to empowering communities, delivering efficient services and effective local government for Warwickshire's residents, businesses, communities and for its workforce.

Public Service reform

To deliver Public Service Reform and ensure benefits are realised, work needs to start now and be embedded at every stage of creating a new model of Local Government.

Public Service Reform principles need to be a part of implementation especially across Phase 2: Pre-Shadow Authority and Phase 3: Shadow Authority.

For example:

- Developing the target operating model.
- Partnership working model.
- Organisational Structure.
- Operational people and culture model.
- Council Plan and MTFS development.
- Implementation of consistent and integrated front doors.
- Locality working.

Local Government Reorganisation: Headline Benefits

Benefit headlines to be included within the benefits framework (to be created in pre-shadow year)



Warwickshire Places (Devolution)

Strategic planning – delivering data led integrated planning and delivery

Community impact – tailored to local needs

Economic growth – the right jobs with the right investment in the right place.

Better infrastructure – great transport links, suitable housing and access to local skill development.

Example measures:

- Gross disposable household income.
- Inactivity 25-49.
- Job growth.
- Business feedback on availability of skills locally.



Warwickshire Communities (Community Powered, Public Sector Reform)

Improved service delivery – joined-up service delivery shaped around local needs and outcomes.

Stronger collaboration – across health, education, housing and policing.

Community impact – preventative services focused on local need improving community well-being.

Governance and accountability – community involvement in shaping local services.

Example measures:

- Resident satisfaction surveys.



Warwickshire Council (Local Government Reorganisation)

Financial efficiency - removing duplication.

Governance and accountability - simpler, clearer access.

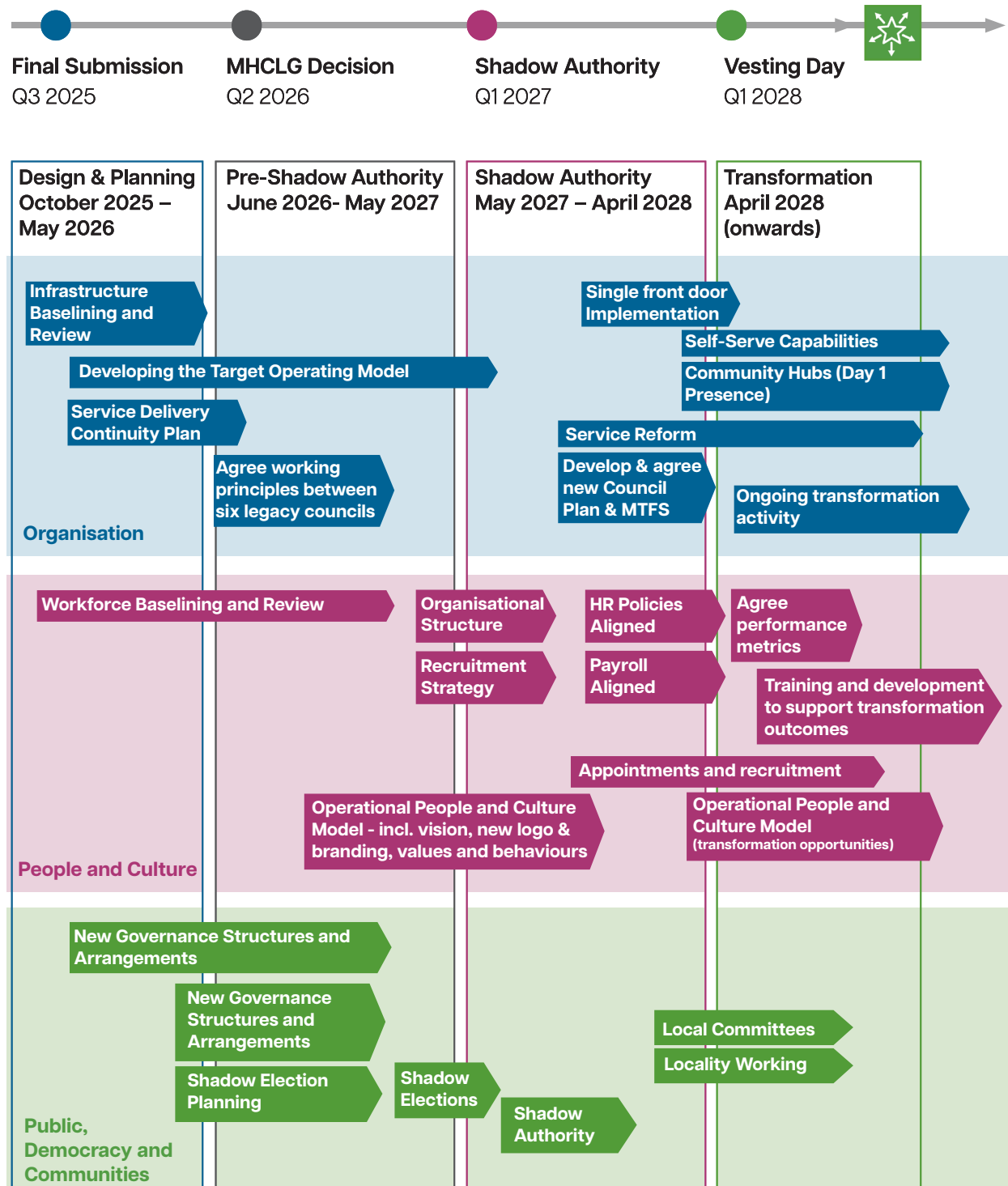
Improved service delivery - faster responses.

Strategic planning - system-wide integration.

Example measures:

- Cost savings.
- ROI on transformation.
- Budget alignment.
- Customer satisfaction.

Local Government Reorganisation: Critical path



Supporting Evidence for Government

This section summarises the key information and insights that have informed the development of the final proposal. The evidence is supporting information and methodologies where relevant to the overall strategic case. The final submission to government will include a suite of documents comprising the final proposal and the evidence listed below. A checklist for government will be included within the final proposal to demonstrate how the proposal meets government criteria and responds to interim plan feedback.

Financial Case:

- Financial assumptions
- Detailed costs and savings
- Council Tax harmonisation
- Financial sustainability modelling

Evidence base for Preferred Geography: Demographics

- Economic and infrastructure data
- Service impact
- State of Warwickshire report

Public Engagement:

- Voice of Warwickshire survey report
- Public survey report
- Town and Parish Council survey report

Community and Formal Governance:

- Community Powered Warwickshire

Partner Engagement :

- Stakeholder feedback

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Financial Case for Local Government Reorganisation in Warwickshire

This document presents the logic and assumptions underpinning the detailed financial analysis for Warwickshire County Council's (WCC) Local Government Reorganisation options appraisal, as well as the financial outputs of that analysis.

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1. Executive Summary

This section covers the financial case portion of the submission for the reorganisation of local government in Warwickshire. It draws from detailed financial analysis and modelling undertaken for the different reorganisation scenarios. The analysis covers the costs and benefits of aggregation and transformation and assesses the financial sustainability¹ of the two reorganisation scenarios. The findings are intended to inform decision-makers on the optimal path for unitarisation to ensure long-term financial stability, efficient service delivery, and fairness for Warwickshire residents and communities.

¹ Financial sustainability has been considered across several dimensions – the capacity to respond effectively to the external environment, performance in managing finances over the longer term and the understanding and management of risk. To do this the impact of reorganisation on reserves, borrowing, the delivery of a balanced budget over the medium term, assets and liabilities and council tax have been considered.

Based on the geography and Ministry of Housing, Communities and Local Government (MHCLG) guidance, the following two options have been identified for the future of local government in Warwickshire:

- A single Warwickshire unitary authority.
- Two unitary authorities split into North Warwickshire – covering the current North Warwickshire, Nuneaton and Bedworth, and Rugby boroughs – and South Warwickshire – covering the current Stratford-on-Avon and Warwick districts.

The financial analysis demonstrates that a single unitary authority offers a compelling case compared to a two unitary authority scenario, with:

- Substantially higher recurring net annual benefits from reorganisation and a shorter payback period.
- Lower transition and ongoing costs to fund reorganisation, with risks from disaggregation of countywide services avoided.
- Greater resilience in reserves and balance sheet strength.
- Lower financial risk as in a two unitary scenario there will be material financial and fiscal imbalance between the two unitary authorities.
- Enhanced ability to deliver further savings and service improvements through transformation.
- Optimal council tax harmonisation, maximising income and minimising inequities.

By contrast, a two unitary model would introduce significant recurring costs, greater financial and operational risks, and a weaker platform for future transformation. Additionally, in the short to medium term, the proposed North Unitary would not be able to balance its budget, having exhausted its reserves, without additional Government funding, an immediate focus on rapid and radical service transformation or reductions in the service offer to residents and communities.

It is therefore recommended that Warwickshire pursue a single unitary authority model to secure long-term financial sustainability and deliver the greatest value for residents.

1.1 Financial Analysis of Local Government Reorganisation Approach

The financial analysis set out in this section of the case covers three core blocks of analysis as detailed below:

Costs/Benefits of Aggregation	• Benefits of a single unitary scenario compared to a two unitary scenario • Implementation costs • Disaggregation costs and risks • Investment appraisal and payback period
Financial Sustainability and Resilience	• Resources • Spending pressures • Reserves position • Debt and borrowing requirements

	• Wider financial risks
Council Tax Harmonisation	• Harmonisation approach • Timescale options • Options for Town and Parish Councils, and Rugby Special Expenses

1.2 Summary of Aggregation Analysis

The analysis suggests that a single unitary would deliver higher net benefits and a shorter payback period. As a result, a single unitary model will assist in the easing of financial pressure across Warwickshire's councils, which will remain significant irrespective of the outcome of local government reorganisation and further strengthens the need to take the financially most advantageous option.

A single unitary authority delivers:

- **Over three times higher recurring annual net benefit** from reorganisation compared to a two unitary scenario.
- **29% lower transition costs** compared to a two unitary scenario.
- **No disaggregation costs**, whereas there would be £8.6m additional annual recurrent costs in a two unitary scenario. A single unitary authority avoids the complexities and expenses linked with splitting functions and disaggregating staffing structures for current countywide services.
- After five years, an easing of **financial pressures across Warwickshire by £57.1m**, whilst a two unitary model **worsens the financial position by £11.0m**. This means that, in the medium-term, more funding will be required for significantly less financial gain and **£68.1m of lost financial opportunity**.
- A better springboard for transformation². Ten years post-vesting, a single unitary authority could realise **48% greater benefit from carrying out additional base transformation compared with a two unitary scenario (an additional £46.7m)** and **64% greater benefit from carrying out additional stretch transformation (an additional £72.3m)**.

² Transformation is the delivery of benefits from changes to systems, processes and broader approaches to service delivery that go beyond simply bringing teams, services and functions together as part of reorganisation. The costs and benefits of transformation are additional to those incurred through reorganisation alone.

Summary of Aggregation Analysis

Option	Gross annual benefit from aggregation (£M) ³	Additional Annual Costs (£M) (Disaggregation Costs)	Recurring net annual benefit (£M)	Recurring net annual savings per resident ⁴ (£)	One off transition costs (£M)	Net benefit one year post-vesting (£M)	Net benefit five years post-vesting (£M)	Payback Period (years from first costs incurred) ⁵
1UA	18.7	0	18.7	29.60	22.3	(7.4)	57.1	2.9
2UA	14.8	8.6	6.2	9.80	31.2	(24.6)	(11.0)	7.7

Total impact of disaggregating to two unitary authorities compared to a single unitary model

Category	Reduction in benefits from aggregation	Additional disaggregation costs	Increase in transition costs	One-year post-vesting impact	Five-year post-vesting impact
Impact (£M)	3.9	8.6	8.9	£17.2m of lost financial opportunity	£68.1m of lost financial opportunity.
Impact timeline	Ongoing	Ongoing	One-off		

Summary of Transformation Opportunities (costs and benefits are additional to reorganisation)

Category		Gross additional annual benefit (£M)	Total one-off transformation costs ⁶ (£M)	Net benefit five years post-vesting (£M)	Net benefit ten years post-vesting (£M)	Payback period (years from first costs incurred)
1UA	Base	20.3	27.7	43.3	144.9	3.1
	Stretch	29.4	44.3	38.1	185.3	4.1
2UA	Base	15.2	30.7	22.4	98.2	4.3
	Stretch	20.7	48.1	9.8	113.0	5.4

1.3 Summary of Financial Sustainability and Resilience⁷

All local authorities are under severe financial pressure due to the rising cost of and demand for services, especially care services. The benefits of reorganisation and subsequent transformation will help provide the finances to support the delivery of sustainable financial positions over the medium to long-term.

A single unitary authority is predicted to have £11m increased financial capacity five years post-vesting to maintain services before any additional savings from transformation activity. This is down from a £30m surplus one-year post-vesting due to growing spending pressures. In contrast, a two unitary scenario risks significant demand, cost and financial imbalance even after the Pixel model⁸ accounts for the estimated impact of the Fair Funding reforms: the proposed North Warwickshire unitary authority faces a £43m annual shortfall five years post-vesting, exhausting reserves quickly

³ Gross annual benefit when at 100% phasing from Year Three

⁴ Recurring savings per resident when benefits phased to 100%

⁵ First costs occurred in pre-vesting year, year 0 (2027/28)

⁶ One-off transformation costs are phased over 5-6 years (see Appendix)

⁷ The figures quoted assume authorities current approved medium term financial plans remain unchanged and are delivered in full.

⁸ Independent analysis conducted by Pixel Financial in a model commissioned by the County Councils Network and shared across all six Warwickshire councils to disaggregate resources, including the impact of the Fair Funding Review.

(within three years) without increased government funding, additional savings from transformational activity, or significant expenditure cuts. The proposed South Warwickshire unitary authority would have a projected £41m increased financial capacity through the scope to leverage council tax income to more than meet expected cost/service demands. This imbalance is primarily driven by asymmetry in the proposed authorities' respective taxbases and the demand for and cost of Adults' and Children's services.

In all proposed authorities in both the single and two unitary scenarios, additional funding or additional savings through transformation activity will be required to balance the budgets long-term (five to ten years). This is owing to the trend of spending and demand pressures growing at a higher rate than income.

Over the longer term a single unitary authority would be better able to manage financial risk than a two unitary scenario due to retaining a greater and broader asset base. The two biggest long-term financial risks – the level of capital spend yet to be financed⁹ will primarily reside in the proposed South Warwickshire unitary (55% by vesting day) with the proposed North Warwickshire unitary holding the majority of the cumulative Dedicated Schools Grant (DSG) deficit in the short-term (60%). Predicted changes in demand suggest a future split of SEND costs of 55% North and 45% South by 2040¹⁰.

The move to unitary local government requires the harmonisation of council tax rates across former District and Borough areas to ensure equitable treatment of taxpayers in the new unitary authority/ies. This would result in a single council tax rate in the single unitary authority scenario or a single rate for each of the North and South unitary authorities in a two unitary authority scenario. A variety of options for harmonising council tax within the referendum limit have been explored. The preferred approach is to harmonise at the referendum limit (4.99%) set for the unitary, with harmonisation achieved in one year. This results in all District/Boroughs within the proposed unitary authority/ies paying the same rate from vesting day and provides the greatest resources and financial flexibility to the new authority/ies. There is the same level of potential total financial gain across the single and two unitary authority options. However, in a two unitary scenario, the gain would be split unequally between the two unitary authorities with a £6m gain in the five years post-vesting in the North Warwickshire unitary and an £8m gain in the South Warwickshire unitary owing to asymmetry in the taxbase. This is part of the financial gap between the North and South unitary, in a two unitary option.

2. Financial Assessment of Reorganisation Options

2.1 The Devolution White Paper (2024) and Drivers for Change

The White Paper sets a clear expectation that significant reorganisation and devolution is necessary across England to improve service delivery and ensure long-term financial stability for Local Government. Government's ambitions for devolution and reorganisation are clear:

- Greater powers vested in local and regional government
- Larger, more sustainable unitary authorities that reflect local identity and avoid fragmented governance

⁹ As measured by the Capital Financing Requirement projections included in authorities Treasury Management and Investment Strategies.

¹⁰ Newton Europe analysis.

- Rapid implementation, with a focus on delivering benefits at pace

Reorganisation and devolution are the routes for change

To achieve government ambitions, the White Paper outlines two key routes for change:

- 1) **Reorganisation:** a shift away from the two-tier system towards:
 - A single County-wide unitary; **or**
 - A multi-unitary model: County, District, and Borough councils are replaced with unitary councils with disaggregated county services.
- 2) **Devolution:** the formation of Strategic Authorities, with or without a mayor, to oversee regional economic development, transport, and infrastructure. These would involve collaboration between unitary authorities, similar to the West Midlands Combined Authority model.

Drivers for change

1. **Financial pressure:** In October 2023, the Local Government Association estimated a £4 billion funding gap for local government over the next two years.¹¹ This financial strain impacts delivery of local services and the ability of councils to plan for the future.
2. **Demand for services:** Population growth, ageing demographics and increasingly complex community needs are driving increased demand for higher-cost services.
3. **Social care costs:** From 2010/11 to 2023/24, local authority net expenditure on adult social care increased by 19% in real terms.¹² Per-person spend on children's services for County Councils increased 93% from 2013/14 to 2023/24.¹³ Warwickshire already has low, well-controlled unit costs in adult social care.

Benefits of LGR

Efficiency	Reorganisation to increase scale can drive efficiencies by consolidating resources and eliminating duplication, to reduce costs and enhance service delivery.
Transparency	A simplified local government structure offers an opportunity to strengthen the connection between communities, councils, the business community, Mayoral Combined Authority, and elected officials.
Growth and prosperity	Unitary authorities may have improved capacity to maximise growth opportunities - both locally and via devolution - to foster a more sustainable future.

¹¹ [Local Government Association Report](#)

¹² [Commons Library, Adult Social Care Funding in England](#)

¹³ [County Councils Spend on Children's Services](#)

2.2 Overview of Aggregation Options

Based on the geography and Ministry of Housing, Communities and Local Government (MHCLG) guidance, the following two options have been identified for the future of local government:

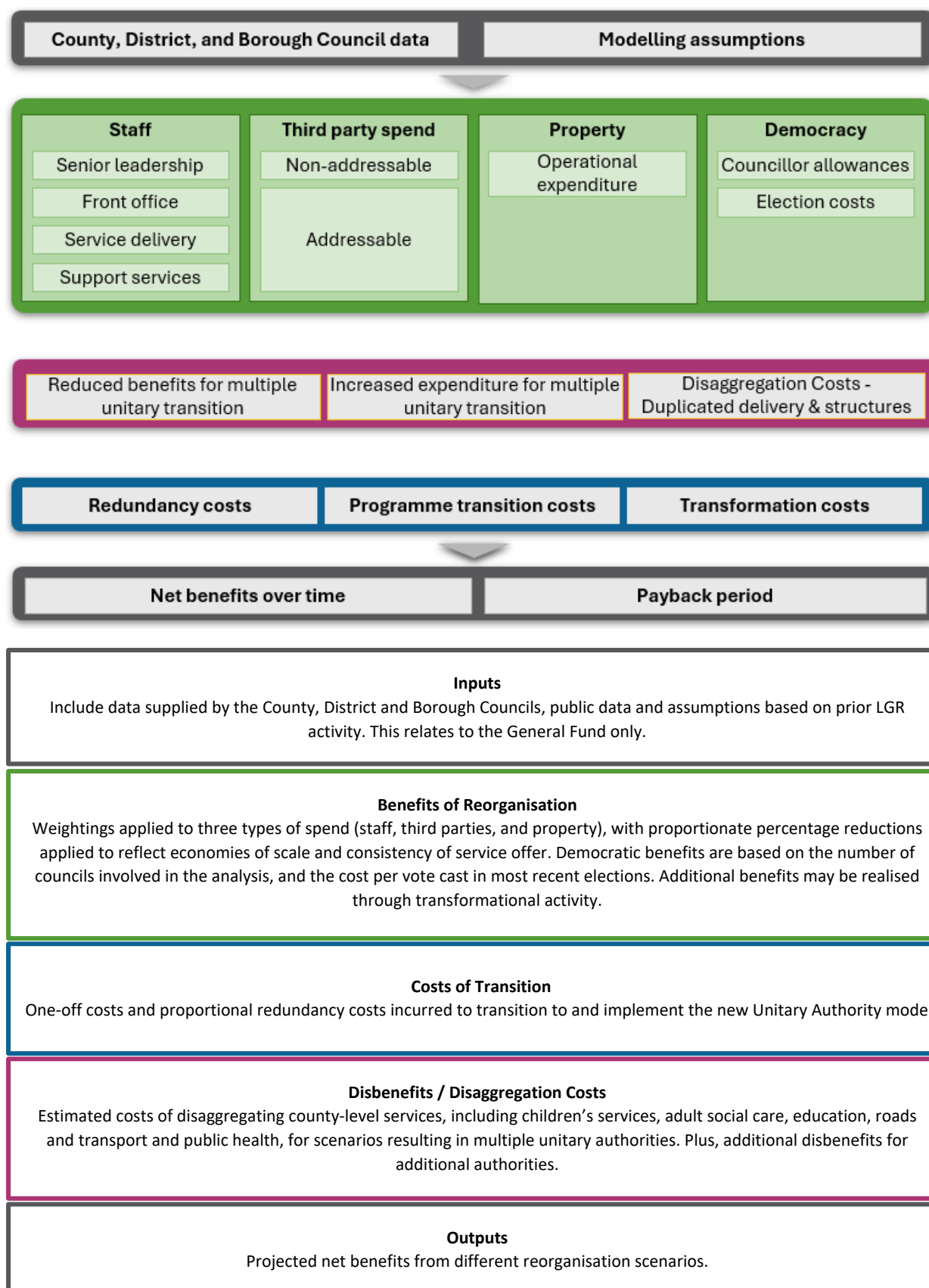
- A single Warwickshire unitary authority
- Two unitary authorities split into North and South Warwickshire

The table below outlines the geographical makeup of each option, along with the estimated population for each component area.

Description	Components (District / borough level)	Population
One Unitary Authority	Warwickshire Unitary Authority: The Districts, Boroughs and County Council would consolidate into a new single unitary authority. • This option would lead to significant savings (see financial analysis for details) • It would lead to aggregation of District and Borough services and simplified experiences for residents and customers, facilitated by consolidated points of contact	Warwickshire UA: 632,207 • Current population is in line with the Government guideline of 500,000 for a viable population size.
North and South Unitary Authority split	Two unitary authorities would be created: North: North Warwickshire, Nuneaton and Bedworth, and Rugby Boroughs South: Stratford-on-Avon and Warwick Districts • This would involve the disaggregation of key services, notably in Adult and Children's Social Care, Public Health, and Education, as well as aggregation of district and borough services.	North Warwickshire UA: 331,060 (52%) South Warwickshire UA: 301,147 (48%) • A two unitary configuration would result in neither unitary exceeding the Government guideline of 500,000 for a viable population size now or in the medium-term.

2.3 Financial Analysis of Aggregation Approach

The financial analysis of aggregation options conducted for Warwickshire Local Government Reorganisation is outlined below. This details the baseline data, assumptions, and calculations underpinning cost and benefit drivers.



See Appendix 9.1 for a detailed breakdown of each aspect of the financial analysis

2.4 Phasing of Costs and Benefits of Aggregation

The costs and benefits of aggregation identified in the financial analysis will accrue over time, with the first costs incurred in the year pre-vesting (Year 0 in this analysis). The diagram below shows the **phasing that has been applied** within the reorganisation analysis for Warwickshire. In modelling the impact of costs and benefits, assumptions have been made to reflect realistic implementation timelines.

The benefits are phased over a three-year period, recognising that some efficiencies, such as senior leadership reductions and redundancies, can be realised quickly, while others, like contract realignment and third-party spend savings, may take longer to achieve.

It is important to note that the benefits of aggregation modelled in the previous two pages relate solely to a transition to unitary authorities, rather than service redesign and transformation. Any potential improvements arising from broader service redesign are presented as part of the transformation opportunities in Section 3.

The phasing of the benefits and costs are based upon the **assumption that Vesting Day would come at the end of Year Zero, with Y0 as the shadow authority year.**

Phasing Assumptions in the Cost/Benefit Analysis

	Year 0 2027/28	Year 1 2028/29	Year 2 2029/30	Year 3 2030/31	Year 4 2031/32	Year 5 2032/33
Benefits (cumulative)	0%	50%	75%	100%	100%	100%
Transition Costs (one-off)	50%	25%	25%			
Disaggregation Costs		100% ongoing				

Annualised benefits are phased over four years to reflect varying implementation timescales. This accounts for delivery sequencing, governance cycles, and contract durations and assumes progress is made pre-vesting to prepare for LGR. Transformation benefits are not included in this phasing.

- **Transition costs** are one-off and assumed to be incurred over years 0-2.
- **Disaggregation costs** result from dividing existing structures, leading to ongoing expenses for duplicated leadership, county service delivery teams, and democratic structure. It is assumed that these disbenefits would not create costs until Y1, when the new model is fully implemented and operational.

2.5 Benefits of Aggregation

A single unitary delivers greater annual savings via benefits of aggregation, with increased economies of scale compared to a two unitary scenario. This enables greater percentage reductions in spend on staff, property, and third parties following unitarisation.

Benefits of Aggregation

Benefit area	Approach	% Reduction		Gross Annual Saving (£M)	
		1UA	2UA	1UA	2UA
Front office	Percentage reduction applied to front office staff effort	4%	3%	1.1	0.9
Service delivery	Percentage reduction applied to District/Borough service delivery staff owing to savings focus on benefits from aggregation of legacy District/Borough services.	5%	3%	0.3	0.2
Support services	Percentage reduction applied to support services staff effort	5%	3.5%	2.3	1.6
Senior management	Reduction applied to senior management, c.30 staff across County, District, and Borough ¹⁴	See right		3.4	3.4
Third party spend	Percentage reduction applied to addressable third-party spend	3.5%	2.5%	8.6	6.2
Property	Percentage reduction applied to property spend	14%	12%	1.4	1.2
Democracy	Combined savings from elections, average costs for District/Borough councillors, and changes in base and Special Responsibility Allowance costs	See right		1.5	1.4
Annual benefit				18.7	14.8

Role examples for front office, service delivery, and support services staff within each domain included in Appendix 9.2

A single unitary model delivers over 26% higher gross annual benefit of aggregation when compared to a two unitary model. This is primarily driven by greater economies of scale delivered in a single unitary option, delivering higher percentage savings, across front office staff, support services staff, and third party spend.

In totality, it is estimated that transitioning to a single unitary would lead to a reduction of 105-125 staff (including senior leadership) or 80-100 staff would be reduced in a two unitary scenario (gross reduction – as described in Section 2.7, disaggregation of county level services will also require additional staff, meaning that net staffing savings will be lower). These benefits of aggregation are assumed to be realisable within three years from consolidation. Transformation benefits, covered in Section 3, will take longer to realise and will be reliant on building on the benefits of new unitary authorities.

Benefits opportunities

Benefit area	Justification
Support Services	Staff: Rationalisation of duplicated support teams (e.g. finance, HR, legal, ICT) through creation of single teams with optimised processes. Third Party Spend: Reduced use of external capacity.
Public Health	Staff: Shared data teams leading to reduced duplication and fostering greater collaboration in relation to leisure service provision and optimising public health outcomes.

¹⁴ Both the single and two unitary scenarios are modelled to have the same gross saving in terms of senior leadership. However, in a two unitary scenario, there will be additional disaggregation costs associated with the requirement for a duplicated senior leadership team.

	• Assets: Public health digital infrastructure (e.g. data tools, communications platforms) shared more efficiently across teams.
Place services	• Staff: Centralised management of services such as waste, countryside, regeneration, and housing avoids fragmentation and duplicated costs. • Staff: Consolidation of service management roles and support functions (e.g. environmental health, licensing, planning enforcement) across legacy District/Borough footprints. • Third Party Spend: Consolidated maintenance and operations contracts for large estates. • Assets: Rationalisation of local offices and depots; co-location with wider public services (e.g. libraries, police, or health hubs) to release underused space. • Assets: Rationalised office estate by reducing duplication in corporate headquarters. • Assets: Better use of land for dual purpose (e.g. biodiversity net gain, recreation, strategic pipeline for development); disposal of underused estate.

2.6 Implementation Costs

One-off transition costs would be considerably higher for a two unitary model compared to a single unitary model. This is driven by the proportionally higher costs of external and programme management support, for example, in creating two new organisations.

One-off transition costs

Cost category	Approach	Cost (£M)	
		1UA	2UA
Programme transition costs	<i>See Appendix 9.3 for breakdown of costs</i>	16.2	26.1
Redundancy cost (incl. pension strain)	Redundancy cost as a proportion of salary (current assumption) multiplied by total STAFF saving (<i>detailed in Benefits of Aggregation in Section 2.5</i>)	6.1	5.2
Total one-off costs		22.3	31.2

Total one-off costs for a single unitary scenario would be **29% lower** than those for a two unitary scenario. This is primarily driven by proportionally lower costs for external support, programme management, ICT, and creating the new council (detailed in Appendix 9.3) that are incurred when creating one authority compared to two. Redundancy costs are lower for a two unitary model compared to a single unitary model. However, this is a result of a reduction in staff savings achieved through aggregation.

Owing to the age of profile of council staff, additional costs from pension strain drive high redundancy costs. Transition costs are assumed to be phased across Years 0-2.

2.7 Disaggregation Costs and Risks

In a two unitary model, there are additional recurring costs owing to the need to duplicate significant County Council structures after disaggregating major services such as Adult Social Care, Children's Services, Public Health, Education, Economic Development and Highways, as well as support services and the Warwickshire Pension Fund. This means that there would be additional costs incurred only when transitioning to a two unitary model. Whilst uncoded at this stage, there may also be a requirement to disaggregate fire and rescue services in a two unitary scenario, depending on preferred option chosen.

Recurring disaggregation costs

Cost category	Approach	Cost (£)
		2UA
Duplicated senior leadership	Combined costs to cover management salaries across four directorates and the county-level Chief Executive salary for an additional unitary authority, all adjusted by the estimated on-cost multiplier.	3.0
Duplicated county service delivery teams	Total disaggregation costs for front-line staff are calculated by identifying a percentage of staff effort focussed on management and supervision. An uplift can then be made to these costs, to reflect the additional leadership required to successfully manage disaggregated county services e.g. social care in second unitary authority. Costs would apply to all County teams.	5.2
Duplicated democratic structure	Duplicated Special Responsibility Allowance costs for additional unitary.	0.4
Annual disaggregation costs		8.6

Disaggregating county level services would create £8.6m of additional recurrent annual costs in a two unitary model. This significant restructuring of countywide services creates diseconomies of scale and less efficient use of resources compared to the current single upper tier authority and the proposed single unitary model. Disaggregation costs will be incurred from Year One, once Vesting Day has occurred (April 2028).

Additional disaggregation risks and challenges

Risk	Description
Loss of economies of scale	• Increased financial pressure: disaggregation leads to duplicated roles and costs. • Diminished bargaining power: fragmented governance will affect the ability to negotiate contracts and procure resources efficiently.
Service fragmentation	• Organisational inefficiencies: splitting county services will create risks of gaps in service provision, particularly in areas like social care, education, road maintenance, and capital projects that require coordinated efforts. • Fragmented management and governance: multiple administrative entities create disjointed approaches in service delivery, affecting efficiency and cohesion.
Service offering	• Inconsistency in quality and accessibility: division of services leads to varying standards, compromising user experience. • Impacted access: fragmentation impedes easy access to critical services across different units.
Service consistency	• Disrupted continuity: change in administrative boundaries affects ongoing service relationships in sectors like social care. • Negative user experience: interruptions necessitate new service arrangements, thus increasing operational costs and complexity.
Data sharing	• Coordination complexity: disaggregation complicates data sharing across administrative boundaries. • This increases risks of protection gaps and degradation in service quality.
Workforce	• Resource competition: All six Councils face significant workforce challenges which disaggregation could compound.
Contract disaggregation	• Transitional challenges: reallocating county-wide contracts across two unitary authorities may result in transitional issues and thus increased contract and management costs.
Service support	• Loss of workforce expertise: splitting centralised support services like HR, Finance and IT risks losing specialised expertise, leading to skill gaps and higher transition costs. • Splitting existing frontline teams poses a risk to service continuity and loss of skills in one or both of the unitaries.

2.8 Investment Appraisal and Payback Period

The time taken for the costs of the proposed Local Government Reorganisation options to be repaid through benefits of aggregation have been assessed. The 'payback period' refers to the amount of time from when the first costs are incurred for the cumulative benefits of aggregation to pay back the one-off transition costs and disaggregation costs (in the case of the two unitary scenario).

Net Benefit and Payback Period¹⁵

Unitary Authority Option	Total net benefit one year post-vesting (£M)	Total net benefit five years post-vesting (£M)	Payback period (years from first costs incurred)
Single Unitary Authority	(7.4)	57.1	2.9
Two Unitary Authorities	(24.6)	(11.0)	7.7

Total Net Benefit After One Year¹⁶

Both options show a negative net benefit in the first year post-vesting, reflecting the significant upfront restructuring costs. These include transition and redundancy costs, expenditure on new systems, processes, and communications/publicity, and costs for reorganisation, staff training and the integration of new technologies and processes typical of all large-scale transformations.

The negative net benefit is much larger for the two unitary authority option, primarily driven by higher transition costs (for this option, disbenefits from disaggregation are assumed to create costs from Y1 when the new model is fully implemented and operational).

Payback Period

The payback period indicates how long it takes to recoup the initial investment. The single unitary scenario has a shorter payback period (2.9 years) because the initial investment is recouped relatively quickly as cost reductions and efficiencies from the restructuring take effect, delivering full benefits sooner. By contrast, the two unitary scenario has a longer payback period (7.7 years), driven by lower overall benefits and significantly higher ongoing costs, so it takes longer to achieve net financial benefits.

Total Net Benefit After Five Years

Five years post-vesting, the net benefit is the highest in the single unitary option (£57.1m), reflecting the successful realisation of the anticipated savings and efficiencies. The substantial net benefit suggests that the restructuring leads to significant cost reductions and improved service delivery.

The savings from front office, support services, and property optimisations, along with improved management of third-party contracts and consolidation of service provision, contribute to the positive financial outcome. These efficiencies are compounded over time, providing greater value to residents and the organisation.

Five years post-vesting, in the two unitary option the net benefit is still negative (-£11.0m) and hence considerably lower than the single unitary authority option.

¹⁵ Figures in brackets indicate a negative value.

¹⁶ In both scenarios, benefits are phased over the first three years post-vesting (2028/29 to 2030/31) and costs are incurred from the year pre-vesting to two years post-vesting (2027/28 to 2029/30). See Section 2.4 for full details of phasing of reorganisation costs and benefits.

2.9 Conclusions from Aggregation Analysis

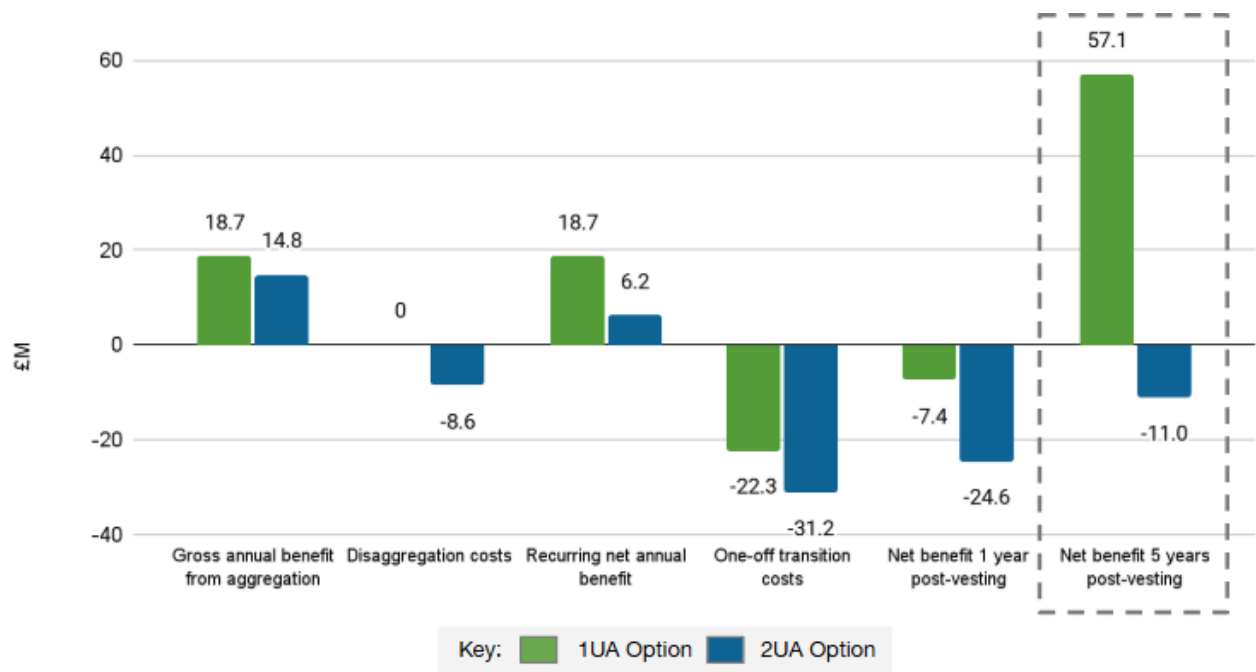
A single unitary offers the more compelling financial argument than a two unitary model, with increased net benefits over time and a shorter payback period. A single unitary model will support with easing of financial pressure across Warwickshire's councils.

Option	Gross annual benefit from aggregation (£M)	Additional Annual Costs (£M) (Disaggregation Costs)	Recurring net annual benefit (£M)	Recurring net annual savings per resident (£)	One off transition costs (£M)	Net benefit one year post-vesting (£M)	Net benefit five years post-vesting (£M)	Payback Period (years from first costs incurred)
1UA	18.7	0	18.7	29.60	22.3	(7.4)	57.1	2.9
2UA	14.8	8.6	6.2	9.80	31.2	(24.6)	(11.0)	7.7

A single unitary offers significantly greater net benefit when compared to a two unitary model providing over three times higher recurring net annual benefit and 29% lower transition costs. This difference is predominantly driven by the additional annual costs of disaggregating services in a two unitary model. Five years post-vesting, this results in a single unitary model easing financial pressures across Warwickshire's councils by £57.1m, whilst a two unitary model worsens the financial position by £11.0m. This means that more funding will be required for significantly less financial gain.

Category	Reduction in benefits from aggregation	Additional disaggregation costs	Increase in transition costs	One year post-vesting impact	Five year post-vesting impact
Impact (£M)	3.9	8.6	8.9	£17.2m of lost financial opportunity	£68.1m of lost financial opportunity.
Impact timeline	Ongoing	Ongoing	One-off		

Key reorganisation costs and benefits for single and two unitary options



3. Costs and Benefits of Transformation

3.1 Transformation Scenarios

Transformation is the delivery of benefits from changes to systems, processes and broader approaches to service delivery that go beyond simply bringing teams, services and functions together as part of reorganisation.

Two ‘transformation scenarios’ have been developed to reflect the level of ambition that can be applied to Local Government Reorganisation in Warwickshire. The benefits achieved through these scenarios are additional to the benefits described above from reorganisation. These two transformation scenarios have been applied to each of the options being considered as part of LGR (i.e., one unitary authority versus two unitary authorities). Each transformation scenario has different assumptions for costs and benefits. The different transformation scenarios, and how they build upon ‘reorganisation’, are set out below:



Reorganisation

This approach represents the savings delivered by bringing together teams from different councils and the immediate efficiencies of economies of scale across staffing, property and third party spend. This approach would involve the change required to ensure legal compliance and maintenance of essential services. This approach does not fundamentally alter service delivery mechanisms and benefits are primarily derived from amalgamation of existing councils. It is these financial benefits that have been included in the analysis to date.



Lower Level of Transformation – Base

This involves targeted enhancements within a council or multiple councils' service areas. It focuses on system changes and technological upgrades to improve efficiency and effectiveness within services, without necessarily affecting other council functions.



Higher Level of Transformation - Stretch

This is an ambitious approach that leverages technology to transform multiple council functions across resultant councils. It aims for comprehensive improvements that enhance capabilities across services, leading to better overall performance and integration.

3.2 Transformation Costs and Benefits

The costs and benefits from the 'base' and 'stretch' transformation scenarios are detailed below. These costs and benefits are additional to the costs and benefits associated with reorganisation detailed in Section 2.

Costs and benefits of transformation

Category		Gross additional annual benefit (£M)	Total one-off transformation costs (£M)	Net benefit five years post-vesting (£M)	Net benefit ten years post-vesting (£M)	Payback period (years from first costs incurred)
1UA	Base	20.3	27.7	43.3	144.9	3.1
	Stretch	29.4	44.3	38.1	185.3	4.1
2UA	Base	15.2	30.7	22.4	98.2	4.3
	Stretch	20.7	48.1	9.8	113.0	5.4

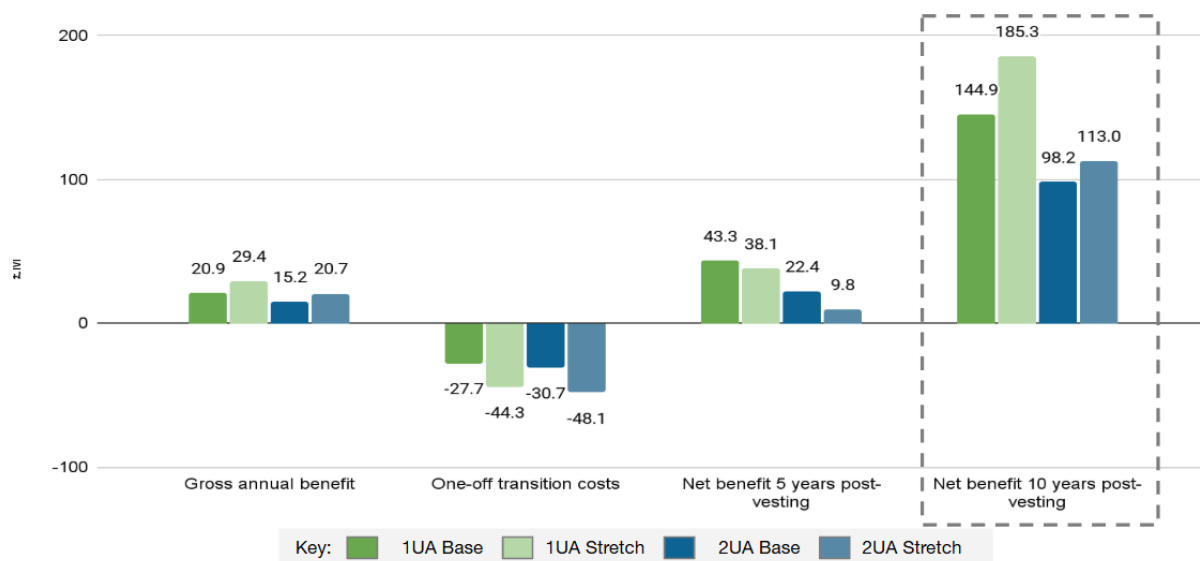
Profiling of costs and benefits of transformation

		Year 0 2027/28	Year 1 2028/29	Year 2 2029/30	Year 3 2030/31	Year 4 2031/32	Year 5 2032/33
Benefits (cumulative)	Base	0%	20%	50%	80%	100%	100%
	Stretch	0%	10%	30%	60%	80%	100%
Transition Costs (one-off)	Base	10%	15%	30%	30%	15%	
	Stretch	10%	20%	20%	20%	20%	10%

A single unitary authority provides a **better springboard for additional benefits to be realised from LGR**. A single unitary will be able to build on the platform of unitarisation to create greater economies of scale across staffing, third party spend, and property, consistently automating and standardising processes and forms, managing workload volumes more efficiently, applying consistent mechanisms for managing local markets to promote more consistent provider unit costs, conducting supplier consolidation and supplier relationship management. A single unitary could also collaborate with the wider system more effectively, e.g. the Integrated Care Boards and police, to deliver more efficiencies through sharing outcomes and resources. Transformation costs are higher in a two unitary scenario due to the need for duplicate investment in digital technologies, change management, and programme support.

Ten years post-vesting, a single unitary authority could realise **48% greater benefit from additional base transformation**, compared with a two unitary scenario.

Key Transformation Costs and Benefits for Single Unitary and Two Unitary Options (additional to reorganisation cost/benefits)

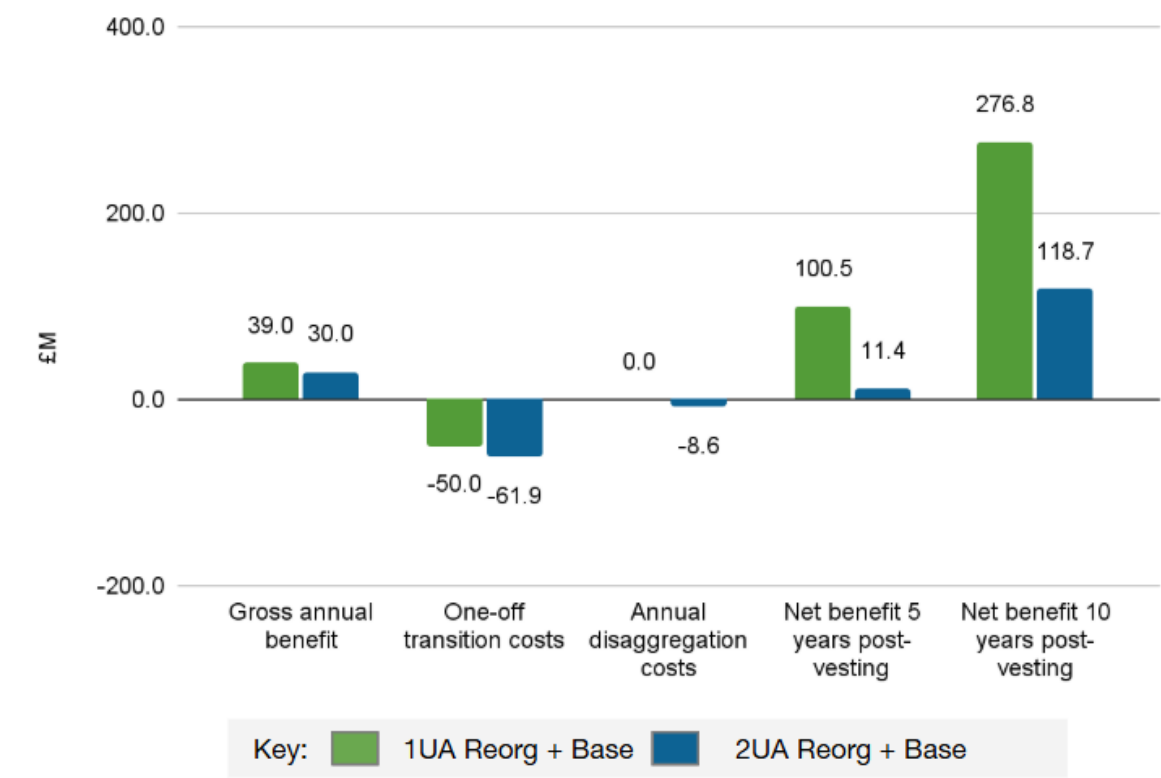


Ten years post-vesting, a single unitary authority could realise 48% greater benefit from carrying out additional base transformation (£46.7m more) and 64% greater benefit from carrying out additional stretch transformation (£72.3m more), compared with a two unitary scenario.

Sum of the costs and benefits of reorganisation and transformation scenarios

Reorganisation and Base Transformation

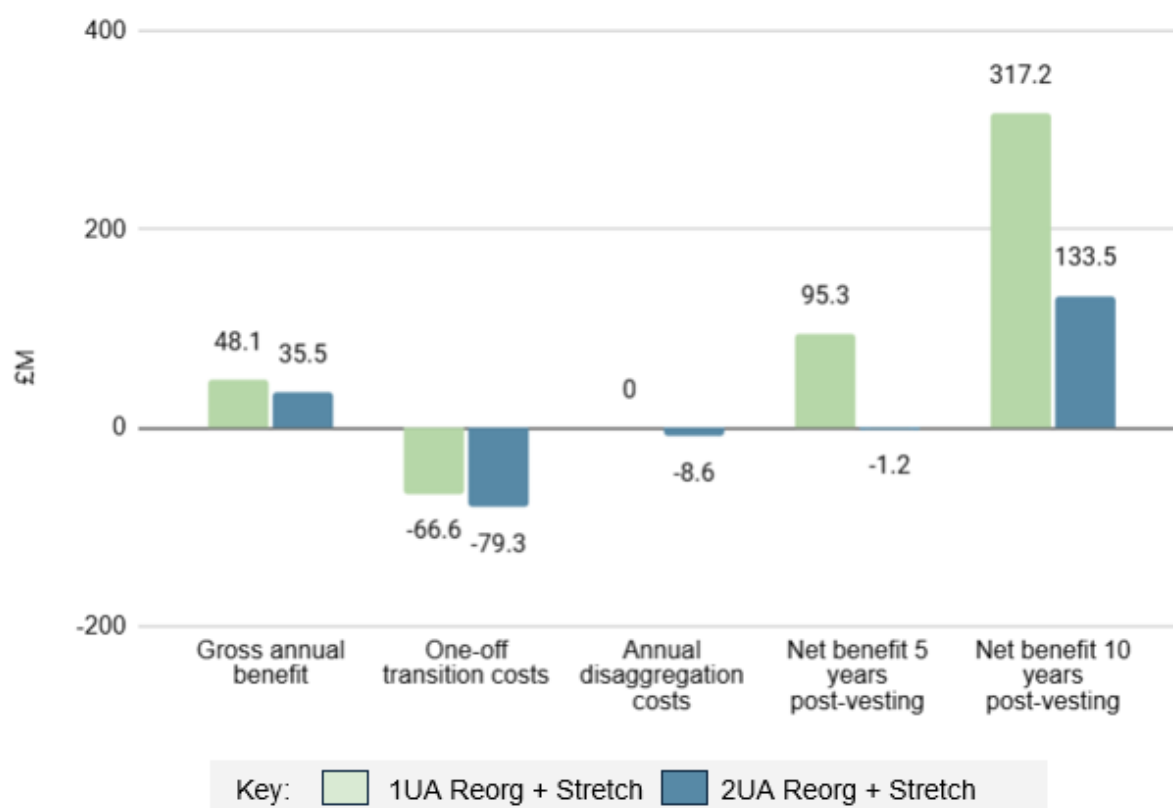
The sum of costs and benefits of reorganisation and the ‘base’ transformation scenario together are illustrated below.



When base transformation is delivered alongside reorganisation, a single unitary could allow more than twice the net benefit compared to a two unitary scenario within ten years post-vesting.

Reorganisation and Stretch Transformation

The sum of costs and benefits of reorganisation and the ‘stretch’ transformation scenario together are illustrated below.



When stretch transformation is delivered alongside reorganisation, a single unitary could allow almost 2.5 times (238%) the net benefit compared to a two unitary option within ten years post-vesting.

4. Financial Sustainability and Resilience of Different Reorganisation Scenarios

This section illustrates the financial sustainability through analysing how the costs and benefits of reorganisation align with the wider financial context of the proposed unitary authorities in the single and two unitary scenarios given the pressures on local government finances more generally. It does this through consideration of the impact of reorganisation on resource forecasts, spending pressures and the reserves position of the proposed unitary authorities. Note that the financial sustainability analysis incorporates benefits from reorganisation but does not assume any additional benefits from transformation activity.

Together, analysis of these areas illustrates that a single unitary and the proposed South Warwickshire unitary in a two unitary scenario would be sustainable five years post-vesting. In a two unitary scenario, the proposed North Warwickshire unitary would exhaust its reserves to balance its budget within three years post-vesting and therefore not be viable without additional funding, savings from transformational activity or reductions in services.

However, in all proposed authorities in both the single and two unitary scenarios, additional funding or additional savings through transformation activity will be required to balance the budgets long-term. This is owing to the trend of spending and demand pressures growing at a higher rate than resources.

Wider financial risk in these proposed authorities, including liabilities, are considered in Sections 5 and 6.

4.1 Summary of Financial Sustainability

An analysis of the financial sustainability of the proposed options has been conducted using the consolidated County, District, and Boroughs MTFS positions as well as the estimated costs and benefits of reorganisation in each scenario as detailed in Section 2. Methodology:

1. Disaggregate funding sources using Pixel Financial data. This is a national model taking account of the estimated impacts of the Fair Funding reforms which is available to all six councils in Warwickshire.
2. Adjust Council Tax figures to account for impact of harmonisation (see Section 7 for details)
3. Disaggregate County costs line-by-line using cost drivers detailed in Appendix 9.6 (two unitary scenario analysis only). Crucially, this draws on national postcode analysis of 'people services' (adults, children's and education) undertaken by Newton Europe, considering the position in 2025 and projected forward to 2040.
4. Add relevant District and Borough costs to the disaggregated County costs in the proposed North and South unitary authorities (two unitary scenario analysis only).
5. Add in phased costs and benefits of reorganisation.
6. Assess the extent of reserves which will need to be drawn to balance the budget.

See Appendix 9.6 for assumptions used to forecast spending pressures and savings beyond the published MTFS positions.

This analysis demonstrated that, in a single unitary scenario, there is a £30m surplus one-year post-vesting. Owing to the current trend of demand pressures leading to spending increasing at a faster rate than resources, it is expected that this surplus would reduce to £11m five-years post-vesting despite the net benefits of unitarisation. Over the longer term, the benefits of unitarisation would be eroded by continued cost and demand increases such that the single unitary would ultimately need to start drawing on reserves, rely on an increase in Government funding, deliver additional savings through transformational activity, or reduce the service offer to close the gap.

In a two unitary scenario, the North Warwickshire unitary would exhaust its reserves within three years post-vesting, resulting in a growing £43m annual shortfall five years post-vesting. Without an increase in Government funding or additional transformational activity, the North unitary would require an annual reduction in expenditure by £43m in addition to the net benefits of unitarisation to close the gap. This position is primarily driven by a smaller taxbase in the proposed North unitary and asymmetry of demand in Children's and Adults' services (61% and 53% of Warwickshire's current demand comes from the North across these two domains). The north unitary would be especially vulnerable to reductions in Government grant and business rates due to its low council tax base.

Conversely, in the proposed South unitary in the two unitary scenario, there would be a £41m additional financial capacity five years post-vesting. A larger portion of expenditure would be funded by council tax owing to a relatively higher taxbase, and comparatively lower service demand across in Children's and Adults' services.

This scenario would lead to a significant financial imbalance between the two unitary authorities from the outset that the benefits from reorganisation would not resolve and would be difficult to resolve with subsequent transformation.

Summary of financial sustainability of proposed options

Option 1 – Single Unitary Authority (£M)					
	Year 1 2028/29	Year 2 2029/30	Year 3 2030/31	Year 4 2031/32	Year 5 2032/33
Budget position post-LGR cost / (gain)	(30)	(27)	(27)	(18)	(11)
Use of reserves	17	6	-	-	-
Additional savings needed to balance	-	-	-	-	-
Option 2 – North Warwickshire Unitary Authority (£M)					
Budget position post-LGR cost / (gain)	16	22	26	35	43
Use of reserves	24	22	23	-	-
Additional savings needed to balance	-	-	3	35	43
Option 2 – South Warwickshire Unitary Authority (£M)					
Budget position post-LGR cost / (gain)	(34)	(35)	(40)	(40)	(41)
Use of reserves	11	4	-	-	-
Additional savings needed to balance	-	-	-	-	-

4.2 Resources

An initial view of projected resources in each of the scenarios has been developed to support the view of financial sustainability of each proposed authority and whether the budget position of each will balance over time.

From vesting day, the new unitary authorities will receive funding that was previously allocated to the legacy authorities. Funding currently allocated to the County Council will be apportioned across the proposed unitary authorities. In a single unitary authority, funding currently allocated to the County will be allocated 100% to the new authority. In the two unitary scenario, the County's funding will need to be apportioned between the proposed North and South unitary authorities.¹⁷ Council tax will also need to be harmonised across the new organisations, which will impact the amounts paid by residents and received by the new unitary authorities (see council tax harmonisation in Section 7)

¹⁷ Income is apportioned on the same basis as expenditure, except in the case of government grants, business rates, and council tax. Figures from the Pixel model were used for government grants and business rates. See the council tax harmonisation work for council tax split.

The following categories of income have been considered in the budget position:

Categories of Income	Description	Assumptions
Government Grants	Aggregated government grants that fall within the Local Government Finance Settlement.	Government grants and Settlement Funding Assessment are assumed to be cash frozen each year (i.e. no cash increase). These have been disaggregated between the two proposed unitary authorities in the two unitary scenario through independent analysis conducted by Pixel Financial in a model commissioned by the County Councils Network and subscribed to by all six Warwickshire councils. The assumption of no cash increase is consistent with the modelling conducted by other areas and does not make assumptions about future Government spending decisions.
Settlement Funding Assessment	Combination of Business Rates income and Revenue Support Grant.	
Sales, fees, and charges	Various payments collected from users of services and sales. These generate income and offset costs. These include fees for services like parking and leisure centres.	The proportion of spend funded by fees and charges is assumed to remain unchanged.
Council Tax	Income from residents based upon property valuations and bandings, used to fund local services.	• 4.99% annual increase in the consolidated council tax, i.e. annual increase at the referendum limit • A 1.5% annual increase in the taxbase in line with historic trends across Warwickshire. No differential increase in the taxbase between areas is assumed. • Rugby special expenses to be abolished and replaced by a town council and town/parish councils to be introduced in the Nuneaton and Bedworth area. • <i>See Section 7 on council tax harmonisation for more details.</i>

Overview of income projections (based on Pixel model which includes the estimated impact of the local authority funding reforms currently being consulted on by the Government, also known as Fair Funding)

Details of the future forecast income for the new unitary authorities are set out below.

Option 1 – Single Unitary Authority (£M)					
	Year 1 2028/29	Year 2 2029/30	Year 3 2030/31	Year 4 2031/32	Year 5 2032/33
Settlement Funding Assessment (business rates and RSG) and Grants	(276)	(276)	(276)	(276)	(276)
Council Tax ¹⁸	(558)	(594)	(632)	(672)	(714)
Total Resourcing	(834)	(870)	(908)	(948)	(990)
Option 2 – North Warwickshire Unitary Authority (£M)					
Settlement Funding Assessment (business rates and RSG) and Grants	(171)	(171)	(171)	(171)	(171)
Council Tax	(260)	(277)	(295)	(313)	(333)
Total Resourcing	(431)	(448)	(466)	(484)	(504)
Option 2 – South Warwickshire Unitary Authority (£M)					
Settlement Funding Assessment (business rates and RSG) and Grants	(105)	(105)	(105)	(105)	(105)
Council Tax	(298)	(317)	(337)	(359)	(381)
Total Resourcing	(403)	(422)	(442)	(464)	(486)

4.3 Spending Pressures

Medium Term Financial Strategies (MTFS) from County, District, and Borough Councils estimate future spending pressures and planned savings. In both scenarios (single and two unitary authorities), analysis of the proposed unitary councils' consolidated MTFS positions reveals spending pressures are increasing faster than planned savings, with an average annual spending pressure of 5.70% in a single unitary and 5.83% and 5.54% in the North and South unitary authorities in a two unitary scenario respectively.

In the short to medium-term, these spending pressures can be absorbed by the benefits of aggregation in a single unitary and in the South unitary in the two unitary scenario. However, in the North unitary in a two unitary scenario, this is not the case. The North unitary will require a combination of additional government funding, early delivery of the transformational benefits and additional savings to be sustainable within the first five years post-vesting.

If spending pressures continue to increase at a faster rate than resourcing, then the position faced by a North Warwickshire unitary in the short/medium term will be replicated in a single unitary and

¹⁸ Council tax income figures reflect the financial benefit from the preferred option for council tax harmonisation as set out in section 7.

a South Warwickshire Unitary. Over a five-to-ten-year horizon, transformational benefits, additional savings or additional Government funding on top of the benefits of unitarisation will be required to balance across all proposed unitary authorities.

Spend to be resourced by County based on MTFS positions

Option 1 – Single Unitary Authority (£M)					
	Year 1 2028/29	Year 2 2029/30	Year 3 2030/31	Year 4 2031/32	Year 5 2032/33
North Warwickshire	12	13	13	13	14
Nuneaton and Bedworth	20	22	24	25	26
Rugby	21	22	23	24	25
Stratford	22	22	22	23	23
Warwick	19	19	20	20	21
Warwickshire CC	713	753	798	844	889
Net Revenue Requirement	807	851	900	949	998
Option 2 – North Warwickshire Unitary Authority (£M)					
North Warwickshire	12	13	13	13	14
Nuneaton and Bedworth	20	22	24	25	26
Rugby	21	22	23	24	25
Warwickshire CC	389	410	435	460	485
Net Revenue Requirement	442	467	495	522	550
Option 2 – South Warwickshire Unitary Authority (£M)					
Stratford	22	22	22	23	23
Warwick	19	19	20	20	21
Warwickshire CC	324	343	363	384	404
Net Revenue Requirement	365	384	405	427	448

Consolidated MTFS Position in Proposed Unitary Authorities

The six councils' published MTFS positions have been consolidated to provide a view of the budget, spending pressures, and planned savings across the single unitary authority in the single unitary scenario and the North and South unitary authorities in the two unitary scenario.

Option 1 – Single Unitary Authority (£M)					
	Year 1 2028/29	Year 2 2029/30	Year 3 2030/31	Year 4 2031/32	Year 5 2032/33
Approved budget 2025/26	738	738	738	738	738
Ongoing future spending pressures	120	172	221	270	319
Ongoing future savings	(51)	(59)	(59)	(59)	(59)
Net Revenue Requirement	807	851	900	949	998
Option 2 – North Warwickshire Unitary Authority (£M)					
Approved budget 2025/26	400	400	400	400	400
Ongoing future spending pressures	70	100	128	155	183
Ongoing future savings	(28)	(33)	(33)	(33)	(33)
Net Revenue Requirement	442	467	495	522	550
Option 2 – South Warwickshire Unitary Authority (£M)					
Approved budget 2025/26	338	338	338	338	338
Ongoing future spending pressures	50	72	93	115	136
Ongoing future savings	(23)	(26)	(26)	(26)	(26)
Net Revenue Requirement	365	384	405	427	448

Annual spending pressures (across all services) per consolidated MTFS position

Annual spending pressures have been calculated using the 'ongoing future spending pressures' line as identified in the consolidated MTFS position for the single unitary authority option and the North and South Warwickshire unitary authorities in the two unitary authority option.

	Year 1 2028/29	Year 2 2029/30	Year 3 2030/31	Year 4 2031/32	Year 5 2032/33	Av.
Single Unitary Authority	-	6.43%	5.76%	5.45%	5.17%	5.70%
North Warwickshire Unitary Authority	-	6.53%	5.91%	5.59%	5.29%	5.83%
South Warwickshire Unitary Authority	-	6.30%	5.57%	5.27%	5.01%	5.54%

4.4 Reserves Position

Reorganisation will require significant upfront costs (as detailed in Section 2). Ideally these will be supported by reserves held by the legacy councils. Currently the Councils have an estimated £125m reserves¹⁹ available to support transition and medium-term financial strategies. This represents a view of the combined reserves of the six legacy Councils within the single unitary authority and the North (£69m) and South (£56m) unitary authorities in the two unitary scenario.

Option	Available Reserves (£M)
Single Unitary	125
Two Unitary Scenario	
North Warwickshire Unitary	69
South Warwickshire Unitary	56

See Appendix 9.6 for full breakdown of usable reserves available to support reorganisation.

Reserves are projected to be sufficient to support transition in the single unitary scenario. But these reserves are expected to be exhausted within three years post-vesting in the North Warwickshire unitary in a two unitary scenario. This exposes the two unitary scenario to greater financial risk, especially if transition or disaggregation costs are higher than forecast. It would also make the North Warwickshire unitary in the two unitary scenario unsustainable without additional Government funding or additional savings.

Reserves position in the proposed reorganisation scenarios five years post-vesting

Option 1 – Single Unitary Authority (£M)					
	Year 1 2028/29	Year 2 2029/30	Year 3 2030/31	Year 4 2031/32	Year 5 2032/33
Available reserves at year start	(125)	(108)	(102)	(102)	(102)
Pre-vesting day transition	11	-	-	-	-
In-year transition costs	6	6	-	-	-
Reserves to balance budget	-	-	-	-	-
Available reserves at year end	(108)	(102)	(102)	(102)	(102)
Extra savings needed to balance	-	-	-	-	-
Option 2 – North Warwickshire Unitary Authority (£M)					

¹⁹ Modelling of reserves based on estimated reserves at 31 March 2026 reported by authorities on the RA Form submission to MHCLG. County Council reserves have been split in a two unitary scenario on the basis of Net Revenue Spend. The following reserves are not available to support reorganisation or help balance the revenue budget - School level reserves; Dedicated Schools Grant Adjustment Account; reserves held on behalf of third parties for specific projects; and contractual commitments. The existing provision to offset the DSG Schools Grant Adjustment Account has been retained along with 50% of the specific risk and budget stabilisation reserves. A provision for General Reserves estimated at 5% of net spend has also been retained as the minimum level of reserves. The figures also assume no reserves are used to support the revenue budget prior to vesting day given the positive impact of the Fair Funding Review and limits that would be covered by any Section 24 agreement when the reorganisation decision is announced.

Available reserves at year start	(69)	(45)	(23)	-	-
Pre-vesting day transition	8	-	-	-	-
In-year transition costs	4	4	-	-	-
Reserves to balance budget	12	18	23	-	-
Available reserves at year end	(45)	(23)	-	-	-
Extra savings needed to balance	-	-	3	35	43
Option 2 – South Warwickshire Unitary Authority (£M)					
Available reserves at year start	(56)	(45)	(41)	(41)	(41)
Pre-vesting day transition	7	0			
In-year transition costs	4	4			
Reserves to balance budget	0	0			
Available reserves at year end	(45)	(41)	(41)	(41)	(41)
Extra savings needed to balance	-	-	-	-	-

5. Assets and Liabilities

This section assesses the financial risk to the proposed unitary authorities in both the single and two unitary scenarios through consideration of the following:

- Balance sheet position
- Debt and borrowing requirements (including Capital Financing Requirement, Dedicated School Grant and SEND Deficits)

Over the longer term, a single unitary authority would be better able to manage financial risk than a two unitary scenario due to retaining a greater and broader asset base. The two biggest long-term financial risks – the level of capital spend yet to be financed²⁰ will primarily reside in the proposed South Warwickshire unitary (55% by vesting day) and the proposed North Warwickshire unitary holding the majority of the cumulative Dedicated Schools Grant (DSG) deficit in the short-term (60%). Predicted changes in demand suggest a future split of SEND costs of 55% North and 45% South by 2040²¹. SEND deficits pose significant financial risk in both scenarios, and national resolution is essential to the financial sustainability of both.

5.1 Debt and Borrowing Requirements Summary

The aim of this analysis of debt and borrowing requirements is to:

- Show the size and sustainability of liabilities under each reorganisation scenario.
- Ensure transparency about what each new authority would inherit.
- Support prudent financial planning and early risk management.

²⁰ As measured by the Capital Financing Requirement projections included in authorities Treasury Management and Investment Strategies.

²¹ Newton analysis.

Categories of debt and borrowing that have been considered to provide a view of the financial position of each new Unitary Authority in Year 1.

Categories of Borrowing	Description
Debt	Total current outstanding debt obligations
Short-Term Borrowing	Borrowing repayable within 12 months
Long-Term Borrowing	Borrowing repayable over multiple years (>12 months)
Capital Financing Requirement (CFR)	Underlying need to borrow for capital purposes
Dedicated Schools Grant (DSG) Deficit	Prior year cumulative overspends on DSG
Exceptional Financial Support (EFS)	Represents central government-approved borrowing to cover revenue pressures

Local Context

- The Councils have very different levels of external borrowing, leading to differing figures for total debts and liabilities as well as MRP²² payments. For example, at 31 March 2024 Stratford-on-Avon had no long-term borrowing whilst Warwick had £238m.
- No Council is in receipt of Exceptional Financial Support.
- Dedicated Schools Grant Deficits are currently shown as a negative unusable reserve on the consolidated balance sheet, due to the statutory override. When the override ceases (currently 31 March 2028) resources will need to be identified to make good the position. The projected deficit at the end of 2025/26 is £153m and is expected to materially increase up until vesting day, at which point the statutory override is due to cease.

5.2 Balance Sheet Position

The balance sheet provides a comprehensive view of an authority's financial health at a point in time. Analysis has been conducted to understand the balance sheet position in a single unitary authority and each unitary authority in a two unitary scenario, including the impact of disaggregation of the County's balance sheet in a two unitary scenario.

As of March 2024, Warwickshire's net assets total £2.6bn, with 53% in the proposed North unitary and 47% in the proposed South unitary in a two unitary scenario. 14% of net assets are current, i.e. due to be settled within twelve months, and 86% are long-term assets due to be settled in more than twelve months. Currently the South unitary in a two unitary scenario would carry a slightly higher risk profile due to its larger share of third parties owing the authority money that is not due to be paid in over twelve months (shown as long-term debtors).

Indicative consolidated Balance Sheet for each of the proposed unitary authorities in the two scenarios

The values here represent the 2023/24 audited accounts. This is the latest year for which accounts are available for all six authorities. See Appendix 9.6 for the breakdown of the County's balance sheet by cost driver.

	Single Unitary	Two Unitary Scenario	
		North Unitary	South Unitary
	£M	£M	£M

²² MRP is the minimum revenue provision and is the amount of revenue funding authorities need to set aside each year so that sufficient funding is available to repay the principal when due. Each authorities MRP policy is agreed annually as part of their Treasury Management Strategy.

Property, Plant and Equipment ²³	3,050	1,558	1,493
Investment Properties	71	46	25
Long Term Investments	112	62	50
Long Term Debtors	111	17	94
Long Term Assets	3,343	1,682	1,661
Current Assets	710	406	304
Current Liabilities	(329)	(193)	(136)
Long Term Borrowing	(700)	(315)	(385)
Net Pension Liability	(220)	(104)	(115)
Other Long-Term Liabilities	(168)	(87)	(81)
Long Term Liabilities	(1,088)	(507)	(582)
Net Assets	2,636	1,389	1,247
Usable Reserves - non HRA	(441)	(232)	(209)
Usable Reserves - HRA	(80)	(48)	(33)
Unusable Reserves	(2,114)	(1,109)	(1,005)
Total Reserves	(2,636)	(1,389)	(1,247)

5.3 Government debt and borrowing indicators

The Government assesses local authorities' financial risk around borrowing and debt against three key indicators:

- External borrowing as a percentage of net assets – measuring to what extent the assets held are valued higher than the borrowing taken out to create them (lower is better).
- Internal borrowing as a percentage of usable reserves – measuring the proportion of an authority's usable reserves that have been used to finance capital investment in the short/medium term for which external borrowing may be required in the future (lower is better).
- Debt servicing as a percentage of council tax requirement – measuring the proportion of the revenue budget that is used to meet the cost of servicing the authority's borrowing in terms of interest payments and the repayment of principal.

All indicators fall within Government tolerances. However, there would be a slightly higher risk in the proposed South unitary in a two unitary scenario. The single unitary scenario would hold a lower level of financial risk than a two unitary scenario.

Debt and borrowing indicators in each of the proposed authorities

	Single Unitary	Two Unitary Authorities	
		North Warwickshire	South Warwickshire
External borrowing as a percentage of net assets at March 2024	22%	20%	26%
Internal borrowing as a percentage of usable reserves at March 2024	31%	27%	37%
Debt servicing as percentage of 2025/26 council tax requirement	9%	8%	9%

²³ 5% of the property, plant and equipment figure is made up of assets under construction, surplus assets, heritage assets and intangible assets.

5.4 Capital Financing Requirement

The Capital Financing Requirement (CFR) represents the total borrowing undertaken by a council to fund its capital investments. It is calculated as the portion of capital expenditure not financed through capital receipts, grants, or contributions from revenue. The CFR is a critical factor in assessing financial sustainability because the more borrowing used to fund capital investments means more revenue resources will need to be used to meet higher interest and the repayment costs in the future.

- Warwickshire's total CFR is projected to be £1,268m by March 2028, split £570m (45%) North and £698m (55%) South.
- Three quarters of the CFR relates to just two authorities – Warwick District Council (29%) and the County Council (46%).
- Internal borrowing to fund capital spend is projected to be £212m (£109m North, £103m South) by March 2028.
- If internal resources are required to support the revenue budget or reorganisation (as is expected in the North unitary), the internal borrowing will have to be replaced with either external borrowing or the disposal of assets.
- If external borrowing is needed, the additional financing costs to be met from the revenue budget or the Housing Revenue Account could be £17m to £20m per year in a single unitary authority. In a two unitary scenario, this would be split 51% in the North unitary and 49% in the South unitary in line with the split in internal borrowing as at 31 March 2028.

Projected Capital financial requirements at 31 March 2028²⁴ by local authority

	Closing CFR 31 March 2028 (£M)
North Warwickshire	58.3
Nuneaton and Bedworth	134.7
Rugby	111.7
Stratford-on-Avon	12.1
Warwick	373.6
Warwickshire	577.4
Total Capital Financing Requirement	1,267.8

The two unitary scenario carries greater financial risk than a single unitary scenario owing to the South unitary holding a higher proportion of the CFR and so will have higher borrowing repayments in the future and the North unitary being likely to have to replace internal borrowing with external borrowing in the short to medium term due to the expected need to use reserves to support the revenue budget within five years post-vesting.

5.5 Dedicated Schools Grant and SEND Deficits

The Dedicated Schools Grant (DSG) is a Government grant that funds educational provision, whose High Needs Block (HNB) supports services for children and young people with Special Education Needs and Disabilities (SEND). The DSG High Needs Deficit is a substantial financial risk for the County Council, mirroring a national issue, where there is a projected deficit of over £6bn by March 2026, and so is a major risk in either unitary scenario unless and until Government undertakes policy and financial reforms to address the national impacts of these deficits.

²⁴ Projected CFR at 31 March 2028 (at vesting day) is as per each local authorities 2025/26 Treasury Management and Investment Strategies approved in February/March 2025.

The Government introduced a statutory override in 2020 to allow councils to carry negative reserves on balance sheets corresponding to the DSG overspend, with the current expiration set for 31 March 2028. Warwickshire has relied on the override since June 2024, previously maintaining specific reserves to offset the accumulated overspend.²⁵

Warwickshire's DSG HNB deficit at the end of 2024/25 was £87m and is projected to increase to £151m by 2025/26, significantly impacting cash flow and prompting earlier external borrowing needs, potentially costing £25m annually by 2030/31. With current spending, the proposed North unitary area in a two unitary scenario accounts for 60% and the South unitary area 40% of the cumulative deficit. Predicted changes in demand suggest a future split of SEND costs of 55% North and 45% South by 2040 (Newton Europe), showing demand increasing more quickly in the south than the north.

Without increased Government funding, the new unitary authority or authorities will need to source additional funds to cover past deficits and future DSG overspends, beyond the £58m already included in revenue sustainability plans. This will pose particular financial risk to the proposed North unitary in the two unitary model in the short term. However, it creates a level of financial risk in all proposed unitary authorities.

6. Wider Financial Risks

This section assesses the wider financial risks posed to each of the proposed authorities through a consideration of the following:

- Pay harmonisation requirements
- Local authority-owned companies
- Wider financial risk (including compliance with auditing requirements)

6.1 Pay Harmonisation

An additional consideration as each new authority is established will be to consider how the alignment of staff pay from multiple authorities will come together into a single pay scale.

- At this stage, this cost has not been included owing to the lack of comprehensive information and the multiple factors that need to be considered, including the time to harmonise and to which level of the pay band (top, middle, bottom). Additionally, agreement of an approach and consideration of the scale of any redundancies along with the potential for any voluntary severance schemes or vacancy management in advance of vesting day need to be considered to derive an accurate costing.
- Typically, organisations look to harmonise pay as quickly as possible, and normally within two years of being established, to balance legal compliance, staff morale, cost, and operational effectiveness, and to avoid any risk of future equal pay claims stemming from a longer harmonisation period.
- The one/two new authorities will have slightly different harmonisation costs which will be linked to the pay scales of those authorities within that configuration. There will be some

²⁵ The DSG is a ring-fenced grant, i.e. the funding cannot be spent on anything other than the specified purpose, and local authorities cannot use their own resources to supplement the grant without Secretary of State approval.

netting off for this additional staffing cost as the authorities are formed through reorganisation and potential subsequent transformation and efficiency savings are made.

- There is not generally a linear relationship between the number of new unitary authorities created and the outcome of pay harmonisation. The cost implications of the process more specifically depend on:
 - The relative difference in pay scales between the authorities to be harmonised and the 'new' authority - particularly in cases where different Job Evaluation schemes are in use.
 - The profile of the workforce across grades - which often differs significantly between District/Borough and upper-tier councils and also depends on the extent to which services are shared between councils or contracted from external organisations.

6.2 Local Authority Owned Companies

Local authorities establish companies to deliver services, generate income, and achieve broader council objectives by operating commercially, while remaining under the council's ownership and control.

The six local authorities in Warwickshire are currently owners or part owners of seventeen companies. The County Council own or part-own eleven of these. See Appendix 9.8 for full details of commercial ventures.

For those companies currently operating at a District/Borough level, the creation of new unitary governance will have minimal short-term impact other than the legal arrangements to transfer ownership to the new authority/s. For those operating at a County level, a single unitary would similarly create little impact. However, in a two unitary scenario, there would be substantial risks of disaggregating these companies.

A single unitary scenario would incur a lower level of risk for the County-owned companies and enable all companies to benefit from greater efficiencies of scale than in a two unitary scenario.

Benefits of unitarisation:

- Expansion opportunities: Businesses have the potential to grow by serving a larger geographical area. For instance, Nuneaton and Bedworth Community Enterprises Ltd (NABCEL) can expand its housing and repair services to the entire new unitary area, increasing returns.
- Land and development potential: Warwickshire Property and Development Group (WPDG) and its joint venture with Vistry and the County Council, Develop Warwickshire LLP, use surplus County Council land to deliver housing and commercial investment projects in Warwickshire. Additional District and Borough surplus land and buildings, and new opportunities for different use of county assets arising from LGR, can further accelerate growth. In a single unitary, WPDG would also benefit from a simplified planning position.
- Efficiency gains: By eliminating overlaps and duplications between companies and council services, significant efficiencies can be achieved. For example, streamlining operations between NABCEL and WPDG's Property Management subsidiary may lead to cost savings.
- Enhanced control through ownership: Consolidating shareholdings can increase control and influence. A single unitary Warwickshire Council would own a substantial share of Sherbourne Recycling Ltd, offering greater authority and benefits compared to individual District or Borough holdings.

- Additional benefits in a single unitary scenario compared to a two unitary scenario: A single unitary structure offers more potential benefits, enabling broader service reach and greater economies of scale.

Risks of disaggregation in a two unitary scenario:

- Ownership challenges in a multi-unitary structure: Navigating the ownership of the County Council's eleven companies requires careful planning to disaggregate shares equitably or consider other options if separation isn't feasible.
- Partnerships: Joint venture partners' views on new ownership structures would need addressing.
- Service continuity: Robust governance is essential to maintain service continuity.
- Specific impacts on development companies:
 - Land, the County Council's primary investment, would only be in one unitary post-reorganisation
 - Development loans would need to comply with MHCLG/Treasury rules which are not supportive of investment outside an authority's boundary and therefore any new loans would need to come from only one of the shareholders
 - This is likely to require development companies to have subsidiaries aligned to each unitary area and dividend policies which align returns to risk
- Financial sustainability: Any revised arrangements would need to deliver for each unitary their share of the £3.4m annual return required to balance the County's current medium-term financial strategy, otherwise additional savings or revenue would be required.

6.3 Compliance with statutory auditing requirements

- In 2023/24, four Warwickshire District and Borough councils missed the statutory audit deadline. These authorities were also issued with disclaimed audit opinions. In 2024/25, three authorities missed this deadline.
- As a result of the lower assurance from disclaimed audit opinions, there is a material risk of misstatement associated with the assets and liabilities in a new authority or authorities.
- The following actions are necessary to mitigate the risk from auditors' reports in the new authority or authorities:
 - Effective migration of data from legacy systems to the new authorities.
 - Implementation of effective IT systems and controls from vesting day.
 - Implementation of improved cyber security measures.

6.4 Resourcing Risks

- Sales, fees, and charges: there is significant variation between authorities in the level of sales, fees, and charges income generated. This varies from £40 per head in Rugby to £115 per head in Stratford. This may be due either to different demand for services or different approaches to charging for services relative to funding through general taxation. Charging policies would need to be aligned in the proposed unitary authorities.
- The proposed North Warwickshire Unitary in a two unitary scenario faces a widening financial gap annually owing to:
 - A lower increase in taxbase and hence council tax receipts compared to the South Warwickshire unitary.
 - A higher split of spend (54.8% North, 45.2% South) and a lower split of resourcing (51.7% North and 48.3% South) at vesting day.

- This means the North Warwickshire unitary starts with a 'gap' and whilst spend continues to rise faster than resources the gap will widen year on year.
- The key driver of the different positions in spend is children's services (60.8% North, 39.2% South) and SEND transport (number of Education, Health and Care Plans 60.4% North, 39.6% South).
- Impact of the Fair Funding Review:
 - The potential financial impact of the Fair Funding Review is a gain in resources of up to £25m. This is not the estimated gain/loss from the Fair Funding Review, but the gain/loss compared to what the six authorities had been planning the impact could be in their MTFS positions. The expected outcomes from the Fair Funding Review are already reflected in the Pixel model used in this analysis to compare funding and costs.
 - There is a risk that the six authorities will not deliver savings to the level previously anticipated in their MTFS submissions owing to this gain in resources and instead use this funding to invest in services or reduce the annual council tax increase.
 - If the authorities do this, the financial starting point for the proposed authorities will be different to the above financial analysis. This is because the analysis is based upon the MTFS submissions approved prior to the launch of the Government's consultation on the Fair Funding Review.

7. Consideration and Impact of Council Tax Harmonisation

The move to unitary local government requires the harmonisation of council tax rates across former District and Borough areas. The total council tax is dominated by the charge from the County Council which is almost 90% of the council tax income generated and is already harmonised. The focus of council tax harmonisation is those council tax charges levied by the district and borough councils.

The preferred approach is to maximise the income for the unitary authority/ies by harmonising at the referendum limit (4.99%)²⁶, with harmonisation achieved in one year. This means one year of variable increases in council tax so that the headline (Band D) council tax will be the same across Warwickshire from the outset. Special arrangements are proposed for Rugby (replacement of special expenses with a town council levying a precept equivalent to Rugby Borough Council's expenditure on those services for which responsibility is transferred) along with the introduction of town/parish councils in the Nuneaton and Bedworth area (again levying a precept equivalent to the expenditure incurred by Nuneaton and Bedworth Borough Council for which responsibility is transferred to the new bodies).

7.1 Principles and Modelling / Harmonisation Options

Principles

²⁶ The referendum limit is the maximum allowed increase in council tax and is calculated as a 4.99% increase on the average council tax for the year before vesting day weighted in accordance with the relative size of the legacy authorities taxbase.

The harmonisation process brings together varying Council Tax rates from different districts into a single rate over a set time period. The five principles that have formed the basis of the council tax harmonization modelling are:

- Support financial sustainability through the maximisation of council tax income.
- Ensure council tax provides for a consistent service offer across all areas.
- Strive for fairness for taxpayers within and between areas.
- Enable the delivery of savings and transformational change.
- Drive operational effectiveness and enable forward looking decision-making.

Except where there are specific proposals to create new town and parish councils (in Rugby Town Centre, Nuneaton, Bedworth and Bulkington) the analysis does **not** forecast any additional financial impacts on residents that might arise from changes to parish precepts. They are not directly affected by the reorganisation of principal councils into unitary structures. As a result, their treatment remains unchanged in all reorganisation scenarios and sits outside the scope of this analysis.

The approach is directional and used as a basis of modelling. Ultimately decisions on harmonisation will be for the new unitary authority/ies to make depending on the budget and medium-term financial position at the time. does not seek to accurately forecast tax receipts for the new Councils. It seeks to illustrate the range of options that Members of the new Councils will have to consider.

Key Modelling Assumptions

- Maximum increases in council tax are applied by both the County Council (4.99%) and District and Borough Councils (2.99%) in the years leading up to vesting day.
- Council tax to increase at the referendum limit for authorities with responsibility for social care (4.99%) each year post-harmonisation.
- A 1.5% annual increase in the taxbase in line with the Pixel Financial modelling and historic trends in Warwickshire. In the two unitary scenario no differential increases in the taxbase between areas are assumed.

Harmonisation options

Two main options are detailed below:

- **Option 1:** Average council tax is increased by 4.99% (the referendum limit). However, the individual areas council tax increases are measured from the combined County Council and District and Borough council taxes in the year prior to reorganisation.
- **Option 2:** In this option, council tax is increased by 4.99% for the area with the lowest council tax prior to reorganisation, with all other areas seeing an increase below this. In this option, the total council tax receipts increase at a lower rate in the harmonising year than in option 1. This is a loss of income that, if the current approach to referendum limits remains unchanged can never be recovered.

These two options have been chosen to demonstrate the importance of decisions about council tax harmonisation to the overall financial sustainability of the new unitary authority/ies. Option 1 represents the maximum council tax income that can be generated.

Headline financial impact of options 1 and 2²⁷

	Option 1: 4.99% weighted Average Increase	Option 2: 4.99% Increase for the area with the lowest council tax prior to reorganisation
	This scenario harmonises within one year, at weighted average council tax across former District/Borough areas and is equal to the referendum trigger. This results in council tax increasing at a rate higher than 4.99% in some areas.	This scenario harmonises within one year, with a maximum 4.99% increase for the while not exceeding the referendum trigger for any former District/Borough area
Harmonisation in:	2028/29	2028/29
Single Unitary Authority	• £14m gain in council tax income over five years • Year 1 council tax increase ranges from 6.1% in Rugby to 2.4% in North Warwickshire	• £18m loss of council tax income over five years • Year 1 council tax increase ranges from 4.99% in Rugby to 1.3% in North Warwickshire
Two Unitary Authorities		
North Warwickshire Unitary	• £6m gain in council tax income over five years • Year 1 council tax increases range from 6.8% in Rugby and 3.1% in North Warwickshire	• £18m loss of council tax income over five years • Year 1 council tax increases range from 4.99% in Rugby and 1.3% in North Warwickshire
South Warwickshire Unitary	• £8m gain in council tax income over five years • Year 1 council tax increases range from 5.5% in Stratford and 4.5% in Warwick	• £1m gain in council tax income over five years • Year 1 council tax increases of 4.99% in Stratford and 4.1% in Warwick

Additional considerations

- Harmonisation timescale: Phasing harmonisation over multiple years is permitted (up to seven years) but prolongs administrative and political complexity and delays when reorganisation and transformation benefits can be delivered. Most recent unitary authorities have harmonised within one or two years.
- Consistency of service offer: Rugby Borough Council special expenses are abolished and replaced with a town council and town/parish councils are established across the Nuneaton and Bedworth Borough Council area (further explanation of this recommendation can be found in Appendices 9.9 and 9.10 respectively) to provide the governance structures that will enable the unitary authority/ies to deliver a consistency of service offer across the whole of Warwickshire

Preferred option

- Weighted average Band D council tax increase, harmonising in one year (option 1) is the preferred option as it maximises the total council tax income available to the unitary authority/ies.
 - Under option 1, the unitary structure will generate more total income than retaining the two-tier structure by c.£14m in the five years post-vesting (for both single and two unitary scenarios). Under option 2 (4.99% maximum increase in any predecessor area), a unitary structure would generate less council tax income than retaining the

²⁷ Note that headline financial impact is the net change based on a one-year harmonisation with gains/losses shown relative to the current structure and after adjusting for reduced spending in the district/borough councils to offset the creation of new town/parish councils

two-tier structure because moving to a harmonised council tax would mean average increase in the first year post-vesting would be lower than 4.99%.

- Abolish Rugby special expenses through the creation of a town council with spending reduced by the same amount as the council tax income. See Appendix 9.9 for more details.
- Create town/parish councils across Warwickshire to deliver a consistency of service offer, this will impact most on the Nuneaton and Bedworth area where there are currently no town and parish councils. Spending will be reduced by the same amount as the council tax income foregone See Appendix 9.10 for more details.

Whilst this is the preferred option that has been included as part of the financial sustainability modelling, it will ultimately be for the new unitary authority/s to decide on their harmonisation position depending on the MTFS position at the time.

Comparison between a single unitary and two unitary scenario in the preferred harmonisation option

- In both the single and two unitary scenario, the total gain in council tax is c.£14m in the five years post-vesting with the preferred harmonisation approach (option 1).
- However, with option 1 in the two unitary scenario, the gain in council tax is unequal between the two proposed unitary authorities with £6m gain in the North and £8m gain in the South owing to unequal taxbases between the two.
- This would worsen the imbalance in the financial positions of the proposed North and South unitary authorities.

See Appendix 9.11 for detailed financial outputs of council tax harmonisation

7.2 Comparative Analysis

Under the preferred option, the gross difference in Band D council tax across Warwickshire to be harmonised would be 3.6%, placing it in the mid-range of recent reorganisations.

8. Conclusions and Recommendations

The financial analysis demonstrates that a single unitary authority offers a compelling case compared to a two unitary authority scenario, with:

- Substantially higher recurring net annual benefits from reorganisation and shorter payback period.
- Lower transition and ongoing costs to fund reorganisation, with reduced risk from the disaggregation of services currently delivered on a countywide basis.
- Greater resilience in reserves and balance sheet strength.
- Lower financial risk and positive benefits for medium to long term financial sustainability.
- Enhanced ability to deliver further savings and service improvements through transformation.
- Optimal council tax harmonisation, maximising income and minimising inequities.

By contrast, a two unitary model would introduce significant recurring costs, greater financial and operational risks, and a weaker platform for future transformation. A South Unitary is likely to be financially sustainable in the short-medium term, whereas a North Unitary would not be able to

balance its budget over the medium term, having exhausted its reserves, without additional Government funding.

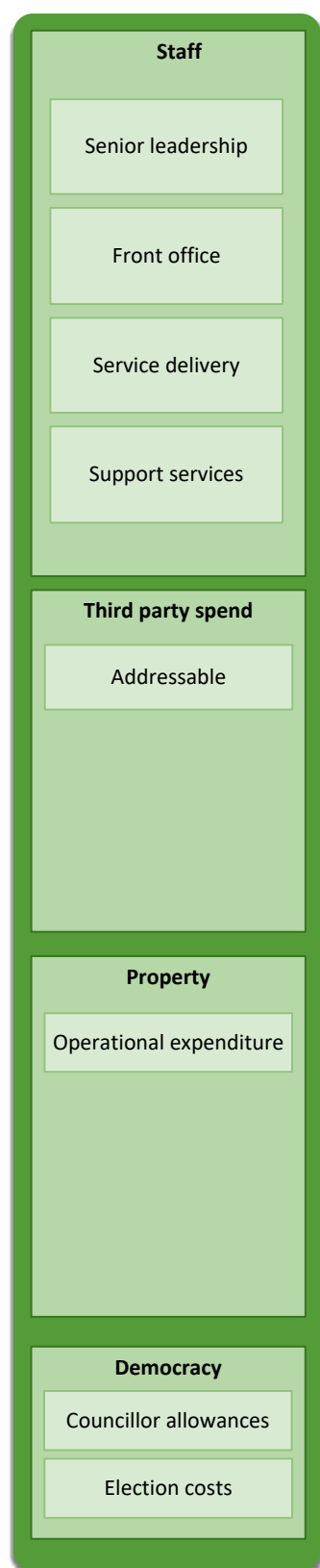
This financial assessment strongly supports a recommendation that Warwickshire pursue a single unitary authority model to secure long-term financial sustainability and deliver the greatest value for residents.

9. Appendices

9.1 Components of the Financial Model

Methodology for the financial analysis of different reorganisation options is detailed below. This includes a breakdown of the costs and benefits associated with reorganisation and how they might be achieved.

Benefits of Aggregation



Staff savings across Front Office, Service Delivery, and Support Services primarily result from the reduction in staff. Reorganisation can lead to increased staffing efficiencies: specialist teams can form, merging staff who previously handled disparate tasks across services. This specialisation process reduces time spent re-learning tasks. A unified management and staff will enhance knowledge sharing of good practice processes and optimise IT systems, creating significant expenditure-saving opportunities. The savings in front office, service delivery and support services will vary depending on the number of authorities. In a single unitary, duplicated activity will be removed across District, Borough and County Councils, whereas a two unitary model will not benefit from the same economies of scale and will require more staff for disaggregated services.

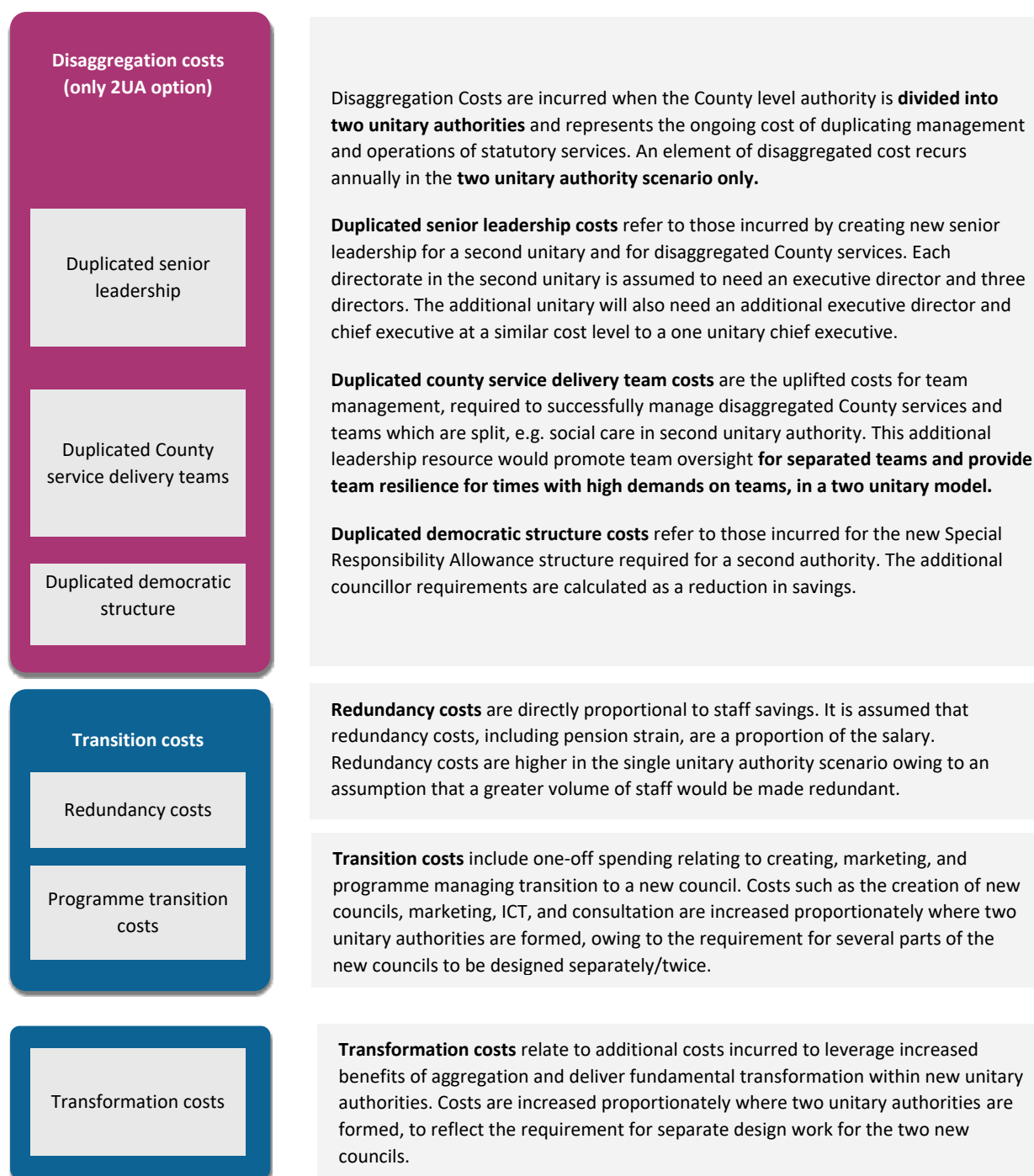
Senior leadership savings are calculated separately. Under a single unitary scenario, the significant cost reductions are achieved through the consolidation of senior management roles across the County, District and Boroughs. Under a two unitary scenario, net senior management savings will be lower, due to the need for an additional senior leadership team in the second unitary authority.

The savings in **third party spend** are gained from revising third-party contracts: bringing single streamlined contracts across the consolidated Councils, gaining economies of scale from purchasing a contract across a larger geographical domain, consistently negotiating better value contracts/specifications and managing these in a more consistent manner. Contracts where new arrangements might be explored could include waste contracts. Under a two unitary scenario, there will be fewer opportunities to leverage economies of scale and thus lower benefits, and there is the potential for increased competition driving higher costs e.g. two authorities may be created which are both looking at sourcing placements from similar providers.

Savings in **property expenditure** relate to the reduction in operational costs of maintaining and operating the premises from which council services are delivered. These benefits would be accrued thanks to the reduction in staff and consolidation of lower and upper tier authorities' services, allowing the closing or repurposing of underutilised properties and adopting flexible working models to minimise expenses. Merging District/Borough and County property portfolios would enable the creation of single shared service hubs on a place basis, offering consolidated local contact points for all services. Under the two unitary model, there would be less savings owing to the higher number of staff remaining in the resultant authorities and a reduced requirement/ability to consolidate corporate office buildings for each service, including Head Offices.

Democratic savings stem from the benefits gained through the removal of elections and Member costs for district and borough councils - there would be fewer elections and councillors required if there are fewer councils. Additional councillors required for the new unitary authority act as a reduction to the saving here. In a two unitary scenario, Special Responsibility Allowance costs and base allowances will be higher, given the increased councillor requirements compared to a single authority.

Costs associated with transition and disaggregation



9.2 Benefits of Aggregation

Aggregation Benefits Assumptions: Staff

Through reorganisation, savings will be realised against staffing spend. The assumptions used to calculate the extent of these savings are detailed below.

Methodology and drivers of benefit

1. The combined County, District, and Borough Councils spend on staff will be estimated and grouped into front office, duplicated service delivery, and service support spend.
2. Percentage reductions have been applied to front office, duplicated service delivery and support services as a result of efficiencies from removing duplicated activity when moving to new unitary authorities.
3. These percentage reductions are higher for a single unitary authority and revised down for a two unitary authority model due to forgone economies of scale.
4. An additional benefit has been calculated from removed District/Borough senior leadership posts, including on-costs.

Area	Assumptions		Rationale
	1UA	2UA	
Net revenue expenditure	£446.9m		RS Line 805 within 24/25 Revenue Outturn data minus fire services expenditure (£30.3m).
Proportion of net revenue spend on staff	28.1%		Calculated as total staff spend / total baseline spend.
Front office staff (CC)	17.5%		Reflects latest activity analysis within Warwickshire.
Service delivery staff (CC)	49.3%		
Service support staff (CC)	33.2%		
Front office staff (DCBC)	36.0%		Assumption based upon work in local authorities in counties that have undergone local government reorganisation.
Service delivery staff (DCBC)	37.0%		
Service support staff (DCBC)	27.0%		
Reduction in front office staff	4%	3%	Percentage reductions in line with previous local government reorganisation work in other counties.
Reduction in service delivery staff	5%	3%	Percentage reductions in line with previous local government reorganisation work in other counties. Informed by slight amendments made to standard methodologies since the interim plan.
Reduction in support services staff	5%	3.5%	Percentage reductions in line with previous local government reorganisation work in other counties.
Senior leadership costs	£3.4m	£3.4m	Senior leadership savings are likely to impact on both legacy County and District/Borough senior leaders (officers). Calculation has been developed in relation to expected leadership savings. Expected reduction is equivalent to a c.25% saving across the top three tiers of management at District / Borough level and top four levels at County level.

The scale of savings expected through reorganisation differ depending on the type of staff. The following table indicates different roles within each of the three domains considered for reduction.

Role examples within each domain

Service Delivery	Front Office	Support Services
These are roles directly involved in delivering statutory and discretionary council services to residents. This involves addressing residents' needs.	Roles interacting directly with the public (often first point of contact). For example, managing appointments, handling customer enquiries, taking customer payments and performing eligibility checks.	Roles that support the council in operating effectively on a day-to-day basis. This includes enabling functions (HR, procurement, finance, etc.), general administration, and strategic planning.
County Occupational Therapists Care Support Workers (e.g., reablement teams) Public Health Practitioners	Customer Service Advisors (call centre, reception desks) Contact Centre Operatives (phone/email/chat) One Stop Shop Officers (face-to-face service desks for housing, benefits,	HR Officers and Advisors Finance Officers (accounts payable/receivable, payroll) Procurement and Contract Management Officers ICT/Systems Support Analysts

Highway Maintenance Teams (engineers, operatives) Waste & country parks Libraries, Heritage, and Registration District/Borough Housing Officers (e.g. homelessness prevention) Environmental Health Officers Refuse Collection and Recycling Operatives Leisure Centre Staff (e.g. fitness instructors) Planning Case Officers (development management) Parks and Grounds Maintenance Staff	council tax, etc. e.g. Homelessness Prevention Officer) Visitor/Community Centre Staff Education: admissions, attendance service	Legal Services (solicitors, legal assistants) Communications and PR Officers Democratic Services Officers (supporting council meetings, committees) Business Support/Administration Officers Estates and Property Services Officers Health & Safety Officers Internal Audit Teams Stores & distribution Strategic planning & policies
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Aggregation Benefits Assumptions: Third Party Spend

Through reorganisation, savings will be realised against third party spend. The assumptions used to calculate the extent of these savings are detailed below.

Methodology and drivers of benefit

Third party spend Non-addressable Addressable	1. The addressable third party spend combined between County and District and Borough Councils has been calculated using proportioned net expenditure to provide a baseline. Third party spend relating to property has been excluded. 2. A percentage reduction in third party spend has been applied as a result of the greater purchasing economies of scale that will be gained through consolidation. 3. These percentage reductions are higher for a single unitary authority and revised down for a two unitary authority model due to forgone economies of scale.
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Area	Assumptions		Rationale
	1UA	2UA	
Proportion of net expenditure spent on third parties	63%		Calculated as total third party spend / total baseline spend.
Proportion of third party spend which is addressable	75%		75% of the total third party spend is treated as addressable, in line with work in other local authorities, due to elements of third party spend not being influenceable, e.g. pass-through costs. Pass-through costs involve situations where the council is paid an amount of money, for example by central government departments, and this money is passed directly to those with an assessed need.
Reduction in third party spend	3.5%	2.5%	This has been estimated in line with reductions found in other local authorities. A lower reduction in third party spend has been applied to the addressable spend in a two unitary authority model to reflect the lower purchasing economies of scale that can be achieved, and increased competition for services.

Aggregation Benefits Assumptions: Property

Through reorganisation, savings will be realised against annual property spend. The assumptions used to calculate the extent of these savings are detailed below.

Methodology and drivers of benefit

<i>Property</i> <i>Operational expenditure</i>	1. The combined net expenditure on property has been calculated using net expenditure figures for the County, District, and Borough Councils. 2. This is spend relating to the ongoing running costs of office spaces such as energy, cleaning and repairs rather than from the one-off sale of capital assets, or rental income from available office space. Any council-owned housing stock has been excluded from this calculation. 3. A percentage reduction has been applied to the property baseline to provide the estimate property benefit.
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Area	Assumptions		Rationale
	1UA	2UA	
Proportion of net expenditure spent on property	1.91%		Calculated as total property spend / total baseline spend. In the absence of other information, it has been assumed that districts and boroughs allocate a similar proportion of their budgets to property.
Reduction in property spend	14%	12%	This reduction has been estimated in line with reductions delivered by other local authorities. A lower level of savings is forecast if the two unitary authority option is chosen, as there would be reduced opportunities to achieve efficiencies through the consolidation of estates.

Aggregation Benefits Assumptions: Democracy

Through reorganisation, savings will be realised against democratic spend. The assumptions used to calculate the extent of these savings are detailed below.

Methodology and drivers of benefit

<i>Democracy</i> <i>Councillor allowances</i> <i>Elections</i>	1. A one or two unitary authority model will require fewer Councillors, therefore a saving can be made in terms of the base and special responsibility allowances paid to elected Members. The average cost of a District/Borough council democratic structure has been estimated and multiplied by the number of District/Borough councils present within the boundary. 2. Consolidating local authorities will also reduce the number of elections required and the cost of administering these. The average cost per vote of District/Borough elections over a four-year cycle has been calculated and multiplied by the total number of valid votes per year (i.e. four-year cycle divided by four). 3. While the composition of two unitary authority councils may differ, it is estimated that the cost of reorganising and allowances would be broadly similar for each.
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Area	Assumptions		Rationale
	1UA	2UA	
District/borough special responsibility allowance (SRA) and base allowances incurred as part of the democratic structure	£0.3m		Average District/Borough SRA and base allowance cost across 5 district/borough councils. Inflation adjusted to 2024/25 values where necessary. The model assumes these costs are fully removed. Expenses for additional councillors in 1UA and 2UA options have also been calculated.
County Council base allowance costs per Member	£11,669		Elected Member Data (WCC).

County Council SRA costs	£0.3m	2023/24 data with inflation applied (CPI 2.6%, Sept 2024).
Annual cost incurred for district/borough elections in one year	£0.4m	Total number of District/Borough votes in the last four years divided by four and then multiplied by the cost per vote below.
Cost per vote during an election	£3.00	Average cost calculated using the County, District and Borough Council election costs over the last four years. This created a range of costs per vote. The HM Government assumption of £3 per vote based on previous general elections fell in middle of this range.

9.3 One-off Costs of Transition

One-off Costs Assumptions: Redundancy and Transition

One-off costs will be incurred in the process of Local Government Reorganisation. The assumptions used to calculate the extent of these costs are detailed below.

Methodology and drivers of benefit

<i>Transition costs</i>	1. One-off redundancy costs will be incurred when re-organising local authorities. These have been calculated as a proportion of the benefit resulting from staff reductions and therefore are higher in a single unitary model than a two unitary model. These are based on the gross staff reductions, and do not take into account any potential reductions due to increase duplicated effort in the event of disaggregation. 2. A number of transition costs will be incurred when closing down existing local authorities and creating new authorities. Given that the same number of County, District, and Borough Councils are closed down to create the one and two unitary scenarios, the organisation closedown costs are the same. 3. In order to undertake successful transformation at pace while realising the
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Area	Assumptions		Rationale
	1UA	2UA	
Redundancy cost	£6.1m	£5.2m	85% redundancy cost (including pension strain) applied to staff savings based on average County Council cost incurred for recent redundancies.
External communications, rebranding and implementation	£0.4m	£0.5m	Promoting changes to the public, developing a new local authority brand and implementing new signage and logos.
External transition, design and implementation support costs	£4.3m	£6.8m	Costs for external support to ensure effective transformation: change management, benefits realisation, business and technology design authority, process redesign and consolidation, and a review of shared services for each authority.
Internal programme management	£2.4m	£3.8m	Costs incurred for internal programme management and support and enabling services input.
Creating the new council	£0.6m	£1.2m	Includes legal costs, developing the constitution, contract novation, setting budgets, and carrying out 'business as usual' in existing councils. This is largely associated with the administrative costs of making sure the new councils are set up legally and financially e.g. drafting documentation which has to go to parliament, setting up new accounts etc. Two unitary scenario is double the cost owing to two new entities being created.
Contingency	£4.6m	£7.3m	Provision for extra expenses incurred through reorganisation e.g. relating to property disposals or where estimated costs are found to be underestimated. There is, for example, known risk in relation to transitioning IT and data to new unitary arrangements, and the precise cost of this will only be confirmed once more detailed systems analysis is completed, during the transition to the new unitary arrangements.
Organisation closedown	£0.3m	£0.3m	Costs involved with financially closing down councils and creating sound budgetary control systems, estimated through averages of similar costs for other councils. e.g. making sure liabilities are transferred correctly, creating sound budgetary control systems, transfer of functions, tax assessments etc. The same number of councils are closed down in both

			scenarios (all Districts and Boroughs, and County Council) - therefore costs are estimated to be the same in both scenarios.
Public consultation	£0.3m	£0.4m	Assuming costs for adverts in local media and surveys to consult public on proposed changes. Whilst funding sources for public consultation are being confirmed, an amount has been conservatively set aside to cover the costs of this consultation.
ICT costs	£3.0m	£4.7m	Assuming costs for changed reporting requirements, system licenses, storage capacity, and data cleansing / migration. Costs largely associated with migration and infrastructure set up in the new structure e.g. for changed reporting requirements, security, storage capacity, and data cleansing/migration. These do not account for any run costs of the future council e.g. additional licensing or systems costs. This would require further detailed work as part of detailed implementation planning. Additional costs are incurred within the two unitary option, to allow for disaggregation of IT systems.
Shadow Chief Exec/member costs	£0.4m	£0.9m	Costs for a year of interim advisory board roles from Chief Executives per authority (assumed £195k salary with on-costs) and six members per unitary with additional responsibilities, each receiving £20k in Special Responsibility Allowance.
Total one-off transition costs	£22.3m	£31.2m	

9.4 Disaggregation Costs

In a two unitary scenario, annual costs will be incurred in the disaggregation of services currently provided by the County Council as well as in the need for a duplicate senior leadership and democratic structure. The assumptions used to calculate the extent of these costs are detailed below.

<i>Duplication</i> <i>Duplicated senior leadership</i> <i>Duplicated county service delivery</i> <i>Duplicated democratic structures</i>	1.	Disaggregation costs apply only where more than one unitary authority is being created and arise from the need to deliver County level services such as Adults' and Children's Social Care, Education, Highways and Public Health in two distinct areas.
	2.	An additional senior leadership team will be required to lead a second unitary authority. This cost has been calculated using the costs of senior leadership across the top tiers of existing District/Borough Councils to provide an average.
	3.	Disaggregating services currently provided at county level will require additional staff to effectively lead and support high quality outcomes, or if the service is to continue as a single shared service, then each unitary will require in-house expertise and guidance to provide support and advice to decision-makers as well as professional oversight. The amount of effort used in service delivery management & supervision has been used as a proxy to estimate the size of the increase required in a two unitary model.
	4.	The cost of a representative democratic structure has been estimated as an additional requirement in the second unitary authority.

Area	Assumptions	Rationale
	2UA	
Duplicated senior leadership	£3.0m	Management cost per directorate (executive director + three directors) multiplied by four directorates and an additional executive director and chief executive at county salary (multiplied by oncosts).
Duplicated county service delivery teams	£5.2m	County staff expenditure less duplicated senior leadership multiplied by the proportion of staff in front line management (see below)
Proportion of additional staff undertaking service delivery management & supervision	4.2%	Additional staff will be required when disaggregating services currently delivered by the County Council, to provide appropriate leadership. Proportion of effort spent on management and supervision has been used as a proxy to estimate the leadership which would need to be duplicated.

		This percentage has been taken as the average effort recorded against front line management and supervision across unitary authority activity analyses conducted in other local authorities.
Duplicated democratic structure - SRA costs per unitary authority	£0.4m	The Special Responsibility Allowance cost per new unitary authority is estimated at £40k for a Leader, £30k for a Deputy Leader, £20k each for eight Cabinet Members, £15k each for five Upper Committee chairs, and £10k each for 10 Lower Committee Chairs.
Total annual disaggregation costs	£8.6m	

9.5 Transformation Assumptions

Two 'transformation scenarios' have been developed to reflect the level of ambition that can be applied to Local Government Reorganisation in Warwickshire. The benefits achieved through these scenarios are additional to the benefits described above from reorganisation. These two transformation scenarios have been applied to each of the options being considered as part of LGR (i.e., one unitary authority versus two unitary authorities). Each transformation scenario has different assumptions for costs and benefits detailed below.

Transformation Benefits (% reductions):

Assumptions regarding benefits which could be realised through 'base' and 'stretch' transformation activity additional to reorganisation.

Benefit category		Reduction in front office spend	Reduction in service delivery spend	Reduction in support services spend	Reduction in Third Party Spend	Increase in Income
1UA	Base	10%	5%	14%	3%	2%
	Stretch	17%	9%	20%	4%	3%
2UA	Base	8%	4%	8%	2.5%	1.7%
	Stretch	12%	6%	9%	3.5%	2.5%

Front office and support services could see the greatest benefits from transformation owing to the opportunities for leveraging AI and robotic process automation to reduce the need for manual intervention in high-volume, low-complexity tasks and routine customer requests.

Transformation Benefits Profiling:

Phasing of expected benefits from 'base' and 'stretch' transformation activity.

Year	Year 0 2027/28	Year 1 2028/29	Year 2 2029/30	Year 3 2030/31	Year 4 2031/32	Year 5 2032/33
Base	0%	20%	50%	80%	100%	100%
Stretch	0%	10%	30%	60%	80%	100%

Indicative Transformation Opportunities

The resultant unitary council or councils post-LGR can use the platform of unitarisation to deliver further transformation. An indicative view of potential transformation opportunities could include:

Benefit category	Base Transformation	Stretch Transformation
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Reduction in Front Office Spend	• Centralised customer service platforms to reduce duplicative efforts across front office roles. • Process standardisation and workflow automation tools for routine tasks to reduce the need for manual intervention.	• AI-powered self-service channels to handle a portion of routine customer requests (e.g. chatbots) • Implement an omni-channel communication system to save staff time moving between platforms.
Reduction in Service Delivery Spend	• Utilising scheduling tools to optimise working patterns. • Standardised and simplified service offerings. • Optimising performance management and lean process optimisation across teams.	• Use data analysis to predict service need and leverage resources across the new authority/authorities more effectively. This will enable an overall reduction in staff numbers.
Reduction in Support Services Spend	• Deploy consistent self-service platforms for HR etc across the new authority/authorities. • Consolidate support services in resultant council/councils.	• Utilise AI and Robotic Process Automation (RPA) to reduce the need for manual intervention and save staff time e.g. automating internal meeting minute taking.
Reduction in Third Party Spend	• Contract optimisation and renegotiation. Following consolidation of duplicative contracts, renegotiate contracts using improved economies of scale and bargaining power. Additional power in single unitary scenario owing to greater economies of scale.	• Developing consistent procured service offerings, promoting consistent contract management and supplier incentives, enhancing approaches to proactive commissioned/procured market management. • Applying consistent spend governance, promoting use of best-value frameworks.
Income	• Increase in sales, fees, and charges through promoting consistent approach to fee setting. Developing and sharing a commercial approach across new council/s - building commercial staffing and offer.	• Using consistent digital channels to promote traded services and leveraging the full asset base of council/s to develop additional or expanded traded services.

One-off Transformation Costs:

One-off costs will be incurred to deliver additional transformation activity. The assumptions used to calculate the extent of these costs in a 'base' and 'stretch' scenario for each reorganisation option are detailed below.

Cost category (£M)		IT Investment Costs	Operating Model Construct & Change Management	Programme Support Costs	Contingency	Redundancy costs	Total one-off cost
1UA	Base	7.0	7.0	2.0	3.5	8.2	27.7
	Stretch	14.0	9.0	3.0	5.8	12.5	44.3
2UA	Base	9.1	9.1	2.6	4.6	5.3	30.7
	Stretch	18.2	11.7	3.9	7.5	6.8	48.0

Transformation Costs Profiling:

The expected phasing of one-off costs to deliver 'base' and 'stretch' transformation benefits is detailed below. The first costs are incurred in the year pre-vesting.

Year	Year 0 2027/28	Year 1 2028/29	Year 2 2029/30	Year 3 2030/31	Year 4 2031/32	Year 5 2032/33
Base	10%	15%	30%	30%	15%	0%
Stretch	10%	20%	20%	20%	20%	10%

9.6 Financial Sustainability Modelling Inputs

Financial sustainability of each of the proposed unitary authorities in the single and two unitary scenarios was assessed through a consideration of the following:

- Income forecast
- Spending pressures
- Reserves position

The assumptions used in each of these three elements are detailed below:

Category	Assumption
Income	• Three primary sources of funding considered: council tax, government grants that are part of the Local Government Finance Settlement, and Settlement Funding Assessment (a combination of Business Rates income and Revenue Support Grant). • The proportion of spend funded by fees and charges is assumed to remain unchanged i.e. the income generated will change at the same rate as inflation and demand pressures. • Government grants and the Settlement Funding Assessment are assumed to be cash frozen each year. This is consistent with the modelling assumption made by other local authorities. • Council tax income is a combination of the increase in the council tax itself and the increase in the taxbase. The increase in the council tax is set out in more detail in the section on council tax harmonisation. The taxbase is assumed to increase by 1.5% per annum, with no differential increases in housing growth between authorities assumed. Recent trends suggest taxbase growth in the South would be slightly above this average and in the North slightly lower. However, recent trends in housing growth may not reflect patterns of future growth.
Budget, spending pressures, and planned savings by council	• County Council's MTFS disaggregated between North and South unitary per cost drivers set out below. • The County Council's MTFS run through to 2029/30. After this, an additional £45m spending pressures a year have been presumed (based on average annual pressures identified in MTFS pro forma submitted by the County Council up to 2029/30), split between North and South unitary based on the overall split of net revenue spend from the analysis of individual cost drivers. • MTFS positions of the District and Borough councils based on the submitted MTFS pro forma where available or the MTFS positions approved as part of their 2025/26 budget setting. Future pressures beyond the approved MTFSs have been based on the average annual pressures identified. • Assumption that 100% of approved savings will be delivered but with no additional savings built in beyond the approved MTFS timescale. • No differential growth in demand between the two unitary authorities has been factored in. • Spend adjusted down to reflect Rugby Special Expenses (£2.4m by 2028/29) and Town Council's in Nuneaton and Bedworth (£2.2m by 2028/29) to align with council tax harmonisation.
Reserves	• Net Revenue Spend used to split County Council reserves between a North and South unitary – 54.7% North, 45.3% South. • The following reserves are not available to support reorganisation or help to balance the unitary authority/s revenue budget: school level reserves, Dedicated Schools Grant (DSG) Adjustment Account, reserves held on behalf of third parties for specific projects, contractual commitments.

	• Additionally, the Medium-Term Financial Risk Reserve held by the County Council to cover risks including the accumulated DSG deficit is retained pending a Government decision on how to bring the DSG back into balance (£58m). • 50% of the specific risk and budget stabilisation reserves retained and 50% released as available to support reorganisation. Reduction based on financial risk provisions associated with the Fair Funding Review and Business Rates Reset will no longer be needed and scope to rationalise some risk reserves following any move to a unitary authority. • A provision for General Reserves estimated at 5% of net spend retained as the minimum level of reserves. • The positive impact of the Fair Funding Review relative to previous medium-term resource forecasts will reduce the short-term pressure to use reserves. • Any use of reserves assumed to be available to support reorganisation before vesting day would reduce the reserves available meet the transition costs and support the Medium-Term Financial Strategy/ies.
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Allocation of County Council Budget by Cost Driver in a Two Unitary Scenario

The following breakdown was used in disaggregating the County Council's budget and spending pressures in the MTFs submission and Revenue Outturn return.

Category	North	South	Source
Adults' Social Care	52.7%	47.3%	Independent assessment conducted by Newton Europe based on postcode analysis of which District and Boroughs costs arise in.
Education (non-DSG)	57.5%	42.5%	Pupil numbers and numbers of pupils with EHCPs (weighted average based upon share of budget)
Children and Families	60.8%	39.2%	Independent assessment conducted by Newton Europe based on postcode analysis of which district and boroughs costs arise in.
Population	52.4%	47.6%	Office of National Statistics mid-2024 population estimates
Deprivation	57.4 to 51.2%	42.6 to 48.9%	Population plus 5% deprivation. Deprivation estimated using count of population in lower super output areas (LSOAs) in most deprived 25% of LSOAs in England based on the 2019 Index of Deprivation and mid-2022 population estimates for LSOAs. Figures within this range used for different functions depending on the age of the client group e.g. health visiting and school nursing split using deprivation and the population aged 0-18.
Taxbase	46.0%	54.0%	As used for 2025/26 budget setting
Waste tonnages	53.2%	46.8%	DEFRA 2023/24 Local Authority Waste Collected Statistics
Pupil numbers	56.9%	43.1%	2025 School Census
Road lengths	42.6%	57.4%	County Council Highways team figures for District/Borough road lengths (August 2025)
Corporate overheads and support	54.7%	45.3%	Weighted average of the above criteria

Breakdown of useable reserves marked as available for reorganisation (see above for assumption regarding which reserves are available for reorganisation)

(£M)	Single Unitary	Two Unitary Scenario	
		North Warwickshire	South Warwickshire
50% of funding set aside for planned future spending	31	12	19
50% of specific risk reserves	35	18	17
50% of budget stabilisation reserves	33	22	11
Other reserves	8	8	0
Unallocated financial reserves level	58	31	27
Less provision for General Reserves (5% of net revenue spend)	(40)	(22)	(18)

Total reserves available to support reorganisation	125	69	56
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9.7 Balance Sheet Assumptions

Split of County Council's Balance Sheet by Cost Driver

Breakdown of the County Council's 2023/24 balance sheet by cost driver. This was used to create indicative balance sheets for a single unitary authority as well as a North and South Unitary authority in a two unitary scenario.

Balance Sheet Element	Basis of Disaggregation	£m	North Unitary	South Unitary
			Share	Share
Property, Plant and Equipment ²⁸	PPE asset value and location	1,453	46%	54%
Investment Properties	Investment property value and location	15	60%	40%
Long Term Investments	Net revenue spend	108	55%	45%
Long Term Debtors	PPE asset value and location	9	46%	54%
Long Term Assets		1,585		
Current Assets	Net revenue spend	405	55%	45%
Current Liabilities	Net revenue spend	(203)	55%	45%
Long Term Borrowing	Taxbase	(272)	46%	54%
Net Pension Liability	Population	(285)	52%	48%
Other Long-Term Liabilities	Net revenue spend (grants received in advance of spend)	(109)	55%	45%
Long Term Liabilities		(666)		
Net Assets		1,121	1,389	1,247
Usable Reserve - non HRA	Net revenue spend	(229)	55%	45%
Unusable Reserves ²⁹	Balancing figure	(892)	n/a	n/a
Total Reserves		(1,121)		

9.8 Local Authority Owned Companies

There are currently several commercial ventures undertaken by Warwickshire councils. The table below details these ventures, the current ownership structure and the purpose of these ventures.

Authority	Company	Ownership	Purpose
All five Warwickshire DC/BCs	Sherbourne Recycling Ltd	Jointly owned by the 5 Warwickshire DC/BCs and 3 other local authorities	Construction and then operation of a materials recycling facility

²⁸ 5% of the property, plant and equipment figure is made up of assets under construction, surplus assets, heritage assets and intangible assets.

²⁹ Unusable reserves (the balancing figure) are reserves which cannot be used to support the revenue budget. It includes the value of pensions earned by employees and former employees due to be paid in future years, the gains from the revaluation of assets compared to their historical cost and the difference in accounting treatment for the use of assets and their financing.

Nuneaton and Bedworth	Nuneaton and Bedworth Community Enterprises Ltd (NABCEL)	100% owned	Renting and operating of Housing Association real estate: - Providing homes and flats for rent - Managing short-term accommodation - Undertaking repairs, servicing and installation of boilers
	Pride in Camp Hill Ltd	100% controlled	Long-term regeneration project in the north of Nuneaton and Bedworth, to create over 1,200 new properties and other community initiatives
	Grayson Place Ltd	100% owned	Operation of the hotel built as part of the Grayson Place regeneration project
Warwick	Milverton Homes Ltd	100% owned	Delivery of new market-priced, affordable and social housing
	Crewe Lane Kenilworth JV LLP	Joint Venture, 50% Milverton Homes Ltd, 50% Vistry Partnerships Ltd	Single site JV to build 620 dwellings in Kenilworth
Warwickshire County Council	Warwickshire Legal Services Trading Ltd	100% owned	Provision of legal services to entities outside the Council
	Educaterers Ltd	100% owned	Provision of school meals
	Warwickshire Property and Development Group Ltd (WPDG)	100% owned	Creation of jobs and homes across Warwickshire
	Warwickshire Property Management Ltd	100% owned subsidiary of WPDG	Operation of the Council's property management function
	Warwickshire Property Development Ltd	100% owned subsidiary of WPDG	Using the Council's surplus land to deliver new homes and a range of commercial and mixed-use opportunities
	Develop Warwickshire LLP	Joint Venture, 30% WCC 20% WPDG 50% Countryside Partnerships PLC	JV to deliver larger housing and commercial sites beyond the capacity of WPDG operating alone
	Develop Warwickshire Nominee Ltd	100% owned by Develop Warwickshire LLP	Technical arrangement to facilitate the delivery of Develop Warwickshire LLP projects
	Brookmill Meadows LLP	99.9% owned by DW LLP, 0.1% owned by Develop Warwickshire Nominee Ltd	Single site JV to build dwellings in North Warwickshire
	Milby Meadows LLP	99.9% owned by DW LLP, 0.1% owned by Develop Warwickshire Nominee Ltd	Single site JV to build dwellings in Nuneaton
	Overton View LLP	99.9% owned by DW LLP, 0.1% owned by Develop Warwickshire Nominee Ltd	Single site JV to build dwellings in North Warwickshire
	Coventry and Warwickshire Growth Hub Ltd	Joint Venture, 50% WCC 50% Coventry City Council	Promotion of business growth through engagement with the Coventry and Warwickshire business community

9.9 Rugby Special Expenses

As part of council tax harmonisation, it is recommended that Rugby Special Expenses are abolished, and a Rugby Town Council is established with the same level of funding and service responsibility as currently delivered through the Special Expenses regime. An explanation of the current situation and the proposed solution are outlined below:

- Rugby Borough Council in Warwickshire is unique in having special expenses, raising £2.3 million in 2025/26.
- Special expenses make up £55 (or 25%) of the £223 council tax paid by households in Rugby Borough Council area. Excluding special expenses, the base council tax rate is £168.
- 57% of households in Rugby (23,877 band D equivalent) are subject to special expenses, paying a total of £264 per Band D household (comprising the £168 base tax plus £96 special expenses).
- The special expenses average out to £55 when considering all households, due to 43% of households being outside the special expenses area and paying £168 plus their own parish precept.
- Following reorganisation operating over a wider geographical area the current regime would become difficult to maintain, with concerns over different council tax levels existing indefinitely between areas.
- A recommendation is proposed to reorganise by abolishing the Rugby special expenses regime and establishing a Rugby Town Council to take over responsibility, funding, and costs, resulting in a net nil budget impact. In this analysis, it is presumed that Rugby Special Expenses are abolished, and a Rugby Town Council is established.
- This change would harmonise Rugby Borough Council's council tax, reducing it to £179 for adjusted 2028/29 Band D council tax.

9.10 Town and parish councils in the Nuneaton and Bedworth area

As part of council tax harmonisation, it is recommended that town/parish councils are established within the Nuneaton and Bedworth area. An explanation of the current situation and the proposed solution are outlined below:

- Warwickshire has over 200 town/parish councils, providing 100% coverage in three District and Borough councils. There is 43% coverage in Rugby. Nuneaton and Bedworth currently has no parishes.
- In 2025/26, these councils collectively raised £10.3m, with the highest individual precept being £213 for a Band D household. There are 33 parishes that raised no precept.
- The average precept across different town/parish councils varies, ranging from £42 in the Warwick District Council area to £84 in the Stratford-on-Avon District Council area.
- Where these councils exist, the income generated through the town/parish precepts equates to between 23% and 50% of District/Borough Council precept income, suggesting potential cost avoidance for these councils, an element not available to Nuneaton and Bedworth.
- Introducing town/parish councils in Nuneaton and Bedworth could see them taking on responsibility and funding for local services previously delivered by Nuneaton and Bedworth Borough Council.
- This change in responsibility and funding would help reduce overall council tax variation in both single and two-unitary structures and ease council tax harmonisation.
- A recommendation is made to introduce town/parish councils in Nuneaton, Bedworth and Bulkington initially, with future discussions to determine precise services and costs transferred.
- For modelling purposes, an average precept reduction of £53 for Nuneaton and Bedworth by 2028/29 has been used, with services costing £2.2m transferred to the new town and parish councils.

- This adjustment would see a reduction of the unitary authority budget of £2.2m with responsibilities costing around this amount transferred to the new town or parish councils, and the precept raised by the newly created town/parish councils replacing this amount, leading to a net nil budget impact.

9.11 Council Tax Harmonisation

Council tax harmonisation brings together varying council tax rates from different districts and boroughs into a single rate over a set time period. Included below are a) the 'status quo' tax Band D projections based upon no harmonisation of council tax and if current council tax arrangements are maintained and b) council tax projections based upon the preferred option for council tax harmonisation in a single and two unitary scenario.

Status quo council tax - Band D projections if current arrangements and structures are maintained³⁰

Council tax Band D projections assuming maintenance of current council arrangements until 2032/33. This assumes a maximum increase of 2.99% per annum for District/Borough councils, and a 4.99% increase for the County Council. These increases are in line with all authorities approved medium-term financial strategies and continuation of the current referendum limits.

£	2025/26	2026/27	Year 0 2027/28	Year 1 2028/29	Year 2 2029/30	Year 3 2030/31	Year 4 2031/32	Year 5 2032/33
North Warwickshire	243	250	257	265	273	281	290	298
Nuneaton and Bedworth	271	280	288	297	305	315	324	334
Rugby	224	230	237	244	252	259	267	275
Stratford	169	174	179	185	190	196	202	208
Warwick	188	193	199	205	211	217	224	231
County Council	1,823	1,914	2,009	2,110	2,215	2,325	2,442	2,563

Outputs: Preferred Option – Weighted average increase (from post- vesting year)

Modelling outputs of the Band D council tax that would result from the preferred option over five years post-vesting. This option harmonises council tax rates across the proposed unitary authorities within the single and two unitary scenarios within one year, at a weighted average across former District/Borough areas equal to the referendum trigger. This results in some areas increasing at a rate higher than the referendum limit in the first year (2028/29). The rates paid by Band D taxpayers in each legacy authority are shown in the columns indicated 'Band D'. The percentage increase of that year's rate compared to the previous year in that area is shown in the columns indicated '%'.

Single Unitary Authority, Band D Council Tax (£, 0dp) and % Increase on Previous Year										
	Year 1 2028/29		Year 2 2029/30		Year 3 2030/31		Year 4 2031/32		Year 5 2032/33	
	Band D	%	Band D	%	Band D	%	Band D	%	Band D	%
North Warwickshire	2,321	2.40%	2,437	4.99%	2,559	4.99%	2,686	4.99%	2,820	4.99%
Nuneaton and Bedworth	2,321	3.43%	2,437	4.99%	2,559	4.99%	2,686	4.99%	2,820	4.99%
Rugby	2,321	6.09%	2,437	4.99%	2,559	4.99%	2,686	4.99%	2,820	4.99%

³⁰ These figures assume the continuation of Rugby Special Expenses and there being no town/parish councils in the Nuneaton and Bedworth area.

Stratford	2,321	6.05%	2,437	4.99%	2,559	4.99%	2,686	4.99%	2,820	4.99%
Warwick	2,321	5.11%	2,437	4.99%	2,559	4.99%	2,686	4.99%	2,820	4.99%
Two Unitary Scenario - North Unitary, Band D Council Tax (£, Odp) and % Increase on Previous Year										
	Year 1 2028/29		Year 2 2029/30		Year 3 2030/31		Year 4 2031/32		Year 5 2032/33	
	Band D	%	Band D	%	Band D	%	Band D	%	Band D	%
North Warwickshire	2,337	3.08%	2,453	4.99%	2,576	4.99%	2,704	4.99%	2,839	4.99%
Nuneaton and Bedworth	2,337	4.11%	2,453	4.99%	2,576	4.99%	2,704	4.99%	2,839	4.99%
Rugby	2,337	6.79%	2,453	4.99%	2,576	4.99%	2,704	4.99%	2,839	4.99%
Two Unitary Scenario - South Unitary, Band D Council Tax (£, Odp) and % Increase on Previous Year										
	Year 1 2028/29		Year 2 2029/30		Year 3 2030/31		Year 4 2031/32		Year 5 2032/33	
	Band D	%	Band D	%	Band D	%	Band D	%	Band D	%
Stratford	2,308	5.45%	2,423	4.99%	2,544	4.99%	2,671	4.99%	2,804	4.99%
Warwick	2,308	4.51%	2,423	4.99%	2,544	4.99%	2,671	4.99%	2,804	4.99%

10. Inputs

In this section, the source of each input used across the financial case are detailed. Where assumptions have been used, these are covered in the relevant section of the appendix.

Aggregation Analysis Inputs

Information	Relevant analysis	Source
Net Revenue Expenditure (County)	Used to determine proportion of total expenditure on staff, third parties, and property.	2024/25 Revenue Outturn from Warwickshire County Council. RS Line 805 minus fire service expenditure.
Combined district net revenue expenditure	Used as baseline to determine level of spent on staff, third parties and property using County proportions.	Sum of 2024/25 Revenue Outturns net revenue expenditure line by local authority where provided. Otherwise, published 2023/24 Revenue Outturns with CPI Sept 2024 inflation applied (2.6%)
Election turnout for District and Borough elections over last four years	Election turnout and total costs over last four years (where available) used together to create a range of costs per vote.	Local elections handbook and datasets, 2021-2024 (House of Commons Library)
Total District and Borough election costs over last four years		Data provided by District and Boroughs
Number of County Councillors	Democratic savings calculation.	County Council data
Number of District/Borough Councillors	Democratic savings calculation.	Individual District and Borough websites
County base allowance costs	Democratic savings calculation and calculation of base costs for proposed unitary authority councillors.	2024/25 basic allowance, County Council elected member data
County SRA costs	Compared against indicative SRA costs for proposed unitary authorities in the calculation of democratic savings.	Published County member allowances 2023/24 with CPI Sept 2024 inflation applied (2.6%)

District base allowance and SRA costs	Democratic savings calculation.	Elected member data provided by District and Borough councils, adjust to inflation
District Chief Executive salary	Used to calculate District senior management costs as part of senior leadership savings calculation.	Average salary of top three tiers of leadership from establishment data provided by District and Boroughs
District Director salary		
District Assistant Director salary		
County Chief Executive salary	Used to calculate disaggregation costs associated with duplicated senior leadership in two unitary authority scenario.	Midpoint of 2024/25 salary bands from establishment data provided
County Executive Director salary		
County Director salary		
Total sales, fees, and charges	Transformation scenario modelling. Financial sustainability forecast.	Sum of 2024/25 Revenue Outturns sales, fees, and charges line by local authority where provided. Otherwise, published 2023/24 Revenue Outturns with CPI Sept 2024 inflation applied (2.6%)
Total County expenditure on staff	Staff, Third Party, and Property expenditure used to establish a baseline spend as well as a proportion of total spend on each. This was then used to inform assumptions regarding District/Borough expenditure.	County 2024/25 MTFS data
Total County expenditure on Third Parties		
Total County expenditure on Property		

Financial Sustainability Modelling Inputs

Information	Relevant analysis	Source
Budget, spending pressures, and planned savings by council	Core financial sustainability analysis – net revenue requirement calculation.	Medium Term Financial Strategy Returns from each authority, supplemented by each authority's budget setting reports (February 2025)
Expected government grants and business rates for the unitary options, including the impact of the Government's Fair Funding Review and Business Rates Reset	Core financial sustainability analysis – total resourcing calculation.	Independent analysis by Pixel Financial on behalf of the County Councils Network and available to all Warwickshire authorities.
Reserves position	Core financial sustainability analysis.	Estimated reserves on 31 March 2026 as reported by authorities in the 2025/26 RA Form submission to MHCLG.
Population estimates	Allocation of County Council budget in financial sustainability analysis.	Office of National Statistics mid-2024 population estimates
Deprivation	Allocation of County Council budget in financial sustainability analysis.	County of population in lower super output areas (LSOAs) in most deprived 25% of LSOAs in England based on the 2019 Index of Deprivation and mid-2022 population estimates for LSOAs
Waste tonnages	Allocation of County Council budget in financial sustainability analysis.	DEFRA 2023/24 Local Authority Waste Collected Statistics
Pupil numbers	Allocation of County Council budget in financial sustainability analysis.	2025 School Census
Road lengths	Allocation of County Council budget in financial sustainability analysis.	County Council Highways team figures for District/Borough road length (August 2025)

A Case for Two New Councils in Warwickshire

1. Executive Summary

- 1.1 Warwickshire is an administrative county of proud and distinct communities, shaped by different histories, with different economies and populations. It is a county of variety with different priorities and needs from top to bottom. It is not a homogenous place. The North and the South are two very different places.
- 1.2 This proposal is submitted in response to the Government's invitation for Local Government Reorganisation. As part of that process we have assessed reasonable alternatives. The evidence shows that the best way forward is to establish two new unitary authorities that are rooted in identity:
 1. A North Warwickshire Unitary, covering the Boroughs of North Warwickshire, Nuneaton and Bedworth and Rugby
 2. A South Warwickshire Unitary, covering Stratford and Warwick Districts.
- 1.3 This two council model provides organisations that are close enough to residents to reflect their priorities and sense of place. It also provides sufficient scale to be financially sustainable and to deliver efficiencies. The new councils will reflect the realities of the county's two different economies and demographics. They will have the clarity, focus and capacity to deliver improved outcomes for all residents, North and South.
- 1.4 In the North, a council can reduce inequalities, promote regeneration and connect people to growth. In the South, a council can manage good growth, improve housing affordability, reduce rural isolation and support healthy ageing. As the needs of the two areas are distinct, two councils allow focused interventions, rather than a single council trying to fight on all fronts or prioritising some issues and services, while risking leaving some communities behind.
- 1.5 As part of the Government process we have also assessed a single countywide unitary as the County Council wishes to establish a 'continuing' single unitary authority built on the foundations of the current County Council. This is an argument for little change and is a missed opportunity to target resources to where they are most needed. A super-council of more than 600,000 people, which would be the third largest local authority in England, would be too broad and too remote.
- 1.6 Research shows that the largest unitary councils do not outperform their smaller counterparts. The two new councils we propose, serving populations of up to 350,000, better fit into the landscape of local government, being above the current average population size for unitary councils in England. There is also evidence that councils of this size deliver more cost effective social care than bigger councils. There is clear precedent, including across the border in Northamptonshire where two unitary councils replaced the former county and districts.
- 1.7 A fresh start is required. Two new councils represent a transformational beginning. They can create new cultures and ways of working, based on the best of existing practice across the county, providing local government of the right size to meet local needs and to deliver devolution. This Business Case shows how two new unitary councils, connected to our wonderful communities, will unlock potential in the North and in the South, and transform public services for the long term in both places.

A Council for North Warwickshire

- 1.8 The North Warwickshire Unitary Council would bring together the existing Boroughs and Districts of North Warwickshire, Nuneaton and Bedworth and Rugby.
- 1.9 This is an area of proud industrial heritage and dynamic change. Rugby sits at the heart of the national logistics network, with unrivalled motorway and rail connections. Nuneaton and Bedworth are the largest urban centres in Warwickshire, with close economic and commuting links to Coventry and the wider West Midlands. North Warwickshire combines former mining villages and distinctive rural communities with nationally significant logistics hubs at Birch Coppice and Hams Hall.
- 1.10 The North is home to younger, more diverse and more deprived communities than the county average. It includes 21 of Warwickshire's 22 most deprived neighbourhoods, with higher health inequalities and lower average household incomes.
- 1.11 Regeneration of town centres, investment in skills, and improvements in public health are therefore critical priorities, requiring proper focus.
- 1.12 These opportunities and challenges are shared across the three boroughs. A North Warwickshire Unitary would therefore be able to focus squarely on levelling up, regeneration, housing growth, and skills development, and transport which reflects residents' needs.

A Council for South Warwickshire

- 1.13 The South Warwickshire Unitary would bring together the areas currently represented by Stratford and Warwick Districts.
- 1.14 This is an area of rural landscapes, historic towns and villages, and international reputation. It has one of the most prosperous economies in the country, combining high-value services, advanced manufacturing, a burgeoning digital industry, and globally recognised tourism and culture.
- 1.15 This prosperity is balanced by distinctive challenges. Stratford and Warwick Districts cover almost half of Warwickshire's land area and are fully parished, with over one hundred civil parish councils (made up of town councils, parish councils and parish meetings) and dispersed communities. Connectivity and access to services, particularly in rural areas, are major issues, as is affordable housing for younger people. Infrastructure improvements such as the potential reinstatement of the Stratford to Honeybourne rail link will be key to future sustainable growth especially as the two Districts are anticipating very significant housing and employment growth.
- 1.16 Stratford and Warwick have already demonstrated the benefits of collaboration through a shared waste collection service, a shared Local Plan, a joint economic strategy, a joint community safety partnership, shared legal and information governance teams, and a globally renowned destination management organisation, Shakespeare's England.
- 1.17 A South Warwickshire Unitary would provide the scale to build on this record, combining prosperity with a strong commitment to its town and rural communities.

Service Transformation

- 1.18 Local government reorganisation is an opportunity to reshape the way councils serve their communities rather than merely repackaging existing services.
- 1.19 The two unitary model can transform services for a generation by focusing on place, simplifying structures and reducing duplication. Specifically, the two unitary model will:
 1. Create more effective service models that are rooted in place and an understanding of local communities and their needs and priorities, with more tailored solutions.
 2. Take a strengths-based, early intervention and prevention approach, bolstering the voluntary sector and creating stronger community engagement.
 3. Bring County and Borough and District responsibilities together and redesign services around residents and service users, making them easier to access and more efficient.
- 1.20 In particular, the two new unitaries could transform social care services, by pursuing a service model of strategic commissioning, early intervention and prevention, building community infrastructure, and being responsive to place. Evidence collated by the consultancy Peopletoo shows that medium sized unitary councils spend less per head on social care than bigger councils. The most effective size of population served by an authority is in the range 250,000 to 350,000.
- 1.21 Adult Social Care would benefit from integration with housing, leisure and public health, and also focus on the different priorities in each place. Priorities in the North include tackling health inequalities and increasing healthy life expectancy. Priorities in the South include supporting independence for a growing older population in rural areas. Two different councils are needed to tackle these different priorities.
- 1.22 Children's Services would also be strengthened by building trusting relationships with families at risk at an early stage and making decisions closer to families, relying on local staff and building community relationships. This approach will lead to better outcomes for children, as they have a greater likelihood of staying at home with their families with greater levels of tailored support.
- 1.23 Housing and planning would be integrated with highways and infrastructure. The two councils would be able to prepare fewer Local Plans, increase capacity in planning teams, and boost the economic and housing growth agenda. Both councils would have a Housing Revenue Account and could support the Government's house building mission and secure more affordable homes for residents and communities.
- 1.24 This approach would build on existing high performing Borough and District Council services, which have been successful because they are built at the local level around communities. This core strength means that decisions can be made closer to the residents and communities to which they relate, therefore ensuring greater local knowledge and likely more effective solutions. Two unitaries can achieve this better than one because of the scale at which they can operate and the culture of localism that they can create. They can also integrate more quickly than a single county unitary, as they can build on existing collaboration and partnership activity, while also representing a fresh start culturally.
- 1.25 Moreover, the risks of disaggregation of County Council services can be minimised using a flexible approach. For example, we propose that Safeguarding services would be retained at the county level through a Joint Safeguarding Board. Where some additional

cost is required for senior posts or new IT systems, any costs are outweighed by the significant potential benefits.

Financial Efficiency and Sustainability

- 1.26 Our service transformation approach will provide better value for money and address the financial challenges facing local government. Warwickshire is in a reasonable financial position as a county by the standards of local government nationally. All six councils currently have a stable financial position and outlook. While there is debt, this has been borrowed for capital and infrastructure developments.
- 1.27 When the financial positions of the councils are combined, based on dividing the County Council's financial position on a per capita basis, both North and South unitary councils are sustainable. The North, with higher levels of deprivation, would be more reliant on government grant and business rates, while the South would lean more heavily on its stronger council tax base, but face greater demographic costs from ageing. The financial position in the North is expected to be strengthened by the outcome of the government's Fair Funding Review. The costs of local government reorganisation are complex to make detailed assumptions around, given the process can take a long time and involve negotiation to ensure that both councils are sustainable, with resources meeting demand, and no council loses out.
- 1.28 Reorganisation is an opportunity to address the financial pressures in services. Demand for Adult Social Care is rising steeply as the population ages. Children's Services face sustained pressures from safeguarding, looked-after children, and rising complexity of need. Inflation and rising contract costs add further challenges. Costs arising from the SEND High Needs Block are a national issue.
- 1.29 This Business Case proposes a service transformation approach that will allow the two unitary model to manage demand in services such as Adult Social Care, Children's Services and SEND, therefore tackling the most significant financial risks facing the county.
- 1.30 An approach to financial analysis was undertaken of the costs and benefits of the single unitary and two unitary models. Headline estimated calculations, based on the information available, indicate that either a single unitary or two unitary model will deliver net savings due to greater economies of scale and lower costs.

Net Savings	27/28	28/29	29/30
Single Unitary	-	£32.7m	£56.8m
Two Unitary	-	£29.1m	£54.8m

- 1.31 While the single unitary may generate marginally more savings in the process of reorganisation itself, the opportunity for service transformation in the two unitary model offers the potential for much greater long-term financial benefit. Independent analysis by Peopletoo, with detailed modelling of demand and costs in social care, indicate an additional potential saving of £30m over five years in the best case scenario for two unitaries compared with a single unitary. This is on top of the £54.8m saving to be delivered by 2029/30. This is consistent with evidence that councils with a population size of 250,000 to 350,000 can meet more costs more effectively than larger councils.

An additional saving of this magnitude would mean that the two unitary model would be substantially more financially efficient in the long term than the single county unitary. It substantially supports the financial sustainability of two unitary councils moving forwards together.

Strong Local Governance

- 1.32 Local identity matters. Residents want councils that reflect the places they live and understand their priorities. An independent survey of residents found that around three quarters (73%) of individuals agree with the proposal for two unitary councils in Warwickshire.
- 1.33 North and South Warwickshire are established geographies. Public services already reflect this split. The NHS has three place-based partnerships for Warwickshire North, Rugby and South Warwickshire. Warwickshire Police structures three Local Policing Areas: North Warwickshire, Rugby and South Warwickshire. Further education, community safety and economic development partnerships also mirror this geography.
- 1.34 Two councils would provide governance that matches these realities. They would be closer to residents, with councillors rooted in their communities. They will deliver a better ratio of residents to representatives over the single unitary model, and therefore enhance democracy.
- 1.35 In addition, strong arrangements for area governance will ensure that decisions remain close to communities. Each new council will establish clear structures to give towns, parishes (where they exist) and rural areas a voice in shaping priorities and services. Alongside this, new Area Committees will be established to give communities real say in the decisions that most affect them.
- 1.36 These arrangements will preserve local identity, safeguard civic traditions, and strengthen pride of place. They will provide a framework in which strategic services are planned at unitary scale, with each council large enough to exercise strategic leadership and influence regional policy, but also make decisions about neighbourhoods and towns locally, ensuring that the new councils remain responsive to the communities they serve.

Partnership and Collaboration

- 1.37 Although distinct, the two new councils will work together where it makes sense.
- Transport and infrastructure planning, shared promotion of the wider Warwickshire economy, and collaboration on emergency planning will remain priorities.
- 1.38 The councils will also be active partners in regional and sub-regional engagement, working with neighbouring councils and strategic authorities, including the West Midlands Combined Authority, to deliver growth and investment.

Priority Outcomes

- 1.39 In conclusion, the two new councils will be designed to deliver clear improvements for residents, businesses and communities. These include:
1. Driving inclusive economic growth and creating better jobs.
 2. Improving healthy life expectancy, especially in the north.
 3. Increasing housing supply and affordability, with better infrastructure.
 4. Transforming social care and SEND services, providing better outcomes at lower cost.

5. Raising educational attainment and adult skills.
6. Enhancing transport and digital connectivity.
7. Accelerating action on climate change.
8. Delivering simpler, more accessible and better services.
9. Building greater pride of place, with stronger town centres and high streets.

Options Appraisal

1.40 We have tested our preferred approach through a formal options appraisal comparing the two choices for Warwickshire: a single county unitary and a two unitary model. Both of the options have been scored either 1 or 2 against the six criteria set out by the Government, with 2 indicating the best option. The scores for each option have then been added together with the highest score being selected as the preferred option. This process has been undertaken by assessing the relative merits of the evidence as well as the theoretical benefits and disbenefits of each option against each criteria.

Criteria	Option 1: Single Unitary	Option 2: Two Unitary
1. Establishment of a single tier of local government	1	2
2. Right size to achieve efficiencies, and withstand financial shocks	2	1
3. Public service delivery	1	2
4. Councils working together and local place identity	1	2
5. Support devolution arrangements	1	2
6. Stronger community engagement	1	2
Overall Score	2nd Place Score: 7	1st Place Score: 11

1.41 There is therefore a strong conclusion from this appraisal that the two-unitary model is best for Warwickshire against the Government's six criteria. The body of this Business Case contains the evidence and rationale for each of the scores against the six criteria. The table below provides a summary of the findings:

Government Criteria	Key strengths of the North Warwickshire and South Warwickshire model, with disadvantages of the single county unitary model
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1. Establishment of a single tier of local government. Including sensible economic areas and geographies.	✓ Focus on Place: The North and South of the county have extremely different populations, economies and challenges. The two new councils can set their own priorities to address these challenges. ✓ Focus on housing and economic growth: the two unitary model can integrate housing, planning and highways policy at a sensible and meaningful geographic level, focusing on local priorities, ensuring joined up solutions, and creating growth. ✓ Sensible geographies: all of the data suggests a North / South split with two distinct places with their own identities. This is recognised by the public, with 73% of individuals agreeing with the proposal for two unitary councils in Warwickshire. × Single county unitary creates a footprint that is too big and has less chance of creating economic growth due to its lack of focus on place. For one local authority to develop individualised plans to address the variety of needs across the county would be very difficult. It should be noted that the proposed populations of the two new North and South councils would be under the Government's identified target number of 500,000. However, the Government has clarified that this is guidance, not a mandatory target. Indeed, the proposed two unitaries would cover a significant population size and compare favourably to other unitary councils that currently exist in England: the population of both proposed councils is currently greater than the average population of all existing unitary councils, which stands at 287,808. However, if a single county unitary is created, it would be the third biggest in England. This indicates that a single county unitary would be an outlier in the current unitary council landscape, not the proposed two unitaries for North and South. Finally, bigger is not always better, as the District Councils Network has recently shown: the biggest unitary councils do not outperform their smaller counterparts. There is little or no evidence to support a preference for large unitary councils and no evidence to support the 500,000 population level.
2. Right size to achieve efficiencies, and withstand financial shocks	✓ Financially efficient: The two unitary model delivers £55m of net savings by 2029/30, with the potential for significantly more savings as additional social care transformation is delivered. ✓ Tackling financial problems: The two unitary model will more effectively tackle the single biggest financial problem facing the county, increasing demand for social care and SEND services and rising costs in these areas. ✓ Financial resilience: The existing authorities are in solid financial positions and the division of the County Council position could be negotiated to ensure that assets, revenue and reserves follow the demand.

	✓ Council tax: Both new councils will be able to set appropriate levels of council tax for their residents, and big increases should be avoided, as the South will not have to raise rates to the same levels as the North. The single county unitary would achieve a greater level of net savings, and so has been ranked higher than the two unitary model, but the gap is not significant. In the long-term, additional savings arising from social care transformation, as per the Peopletoo work, will mean the two unitary model is more financially effective.
3. Public service delivery	✓ Place focused and locally responsive: The model enables services to be shaped around real community needs and priorities, with more tailored solutions. ✓ Community focus: The two unitaries will develop a new relationship between communities, citizens and the state, by taking a strengths-based, early intervention and prevention approach, bolstering the voluntary sector and creating stronger community engagement. ✓ Integrated and effective: The new councils will bring County and Borough and District responsibilities together and redesign services around the customer, making them easier to access and more efficient. ✓ Minimise risk of disaggregation: By taking a flexible approach, such as creating a Joint Board for Safeguarding in the transition period, risk can be reduced. The model also aggregates up existing effective Borough and District services, building on strengths while preserving local service models. ✓ Minimise risk of aggregation: As organisations get too big, diseconomies of scale can develop, and a two unitary model avoids this. × Too big: A single county unitary's organisational structures and processes could become too complicated and cumbersome. A bigger organisation may find, for example, it more difficult to bring about transformational change by building new sets of relationships with residents and the community and voluntary sector.
4. Councils working together and local place identity and local views	✓ Popular with the public: around three quarters (73%) of individuals agree with the proposal for two unitary councils in Warwickshire, based on the engagement activity undertaken. ✓ Based on Effective Local Collaboration: The two unitary model is better positioned to build upon existing successful partnerships and collaborative initiatives, such as the South Warwickshire Local Plan or joint waste contracts. This would

	reduce the burden for the significant transformation programme required to mobilise the new authorities, in that the two new councils can build on good practice. ✓ Reflects real communities and place identity: A two unitary model would better reflect the county's distinct local identities and variations in community needs. Local government structures should align with how people live their daily lives, including where they live, work, and access services. Evidence such as Travel to Work data confirms the North-South split. × Not the preferred option of the public. × Does not reflect local place identity in North and South. Instead, a single county unitary has to make trade-offs with its budget and decide whether resources go to the North or the South, instead of the North and South making their own decisions with their own resources.
5. Support devolution arrangements	✓ Flexibility: The preference is for the two authorities to join the West Midlands Combined Authority. However, there is currently no clear solution for devolution in Warwickshire and it is essential therefore that as many options remain open as possible. The two unitary model provides more options, as the two individual authorities could look North and South for partners, or a single Strategic Authority could be created for Warwickshire. This would ensure the councils could join a Strategic Authority that reflected the economic geography of the area. ✓ Implementation Readiness: The two unitary model can be implemented at pace, and therefore be ready to deliver devolution. ✓ Enhanced Local Voice: A two-unitary structure provides a stronger platform for local voices to be heard within devolution arrangements, ensuring that strategies are grounded in local realities. × The single county unitary can only look to WMCA for a devolution solution, which is not currently supported by the WMCA. × A single countywide council would be one of the largest authorities within the West Midlands Combined Authority. This raises questions about balance and proportionality within the combined authority. × There is a risk that, under a single countywide model, some communities would relate less clearly to the strategic authority geography than they do to their local economic areas.

6. Stronger community engagement	✓ Brings decision-making and services closer to people: Two unitary authorities would operate closer to the communities they serve, with a greater number of councillors for each elector. This proximity facilitates a greater understanding of local issues, provides more accessible channels for citizen engagement, and fosters a heightened sense of accountability. Residents or communities will not get left behind, and councillors can focus on the satisfaction of the resident whom the authority is here to serve, but also the role that the wider community plays in effective, efficient services, especially around prevention and early intervention. ✓ Stronger Community Engagement and Neighbourhood Empowerment: Builds on the strengths of the Boroughs and Districts in working with local people, supporting the role of existing local forums, and creating a new approach for Area Governance, ensuring that community input is genuinely integrated into local governance. × There may be a loss of local influence and democratic accountability within one large local authority. A single county unitary will have fewer members for each elector, therefore reducing engagement, and risks losing touch with residents and communities.
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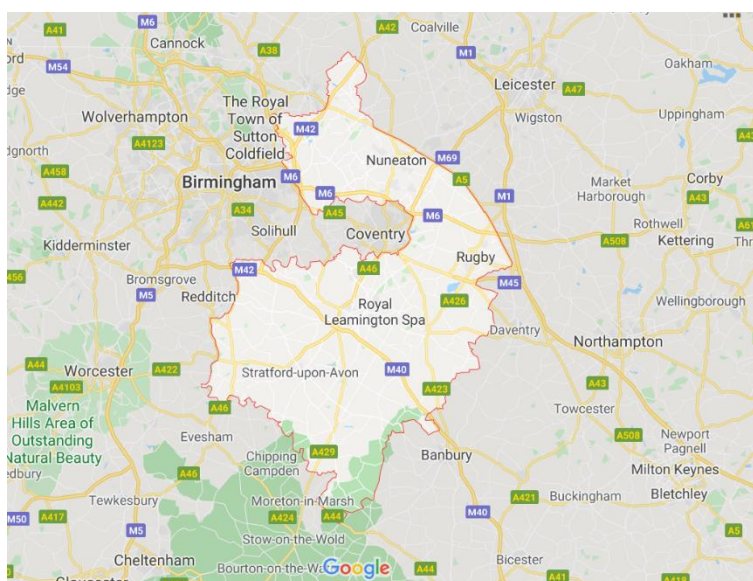
Conclusion

- 1.42 Local government reorganisation represents the most significant change that the councils and residents of Warwickshire have seen in decades. The work to shape and embed new unitary councils cannot be underestimated.
- 1.43 In this context, the two unitary model allows existing arrangements and shared priorities across North and South Warwickshire, which are established, evidenced and well understood, to continue to be progressed during the implementation process. A single unitary would need to juggle these distinct and competing priorities.
- 1.44 The creation of a North Warwickshire Unitary and a South Warwickshire Unitary is a practical plan for local government reorganisation. It reflects the real geography, economy and identity of Warwickshire. It will deliver simpler, stronger and more efficient local government while keeping councils close to the people they serve.
- 1.45 Two councils will enable service transformation, harness digital opportunities, reduce duplication and release savings. They will be able to join up strategic planning on the things that matter such as planning, affordable housing and infrastructure, or housing and social care.
- 1.46 Two new councils will be able to strengthen local leadership and accountability and allow each new council to focus on the priorities of its communities, keeping services close to residents.
- 1.47 This is the right model for Warwickshire. Two new councils, rooted in the strengths and challenges of the North and the South, will deliver better services, stronger governance and a sustainable future for local government for local communities.

2. Introduction

- 2.1 In December 2024, the Ministry of Housing, Communities and Local Government's White Paper set out the Government's ambitions around local government reorganisation. The Government is seeking to establish Unitary Councils in existing two-tier areas. The Government has invited final proposals from councils for future unitary councils in their areas by the end of November 2025.
- 2.2 This Business Case document represents the formal proposal to Government from Nuneaton and Bedworth Borough Council, North Warwickshire Borough Council, Stratford District Council, and Warwick District Council.
- 2.3 It undertakes an appraisal of two key options for the future of local government in Warwickshire and makes the case for a preferred option.
- 2.4 There are two proposed options for the future of local government in Warwickshire:
 1. A single county unitary council covering the whole of Warwickshire, as shown in the map below:

Option 1 – Single County Unitary

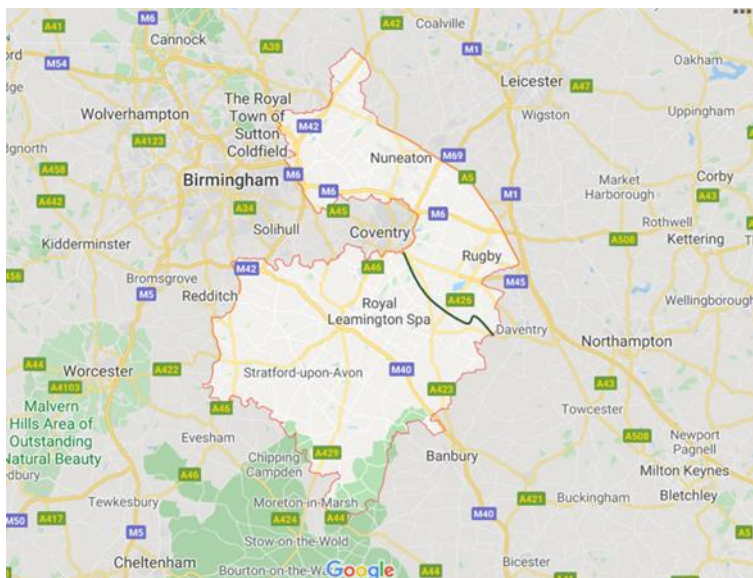


2. Two unitary councils, as shown in the map below, based on the following existing Borough and District boundaries:

Unitary 1: Based on the boundaries of North Warwickshire, Nuneaton and Bedworth, and Rugby

Unitary 2: Based on the boundaries of Warwick and Stratford-on-Avon

Option 2 – Two Unitaries



The Criteria

2.5 These two options have been assessed against the following criteria, as set by the Government in the letter dated 5th February 2025:

1. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.
2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.
3. Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.
4. 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.
5. New unitary structures must support devolution arrangements.
6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

The body of this report contains the evidence and rationale for each of these rankings against the criteria. There is then a final concluding section on how the two unitary model would be implemented, if successful.

3. Criteria 1: Unitary Local Government Must be the Right Size to Achieve Efficiencies, Improve Capacity and Withstand Financial Shocks

Summary

3.1 The key advantages of the two unitary model are as follows:

- ✓ **Focus on Place:** The North and South of the county have extremely different populations, economies and challenges. The two new councils can set their own priorities to address these challenges.
- ✓ **Focus on housing and economic growth:** the two unitary model can integrate housing, planning and highways policy at a sensible geographic level, focusing on local priorities, ensuring joined up solutions, and creating growth.
- ✓ **Sensible geographies:** all of the data suggests a North / South split with two distinct places with their own identities.

The primary disadvantages of the single county unitary model are as follows:

- × Single county unitary creates a footprint that is **too big** and has less chance of creating economic growth due to its **lack of focus on place**.
- × For one local authority to develop individualised plans to address the variety of needs across the county would be very difficult.

Therefore, the two unitary model has been ranked as best against this criterion.

3.2 The proposed populations of the two councils would be below the Government's indicative figure of 500,000. The Government has clarified that this is guidance, not a mandatory target. Both proposed councils would serve significant populations and compare favourably with existing unitary authorities. Each would be larger than the current average population for unitary councils, which stands at 287,808. By contrast, a single county unitary would have a population exceeded by only three councils, making it an outlier in the current unitary landscape rather than the proposed two councils for the north and the south. By 2048, both proposed councils are projected to exceed 350,000.

3.3 Moreover, there is a wealth of demographic and economic evidence that illustrates the key driver of the two unitary proposal, that Warwickshire is made up of two clear places, with different populations and economies. The best way to deliver housing and economic growth and tackle inequalities is for each of these places to have their own council to focus on their own priorities.

3.4 This section now considers the evidence underpinning this criterion.

Demography

3.5 The table below shows population size and tax base projections for the current five Borough and District Councils.

Table 1: Population and tax base for the current structure. ^{1,2,3}

Local Authority	Population				Tax Base			
	2021	2024	2032 ⁵	2047 ⁶	2021	2024	2032	2047
North Warwickshire	65,000	66,166	71,349	77,515	21,577	21,869	23,681	27,493
Nuneaton and Bedworth	134,200	137,794	144,798	156,923	39,187	40,085	43,406	50,393
Rugby	114,400	118,781	130,712	146,704	39,307	40,975	44,370	51,512
Stratford on Avon	134,700	141,929	162,678	188,308	58,229	61,704	66,817	77,572
Warwick	148,500	153,153	165,009	179,208	56,343	58,280	63,109	73,267

It must be noted that 2032 and 2047 tax base predictions are based on 1% year-on-year increases.

The following table illustrates the demographics of a potential single county unitary.

Table 2: Population and tax base for proposed single unitary model.

Local Authority	Population				Tax Base			
	2021	2024	2032	2047	2021	2024	2032	2047
Single County Unitary	596,800	617,823	674,546	748,658	214,643	222,913	241,383	280,237

The following table outlines the structure of a two-unitary model, in which two distinct unitary authorities would be established.

Table 3: Population and tax base for proposed two-unitary model.^{4 5}

Local Authority	Population				Tax Base			
	2021	2024	2032	2047	2021	2024	2032	2047
North	313,600	322,741	346,859	381,142	100,071	102,929	111,457	129,398
South	283,200	295,082	327,687	367,516	114,572	119,984	129,926	150,839

3.6 A single unitary model does meet the Government's 500,000 population minimum size criteria, whereas the two unitary model does not. However, the Government has clarified that this is guidance, not a mandatory target. Both proposed councils would reach a substantial population level of 350,000 by 2047, and would be close to this in 2032. There is a precedent for this: Northamptonshire was split into two unitary councils in 2020/2021, despite the 500,000 population threshold not being met for either council. It should also be noted that the population of both proposed councils is currently greater than the average population of all existing unitary councils, which stands at 287,808. Of the 132 existing unitary councils, only 53 have a population greater than the proposed South Warwickshire Council. However, if a single county unitary is created, it would be the third largest unitary council in England. This indicates that a single county unitary would be an outlier in the current unitary council landscape, not the proposed two unitaries for North and South.

¹ [Estimates of the population for England and Wales - Office for National Statistics](#)

² [Council Taxbase 2021 in England - GOV.UK](#)

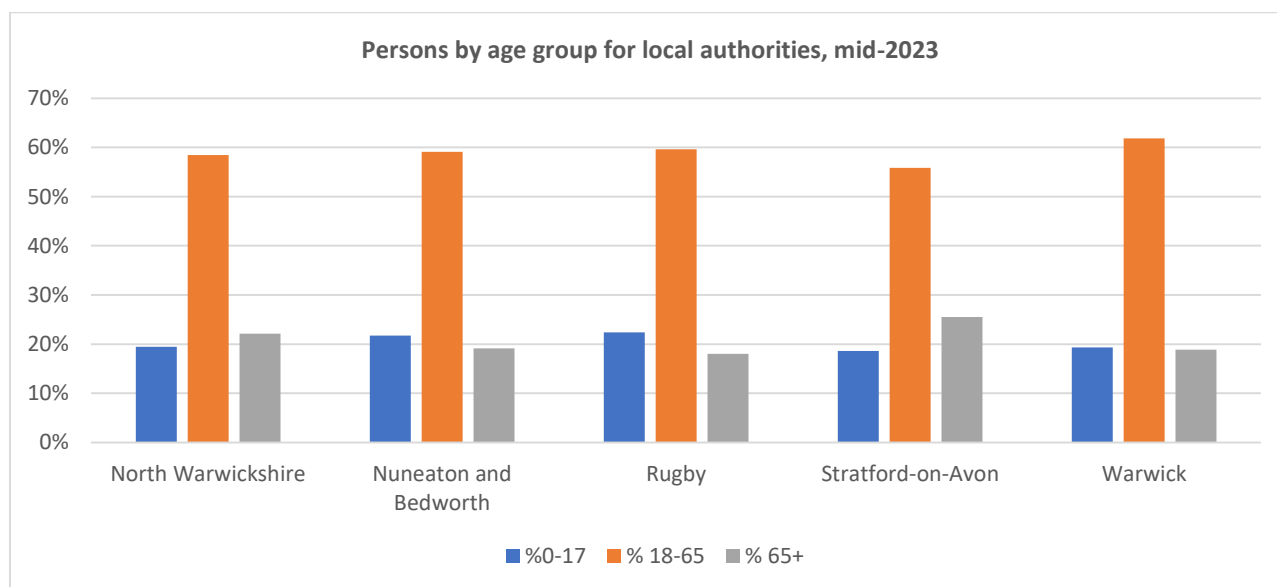
³ [Population and household estimates, England and Wales: Census 2021 - Office for National Statistics](#)

⁴ [Local Statistics for Warwickshire \(E10000020\) - Office for National Statistics](#)

⁵ Council Taxbase: Local Authority Level Data for 2024 – Published by the Ministry of Housing, Communities and Local Government on 13/11/24 and revised on 13/12/14.

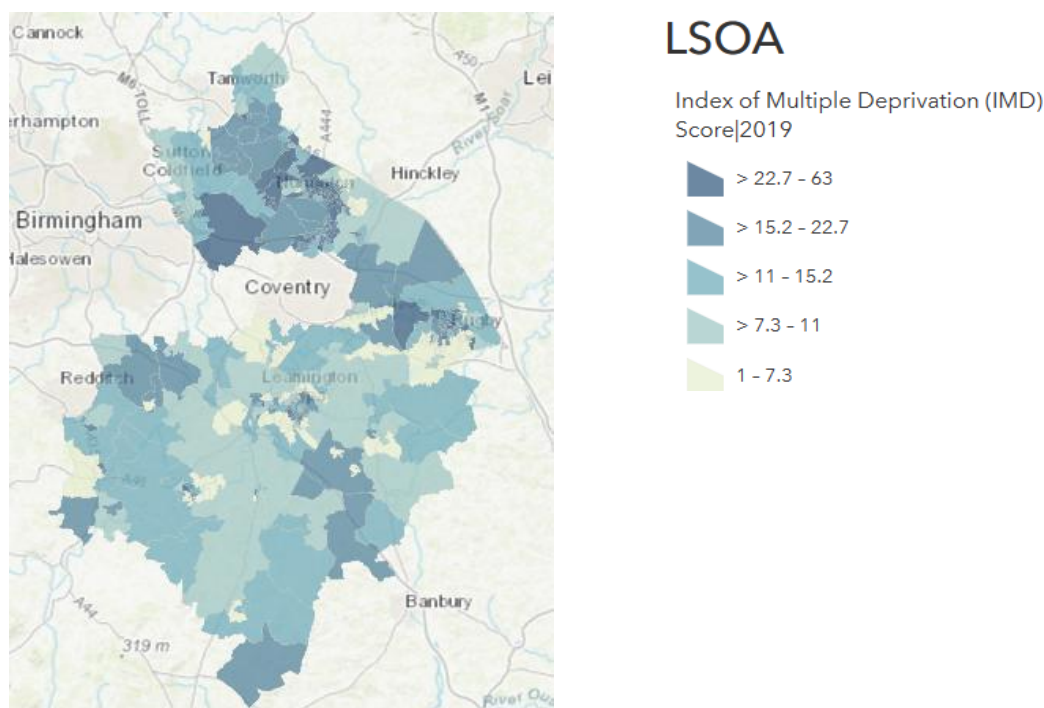
3.7 Moreover, a more detailed review of demographic information indicates the significant disparity between the North and the South. These are two different populations with different characteristics. This variety is at the core of this Business Case's argument for a two unitary model. As a starting point, the graph below shows that Stratford-On-Avon has a pronounced 65+ population, which is quite different to the Boroughs of the North. This creates specific pressures and needs, which must be addressed in any future model.

Chart 4: Population by age group for each local authority.⁶



⁶ [Estimates of the population for England and Wales - Office for National Statistics](#)

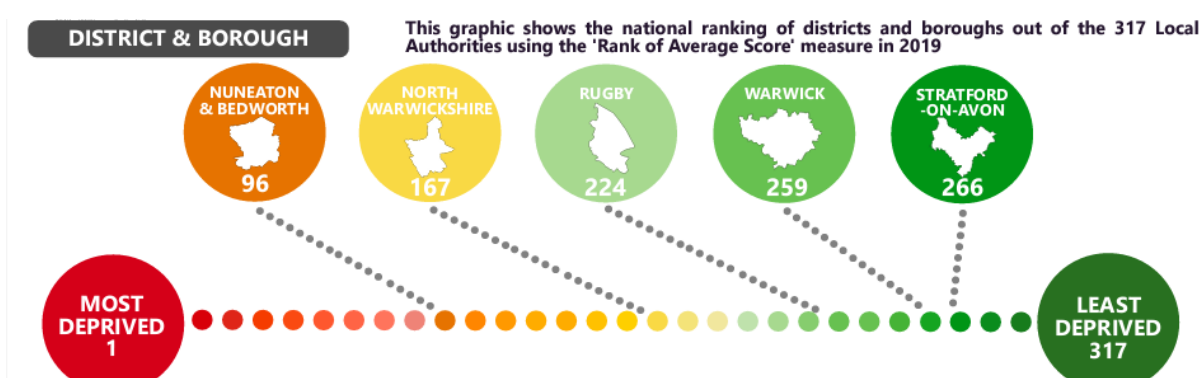
Chart 5: Warwickshire IMD scores, 2019



3.8 The above chart, where darker colours signify greater deprivation, clearly demonstrate the differences between the North and the South. The North is much more deprived than the South. The South is relatively affluent and less deprived by comparison.

3.9 This is further shown in the chart below:

Chart 6: Warwickshire IMD ranking of Boroughs and Districts, 2019



3.10 This clear picture is emphasised again in population health data. There are extremely different health needs in the North and South of the county. There is greater health inequality and deprivation in the North, while there is a more affluent but aging population in the South.

3.11 The Public Health Annual report reveals stark differences across the region in terms of health indicators. Notably, Nuneaton and Bedworth has significantly worse population health compared to other areas, as demonstrated by life expectancy, preventable deaths and reports of two or more long term conditions, highlighting the presence of health inequalities within the region.

3.12 Overall, the data shows a range of local issues that can be better tackled by local services focusing on prevention. For example, the districts of North Warwickshire and Nuneaton and Bedworth have greater issues with obesity than the national average, whereas this is less of an issue in the other districts.

Table 7: Obesity prevalence by district (white cells are worse than the national average, grey filled cells are better than the national average (England)) ⁷

District	Adult Obesity Prevalence	Obesity Prevalence in Children at Year 6 Age	Obesity Prevalence in Children at Reception Age
North Warwickshire	35.8%	24.2%	10.8%
Nuneaton and Bedworth	26.6%	24.1%	11.1%
Rugby	31.9%	20.3%	8.0%
Stratford on Avon	22.8%	17.3%	6.3%
Warwick	20.1%	13.8%	6.3%
National Average	26.8%	21.0%	9.4%

3.13 Health issues will be influenced by lifestyle factors, particularly weight and smoking habits. Three out of five districts in Warwickshire have a higher percentage of smokers than the national average, these three areas also have a higher level of preventable cardiovascular mortality. This suggests that lifestyle interventions targeting diet and exercise are crucial in mitigating the onset and progression of chronic conditions like diabetes, heart disease, and certain types of cancer.

Table 8: Health indicators by district (white cells are worse than the national average grey filled cells are better than the national average (England)) ⁸

District	Cigarette Smokers	Cancer Diagnosis at Stage 1 and 2 (as a percentage of known cases)	Preventable Cardiovascular Mortality (per 100,000)
North Warwickshire	17.9%	56.3%	38.1
Nuneaton and Bedworth	12.8%	50.6%	32.4
Rugby	12.0%	59.5%	29.3
Stratford-on-Avon	10.4%	53.4%	20.5
Warwick	6.0%	53.7%	27.8
National Average	11.4%	54.4%	28.6

3.14 These lifestyle issues are significant in the North of the County. By contrast, the South has different issues. The aging demographic shown earlier presents significant challenges, including increased demand for complex healthcare services, higher rates of social isolation and loneliness, and a growing need for adult social care support. These factors require a proactive approach to ensure the well-being and independence of older residents and manage the demand of social care services. The demographic data therefore clearly shows the different needs and issues facing these two very different places within Warwickshire.

⁷ [ONS - Local Indicators](#)

⁸ [ONS - Local Indicators](#)

- 3.15 This points to the need for a two-council model. It is right that the issues of the residents of the North get focus and attention to improve outcomes. It is also right that the ageing population in the South receives attention for their distinct needs. There should be no trade-offs or prioritisation or subsidies between the two populations and having two separate councils can ensure this.

Economy

- 3.16 Looking at each of the current District and Borough areas, it is clear that the North and South of the county have diverse economic needs and opportunities.
- 3.17 The North economy is shaped by its history. The market towns of northern and eastern Warwickshire which were industrialised in the 19th Century, include Atherstone, Bedworth, Coleshill, Nuneaton, and Rugby. Past major industries included coal mining, textiles, engineering and cement production but heavy industry is in decline and is being gradually replaced by distribution centres and other light-to-medium industry and services. The MIRA Technology Park on the A5 corridor provides a nationally recognised hub for innovation in automotive engineering.
- 3.18 Conversely, in the South, Warwick and Leamington Spa are centres for professional services and digital industries. The "Silicon Spa" cluster employs thousands of people across more than 30 video games studios, making it one of the UK's most important creative hubs. Stratford-upon-Avon attracts over six million visitors each year, generating hundreds of millions of pounds for the local economy. It is home to the Royal Shakespeare Company, the Shakespeare Birthplace Trust, and a global cultural brand. South Warwickshire also hosts world-leading engineering and R&D. Jaguar Land Rover's engineering centre and Aston Martin's headquarters are based at Gaydon. The University of Warwick's Wellesbourne Innovation Campus brings together academia, business and applied research. NFU Mutual and other major employers strengthen the financial and professional services sector.

A comparison of North and South

- 3.19 The distinction between North and South Warwickshire is significant with the North seen as a place for younger people, from less skilled backgrounds, stemming from more deprived communities, lower income households, with higher health issues. There is still, to an extent, reliance for work within the traditional sectors of industrialised manufacturing, logistics and retail. The logistics of North Warwickshire with excellent connectivity from the motorway and rail networks allow for these sectors to be serviced through people willing to travel to work. Whilst the more traditional industries are in decline, North Warwickshire is building its Economic Development reputation on a good central location for logistics and distributive companies.
- 3.20 South Warwickshire contrarily has an older, skilled, dispersed, and ageing population. The area is seen as having strong educational links to good universities and schools, which will continue to feed skilled workers into local companies providing high quality jobs. Further, the area has a well-established parish network and greater community cohesion and therefore the potential for greater business cohesion and engagement, strengthened by the fact that South Warwickshire operates amongst less deprived communities with social issues that are not as acute. However, due to the high tourism element of South Warwickshire's business offering, the main issue is the low wages in the hospitality sector and comparatively the South has poor public transport connectivity.

A summary of the economy of each Borough is now provided.

North Warwickshire

3.21 North Warwickshire, a predominantly rural area, bears the legacy of its historical dominance by the mining industry, even after the closure of its last coal mine in 2013. This industrial heritage continues to shape the community's identity. While mining may no longer define its economy, North Warwickshire has adapted, with key sectors driving its present-day economic landscape. In 2020, wholesale and retail, transportation and storage, the manufacture of metals, electrical products, and machinery, along with warehousing and transport, emerged as the dominant economic forces. This shift is evident in the emergence of a major logistics hub, characterized by large distribution centres and warehouses serving as key nodes in the UK's supply chain network. Additionally, North Warwickshire benefits from its integration into the Midlands automotive cluster, further contributing to the region's manufacturing strength.

3.22 While the area currently has a modest visitor economy, with Warwick and Stratford-upon-Avon often overshadowing local destinations, and limited shopping opportunities leading many residents to seek retail options outside the borough, North Warwickshire anticipates that the rise of remote work and online shopping will reshape these dynamics in the future⁹.

Nuneaton and Bedworth

3.23 Despite being the smallest Borough in Warwickshire by area, Nuneaton and Bedworth holds the third-largest population, reflecting its predominantly urban character. Nuneaton is the largest town in Warwickshire. Historically reliant on industries like coal mining and heavy engineering, today, the dominant employment sectors encompass wholesale, retail, and trade; health and social work; and transportation, storage, and communication. These industries are housed within a network of industrial estates, accommodating a mix of small and medium-sized enterprises alongside headquarters of national and global companies. However, a significant portion of Nuneaton and Bedworth residents commute outside of the region to areas, such as Coventry and Leicestershire, for employment, highlighting a continued reliance on manufacturing and a need for greater diversification of employment opportunities within the borough (10).

Rugby

3.24 The Borough of Rugby revolves around its namesake town, which houses approximately two-thirds of the district's population, with the remainder residing in the surrounding rural areas. Rugby's location means it is well connected to all parts of the UK. The West Coast Mainline connects Rugby to Central London within an hour and Birmingham within half an hour. Rugby also sits within the inner, 'Golden Triangle', on the strategic road network (M6/M1/M69/A5/A14) which is considered the prime location for logistics and warehousing as it provides access to 90 per cent of the UK population within 4 hours. Immediately adjacent to Rugby's southwestern boundary is DIRFT (Daventry International Rail Freight Terminal) which provides rail goods links to the deep seaports.

3.25 The primary employment sectors are concentrated in wholesale, retail, and trade; motor vehicle repair; and transportation and storage. These industries are largely situated within retail parks predominantly located north of Rugby town centre, complementing the diverse range of retail businesses within the town itself. The largest business sectors in Rugby are logistics (14.7%) and manufacturing (12.9%) with particular strengths in aerospace and

⁹ [North Warwickshire - Economic Development Strategy and Action Plan](#)

¹⁰ [Nuneaton and Bedworth - Borough Plan](#)

automotive. The Borough's businesses base in terms of size is focused on the small (10-49 employees) and micro business (0-9 employees).

3.26 The Borough also houses significant employers including Jaguar Land Rover's Specialist Vehicle Operations division at Ryton, which produces around 10,000 specialist and high-performance vehicles each year. The technology centre at Ansty Park is also home major employers such as Meggitt, the London Electric Vehicle Company (which makes the iconic London Taxi), AVL, and the Advanced Manufacturing Technology Centre, making Rugby a hub for advanced manufacturing and manufacturing technologies. Rugby has a track record of being an innovative and entrepreneurial area and currently has a higher than UK average start up rate by small businesses.

Stratford-On-Avon

3.27 The largely rural district of Stratford-on-Avon is characterised by a dispersed population, with its largest settlement, Stratford-upon-Avon, accounting for less than 25% of the district's residents (11). The remaining population is distributed among smaller market towns and rural areas, contributing to the district's distinct character. Stratford on Avon is the largest district in Warwickshire covering an area of 978 km², almost half the entire geography of Warwickshire. The Gross Domestic Product (GDP) in Stratford-on-Avon was worth an estimated £5.3 billion in 2021, according to figures published by the ONS. Stratford-on-Avon's GDP growth between 2020 and 2021 was 7.4% per year.

3.28 Tourism plays an important role in Stratford-upon-Avon's economy, attracting over 6 million visitors in 2023, it is estimated that total tourism spend is in the region of £450m pa. Beyond tourism, the district's economy is bolstered by strategically located business parks that house manufacturing and distribution facilities. The Manufacturing industry is the largest in Stratford-on-Avon based on the number of jobs, accounting for 17.6% of roles in the area. The Council is home to prestigious employers such as Jaguar Land Rover's research and development facilities, Aston Martin's Headquarters and main assembly plant along with professional services such as NFU Mutual.

Warwick

3.29 Warwick's economy ranks among the most prosperous in England, boasting a Gross Domestic Product (GDP) of £7.4 billion in 2021, with an impressive 10.6% annual growth rate between 2020 and 2021. The area exhibits a high value and high potential, with a strong entrepreneurial spirit and a diverse range of businesses. The Wholesale and retail trade; repair of motor vehicles and motorcycles industry is the largest employer, accounting for 13.8% of jobs. In fact, Warwick boasts a job density of 1.03, meaning there are more jobs than working-age residents. While the unemployment rate stands at 5.8%, the area faces challenges, including a reliance on low-paying jobs in retail, hospitality, and tourism, as well as limited access to superfast broadband and good mobile coverage in some rural areas. However, Warwick possesses a highly skilled workforce and a strong business survival rate, presenting opportunities for growth in emerging sectors like low-carbon technology and the digital creative industry. The automotive and future mobility sector also plays a significant role, along with a thriving tourism sector.

Economic Sectors in Warwickshire

3.30 The following economic sectors are prevalent in Warwickshire:

- **Tourism:** Parts of Warwickshire attract many tourists, primarily in the South of the county, due to Stratford-upon-Avon's links with Shakespeare, as well as the historic castles found

¹¹ [Stratford-on-Avon District - Core Strategy](#)

in Warwick and Kenilworth. To recognise this, a Destination Management Organisation is in operation for south Warwickshire, recognising it as an entity. This shared strength presents opportunities for joint marketing efforts, developing regional tourism itineraries, and collaborating on initiatives to extend the tourism season and attract new visitor demographics.

- **Access to Knowledge and Innovation:** A key advantage for all Boroughs and Districts is their proximity to renowned research and educational institutions. The University of Warwick and several Birmingham based Universities provide access to a wealth of knowledge and expertise. The MIRA Technology Institute in Nuneaton is a bespoke global centre for skills, developing specialist skills in key areas of emerging automotive technology. This accessibility attracts a significant influx of students from across the UK and internationally, contributing to the vibrancy and economic growth of the local communities, as well as opportunities for collaboration on research and development, knowledge transfer, and skills development, potentially benefiting businesses in both regions.
- **Manufacturing Base:** the Boroughs and Districts have a strong manufacturing presence, particularly in the automotive sector, which forms a significant part of their economic base.
- **Low Carbon Economy:** the Boroughs and District Councils are committed to achieving net-zero carbon emissions, presenting opportunities for growth in renewable energy, green technologies, and sustainable practices.
- **Advanced Manufacturing and Engineering:** Building on the existing automotive expertise, the county can leverage opportunities in electric vehicle (EV) battery production, hydrogen technology, and future mobility solutions.
- **Digital Creative Industries:** Leamington Spa's "Silicon Spa" cluster provides a strong foundation for growth in video game development, digital technologies, and creative industries.
- **Bioscience, Agri-tech, and Medtech:** With a history of research and innovation in bioscience, Warwickshire can attract investment and foster growth in agri-tech, medtech, and related fields.

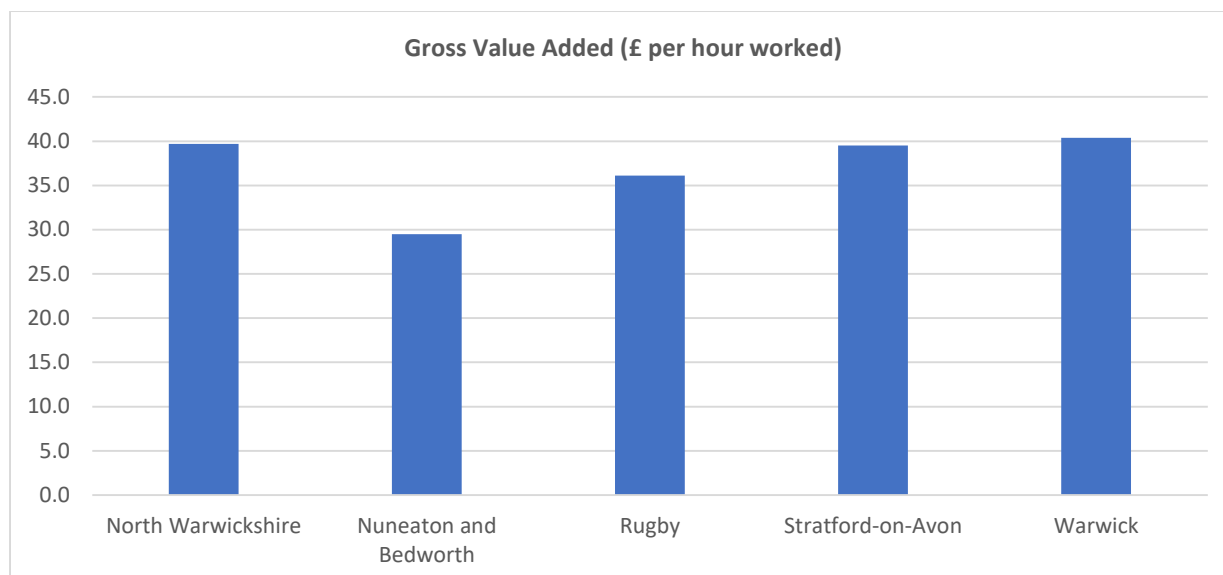
3.31 There is significant diversity across the County in sectors. The economy of the South of the county is largely based on higher value industries, particularly in the fields of professional business services, computing and software, and high-value engineering and manufacturing. Tourism is also important. By contrast, the economy of the North of the county is based on heavy industry and the legacy of the mining industry. The North continues to have a higher proportion of lower-value manufacturing industries, personal services and public-sector employment than the national average.

Economic indicators

3.32 A range of economic indicators show the diversity between North and South.

Gross Value Added (GVA)

Chart 9: Gross Value Added per work hour



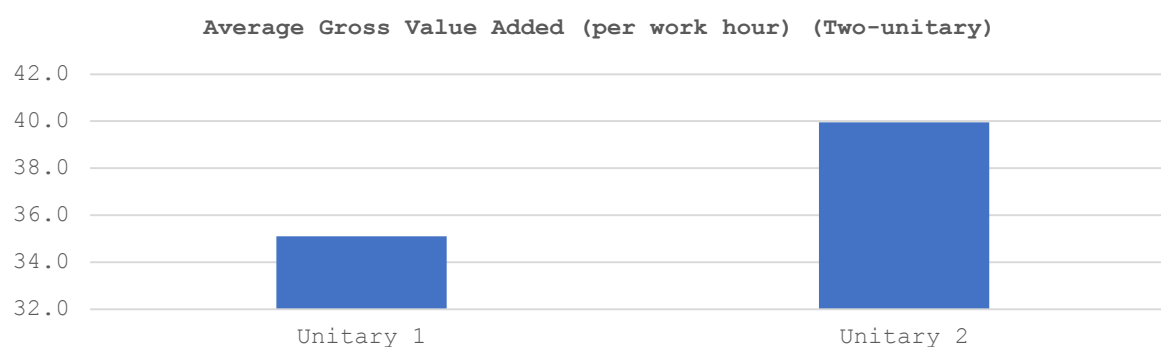
3.33 Examining the GVA figures across the region reveals strong performance in the South, as well as North Warwickshire, and weaker performance in the other Boroughs in the North.

3.34 This pattern suggests a more moderate level of economic output per worker in these areas, potentially influenced by a greater reliance on lower-value industries or a less skilled workforce.

3.35 This is supported by the analysis of GVA split between North and South in the graph below, with the South's performance significantly better than the North.

3.36 This indicates that the North and South have very different economies and in particular productivity. This is a gap that a future North unitary may wish to target.

Chart 10: Gross value added per work hour for the proposed two-unitary model.¹²

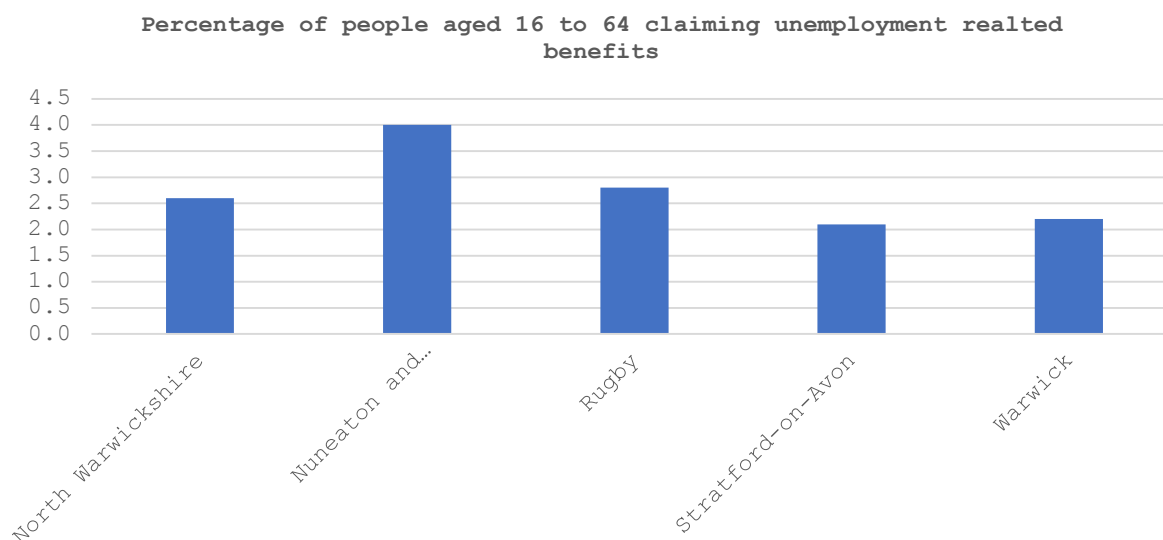


Employment

Chart 11: Percentage of people ages 16-64 who are claiming unemployment-related benefits¹³.

¹² [Regional and subregional labour productivity, UK statistical bulletins - Office for National Statistics](#)

¹³ [Claimant Count - Office for National Statistics](#)



The graph shows that:

- Nuneaton and Bedworth stands out with the highest percentage of unemployment benefit claimants, reaching 4% of the working-age population, indicating a significant need for employment support and economic development initiatives within this urban centre.
- Stratford and Warwick demonstrate lower percentages, at 2.1% and 2.2% respectively, suggesting relatively lower levels of unemployment in these areas.

3.37 Again, these variations in unemployment rates across Boroughs and Districts highlight the importance of a place-focused approach to economic development and employment support within any unitary model.

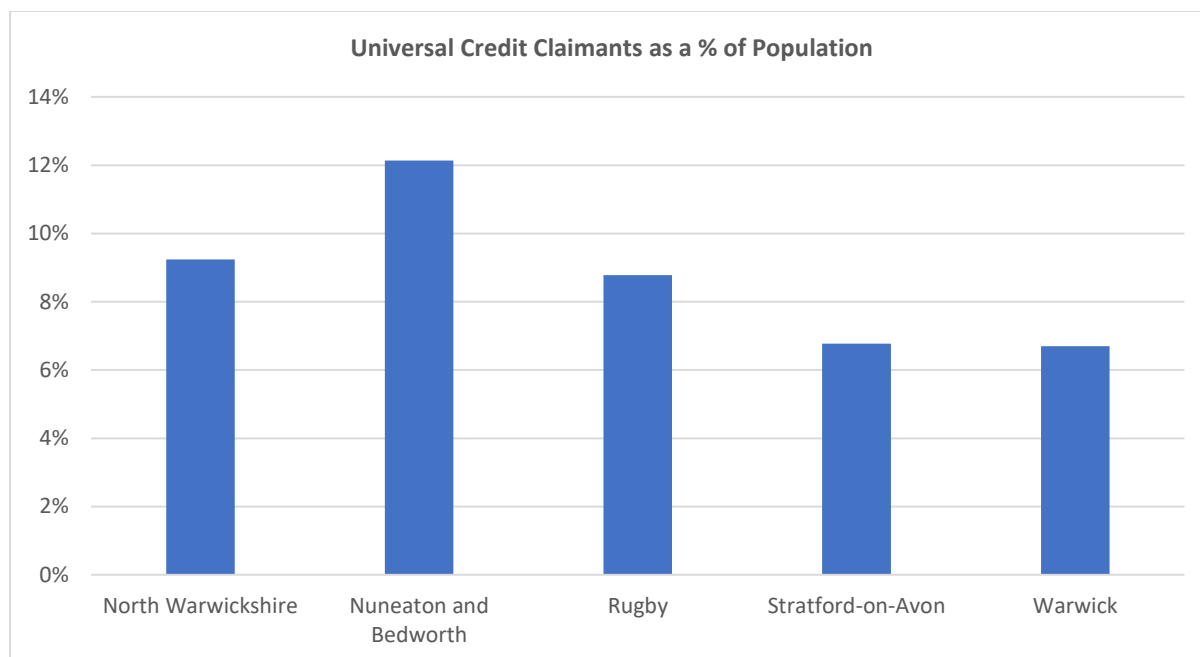
3.38 A two unitary model would offer greater flexibility to tailor interventions to the specific needs and circumstances of each unitary area, recognising the diverse economic landscape of Warwickshire.

3.39 Data on Universal Credit claimants further reinforces the trends observed.

Chart 12: Universal credit claimants (Dec-24) as a percentage of population ¹⁴ ¹⁵.

¹⁴ [Estimates of the population for England and Wales - Office for National Statistics](#)

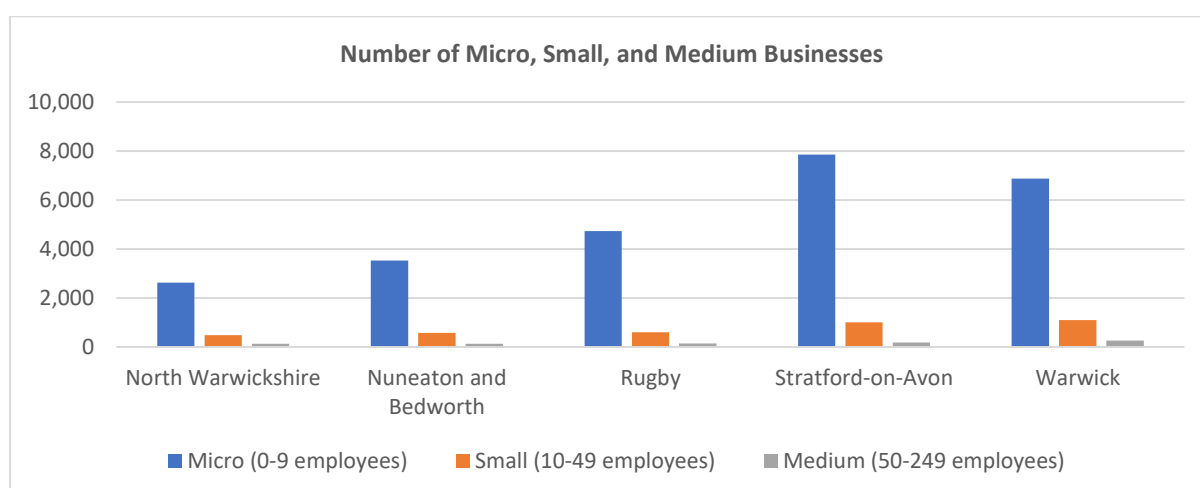
¹⁵ [Universal Credit Statistics - Department for Work and Pensions](#)



3.40 The three Northern Boroughs have a higher proportion of Universal Credit claimants, aligning with the previously noted higher percentages of unemployment benefit claimants. This highlights a significant concentration of individuals facing economic hardship and requiring support in these areas.

3.41 The basic North-South split is shown in other indicators. The below chart also shows a disparity in business numbers: Stratford-on-Avon and Warwick consistently exhibit the highest numbers of businesses across all categories, particularly for micro and small businesses.

Chart 13: Number of Micro, Small, Medium sized businesses by local authority ¹⁶.

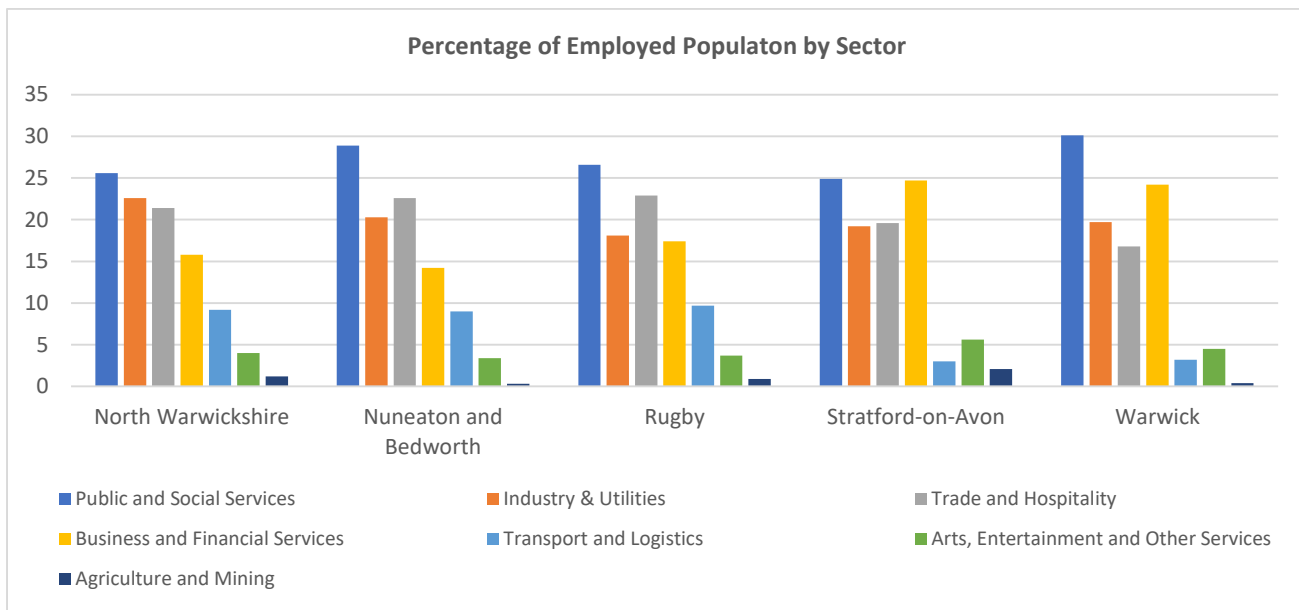


3.42 When employment data is considered, as in the graph below, the highest numbers employed in Business and Financial Services are found in Stratford-on-Avon and Warwick. The North has higher proportions of the population employed in Trade and Hospitality, and Transport and Logistics.

Chart 14: Distribution of employment by sector (2021) ¹⁷.

¹⁶ [Local units by industry and employment size band](#)

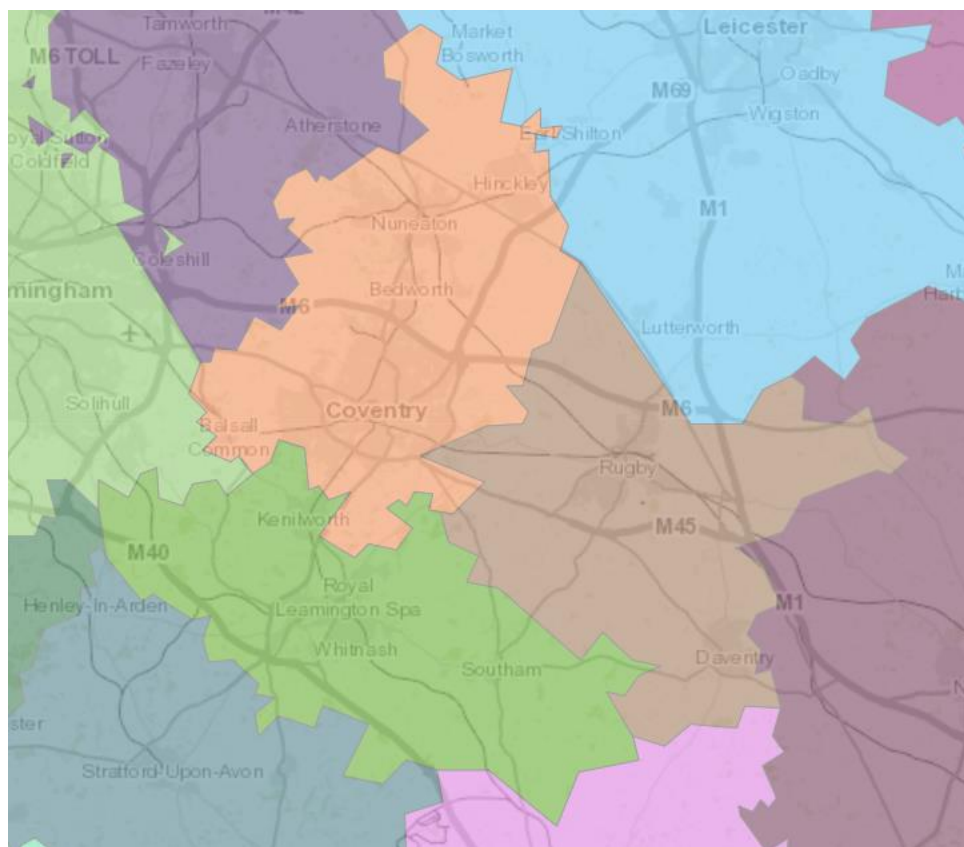
¹⁷ [Industries of those in employment, by local area - ONS Census 2021](#)



Transport

Travel to Work Areas (TTWA)

3.43 The Travel to Work Area (TTWA) map (18) below is helpful in indicating how the residents of Warwickshire live their lives. The shaded areas show the Travel to Work areas within the county – i.e. where most people are commuting to for employment.



3.44 A North-South divide is clearly observed. The interconnectedness between the North of the county and Coventry is clearly indicated. Fundamentally, the majority of major travel routes in the county run East-West rather than North-South, such as the M40, M6 and M45, and the railway lines.

3.45 Therefore, the creation of two new Transport Authorities, one for each unitary, will reflect how the people of Warwickshire use transport, including Travel to Work areas, and can focus on key local priorities. A North unitary may choose to focus on the strong interconnectedness around Coventry and the northern towns, potentially facilitating effective integration and management of transport, economic development, and infrastructure.

3.46 The South unitary can address rural transport concerns and enable tailored transport strategies for tourism and heritage management.

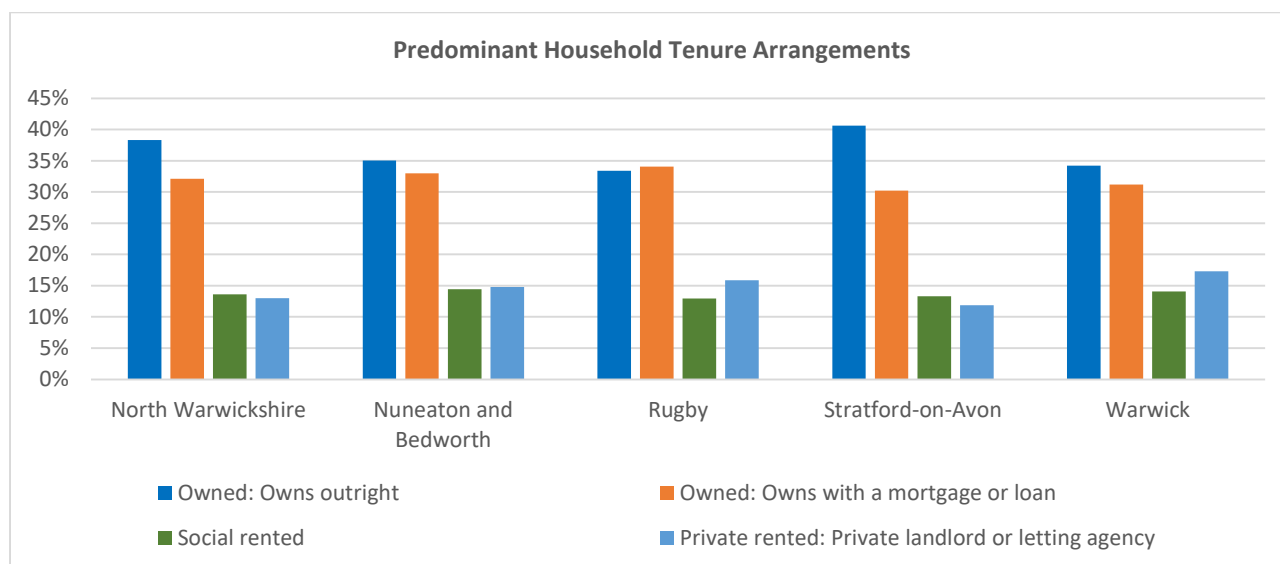
¹⁸ Provided locally on data collection SharePoint

Housing

3.47 Unsurprisingly, given the demographic and economic differences between North and South, the same pattern is seen in the housing market.

Housing Tenure

Chart 15: Household tenure agreements by local authority as a percentage of total households.¹⁹

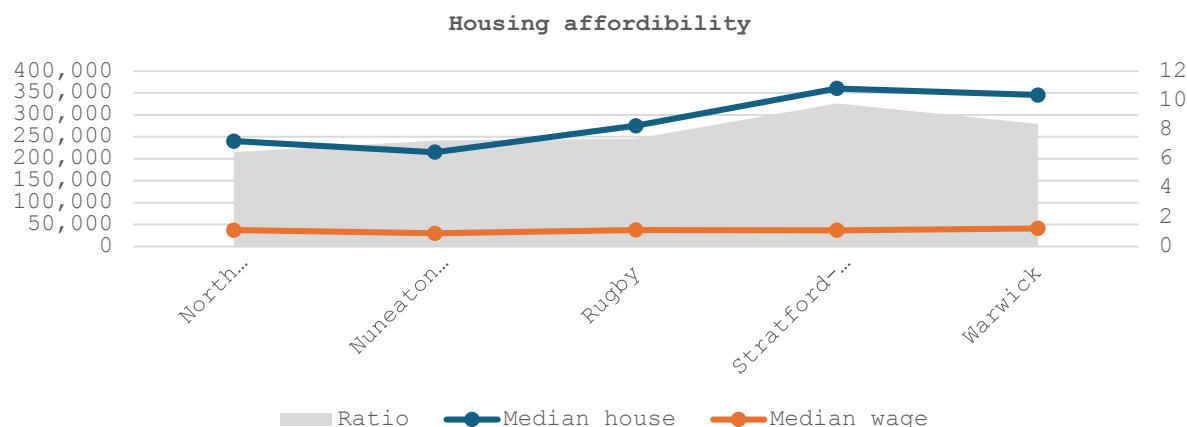


Stratford-on-Avon boasts the highest rate of outright homeownership in the county, reflecting its affluent resident base and desirable location. In contrast, North Warwickshire and Nuneaton and Bedworth exhibit a more balanced distribution between social rented and private rented housing sectors, suggesting a greater diversity of housing needs and socioeconomic backgrounds within these districts. Meanwhile, Warwick stands out with a notably large private rental population, likely driven by the significant student population associated with the University of Warwick.

Affordable Housing Provision

¹⁹ [Household characteristics by tenure, England and Wales: Census 2021 - Office for National Statistics](#)

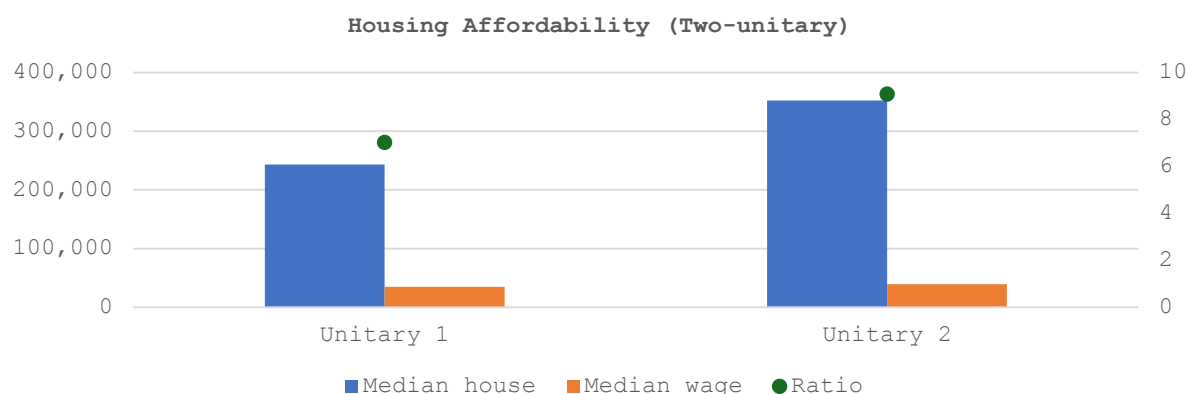
Chart 16: Median house price, earnings and affordability ratio (ratio of the median house price to earnings for each local authority).²⁰



3.48 There is a wide spectrum in house affordability in Warwickshire County, with many house prices increasing at a rate far above salary increases and inflation. There is a wide disparity in house prices between North and South.

3.49 While the average house price in Nuneaton and Bedworth stands at £234,000, Stratford-on-Avon sees a considerably higher average of £387,000.²¹ This price gap exacerbates affordability issues, particularly as house price increases significantly outpace salary growth and inflation.

Chart 17: Median house price compared to earnings and affordability ratio for the proposed two-unitary model.



3.50 The chart above again shows the differences in challenges between North and South in terms of house prices, wages, and affordability ratios. These are different housing markets that require different specific solutions in areas such as building affordable housing.

Land Use

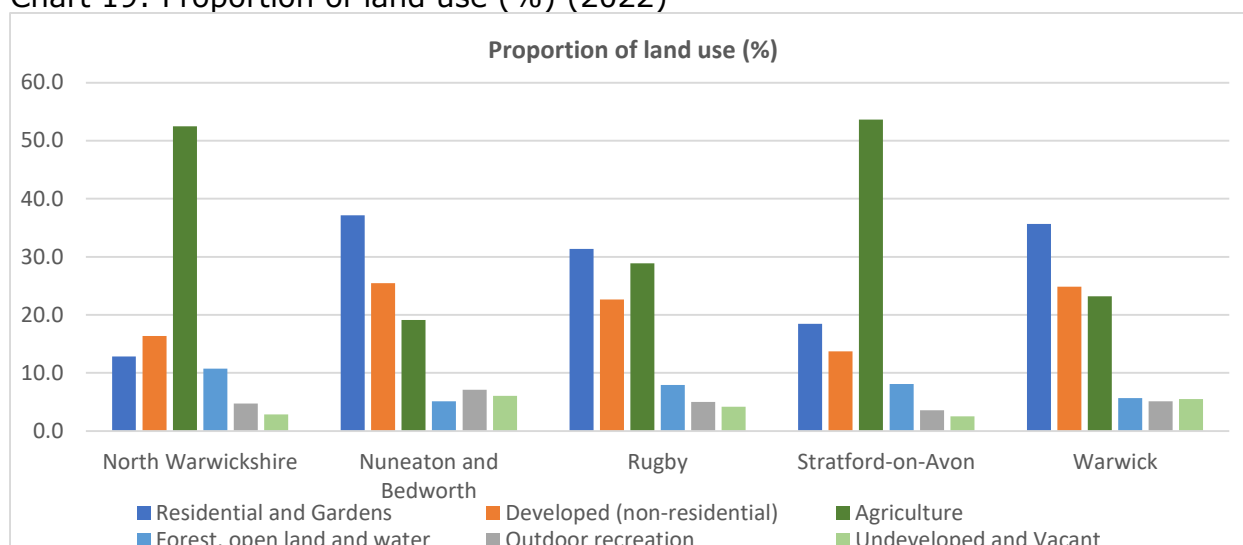
3.51 The below graph illustrates the distinction in the developmental characteristics of the regions. Nuneaton and Bedworth, alongside Rugby, exhibit a developed and urbanised profile, indicative of higher population densities, extensive infrastructure, and a greater concentration of commercial and industrial activities. In contrast, Stratford-on-Avon presents a predominantly rural character, characterised by more expansive green spaces,

²⁰ [House price to residence-based earnings ratio - Office for National Statistics](#)

²¹ [Housing prices in Nuneaton and Bedworth](#)

lower population density, and an economy often more reliant on agriculture, tourism, and heritage.

Chart 19: Proportion of land use (%) (2022)²²



Conclusion

3.52 The evidence indicates that Warwickshire is made up of two distinct places: North and South, each with its own unique identity, history, and priorities. The economy of the South of the county is largely based on higher value industries, particularly in the fields of professional business services, computing and software, and high-value engineering and manufacturing. By contrast, the economy of the North of the county continues to have a higher proportion of lower-value manufacturing industries, personal services and public-sector employment than the national average.

3.53 Two distinct unitary authorities, which will be of significant size within the local government sector, can develop specialised strategies that leverage the unique strengths and opportunities of their respective localities. This targeted approach fosters innovation, attracts investment aligned with local strengths, and creates more diverse and resilient economies. Medium sized authorities are often more agile and responsive to the needs of local businesses, fostering a supportive environment for entrepreneurship and job creation. This structure also allows each authority to tailor solutions to the specific economic challenges faced by their communities, whether supporting rural tourism, revitalising towns, or attracting investment.

3.54 For example, a Northern future unitary could place a strong emphasis on regeneration. One policy move could involve relocating the place of work of local government staff to the towns in the North, which could have a significant impact on local regeneration of town centres. A single county unitary may have to dilute the priorities of individual places and focus on the overall strategic position, simply due to its size.

3.55 Therefore, the two unitary model will be better able to drive housing and economic growth. The current two-tier system fragments responsibility for planning, housing and highways, slowing delivery and reducing capacity. For example, the Boroughs and Districts have concerns with the Highways service delivered centrally by the County Council currently, as priorities are often not linked to planning services. Integration within two unitaries would create the ability to streamline Local Plans, align planning, infrastructure, highways

²² [Land use in England, 2022](#)

and housing, and accelerate the delivery of affordable and market housing that the county needs.

3.56 It could be argued that larger local government structures can focus more easily on major strategic issues including transport, skills and housing. However, this can be done through the Strategic Authority approach and adopting a collaborative approach, which focuses on Transport, Skills and Economic Development. Therefore, the two-unitary model is ranked highest due to its ability to provide better place leadership and local decision making across economic geographies, which supports the different need profiles across North and South.

Option 1: Single Unitary	Option 2: Two-Unitary
2 nd Place	1 st Place

4. Criteria 2: Unitary Local Government Must be the Right Size to Achieve Efficiencies, Improve Capacity and Withstand Financial Shocks

Summary

4.1 The key advantages of the two unitary model are as follows:

- ✓ **Financially efficient:** The two unitary model delivers at least £55m of net savings by 2029/30, with the ability to add substantially to this figure through social care transformation.
- ✓ **Tackling financial problems:** The two unitary model will more effectively tackle the single biggest financial problem facing the county: increasing demand for social care and SEND services and rising costs in these areas.
- ✓ **Financial resilience:** The existing authorities are in solid financial positions and the division of the County Council position could be negotiated to ensure that assets, revenue and reserves follow the demand.
- ✓ **Council tax:** Both new councils will be able to set appropriate levels of council tax for their residents, and big increases should be avoided, as the South will not have to raise rates to the same levels as the North.

4.2 The single county unitary would achieve a greater level of net savings, and so has been ranked higher than the two unitary model, but the gap is not significant.

4.3 In the long-term, additional savings arising from service transformation may mean the two unitary model is more financially effective.

4.4 This section of the Business Case first reviews the current financial positions of the six councils in Warwickshire, to understand if this means anything for future financial sustainability. It then conducts a financial assessment of the potential costs and benefits of the two options.

Current Financial Position

4.5 In a single unitary model, the entirety of the councils' financial positions would be assumed by the single new authority. In a two-unitary model, the financial position would be divided between the two new authorities, ideally in a manner that reflects the distribution of assets, debt, services, and populations.

4.6 Therefore, the current financial positions of the councils have a significant bearing on long-term financial resilience for the future local government structures. If the councils are financially robust at the current time, it may be considered likely that the future structures would be financially resilient too. This is particularly the case in Warwickshire given that the Fair Funding Review is likely to benefit the North of the county, which is more deprived, and more reliant on business rates and government grant than the South, which has a bigger council tax base.

4.7 The methodology taken towards the division of financial resources could have implications, but this is currently uncertain given the Fair Funding Review, which as mentioned, is likely to benefit the North. It is expected that a thorough and equitable process will be taken to

ensure the long-term sustainability of any chosen unitary model. In Northamptonshire, the division of the County Council position took several years to ensure that it was fair to both new councils. In previous unitarisation processes, it has been made clear that no new council should lose out financially.

- 4.8 In the short-term, a review of each council's financial position and the potential positions of the future unitary councils has been undertaken to illustrate any financial risks and issues that should be noted.
- 4.9 A summary of the current financial position for each council is provided below. This shows the financial position at the end of FY 2023/24 as this was the latest audited financial statements available for all Councils within Warwickshire, at the time of writing this report.

Table 20: A summary of the current financial position for each council.

Financial Position as Per Accounts 2023/24	North Warwickshire (£'000)	Nuneaton and Bedworth (£'000)	Rugby (£'000)	Stratford on Avon (£'000)	Warwick (£'000)	Warwickshire County Council (£'000)
Gross Expenditure	44,295	101,875	62,321	65,684	115,490	1,181,400
Gross Income	-39,800	-67,217	-43,449	-41,202	-76,280	-543,800
Net Expenditure	4,495	34,658	18,872	24,482	39,210	637,600
Surplus / (Deficit) on provision of HRA	-8,846	-7,515	1,293	N/A	1,587	N/A
Surplus / (Deficit) on provision of General Fund Services	13,873	4,596	6,026	8,304	-2,987	-29,900
Adjustments between accounting and funding basis	0	4,866	0	0	0	18,500
Transfers to / (from) Earmarked Reserves	2,081	1,526	2,316	5,039	5,433	10,200
General Fund Increase / (Decrease) in Year	4,592	1,898	5,300	2,504	-1,018	0
Long Term Borrowing	46,229	62,669	83,355	0	238,517	272,400
Fixed Assets	210,768	461,340	315,946	102,424	714,628	1,584,600

- 4.10 The figures show that there are deficits on the provision of General Fund services in Warwick District Council and Warwickshire County Council, with the County Council having the largest deficit on provision of General Fund services at £29.9m.
- 4.11 The County Council also has the highest amount of long-term borrowing, followed by Warwick District Council. However, these two councils also have the highest amounts of fixed assets. More explanation is provided below.
- 4.12 There are also HRA deficits in North Warwickshire and Nuneaton and Bedworth. Merging these HRAs would give the future North unitary a larger, scaled up combined HRA, which could be more financially resilient.
- 4.13 The overall financial position for several councils is reliant upon the use of reserves. The reserves balances as of 2023/24 are shown in tables 21 and 22 below.

Table 21: Usable Reserves for each council

Usable Reserves	North Warwickshire (£'000)	Nuneaton and Bedworth (£'000)	Rugby (£'000)	Stratford on Avon (£'000)	Warwick (£'000)	Warwickshire County Council (£'000)
General Fund Balance	6,902	2,139	33,423	13,063	32,240	26,000
Earmarked Reserves	17,340	14,309	0	33,115	0	201,700
HRA	1,315	2,522	20,431	0	25,873	0
Earmarked HRA Reserves	2,843	5,311	0	0	0	0
Usable Capital Receipts Reserve	4,575	4,344	14,571	6,233	13,077	0
Capital Grants Unapplied	1,717	13,660	22	3,699	761	1,300
Major Repairs Reserve	1,844	1,830	5,802	0	6,821	
Total Usable Reserves	36,536	44,115	74,249	56,110	78,771	229,000

Note: Where columns are blank, this row did not appear in the Usable Reserves table within that Council's Statement of Accounts

4.14 The County Council has the highest level of usable reserves. North Warwickshire and Nuneaton and Bedworth have the lowest level of reserves at £36.5m and £44.1m respectively.

Table 22: Unusable Reserves for each council

Unusable Reserves	North Warwickshire (£'000)	Nuneaton and Bedworth (£'000)	Rugby (£'000)	Stratford on Avon (£'000)	Warwick (£'000)	Warwickshire County Council (£'000)
Revaluation Reserve	35,467	213,312	90,051	41,517	121,709	327,600
Capital Adjustment Account	113,106	98,092	130,724	45,072	286,202	881,100
Pensions Reserve	-3,613	33,360	-5,502	-3,077	23,367	-285,100
Collection Fund Adjustment Account	5,306	2,350	-3,809	2,593	-5,953	2,000
Accumulated Absences Account	-211	-103	-158	-303	-172	-7,300

Deferred Capital Receipts reserve	0	413	0	1,246	788	2,000
Dedicated Schools Grant Adjustment Account	N/A	N/A	N/A	N/A	N/A	-33,200
Financial Instruments Revaluation Reserve	-265	-240	0	-126	0	3,000
Housing Act – Deferred Capital Receipt	0	0	29	0	0	0
Donated Asset Reserve	0	0	60	0	0	0
Pooled Investment Funds Adjustment Account	0	0	-281	0	0	-400
Financial Instruments Adjustment Account	0	-76	0	0	-11	1,700
Total Unusable Reserves	149,790	347,108	211,114	86,922	425,930	891,400

Note: Where columns are blank, this row did not appear in the Unusable Reserves table within that Council's Statement of Accounts

4.15 The County Council has the highest level of unusable reserves, followed by Warwick.

4.16 An overview of the debt positions for all councils is shown below.

Table 23: Borrowings as at 31st March 2024

Borrowings	North Warwickshire (£'000)	Nuneaton and Bedworth (£'000)	Rugby (£'000)	Stratford on Avon (£'000)	Warwick (£'000)	Warwickshire County Council (£'000)
Total Long Term Borrowing	46,299	62,699	83,355	0	238,157	279,400
Long Term Borrowing - HRA	TBC	53,949	TBC	0	TBC	TBC
Long Term Borrowing – General Fund	TBC	8,750	TBC	0	TBC	TBC
Closing Capital Financing Requirement (CFR)	62,195	108,991	93,768	14,584	300,691	265,700

The County Council and Warwick District Council have by some margin the highest level of debt across Warwickshire.

Deficits and the use of reserves

4.17 The table below, which is incomplete due to information provided to date, shows how each council is planning to use its reserves over the next five years to fund any potential deficits and balance the budget, as identified in each council's Medium Term Financial Strategy. Please note that this is difficult to show as a comparative table, as local authorities do take different approaches in their MTFs – some project the allocation of reserves, and others leave future years of the MTFs unbalanced to reflect the unknowns of Government funding, and also emphasise the need for further savings / efficiencies. Therefore the table below represents a best possible estimate based on the likely need that any deficits would need to be covered by reserves in future years (noting they have as yet not been allocated).

Table 24: Estimated use of General Fund reserves

Estimated (use of) / to General Fund Reserves	North Warwickshire (£'000)	Nuneaton and Bedworth (£'000)	Rugby (£'000)	Stratford on Avon (£'000)	Warwick (£'000)	Warwickshire County Council (£'000)
2025/26	1,385	-1434	TBC	-5,482	-2,500	-4,800
2026/27	-3,625	-2,778	TBC	-2,332	-64	-1,800
2027/28	-3,502	-3,680	TBC	-2,855	122	-400
2028/29	-3,067	-3,927	TBC	-3,948	689	4,100
2029/30	Not available	Not available	TBC	-3,783	Not available	0

Note: From evidence provided under MTFS, reserves are not forecasted to be used for Rugby.

4.18 The Medium Term Financial Strategy (MTFS) positions show that only North Warwickshire expected to add to their General Fund Reserve in 2025/26.

4.19 Stratford and Nuneaton and Bedworth planned to use reserves for all years of the MTFS to bolster their financial position, however it must be noted that these Councils both reported General Fund surpluses in 2023/24 and Stratford additionally has no long-term debt.

4.20 The County Council present an improving position within their MTFS, in that the use of reserves is forecasted to reduce by 2029/30, including an addition to reserves in 2028/29.

4.21 The County Council's MTFS assumes large decreases in recurrent spending, particularly in social care in conjunction with high levels of savings achieved across these areas. For example, the County Council have planned for £21.8m in budget reductions for 2025/26, which is forecasted to grow to £79.6m by 2030, through efficiencies and increased income²³. This is a significant potential budgetary gap if those savings are not delivered.

4.22 The table below shows each council's General Fund balance as a percentage of their total expenditure.

Table 25: General Fund Balance as a proportion of total expenditure.

²³ [Warwickshire County Council approves budget for 2025/26 to support vulnerable residents amid financial challenges - Warwickshire County Council](#)

% of Total Expenditure	North Warwickshire (£'000)	Nuneaton and Bedworth (£'000)	Rugby (£'000)	Stratford on Avon (£'000)	Warwick (£'000)	Warwickshire County Council (£'000)
Closing GF balance 2023/24	6,902	16,448	33,423	13,063	32,240	227,700
Gross Expenditure less HRA	29,600	65,072	41,658	65,684	74,817	1,181,400
GF as a % of Total Expenditure	23.3%	25.3%	80.2%	20.0%	43.1%	19.3%

A higher percentage represents greater resilience in the financial position, as the balance is a greater proportion of the Council's expenditure. Overall, these figures are relatively healthy.

Implications

- 4.23 There may be concerns around the level of debt across the councils and how this would be apportioned for the future unitary councils.
- 4.24 The key point relating to debt is sustainability. There is nothing inherently wrong with debt if it can be repaid in a sustainable way based upon income.
- 4.25 For example, North Warwickshire, Nuneaton and Bedworth, Rugby and Warwick have debt, as identified in the analysis above. It is likely, however, that in part this debt is part of their Housing Revenue Account as these Councils still own their own stock. If this is the case, the debt would not be likely to present a substantial risk, as when loans mature, they are refinanced, and there is an asset base and regular income. Most HRAs only repay interest on their loans, unless there is a surplus, which allows capital to be repaid.
- 4.26 This holds true for Warwick District Council, which has stated that the significant level of long-term borrowing included in its accounts is primarily attributed to social housing. Warwick has the highest level of debt among the District and Borough Councils by some margin. However, in mitigation, the council stated it has a high level of assets and a healthy quantum of reserves²⁴, and therefore a solid overall financial position. Most of Warwick's General Fund Long-Term borrowing is expected to be repaid by 2028, with it being linked to the delivery of housing by a Joint Venture in Kenilworth.
- 4.27 Similarly, Warwickshire County Council has stated that current debt is all public works loan board borrowing and "wholly used to finance capital expenditure" ²⁵. Analysis of data from the Ministry of Housing, Communities and Local Government (MHCLG) demonstrated that County Council debt sat at £273.0m at the end of 2024/25 and had not increased in the last financial year.
- 4.28 It should be noted that all councils have a requirement to only use debt to finance capital expenditure and therefore this statement can be applied to all the councils in Warwickshire.
- 4.29 Further due diligence will need to be undertaken on the nature of debt of all six councils as part of unitarisation. This exercise will also need to drive how assets and debt are apportioned. However, at the current time, based on the information available, it is not

²⁴ [Debt hits £260m at Warwick District Council which says it has 'strong balance sheet'](#)

²⁵ [Debt hits £260m at Warwick District Council which says it has 'strong balance sheet'](#)

considered that the amount of debt presents a significant financial risk. The debt will have to be dealt with by either option for unitary local government.

- 4.30 By contrast, given the financial positions described above, the most significant financial issue facing the Warwickshire local authorities is considered to be the County Council's deficit on the provision of services, which is being supported by the use of reserves, and is forecast to deteriorate over the next five years, requiring significant levels of savings.
- 4.31 The County Council itself has highlighted the likelihood that current plans, while robust, will result in future funding gaps.²⁶ The County Council is of course exposed to increasing expensive demand in social care and SEND services, as shown, for example, by the balance on the Dedicated Schools Grant (DSG), in particular the high needs block funding education for students with SEND.
- 4.32 The DSG deficit for 2023/24 was £17.1m²⁷ an increase from the £5.0m deficit reported in 2022/23. This is driven by high needs DSG, which was £39.5m as at 2023/24 year end, also an increase from the £20.4m reported at 2022/23 year end. Demand in this area is increasing significantly year on year and represents a significant financial risk, as it does for many upper tier authorities across the country at the current time. It must be emphasised that this is a national issue and not one particular to Warwickshire.
- 4.33 The most important implication of the financial analysis is therefore the question: which model will give Warwickshire the best chance of managing such expensive demand increases most effectively? It will be argued below that the two unitary model offers the most potential due to its focus on early intervention and place-based solutions built around communities.

Future Financial Position of the Potential Authorities

- 4.34 It is impossible at the current time to determine exactly how the financial positions of the future authorities would be established. There are significant unknowns, such as the impact of the Fair Funding Review.

The analysis below has been undertaken on the basis of a simple population-based apportionment of the 23/24 positions.

Single Unitary Model

- 4.35 A single unitary model would, unsurprisingly, have the largest amount of expenditure and income, the largest deficit, but also the largest reserves.
- 4.36 There are no particular concerns emerging from the figures below for the financial sustainability of a single county unitary.
- 4.37 The financial risks to the new council, as noted above, will derive from increasing demand for social care and SEND services.

Table 26: The potential financial position of a single unitary model.

²⁶ [2024/25 Revenue Budget Resolution](#)

²⁷ [Statement of Accounts \(page 27\)](#)

Analysis of Financial Position of Councils (23/24 Accounts) (£'000)	Single Unitary
Gross Expenditure	£1,571,065
Gross Income	-£811,748
Net Expenditure	£759,317
Surplus / (Deficit) on provision of HRA	-£13,481
Surplus / (Deficit) on provision of General Fund Services	-£88
Adjustments between accounting and funding basis	£23,366
Transfers to / (from) Earmarked Reserves	£26,595
General Fund Increase / (Decrease) in Year	£13,276
Total Usable Reserves	£518,781
Total Unusable Reserves	£2,112,264
Long Term Borrowing	£703,170
Fixed Assets	£3,389,706

Two-Unitary Model

Table 27: The potential financial position of a two-unitary model.

Analysis of Financial Position of Councils (23/24 Accounts) (£'000)	North	South
Gross Expenditure	£799,191	£771,874
Gross Income	- £422,366	-£389,382
Net Expenditure	£376,825	£382,492
Surplus / (Deficit) on provision of HRA	-£15,068	£1,587
Surplus / (Deficit) on provision of General Fund Services	£9,545	- £9,633
Adjustments between accounting and funding basis	£14,116	£9,250
Transfers to / (from) Earmarked Reserves	£11,023	£15,572
General Fund Increase / (Decrease) in Year	£11,790	£1,486
Total Useable Reserves	£269,400	£249,381
Total Unusable Reserves	£1,153,712	£958,552
Long Term Borrowing	£328,453	£374,717
Fixed Assets	£1,780,354	£1,609,352

4.38 Based on the analysis above, both new councils would have significant levels of reserves, assets, and also long-term borrowing.

4.39 The South unitary may inherit a small deficit on the provision of General Fund services and the North would inherit a small deficit on its HRA, but both councils would have

substantial reserves to deal with these issues (and, as identified below, significant financial savings will be possible to improve financial sustainability).

- 4.40 The financial risks to the new councils, as noted above, will derive from increasing demand for social care and SEND services.

Summary

- 4.41 Warwickshire is in a reasonable financial position as a county by the standards of local government nationally. All six councils currently have a stable financial position and outlook. While there is debt, this has been borrowed for capital and infrastructure developments.
- 4.42 When the financial positions of the councils are combined, based on dividing the County Council's financial position on a per capita basis, both North and South unitary councils appear financially sustainable. The North, with higher levels of deprivation, would be more reliant on government grant and business rates, while the South would lean more heavily on its stronger council tax base, but face greater demographic costs from ageing. These are the same issues that would persist in the status quo, and none of the councils are projecting significant financial concerns at the current time, especially when compared to local government in other counties.
- 4.43 Moreover, future funding for these two unitaries is currently uncertain due to the Fair Funding Review. It could be expected that the North unitary would benefit from this Review as a more deprived area, which would help to mitigate some of the reliance on business rates.
- 4.44 Future funding is also uncertain due to the process of unitarisation, which can take a long time. The Northamptonshire County Council position was only fully disaggregated after a lengthy negotiation process taking four years. The future North and South unitaries would similarly debate the division of the financial position to ensure that both councils are sustainable, with resources meeting demand, and no council loses out.
- 4.45 The ultimate conclusion from this work is that the most pressing issue facing local government in Warwickshire is the increasing demand from services such as social care and SEND and the financial consequences of this.
- 4.46 In this context, the financial assessment becomes very important as it helps to indicate which model can generate the most benefits and manage demand effectively to tackle these increasing pressures.

Council Tax

- 4.47 This section appraises the potential implications of council tax harmonisation for each unitary model.
- 4.48 Significant disparities in Council Tax rates across the county will present challenges for the new councils.
- 4.49 To understand the potential implications of Council Tax harmonisation, the analysis explores one scenario:
- 4.50 Low-to-Max: Raising lower tax rates across the Boroughs and Districts to match the highest existing rate.

4.51 This scenario has been chosen as it always results in the least income foregone by future local government in Warwickshire, and therefore helps provide a more stable financial position for the new Councils.

4.52 Please note that this is a modelling exercise based on assumptions and therefore numbers should not be treated as accurate forecasts, but rather to show the relative benefits and drawbacks of each model. The exercise assumes a standardised annual council tax increase of 3% in lower-rate districts and a 1% increase to the tax base.

Single Unitary Model

Table 28: Estimated cost of harmonising Council Tax rates under the single unitary model.

Single Unitary Model	Low-to-Max
	(£'000)
5 years	2,304

4.53 The single unitary model, when employing a low-to-max harmonisation strategy, would forego income of £2.3m over five years, compared to the status quo. This is the notional income lost to the future council by having to freeze certain rates of council tax until other council areas increase their rates and harmonise.

Two-Unitary Model

Table 29: Estimated cost of harmonising Council Tax rates under the two-unitary model.

Two-Unitary Model	Low-to-Max
	£'000
5 years	8,233

The two-unitary model, when employing a low-to-max harmonisation strategy, would forego income of £8.2m over five years, compared to the status quo.

Implications

4.54 A two unitary model requires income foregone of £8.2m over five years, which is more expensive than the single county unitary. However, such an approach would be less difficult to implement, and would potentially be more popular with residents, as big council tax increases in the South would not be required to match the North.

4.55 It should also be noted that there may be extra implications for council tax of potentially creating parish councils for the whole of the county, a proposal which has been mooted if a single county unitary was created. This would involve additional charges to the council taxpayer.

4.56 Fundamentally, a two-unitary model offers greater flexibility in setting council tax rates, potentially leading to more beneficial rates for residents. This is because each unitary authority would tailor rates to the specific needs and financial circumstances of its area, rather than a single rate being applied across a larger, more diverse area as might be the case with a single unitary authority. This localised approach could lead to more equitable and efficient distribution of the tax burden, reflecting variations in service costs and provision and resident income levels across the two unitary areas. It may also minimise individual tax rises for residents, which could be unpopular.

Council Tax Income Projections

4.57 Analysis has also been undertaken of the amount of income that would be collected under the different models, in order to understand any potential differences.

Table 30: Single Unitary Income Projection

Unitary 1	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
North Warwickshire	6.5M	6.6M	6.8M	6.9M	7.1M	7.2M	7.3M	7.5M	7.6M	7.8M	8.2M	8.6M	9.0M	9.5M	10.0M	10.5M
Nuneaton and Bedworth	11.1M	11.7M	12.3M	12.7M	12.9M	13.2M	13.5M	13.7M	14.0M	14.3M	15.0M	15.8M	16.6M	17.4M	18.3M	19.2M
Rugby	5.2M	5.5M	5.8M	6.1M	6.4M	6.7M	6.9M	7.0M	7.2M	7.3M	7.7M	8.1M	8.5M	8.9M	9.3M	9.8M
Stratford on Avon	14.4M	15.1M	15.9M	16.7M	17.6M	18.4M	19.4M	19.9M	20.3M	20.8M	21.8M	22.9M	24.1M	25.3M	26.6M	27.9M
Warwick	14.3M	15.0M	15.8M	16.6M	17.4M	18.3M	19.2M	20.2M	21.2M	22.0M	23.1M	24.3M	25.5M	26.8M	28.1M	29.6M
Total	51.5M	54.0M	56.5M	58.9M	61.3M	63.8M	66.3M	68.4M	70.4M	72.1M	75.8M	79.6M	83.6M	87.9M	92.3M	97.0M

Table 31: Two Unitary Income Projection

Unitary 1	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
North Warwickshire	6.5M	6.6M	6.8M	6.9M	7.1M	7.2M	7.3M	7.7M	8.1M	8.5M	8.9M	9.4M	9.9M	10.4M	10.9M	11.5M
Nuneaton and Bedworth	16.1M	17.0M	17.8M	18.7M	19.7M	20.7M	21.7M	22.8M	24.0M	25.2M	26.5M	27.8M	29.2M	30.7M	32.3M	33.9M
Rugby	7.9M	8.3M	8.7M	9.1M	9.6M	10.1M	10.6M	11.1M	11.7M	12.3M	12.9M	13.6M	14.2M	15.0M	15.7M	16.5M
Total	30.5M	31.9M	33.3M	34.8M	36.3M	37.9M	39.6M	41.7M	43.8M	46.0M	48.3M	50.8M	53.3M	56.0M	58.9M	61.9M

Unitary 2	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Stratford on Avon	9.9M	10.4M	10.9M	11.5M	12.1M	12.7M	13.3M	14.0M	14.7M	15.5M	16.2M	17.1M	17.9M	18.8M	19.8M	20.8M
Warwick	4.7M	5.0M	5.2M	5.5M	5.8M	6.1M	6.4M	6.7M	7.0M	7.4M	7.8M	8.2M	8.6M	9.0M	9.5M	10.0M
Total	14.7M	15.4M	16.2M	17.0M	17.9M	18.8M	19.7M	20.7M	21.8M	22.9M	24.0M	25.2M	26.5M	27.9M	29.3M	30.8M

Implications

4.58 When looking at projected council tax income by 2040, the single unitary model projects the higher amount of income at £97.0m by 2040, with the two unitary model estimating slightly lower income at £92.6m.

4.59 Considering both council tax metrics (income foregone, and income collected) the single unitary model is the most effective in raising income, but does take longer for harmonisation to take effect, and may be more unpopular with residents.

Costs and Benefits of Both Models

4.60 A financial assessment has been undertaken of the potential savings and costs of the two options.

4.61 This section outlines the results from the financial assessment undertaken, plus, importantly, the associated assumptions behind each element of the calculations. The assumptions made so far are based on information provided so far, evidence where it exists and previous experience of undertaking similar exercises.

4.62 Therefore, these figures cannot be relied upon for implementation as accurate estimates. Further work would be required to establish this. This is an exercise to show relative costs and benefits, which can then give an indication of which option may be the most financially advantageous.

Senior Leadership

4.63 The estimated size and cost of the current leadership structures is illustrated below.

Table 32: Estimated size and cost of current leadership structures across each council using midpoint salaries²⁸.

Councils	L0		L1	
	Posts	Cost	Posts	Cost
North Warwickshire	1	£145,739	2	£197,800
Nuneaton and Bedworth	1	£144,365	4	£448,820
Rugby	1	£136,525	1	£94,822
Stratford on Avon	1	£151,359	1	£120,272
Warwick	1	£171,635	2	£239,578
Warwickshire County Council	1	£251,065	4	£741,631
Total	6	£1,000,688	14	£1,842,923
Grand Total				£2,843,611

4.64 The potential leadership structure required by a single unitary has been estimated below across Level 0 and Level 1, based on leadership structures for typical comparator councils of the same population size.

4.65 The total costs have then been compared to the current position, in order to identify a saving. The same process has then been followed for the two unitary model.

²⁸ Statement of Accounts for each Council

Table 33: Potential leadership structure within a single unitary model.

Single Unitary	L0	Cost	L1	Cost	New spend	Old spend	Savings
Single	1	£166,781	6	£731,394	£898,175	£2,843,611	£1,945,436

Table 34: Potential leadership structure within a two-unitary model.

Two Unitary	L0	Cost	L1	Cost	New spend	Old spend	Savings
North	1	£166,781	6	£731,394	£1,796,350	£2,843,611	£1,047,261
South	1	£166,781	6	£731,394			

4.66 This process indicates that the single county unitary would make the greatest level of savings in this area. However, it would reduce the strategic capacity available to the new council, whereas two councils would retain more strategic capacity across the total area.

4.67 The two unitary model would make a reduced amount of savings and would retain more strategic capacity.

4.68 The difference between the two models is a key cost of disaggregating County Council services. For example, an additional Executive Director post for Adult Social Care and an additional Executive Director post for Children's Services are both required for the two unitary model.

Table 35: Savings summary

Unitary Structure	Savings (£m)
Single Unitary	£1.95
Two Unitary	£1.05

Democratic Representation

4.69 Determining the appropriate number of councillors for each proposed unitary model is crucial, balancing democratic representation with financial considerations.

4.70 The following table presents current data points for each council, including the number of councillors, their total basic allowance cost, their total special responsibility allowance cost and the total number of electors within their jurisdiction.

Table 36: Demographic representation and expenditure.

Local Authority	Current No. of Councillors	Current BA Cost	Current SRA Cost	Electors per Councillor	Total Electors ²⁹
North Warwickshire	35	£201,000	£55,000	1,415	49,510
Nuneaton and Bedworth	38	£237,735	£51,587	2,701	102,639
Rugby	42	£325,799	£73,546	2,021	84,869
Stratford on Avon	41	£263,040	£99,513	2,692	110,500
Warwick	44	£305,656	£72,810	2,560	112,622
Warwickshire County Council	57	£694,358	£124,614	8,073	460,140
Total	257	£2,027,589	£477,070		460,140

4.71 The actual numbers of councillors moving forward for both models will be determined in due course. As noted under criteria 6 below, this is work in progress, and focus should be placed on the guidance of the Local Government Boundary Commission for England (LGBCE) and their three core areas of Strategic Leadership, Accountability, and Community Leadership. Two options for the future number of councillors have been proposed under criteria 6.

4.72 For the purposes of illustrating the financial impact of reducing councillor numbers, future councillor numbers have been estimated here using comparator councils. This should be treated as indicative only and in no way a formal proposal for the number of councillors that each model would have.

Single Unitary Model

4.73 Using the North Yorkshire Council model as a comparator (1 councillor per 5,374 electors), a single unitary authority in Warwickshire, with approximately 460,140 electors, would likely require a council size of around 87 councillors. The costs of this model have been compared to existing costs to create an estimate of savings. This has been done by taking an average cost of both basic allowances and special responsibility allowances per councillors based on the table above and multiplying out by the number of councillors in the new model and comparing to current costs.

²⁹ "Ward Electorates" document provided by Warwickshire County Council, on local SharePoint.

Table 37: Single unitary proposed councillor structure.

Single Unitary	Total Current Cllrs	Proposed number of Cllrs	Current BA Cost (£000s)	Proposed BA Cost (£000s)	Current SRA Cost (£000s)	Proposed SRA Cost (£000s)	Total Current Cost (£000s)	Proposed New Cost (£000s)	Saving (£000s)
North Warwickshire	257	87	201	580	55	153	2,505	733	1,771
Nuneaton and Bedworth			238		52				
Rugby			326		74				
Stratford on Avon			263		100				
Warwick			306		73				
Warwickshire County Council			694		125				
Total			2,028		477				

Two-Unitary Model

4.74 Using Cheshire East Council as a benchmark (1 councillor per 3,475 electors), a two-unitary model for Warwickshire would result in the following:

- **North unitary:** This unitary would need approximately 56 councillors.
- **South unitary:** This unitary would require approximately 65 councillors.

4.75 The costs of this model have been compared to existing costs to create an estimate of savings. This has been done by taking an average cost of both basic allowances and special responsibility allowances per councillors based on the table above and multiplying out by the number of councillors in the new model and comparing to current costs.

Table 38: Two unitary proposed councillor structure.

Two Unitary	Total Current Cllrs	Proposed number of Cllrs	Current BA Cost (£000s)	Proposed BA cost (£000s)	Current SRA Cost (£000s)	Proposed SRA Cost (£000s)	Total Current Cost (£000s)	New Cost (£000s)	Saving (£000s)
North Warwickshire	121	56	201	372	55	88	945	460	485
Nuneaton and Bedworth			238		52				
Rugby			326		74				
Stratford on Avon	85	65	263	435	100	132	741	567	174
Warwick			306		73				
Warwickshire County Council	57	-	694		125		819	£0	819
Total		121	2,028		477		2,505	1,004	1,478

Table 39: Saving summary.

Unitary Structure	Savings (m)
Single Unitary	£1.77
Two Unitary	£1.48

4.76 The single unitary model provides the greatest level of savings. However, there would be concerns here around a democratic deficit. A number of councillors would be removed, and there would be fewer individuals to whom ward concerns could be submitted.

4.77 A two unitary model provides a balance between amount of savings and providing greater representation to the people of Warwickshire.

Service savings

4.78 New unitary models can deliver savings in expenditure on services due to integration and increased economies of scale. For example, back-office services can achieve considerable efficiencies through consolidation into larger teams. This may also be the case when current District and Borough services are aggregated up, for example in waste collection, where a bigger council may have more purchasing power and be able to strike a better deal with the market, if the service is outsourced. In current County Council services that

need to be disaggregated, the question becomes whether the single county unitary will continue to deliver savings, or whether an alternative approach adopted by the two unitary model would be able to deliver more savings.

4.79 In the assessment below, potential savings opportunities have been estimated based on the most recent budget data for comparable and relevant services within each council, from their submitted RA forms and statements of accounts.

Table 40: Service Expenditure

Service Area	North Warwickshire (£'000) ³⁰	Nuneaton and Bedworth (£'000) ³¹	Rugby (£'000) ³²	Stratford on Avon (£'000) ³³	Warwick (£'000) ³⁴	Warwickshire County Council (£'000) ³⁵
Children's social services						150,150
Adult social services						234,632
Homelessness and Housing	7,358	5,912	3,164	3,415	6,102	4,734
Education / SEND						440,121
Corporate Services	923	2,590	2,156	2,500	1,853	8,415
Remaining Expenditure	6,862	26,156	13,641	16,783	31,255	55,187
Total Expenditure (cost of services)*	15,143	34,658	18,961	21,465	39,210	989,120

**Includes additional services such as fire services, highways and public health expenditure, which are not included in above lines, as savings may not be made in these areas.*

³⁰ 2023/24 Statement of Accounts

³¹ 2023/24 Statement of Accounts

³² Net Current Expenditure – 24/25 RA Forms

³³ Net Current Expenditure – 24/25 RA Forms

³⁴ Net Current Expenditure – 23/24 RA Forms

³⁵ Net Current Expenditure – 24/25 RA Forms

Table 41: Service optimisation savings estimations for the baseline financial model position, before the assumptions around single, and two unitary models are applied.

Service Area	Method used	Saving Opportunity (£000s)										
		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		27/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38
Children's Social Services	Calculation based on managing demand		£2,000	£4,000	£6,000	£8,000	£8,240	£8,487	£8,742	£9,004	£9,274	£9,552
Adult Social Services	Calculation based on managing demand		£14,867	£29,733	£44,600	£45,938	£47,316	£48,736	£50,198	£51,704	£53,255	£54,852
Homelessness and Housing	7.5% reduction		£2,301	£2,370	£2,442	£2,515	£2,590	£2,668	£2,748	£2,830	£2,915	£3,003
Education and SEND	10% reduction to HST		£3,010	£3,010	£3,010	£3,010	£3,010	£3,010	£3,010	£3,010	£3,010	£3,010
Corporate Services	13.0% reduction		£2,397	£2,469	£2,543	£2,619	£2,698	£2,779	£2,862	£2,948	£3,036	£3,127
Remaining Expenditure	7.5% reduction		£11,241	£11,579	£11,926	£12,284	£12,652	£13,032	£13,423	£13,825	£14,240	£14,667
Total Savings Opportunity			£35,816	£53,161	£70,520	£74,366	£76,506	£78,711	£80,982	£83,321	£85,731	£88,212
Cumulative Savings Opportunity			£35,816	£88,977	£159,497	£233,863	£310,369	£389,080	£470,062	£553,383	£639,114	£727,326

Assumptions for Children's Social Services:

- Annual expenditure reduction taken from Peopletoo consultancy report³⁶ (£8m).
- Assumed gradual annual recurrent savings achieved in £2m increments.
- Assumed 3% inflationary increase when £8m total saving achieved.

Assumptions for Adult Social Services:

- Annual expenditure reduction taken from Peopletoo consultancy report³⁷ (£44.6m).
- Assumed gradual annual recurrent savings in equal increments to reach £44.6m in three years.
- Assumed 3% inflationary increase when £44.6m saving achieved.

Assumptions for education and SEND:

- The 10% reduction figure in the table is only applied to the Home to School Transport (HST) element of the education and SEND Budget. This is based on knowledge of other Council savings programmes in this area that seek to promote independent means of travel to school, using a travel trainer approach, which can be more easily operated at the two-unitary level.
- Warwickshire County Council reporting stated that the total budget for HST for 23/24 was £30.1m³⁸.

Assumptions for homelessness and housing, corporate services and remaining expenditure:

- The initial percentage reduction was applied to service expenditure as in table 27 to provide the year 1 savings figure.
- From there, assumed an inflationary savings increase of 3%.

Assumptions for single and two unitary models for remaining expenditure and consolidation of back-office functions:

- Savings are assumed to start from the 28/29 financial year, when the unitary model is in place. Costs are assumed to start from the 27/28 financial year, in readiness for unitarisation.
- The single unitary model is assumed to generate the highest level of savings for these functions due to greater economies of scale. The full 100% savings figure has therefore been used.
- The two unitary model is likely to achieve lower savings than the single unitary model due to the realisation of lesser economies of scale and costs of disaggregation. A figure of 83% of the total saving has therefore been used.

Assumptions for single and two unitary models for remaining demand led functions (e.g. ASC, CSC, SEND, homelessness):

³⁶ Warwickshire LGR Support – ASC and Children Services Analysis to Inform the Two Unitary Decision, June 2025 by Peopletoo

³⁷ Warwickshire LGR Support – ASC and Children Services Analysis to Inform the Two Unitary Decision, June 2025 by Peopletoo

³⁸ [Cabinet Report - Member Working Group – Home to School Transport](#)

- In these areas, the two unitary model is likely to create more financial savings as it supports the management of demand more effectively with a local, place-based, community focused, early intervention and place-based model.
- Savings are presented at 100% for the single unitary model, encompassing all savings currently calculated.
- Work has been done to estimate a percentage difference between county-level and smaller unitary provision. This has been estimated as 8.5%, based on some work provided by the consultancy Peopletoo showing a difference in unit costs of this scale between councils of different types and sizes. A disaggregation cost has also been estimated at 3.5%.
- Therefore, the two unitary model has been estimated at delivering 105% of the savings, incorporating both the increase in savings (8.5%) and the cost of disaggregation (3.5%).

Assumptions for costs:

- All cost figures are based on experience of previous mergers of public sector bodies and the level of costs assumed, scaled for the size of the creation of the new organisations in the three options. Please note that estimating costs is an inexact science due to lack of knowledge of costs of IT systems etc in every council, so these figures should be considered as estimates. The cost figures are also dependent on the approach to implementation that is taken and in particular the pace and scale of change. If the transition process is longer, then the costs reduce and can be managed over time.
- A more granular assessment of these areas will be carried out as part of subsequent implementation planning, in which operational costs, service delivery models, and potential areas for consolidation or streamlining will be refined.

Summary of Findings

- 4.80 This section provides a consolidated overview of the costs and benefits. It is important to note that these cost and savings estimations are based on assumptions and not on forecasted figures. The cost breakdowns differentiate between recurrent and non-recurrent expenses.
- 4.81 The majority of costs are non-recurrent, for example those costs associated with an enhanced PMO, redundancies, and the gradual disaggregation of estates and facilities. These costs have been phased over the transition period to reflect the implementation of the new unitary structure.
The projected savings, however, are considered recurrent year on year.
- 4.82 The following tables show the restructure costs (non-recurrent) and savings (recurrent) calculated using the above assumptions.

Table 42: Single Unitary financial analysis.

Analysis - Single Unitary

Restructure Costs (£'000)	27/28	28/29	29/30
Leadership Redundancies (L0-L2)	£1,235	£0	£0
Delivery Support (PMO)	£1,587	£856	£490
Legal/ DD	£600	£0	£0
Comms and Engagement	£150	£150	£0
OD/Culture	£640	£160	£0
Procurement/Contracts	£600	£0	£0
Finance (inc. ledger)	£300	£0	£0
Estates Consolidation	£750	£750	£0
IM&T	£7,875	£5,250	£0
Total	£13,737	£7,166	£490

Savings (£'000)	27/28	28/29	29/30
Elections	-	£350	£350
Senior Leadership (L0-L2)	-	£1,945	£1,945
Councillors	-	£1,771	£1,771
Corporate (combined)	-	£2,397	£2,469
Service Delivery (Efficiencies)	-	£33,149	£50,692
Total	£0	£39,883	£57,228

Table 43: Two Unitary financial analysis.

Analysis - 2 Unitary

Restructure Costs (£'000)	27/28	28/29	29/30
Leadership Redundancies (L0-L2)	£570	£0	£0
Delivery Support (PMO)	£2,590	£1,420	£835
Legal/ DD	£700	£0	£0
Comms and Engagement	£125	£125	£0
OD/Culture	£480	£120	£0
Procurement/Contracts	£450	£0	£0
Finance (inc. ledger)	£250	£0	£0
Estates Consolidation	£625	£625	£0
IM&T	£9,135	£6,090	£0
Total	£14,925	£8,380	£835

Savings (£'000)	27/28	28/29	29/30
Elections	-	£350	£350
Senior Leadership (L0-L2)	-	£1,047	£1,047
Councillors	-	£1,478	£1,478
Corporate (combined)	-	£1,989	£2,049
Service Delivery (Efficiencies)	-	£32,617	£50,680
Total	£0	£37,482	£55,604

Implications

4.83 The following table shows the costs and savings for all unitary models.

Table 44: Cost and Savings Summary.

Costs and Savings Summary (£'000)

Restructure Costs	27/28	28/29	29/30
Single Unitary	£13,737	£7,166	£490
Two Unitary	£14,925	£8,380	£835

Savings	27/28	28/29	29/30
Single Unitary	£0	£39,883	£57,228
Two Unitary	£0	£37,482	£55,604

Net Savings	27/28	28/29	29/30
Single Unitary	-	£32,717	£56,737
Two Unitary	-	£29,102	£54,769

4.84 The financial assessment shows that the single-unitary model generates a higher amount of net savings over three years compared to the two unitary model.

4.85 Costs are lower, both in terms of transition and disaggregation costs, and the single unitary model produces higher economies of scale in back offices and other services which are aggregated.

4.86 Therefore, the single county unitary model has been ranked higher against this criterion.

Option 1: Single Unitary	Option 2: Two Unitary
1 st Place	2 nd Place

4.87 However, it should be noted that the two unitary model also generates significant savings.

4.88 This is because of the significant savings generated by tackling demand in services such as Adult Social Care, Children's Social Care and Home to School Transport. These savings are projected to be generated by the place-based and community-focused early intervention and prevention approach that would be taken by two unitaries. The current county-led approach has not been successful in changing the demand curves for these services. A new approach is required.

4.89 As evidenced above in the financial position section, the increasing deficits as a result of high demand services like social care and SEND is the biggest financial risk factor for the county of Warwickshire, and the two-unitary approach addresses this risk the most.

4.90 Please note that the costs of disaggregation have been built into the financial methodology above by reducing the potential savings for the two unitary model, as described in the assumptions.

Upside potential if services are fully transformed

4.91 The figures quoted in the analysis above for Children's Social Care and Adults Social Care are based on potential savings in the short-term and do not include the potential upside resulting from further Peopletoo modelling.

4.92 This modelling projects an additional potential saving of £30m over five years, which is additional to the savings previously identified and represents the optimistic outcome achievable under a best-case scenario.

Should these additional savings be realised, the two unitary model would demonstrate substantially superior financial efficiency when compared to the single county unitary model.

5. Criteria 3: Unitary Structures Must Prioritise the Delivery of High Quality and Sustainable Public Services to Citizens.

Summary

5.1 Local government reorganisation is an opportunity to reshape the way councils serve their communities. Two new councils would have the scale and capacity to deliver modern, transformed services. Specifically, the two unitary model will transform services by taking the following approach:

- ✓ **Place focused and locally responsive:** The model enables services to be shaped around real community needs and priorities, with more tailored solutions.
- ✓ **Community focus:** The two unitaries will develop a new relationship between communities, citizens and the state, by taking a strengths-based, early intervention and prevention approach, bolstering the voluntary sector and creating stronger community engagement.
- ✓ **Integrated and effective:** The new councils will bring county and district responsibilities together and redesign services around the customer, making them easier to access and more efficient.
- ✓ **Minimise risk of disaggregation:** By taking a flexible approach, such as creating a Joint Board for Safeguarding in the transition period, risk can be reduced. The model also aggregates up existing effective Borough and District services, building on strengths while preserving local service models.

5.2 The disadvantages of the single unitary are as follows:

- × **Too big:** A single county unitary's organisational structures and processes could become too complicated and cumbersome.
- × A bigger organisation may find, for example, it **more difficult** to bring about transformational change by building new sets of relationships with residents and the community and voluntary sector.

5.3 Therefore, the two unitary option has been ranked as the best against this criterion. This section of the Business Case explores the potential service models and evidence in a number of key service areas.

General approach to service transformation

5.4 The two unitary model can transform public services for a generation. The two new councils would:

- Pursue a service model of early intervention and prevention, building on local identity, working closely with the voluntary and community sector, and therefore reducing demand for services
- Build closer relationships with residents, families, young people and schools to ensure young and old alike can stay within their communities for as long as possible
- Develop the local market and build micro providers, ensuring the right capacity at the right price and the right quality

- Bring together key services such as Housing, Public Health, Leisure, Green Spaces and Social Care to ensure maximisation of community assets and a place-based approach to prevention and early intervention
- Use rich data sources from across revenues, benefits, social care and health, to develop predictive analytics, targeting intervention activity to prevent escalation across social care and health
- Develop the online offer, ensuring better information and signposting pre and at contact with the new authorities

5.5 Specifically, the two unitary model will prioritise communities as a key asset to promote independence and empower people to seek support. All successful prevention strategies rely on these principles. This involves identifying the breadth of community resources that can be accessed to help reduce and prevent many common reasons for ultimately requiring specialist intervention and understanding what is needed on a 'place' basis. The two unitary model can address the specific needs and demographics of each population, undertaking targeted resource allocation, ensuring funding reaches organisations working within specific socioeconomic contexts. Furthermore, the two new councils can focus on workforces that connect communities, investing in local staff in local towns and villages. Decisions will be made by senior leaders and members who are closer to front line services, and therefore more able to trust and empower their teams.

5.6 This approach would build on the strengths of the existing District and Borough councils, leveraging community partnerships and strategic partnerships. For example, the NHS is pursuing a strategy of neighbourhood health, building local integrated hubs in local communities, and aiming to move from a model of crisis to prevention. The two-unitary model, in understanding local neighbourhoods and communities better, can do more to facilitate this strategy, as the network of existing Borough and District Council services shows.

5.7 This is important. The demographics of the South and North of the county are clearly quite different, and therefore require tailored solutions. Moreover, there is also huge variation in the capacity, cost and quality of commissioned services, supporting the most vulnerable citizens across the County.

5.8 There is evidence that this kind of approach can be delivered more successfully by a two unitary model. People Too indicate that national benchmark data indicates that unitary authorities with a population of 350k and below, perform better in terms of key areas of expenditure across Adult Social Care and Children's Social care, as depicted in the table below.

Average unit costs	S251 LAC unit cost	S251 residential unit cost	S251 SEN unit cost	Nursing unit cost	Residential unit cost	Residential & Nursing unit cost
Population 500-750k	£1,949	£7,406	£123	£1,087	£1,160	£1,138
Population 350-500k	£1,946	£8,465	£118	£1,151	£1,209	£1,166
Population 250-350k	£1,718	£6,772	£96	£1,006	£1,028	£1,023
Population <250k	£1,759	£7,220	£100	£1,044	£1,059	£1,048

Data source: People Too analysis, taken from 2023/24 LAIT (Local Authority Interactive Tool) and ASCFR (Adult Social Care Financial Returns refer to Appendix A)

- 5.9 The two new unitaries fall into the green population band highlighted in the table. The single county unitary falls into the orange band highlighted in the table. Therefore, it could be concluded that the two unitary model will be able to deliver services more cheaply than the single county unitary.
- 5.10 It is not just the financial case. The County Council state that there are major challenges in areas such as SEND (special educational needs and disabilities). According to the written Statement of Action following its Joint Area SEND inspection in Sept 2021, there is a real need to rebuild the trust of parents, carers and schools. This is similar for the County's looked after children, if you consider 44% (according to data provided by the County Council), are placed outside of the County.
- 5.11 In relation to adult social care (ASC), the County Council are higher users of residential services in comparison to their nearest NHS neighbours (ASCFR recognised benchmark grouping), and there appear to be capacity issues in relation to the provision of domiciliary care and extra care services, both crucial to keeping vulnerable older people within their own homes and communities.
- 5.12 The risk with one unitary, is that adults and children's services continue as they are, with the risks outlined above.
- 5.13 The system needs real transformation, which only the establishment of two new unitary authorities can provide, allowing for laser focus on the distinct priorities between the North and South.

Improving outcomes

- 5.14 As a result of the approach outlined above, the two-unitary model will have a significant positive impact on outcomes for the people of Warwickshire. The following outcomes could be improved:
- More people maintain their independence and potentially delay or prevent the need for more intensive or long-term care.
 - More people are enabled to maintain or regain their independence in daily living activities, such as personal care, mobility, and accessing the community.
 - Individuals experience a better overall quality of life, including increased happiness, satisfaction, and engagement in meaningful activities.
 - People can connect with others, participate in social activities, and maintain meaningful relationships, reducing social isolation.
 - Individuals have a positive experience with the care and support they receive, feeling respected, empowered, and involved in decisions about their care.
 - More young people stay together with their families and have stable and loving homes,
 - More children are safe both at home and in the community.
 - More children have positive educational and health outcomes.

- Housing options and pathways that are joined up and support better outcomes for residents, ensuring individuals, families and communities thrive.

General approach to disaggregation

5.15 The potential benefits of disaggregating County Council services are clear and are outlined above, in terms of allowing a more locally driven approach that can manage demand. These benefits significantly outweigh the potential costs.

5.16 The risks of such an approach must be acknowledged and mitigated. The two-unitary model would take a flexible approach to determining the right scale for each individual function, making sure that the risks of disaggregation are minimised.

As will be defined in this section, some functions will be disaggregated to the individual unitary level, to pursue a service model of early intervention and prevention, building community infrastructure, and changing the demand curve for expensive statutory services.

5.17 For these services, when structure charts are reviewed, many county teams are already aligned on geographic footprints that would easily align to two new councils. There would only be a handful of posts that may need to be duplicated. The potential benefits of the more local approach would significantly outweigh this extra investment. This is factored into the financial assessment outlined above.

5.18 The following maps demonstrate how many services work on a local footprint already:

Services operating on a North / South footprint:



Health and wellbeing partnerships, community partnerships, Health (ICB and Foundation Trusts) and country parks all currently operate on a North/ South and Rugby footprint.

Services operating on a District and Borough footprint:



- Family first Children's pathfinder
- Education entitlement
- SEND services
- Waste & recycling management
- Early help/family support
- Local Transport Plan
- Community safety partnerships
- Creating Opportunity plans
- Police area teams

5.19 The process of disaggregation would be supported by the way in which services often split on North-South lines already.

5.20 In terms of third-party contracts, IT systems and such factors: these could be shared between councils on a partnership basis if required. An assumption has been made in the financial assessment above on some disaggregation costs that would be required from, for example, additional IT systems for two councils.

5.21 There are some functions which would benefit from size and scale. In a two unitary model, these functions would be retained at the county level through a shared service approach. Such functions would include existing countywide services like Fire and Rescue, which could be managed through a Joint Committee. In addition, a joint Safeguarding Board could be adopted, as is the case in other areas following reorganisation, such as Northamptonshire's joint children's safeguarding board, or Cumbria's joint adults safeguarding board. These would be decisions ultimately for new councils.

5.22 This approach could use section 113 agreements between the councils to create joint units with staff working across both Councils. There are many examples of these arrangements in the current local government landscape. Finances could be carefully worked through and either operated on a per capita basis where appropriate, or on the basis of the location of demand.

5.23 This flexible model described here would provide the right functions at the right scale and give the two unitary model more chance of managing demand effectively. Overall, it is easier for two councils to scale up and share services, than it is for a single bigger council to get the benefits of localism and understanding place.

5.24 This section now provides some examples of services and how they would be operated under a two unitary model.

Adult Social Care

Current Demand

- 5.25 Warwickshire is grappling with a substantial and escalating challenge in the provision of adult social care, driven primarily by its aging population and increasing demand for long-term care services. The demographic shift is particularly acute in areas like Stratford-upon-Avon, where a significant 25% of the population is aged 65 and over, considerably exceeding the regional average of 21%. This demographic pressure translates into a substantial current demand: as of 2023/24, Warwickshire provided support to 4,592 older people, consuming 35% of the annual budget allocated to adult social care.
- 5.26 This support is delivered through a mix of care settings, with 2,322 individuals residing in residential or nursing homes and another 2,481 receiving domiciliary care services.
- 5.27 Further compounding the issue is the concerning state of some care facilities; a significant 18% of Warwickshire's care homes currently require improvement, raising serious questions about the quality and consistency of care available to this vulnerable and growing population segment. The overall scale of the need is substantial, with over 8,845 individuals currently reliant on social care support across the county. Looking ahead, projections paint an even more demanding picture: the over-65 population is projected to increase to 24% by 2030³⁹, representing a substantial increase in demand for services.
- 5.28 This escalating demand is directly reflected in the financial planning of Warwickshire County Council. The council's MTFS for 2025/26 to 2029/30, approved in February 2025, allocates a substantial £46.8 million over the next five years specifically to address the growing pressures within adult social care. This investment supplements the existing funding generated by the 2% social care precept on council tax, which currently yields approximately £7.9 million annually.
- 5.29 The projected growth in demand is stark: by 2030, the council anticipates a 30% increase in residents aged 75 and over compared to 2020 figures, alongside a 10% increase in the number of 16–64-year-olds with moderate or severe learning disabilities. These projections underscore the significant and multifaceted nature of the challenge. The financial implications are already evident, with adult social care spending rising by a considerable 39.8% in the last five years, reaching £207 million in the last financial year (FY22/23). This substantial increase highlights the urgent need for proactive and comprehensive strategies to address the growing demand and ensure the provision of high-quality, sustainable social care services for Warwickshire's residents.

Proposed Future Model

- 5.30 The overall driving force for the model would be to pursue a service model of strategic commissioning, early intervention and prevention, building community infrastructure, and being responsive to Place. This approach will:
- Provide practical support to people at risk with issues such as housing, debt, employment, health, and domestic abuse.
 - Build on community relationships and capacity, focusing upon factors such as mobility, social connectedness and financial wellbeing, enabling people to thrive in their own communities.
 - Rely on local staff rooted in local communities to signpost residents to local sources of help and local community assets, such as village halls or volunteer groups.
 - Provide information about sources of support to those who may require care.

³⁹ [Warwickshire Adult Social Care Strategy 2024-2030](#)

- Focus on digital and technology focused solutions to support people to stay at home.
- Focus on strengthening the reablement offer, helping people regain their independence, in particular by building a broad-based offer linked into various forms of support to build independence, such as focusing on reducing social isolation.
- Taking a strengths-based approach to social work, focusing on what people can do and supporting those capabilities.
- Promote independence and enablement with particular client groups such as those with mental health issues or learning disabilities
- Forge strong partnerships with the voluntary sector, community groups, and local health partners, including anchoring existing Places and Health and Wellbeing partnerships
- Develop the micro provider market to build capacity and support self-funders
- Work with the market to develop more extra care provision across the County to support Older People within their communities
- Work with the market to develop more of the right housing and support provision for working age adults, keeping people within the County and out of residential care
- Take a strategic commissioning approach with housing to help people to live independently for longer, including developing affordable housing, which is key for the social care workforce (for example, carers in South Warwickshire need assistance and cannot rely on the private rented market due to high costs and low wages).

5.31 In support of this approach, the District Councils Network⁴⁰ recommends that ASC is redesigned by capitalising on the strengths of districts and appropriately sized unitaries, their local knowledge and focus on preventative measures. Councils which achieve the right balance between scale and closeness to the community, with their intimate community knowledge, are ideally positioned to excel in this redesigned approach.

5.32 A locally led approach, which leverages community relationships and place-based capacity, unlocks new interventions and solutions by focusing upon factors such as mobility, social connectedness and financial wellbeing, supporting particularly those at risk of requiring a nursing or residential placement, or a mental health placement. A two unitary model would build on a system-wide prevention partnership model, enabling people to thrive in their own communities and be able to self-serve or, at the point of need seek earlier support from community-based interventions and universal front door opportunities. Local staff rooted in communities are best placed to undertake this signposting and understand the local community assets, be that the local parishes, village halls or volunteer groups, GP surgeries, or other service hubs. Local knowledge and a local focus allow for better signposting and access to information to these kinds of services, which are key for demand reduction. Such an approach would also include implementing other best practices such as asset-based community development, community health champions, and neighbourhood action grants.

5.33 The success of this model hinges on stakeholder support and forging strong partnerships with the voluntary sector, community groups, and local health partners. A single unitary structure would find it challenging to develop meaningful local partnerships due to being spread over a larger geographical footprint. There are also the logistical challenges that accompany this, whereas smaller unitary structures may find it easier to leverage existing local partnerships and make use of community outreach. Other key partnerships include the police and wider health system services, including the GPs / Primary Care Networks and hospital trusts. Day to day operations are managed on a more local basis at Neighbourhood level in these services, and a two-unitary model would be closer to these services. Stronger partnerships with these stakeholders would result in better outcomes.

⁴⁰ [The power of prevention and place in new unitary councils](#)

5.34 A two-unitary model would facilitate more efficient data sharing and cooperation between social care and housing for improved outcomes due to these services sharing similar footprints, early prevention and enhanced market optimisation that is driven by a better understanding the local needs.

There are case studies that indicate that this kind of approach can have an impact:

Case Study: Cross-Cutting Social Care, Greenwich Integrated Care⁴¹:

5.35 Social and healthcare teams in Greenwich were engaged through workshops to redesign the service; they mapped pathways and identified gaps, blockages and bottlenecks. A multi-professional group then developed the (as was) new model. This included single initial point of access for referrals and immediate response to patient need, a Joint Emergency Team (JET) to provide a fast immediate response to prevent hospital admission, a Hospital Intervention Discharge team to provide speedy discharge to intermediate or social care and three Community Assessment and Rehabilitation teams (CARs) providing up to 6 weeks rehab and on-going social care. Additionally, flow through intermediate care beds was jointly managed via a collective KPI and teams of nurses, physiotherapists, OTs, social workers and care managers were co-located.

5.36 The impact of this service redesign was significant, in year one, admissions to social care reduced by 35%. After reablement, over 60% people required no care packages. This saved the Local Authority £900k. The number of avoided admissions continues to increase year-on-year. There was a decrease in emergency admissions for people with conditions that could be treated in the community. An increased number of people aged 65+ stayed at home following discharge from hospital through a reablement intervention and remained at home 91 days later. Over 2 years 8% reduction each year in the number of people with a social care package. There was also a 7% reduction in the number of people supported in long-term care placements throughout the year.

5.37 Furthermore, a report by the Local Government Association in 2024 highlighted through studies that every £1 spent on prevention can save over £3.17 in downstream costs.⁴²

5.38 The City of York Council for example has implemented several community-based initiatives, including local area co-ordination, and have estimated that this work has resulted in £6.8m of costs prevented in 2023 (£4.9m of which would have been attributable to adult social care). This proactive approach contributes to a healthier population and a more sustainable social care system.

5.39 Please note that both Greenwich and York have similar population sizes to the proposed two unitaries for Warwickshire of between 200,000 and 300,000 each. This further makes the point that medium sized authorities are able to transform services by taking a more local, community focused approach.

Operating Model

5.40 The top priorities for the Adult Social Care Operating Model would be as follows:

- **Shift from residential to community-based support:** Warwickshire has significantly higher reliance on residential/nursing placements vs. comparators.
- **Expand domiciliary and extra care capacity** to reduce demand for residential placements.

⁴¹ [Integrated Care Value Case - Greenwich](#)

⁴² [LGA: Investing in preventative support can save more than £3 for every pound spent](#)

- **Strengthen prevention & reablement** – embed “Home First” pathways, better triage, community networks.
- **Develop micro-provider markets** in rural areas to address capacity/access gaps.
- **Digital-first services**: resident care accounts, online assessments, AI-enabled triage.
- **Carer support** – respite, training, carer navigators.
- **Workforce sustainability** – reduce agency reliance, build local recruitment pipelines, embed strength-based practice.
- **Integration with NHS** – Section 75 agreements for hospital discharge, reablement, intermediate care.

5.41 The operating model will be community-based, preventative, and digitally enabled, consistent with the Government’s 10-Year Health Plan. Core features are shown in the diagram below:



Key features are shown in the diagram below:



Structural Considerations

5.42 The two-unitary model would take a flexible approach to determining the right scale for each individual function. The overall driving force for this model would be to pursue a service model of early intervention and prevention, building community infrastructure, and changing the demand curve for expensive statutory services. For this reason, the following Adult Social Care functions would be disaggregated to the individual unitary level:

- Early Help & Prevention
- Social Work for Vulnerable Adults
- Carers' Support
- Commissioning and market management

There are some functions which would benefit from size and scale. In a two unitary model, these functions would be retained at the county level through a shared service approach:

- Safeguarding

This flexible model would provide the right functions at the right scale and give the two unitary model more chance of managing demand effectively.

5.43 In terms of disaggregation, a small number of additional roles would be required, such as an Executive Director, and some additional senior staff overseeing commissioning, public health, prevention and social work. However, we would also assume that the roles and responsibilities, and therefore salaries, would reduce in the two unitary scenario also. This would be reflective of the scale of the role. For example, in a single unitary an Executive Director would be responsible for the delivery of social care for a larger population footprint, compared to that in a single unitary where the role and remit is split. An Executive Director in a smaller unitary can also oversee a greater breadth of services, and therefore fewer roles may be required. Therefore, some disaggregation cost has been built into the financial analysis above. This includes a new case management system which may be required for one of the new authorities.

Children's Services

Current demand

5.44 Warwickshire County Council faces significant demand for children's services, despite a referral rate lower than national and regional averages. The county's substantial child population of approximately 119,153 (0-17 years) constitutes roughly one-fifth of the total population, placing considerable pressure on existing resources. A notable increase in safeguarding contacts from 16,344 in 2022/23 to 17,907 in 2023/24 underscores this growing need. Furthermore, the number of children in need with plans rose from 2698 to 2840 during the same period, and a total of 805 children were in the care system in 2023/24, highlighting a substantial requirement for support and resources. The initiation of 5994 statutory social care assessments in 2023/24 further emphasizes the scale of demand⁴³.

5.45 This demand is greater in Warwickshire than its comparators, with a rate of 64 per 10,000 population compared to a Statistical Neighbour average of 55 per 10,000 population, as shown in the table below.

⁴³ [Warwickshire Safeguarding Annual Report 2023-24](#)

Table 45: Number of children in care⁴⁴

Year	Number of looked after children at 31 st March per 10,000			
	Warwickshire	West Midlands	England	Statistical neighbours
2020	65	83	68	
2021	73	86	69	
2022	69	88	70	
2023	64	90	70	
2024	64	90	70	55

5.46 While recent safeguarding audits reveal a positive trend, with approximately 60% of provision graded as 'good', a considerable 40% require improvement, indicating areas needing attention and resource allocation. This highlights the need for ongoing investment and strategic planning to address these service gaps and ensure the provision of high-quality care. The council's planned £8.1m investment in children's social care services for 2025/26, including £5.5m for increased placement costs and demand, reflects a recognition of these pressures. This substantial investment, alongside a further £7.4m allocated to home-to-school transport, demonstrates a commitment to meeting the escalating demands and costs within the children's services sector. The large budget allocated to Children's Services within the council itself reflects the extensive statutory duties and high level of regulation in this critical area.

5.47 Across the country, local authorities are facing significant challenges in children's services due to a 17.5% budget reduction between 2009/10 and 2019/20 which has led to a 35% decrease in non-statutory children's services spending, impacting preventative services. Furthermore, a lack of reliable data hinders strategic planning for placements. Existing data inadequately captures true demand, lacks a clear typology of needs, and fails to effectively link placement and cost data, making it difficult to quantify supply gaps and demonstrate the true cost of insufficient provision. The current market dynamic, where LAs compete fiercely for limited placements rather than providers competing for clients, exacerbates the problem.

Proposed Future Model

5.48 The overall driving force for this model would be to pursue a service model of early intervention and prevention, building community infrastructure, and changing the demand curve for expensive statutory services.

5.49 The service model adopted by the two unitary authorities would:

- Build trusting relationships with families at risk at an early stage.
- Provide practical support to families at risk with issues such as parenting support, housing, debt, employment, and health.
- Undertake outreach with families at risk in a proactive manner.

⁴⁴ [Children looked after in England including adoption: 2023 to 2024](#)

- Build community relationships and capacity, focusing upon factors such as social connectedness and financial wellbeing, enabling people to thrive in their own communities.
- Rely on local staff rooted in local communities to signpost families to local sources of help, such as volunteer groups or youth services.
- Ensure that help from different agencies and sources wraps around the whole family, helping them to navigate the system.
- Work with the market and partners to develop the right kinds of housing support to keep children in care (where applicable) closer to their communities, creating stable communities in which individuals and families can thrive, such as responding to the recent changes around Ofsted registration for supported housing for young people accommodated under section 17.

5.50 This approach will lead to better outcomes for children, as they have a greater likelihood of staying at home with their families with greater levels of tailored support. Decisions can be made closer to the family and young person, with a real knowledge of their circumstances. A two-unitary model facilitates making informed decisions around packages of support for young people, based on their strengths and those of their families, and the community infrastructure around them. This then has positive financial consequences, as expensive care placements for children and young people can be avoided.

Operating Model

5.51 The top priorities for the Operating Model would be as follows:

- Reduce Children Looked After (CLA) rate: Warwickshire at 64/10k vs. Statistical Neighbour average 55/10k.
- Cut out-of-county placements: currently 44% of CLA placed outside Warwickshire.
- Family Help / Kinship-first model: develop Family Help hubs, prioritise kinship placements.
- In-house fostering expansion: reduce reliance on high-cost external placements.
- Safeguarding capacity: robust local MACPTs.
- Inspection improvement: align with ILACS recommendations, maintain Ofsted "Good" progress.

5.52 The operating model will be community-based, preventative, and digitally enabled. Core features are shown in the diagram below:



Structural Considerations

5.53 The two-unitary model would take a flexible approach to determining the right scale for each individual function.

The overall driving force for this model would be to pursue a service model of early intervention and prevention, building community infrastructure, and changing the demand curve for expensive statutory services.

5.54 For this reason, the following Children's Social Care functions would be disaggregated to the individual unitary level:

- Targeted Early Help
- Children in need and child protection
- Children in Care and care leavers
- School Transport
- Commissioning and market management

5.55 There are some functions which would benefit from size and scale. In a two unitary model, these functions would be retained at the county level through a shared service approach:

- Safeguarding
- Potentially some specialist services for children with disabilities

5.56 This flexible model would provide the right functions at the right scale and give the two unitary model more chance of managing demand effectively.

5.57 In terms of disaggregation, the position would be exactly the same as for Adult Social Care, outlined in the previous section. A small number of additional roles would be required, such as an Executive Director, and some additional senior staff overseeing commissioning, early help and social work. However, the roles and responsibilities, and therefore salaries, would reduce in the two unitary scenario. Therefore, some disaggregation cost has been built into the financial analysis above. This includes a new case management system which may be required for one of the new authorities.

Current Demand

5.58 Warwickshire's Special Educational Needs and Disabilities (SEND) services are facing significant challenges due to a rapidly growing demand. The projected increase in children and young people with Education, Health and Care (EHC) Plans to approximately 7,500 by 2027/28 highlights a substantial rise in need across the county. While the number of children effectively supported within mainstream provision has increased (from 1,430 in 2021 to 2,132 in 2024), the number in special school settings has also risen (from 1,544 to 1,723), indicating a continued strain on resources. Fluctuations in independent provision further complicate the situation⁴⁵.

5.59 These escalating demands are compounded by significant financial pressures. Reports from the National Audit Office, the Local Government Association, and the County Council Network all highlight the unsustainable nature of current SEND provision, extending beyond educational costs to encompass related expenses such as home-to-school transport. Warwickshire is committed to working within its existing resources while actively advocating for increased government funding. Several key areas require immediate attention: the need for more SEND Resourced Provisions; consistent delays in EHC plan completion (exceeding the 20-week target) and annual review decisions (exceeding the four-week target); escalating costs exceeding allocated budgets; and the need for improved communication with families, children, young people, and professionals.

5.60 Further challenges include addressing attendance issues, emotionally based school avoidance, the needs of children with multiple vulnerabilities requiring multi-agency support, insufficient health visiting checks impacting early identification, lengthy waiting lists for autism and ADHD diagnoses (exceeding 18 weeks), and the need for more realistic transition and preparation packages for adulthood. These multifaceted issues necessitate a comprehensive and strategic approach to ensure sustainable and effective SEND provision in Warwickshire.

Proposed Future Model

5.61 A two-unitary model enables tailored support for specific community needs and fostering stronger partnerships. This approach strengthens community resilience and connection by enabling local solutions to local issues. The following approach would be taken:

- Closer engagement with families and schools by more appropriately sized authorities can build stronger trust with parents, improve co-production, and target awareness where it is weakest, building confidence in the mainstream offer for children with SEN
- A specific understanding of local circumstances and the specific families and community support infrastructure is required for the delivery of better outcomes, paired with close connections to the health, education and housing services.
- Decisions can be made closer to the family and young person, with a real knowledge of their circumstances.
- Understand, develop and leverage community networks, enhancing opportunities for locally led support. Children and young people requiring SEND provision could be more easily referred to a wider range of areas and services which may be able to offer them a more suitable service.
- Review SEND support services to meet demand and need within the local area.

⁴⁵ [SEND and Inclusion Strategy 2024 to 2029](#)

Structural Considerations

5.62 The two-unitary model would take a flexible approach to determining the right scale for each individual function.

The overall driving force for this model would be to pursue a service model of early intervention and prevention, building community infrastructure, and changing the demand curve for expensive statutory services.

For this reason, the following SEND functions would be disaggregated to the individual unitary level:

- Support for Children with SEND
- Home to School Transport

5.63 There are some functions which would benefit from size and scale. In a two unitary model, these functions would be retained at the county level through a shared service approach:

- Admissions and allocation of places
- Any specialist SEND support areas

5.64 This flexible model would provide the right functions at the right scale and give the two unitary model more chance of managing demand effectively. The same disaggregation assumptions for children's services apply to SEND services.

Homelessness

Current Demand

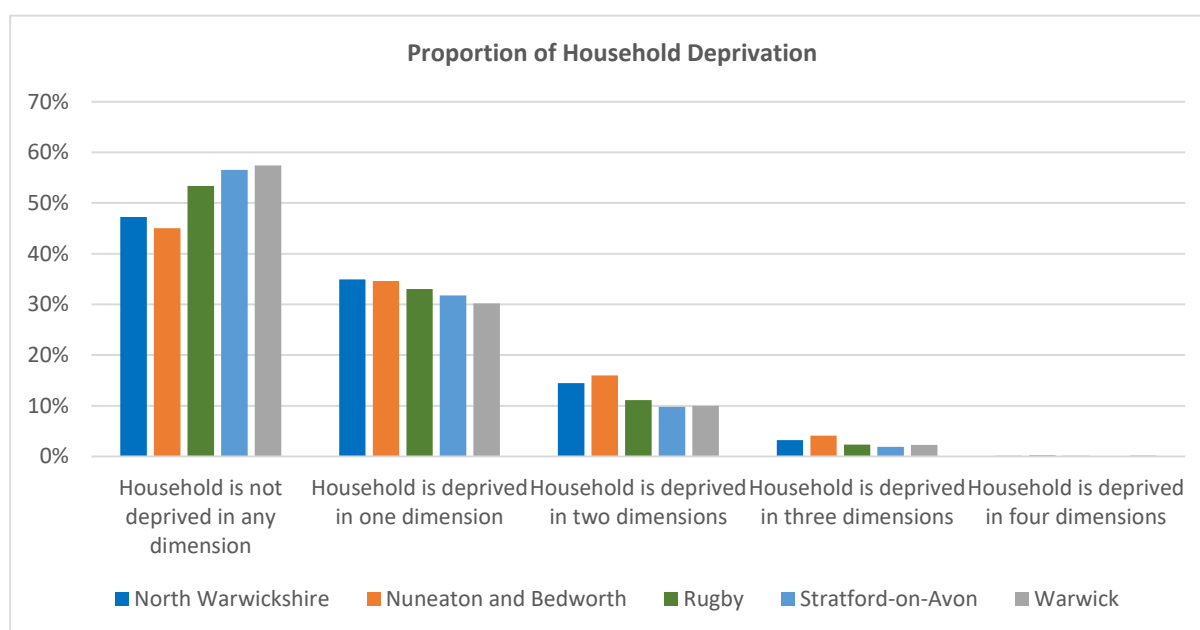
5.65 Deprivation and homelessness pose significant challenges in Warwickshire, particularly in the North of the county.

5.66 Nuneaton and Bedworth has high deprivation levels, with over 9,000 people experiencing deprivation across two dimensions (of employment, health, education, and housing) and 2,300 across three.

5.67 While North Warwickshire's figures appear lower in comparison, accounting for population size reveals that approximately 15% of the population experience deprivation in at least one dimension, highlighting a substantial issue.

5.68 This underscores the urgent need for addressing housing insecurity and the underlying factors contributing to deprivation in these areas.

Chart 46: Households by deprivation dimension⁴⁶



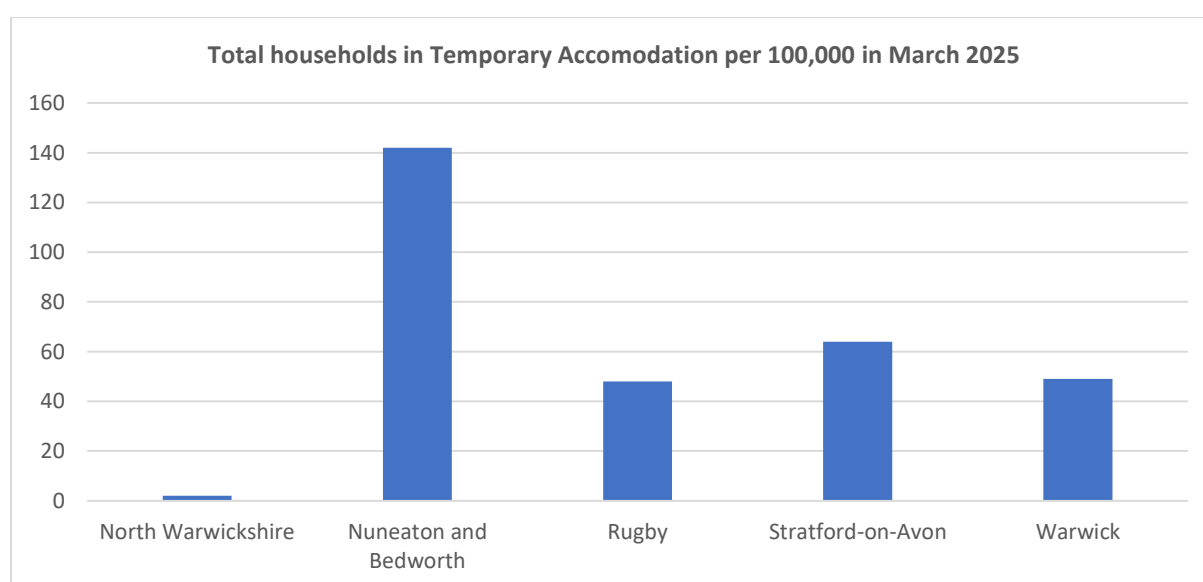
5.69 Rough sleeping snapshots over five years show that areas with the highest estimated numbers of rough sleepers are Warwick and Rugby which have both seen a significant rise between 2023 and 2024. Nuneaton and Bedworth and Stratford-on-Avon also has relatively high numbers of rough sleepers, which saw a recent increase.

⁴⁶ [Households by deprivation dimensions - Office for National Statistics](#)

Table 47: Rough sleeping snapshot by area, estimate of people sleeping rough per 100,000.⁴⁷

District	Estimated rate of people sleeping rough per 100,000 on one night in Autumn				
	2024	2023	2022	2021	2020
North Warwickshire	1.5	0.0	0.0	0.0	0.0
Nuneaton and Bedworth	7.3	7.4	2.2	3.0	4.5
Rugby	10.9	3.4	5.2	2.6	4.4
Stratford-on-Avon	7.0	1.4	2.9	2.2	3.0
Warwick	8.5	4.6	7.3	4.0	2.7

5.70 In a snapshot in March 2025, as shown in the graph below, data shows high levels of households requiring temporary accommodation in Nuneaton and Bedworth, providing temporary accommodation to 142 households at this time. Warwick, Stratford-on-Avon and Rugby all experienced similar demand for temporary accommodation with between 48 and 64 households in each district receiving support.

Chart 48: Total number of households in temporary accommodation (Snapshot in March 2025).⁴⁸

Proposed Future Model

5.71 Enhancing prevention is key to reducing the number of people who require temporary accommodation which requires a multi-agency approach and effective use of data across housing, benefits and adult and children's social care teams. A two unitary model provides an optimum size of council to deliver this and build effective prevention strategies built upon collaboration with teams within the unitary as well as VCSE organisations.

5.72 The approach will be as follows:

- The two unitaries will integrate social care services with homelessness services and housing policy and allocations to obtain economies of scale whilst also maintaining local preventative focus.

⁴⁷ [Rough sleeping snapshot in England](#)

⁴⁸ [Tables on homelessness - GOV.UK](#)

- By combining data, very early identification of at-risk families will be possible to ensure a true preventative model can be put into place.
- The two unitaries will focus on community based early prevention initiatives, which will be improved due to the local focus on Place and local communities. The councils would focus on specific issues such as unemployment, poverty, and lack of access to essential services.
- The two unitaries would also develop and implement strategic housing policies, including increasing the supply of affordable housing and addressing the specific needs of homeless individuals.

5.73 These kinds of methods can be successful. For example, after making homelessness a key priority, Newcastle City Council has partnered with more than 100 agencies and organisations to prevent over 24,000 households from becoming homeless between 2014 and 2021. They achieved this through a combination of partnerships with charities and financial inclusion groups, evidence-based decisions inspired by projects which have had success in other countries, and feedback from major studies into the effectiveness of their initiatives.

5.74 North East Lincolnshire Council worked in partnership on a primary care service called 'Open Door' which relies on referrals from the voluntary sector, council and NHS. 'Open Door' provides direct healthcare to people who are not registered to a doctor, including those who are homeless, and where required provides a social advice worker who can help with benefits, employment support and housing advice (49). Again, please note that these two councils have population sizes of between 150,000 and 350,000, which are similar to the two proposed unitaries for Warwickshire.

5.75 To target more widespread deprivation issues, the two unitary model would develop and implement targeted interventions like these, focusing on area specific issues such as unemployment, poverty, and lack of access to essential services. A two unitary model could also play a more strategic role in community development and regeneration, working with local partners to improve infrastructure, create employment opportunities, and enhance access to education and training. Further to this, smaller, more localised models might support a face to face and place-based approach to homelessness services which are often dealing with vulnerable people.

5.76 Two councils would also be better positioned to develop and implement strategic housing policies, including increasing the supply of affordable housing and addressing the specific needs of homeless individuals and other households in housing need and allowing for more effective long-term planning, resource allocation and targeted delivery of affordable housing to meet needs.

5.77 The single county unitary may face challenges in understanding housing markets locally and taking appropriate action, as well as understanding local communities and services, ensuring adequate local representation and leveraging community partnerships.

Highways and Transportation

5.78 Data on the current approach is provided under criteria 1 above.

⁴⁹ [A councillor's guide to leading the homelessness sector](#)

Future model

5.79 Functions in this area would be fully disaggregated to the two unitaries. The model offers a greater opportunity to integrate services such as planning, economic development and highways within the Place footprints.

5.80 This approach fits with the basic geography of Warwickshire: the majority of major travel routes run East-West rather than North-South, such as the M40, M6 and M45, and the railway lines. Therefore the new Transport Authorities will reflect how the people of Warwickshire use transport, including Travel to Work areas, and can focus on key local priorities.

5.81 A North unitary may choose to focus on the strong interconnectedness around Coventry and the northern towns, potentially facilitating effective integration and management of transport, economic development, and infrastructure.

5.82 The South unitary can address rural transport concerns and also enable tailored transport strategies for tourism and heritage management.

There are a number of more administrative functions that could be operated at a county level under a shared service arrangement, such as blue badge applications and driver training courses.

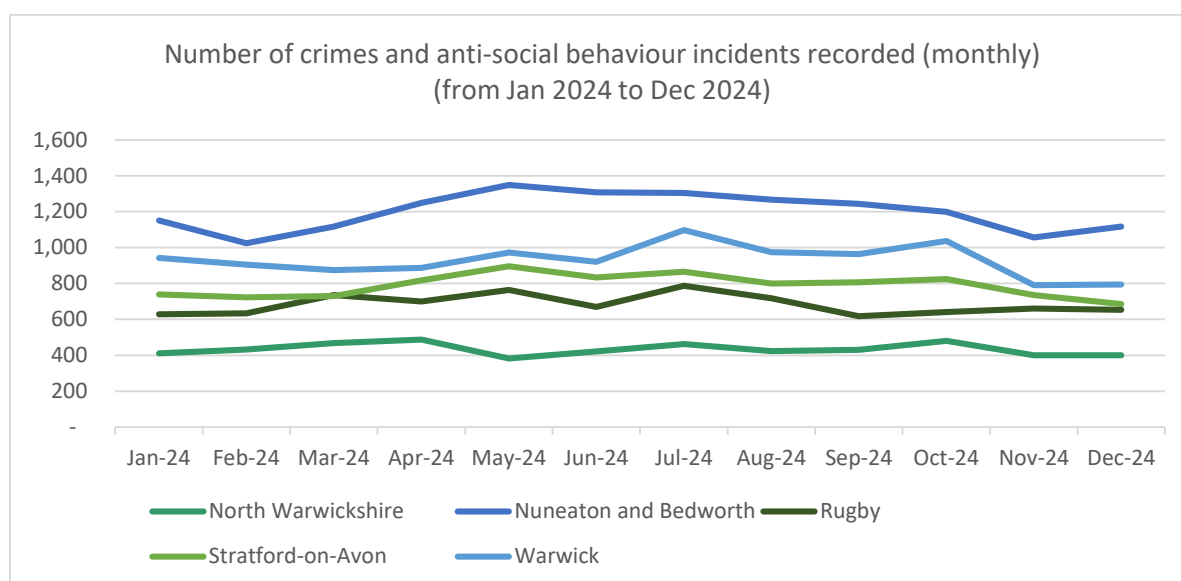
Public safety

Current Demand

Among the Boroughs and Districts, Nuneaton and Bedworth stands out with the highest crime rate, recording over 14,000 incidents in 2024. North Warwickshire has the lowest crime rate of all of the Warwickshire local authorities, however rural crime still remains a key priority in the Warwickshire Police and Crime Plan 2025–29⁵⁰.

⁵⁰ [Warwickshire Police and Crime Plan 2025-29](#)

Chart 49: Number of crimes and anti-social behaviour incidents recorded (monthly) (from Jan 2024 to Dec 2024).⁵¹



Proposed Future Model

5.83 The following model will be used:

- The two new authorities will focus on prevention and early intervention. This could include investing in neighbourhood safety, youth services, and support for domestic abuse.
- The two new authorities will focus on supporting this agenda through the Community Safety Partnerships that bring together voluntary and statutory organisations including Warwickshire Police, health services, Warwickshire Fire and Rescue, local authorities and the Office of the Police and Crime Commissioner, chaired by the lead member for Community Safety in each local authority. These CSPs work to address crime and disorder, reduce reoffending, tackle serious violence, and address the misuse of drugs and substances. CSPs could be linked to the chosen method of area governance moving forward.
- Day to day operations are managed on a more local basis at Neighbourhood level. A two-unitary model would be closer to these services with local community safety teams, building on strong district working at the current time.
- Strong relationships will be preserved with Warwickshire Police and the Fire and Rescue Service.

5.84 This model can build on existing successful models such as the **Community Warden Service in Warwick District**.

5.85 The Community Warden Service in Warwick District has been operating for just over two years and has become a consistent, trusted, and highly effective presence in local communities. Unlike reactive enforcement models, the wardens provide ongoing visibility and develop deep local knowledge, allowing them to build rapport with residents, understand local crime and disorder trends, and offer early support to vulnerable

⁵¹ [LG Inform: Number of crimes and anti-social behaviour incidents recorded in an area \(monthly\)](#)

individuals. Their partnership working across statutory and voluntary agencies enhances their ability to signpost, refer, and protect those at risk.

5.86 Before the introduction of the Community Warden Service, Warwick District faced several persistent and worsening challenges related to community safety and visible reassurance. There was a marked lack of consistent uniformed presence across our towns and parks, despite introducing a range of Public Space Protection Orders (PSPOs), particularly in the evenings resulting in an environment where anti-social behaviour (ASB), low-level crime, and serious violence could escalate largely unchecked.

5.87 Since their establishment just over two years ago, the Community Wardens have consistently delivered:

1. **Presence & Reassurance:** Wardens now patrol town centres, green spaces, estates, and areas of vulnerability with regularity and consistency, particularly in the evenings. Residents frequently express appreciation for their visibility, approachability, and positive impact on feelings of safety. In 24/25 Wardens dealt with 1605 incidents and conducted 2304 patrols.
2. **Building Trust:** Wardens have developed strong rapport with businesses, residents, and community groups restoring trust, reducing tensions, and creating effective channels of communication between the public and enforcement services.
3. **Enforcement & Capability:** For the first time, the Council is actively enforcing PSPOs. Wardens now issue Fixed Penalty Notices (FPNs), deliver ASB warning letters, and issue Community Protection Warnings. This tangible enforcement capability is aligned with national priorities set out by the Home Secretary to clamp down on anti-social behaviour and visible disorder.
4. **Problem-Solving & Prevention:** Wardens play a critical role in partnership-based problem-solving, particularly in reducing youth ASB and serious violence in parks and open spaces. They have been instrumental in de-escalating tensions and preventing repeat incidents.
5. **Night-Time Economy Support:** They are embedded within Leamington's Safe Space initiative, deescalating conflict, helping to safeguard vulnerable individuals, support licensed premises, and educate the public on issues such as personal safety, spiking, and stalking. Police colleagues have praised their contribution to delivering a safe night-time economy.

5.88 In 2024/25 Community Wardens contributed towards a 37% reduction in ASB and a 22% reduction in Serious Violence across Leamington's hotspot areas, vs the previous three-year average. These outcomes were achieved with just £75,000 in funding compared to £925,000 allocated to Warwickshire Police. This clearly evidences the cost-effectiveness and operational value of the Community Warden model.

Schools

Current Model and Demand

5.89 There are a total of 266 state-funded schools in Warwickshire, which are responsible for the education of over 85,318 students. There are 196 primary schools in the county. Of these, 10% have been rated 'Outstanding' by Ofsted, and 68% are rated 'Good'. Attainment across primary schools is mixed, with 19% considered low and 16% considered good, though attainment data is missing for around 28% of primary schools. The most

common pupil-teacher ratio in primary settings is considered very high. Primary schools represent the largest proportion of schools in Warwickshire. Despite a high number of 'Good' ratings, a relatively small percentage are rated 'Outstanding'. The high pupil-teacher ratios may be putting pressure on teaching resources and could contribute to the relatively mixed attainment levels seen across the county. Attainment levels are split quite evenly between high (22%) and low (19%), with 14% of schools lacking attainment data. Secondary schools in Warwickshire generally have a low pupil-to-teacher ratio, indicating smaller class sizes compared to primary schools.

5.90 Across the different districts of Warwickshire, participation in further education is generally lower than the national average. Additionally, in North Warwickshire and Nuneaton and Bedworth, fewer students than the national average achieve a GCSE in English and Maths by age 19. Attainment is better in Rugby, Stratford-on-Avon and Warwick with these areas exceeding the national average for GCSE maths and English achievement by age 19.

Table 50: Attainment in secondary school and participation in higher education (grey filled cells are outperforming the national average (England)).⁵²

District	Further education and skills participation per 100,000 population (2023/24)	Apprenticeship achievements per 100,000 population (2023/24)	GCSEs in English and Maths by age 19 (2022/23)
North Warwickshire	4,540	584	72.3%
Nuneaton and Bedworth	5,257	629	72.1%
Rugby	4,344	505	78.8%
Stratford-on-Avon	3,443	441	85.2%
Warwick	4,072	473	80.5%
National Average	5,006	492	78.7%

Early years and Key Stage Two attainment shows that North Warwickshire and Nuneaton and Bedworth are below the national average in all areas, as shown in the table below.

Table 51: Attainment in primary and early years education (grey filled cells are outperforming the national average (England))⁵³

⁵² [ONS - Local Indicators](#)

⁵³ [ONS - Local Indicators](#)

District	Pupils meeting the expected standard in reading, writing and maths by the end of KS2 (state funded schools 2023/24)	Meeting expected level for communication and language skills by end of early years foundation stage (state-funded schools 2023/24)	Meeting expected level for literacy end of early years foundation stage (state-funded schools 2023/24)	Meeting expected level for maths by end of early years foundation stage (state-funded schools 2023/24)
North Warwickshire	57%	75.6%	66.7%	76.5%
Nuneaton and Bedworth	59%	76.4%	66.9%	75.1%
Rugby	54%	77.5%	72.0%	78.8%
Stratford-on-Avon	64%	81.3%	72.5%	78.7%
Warwick	61%	81.1%	72.5%	81.3%
National Average	60.0%	80.3%	70.7%	78.0%

Proposed Future Model

- 5.91 A two unitary model could retain a shared service or partnership arrangement for Education services, or it could choose to disaggregate services.
- 5.92 A shared service model would possess the strategic capacity to effectively plan and manage school places, ensuring sufficient capacity to meet demand and a more equitable distribution of resources across different areas.
- 5.93 Certain services provided to schools at a countywide level could be retained at this level and managed on a shared services basis, including cloud services, software support, accounting systems, advisory services, welfare services such as attendance advisors, safeguarding including the provision of software and advisory solutions, and HR and bursarial support.
- 5.94 However, a two-unitary model could develop locally tailored support, and allocate school places locally to minimise travel time. For example, a two-unitary model could target areas of weaker educational performance in the North.
- 5.95 There is not agreement on this model currently across the county, and so further work will need to be done on this by the new councils.

Public Health

Current Health Landscape

- 5.96 Warwickshire benefits from good geographic distribution of acute care services, with three acute trusts serving the population: George Elliot Hospital NHS Trust in Nuneaton for Northern Warwickshire, University Hospitals Coventry and Warwickshire NHS Trust serving Coventry and Rugby, and South Warwickshire NHS Foundation Trust serving the South. Furthermore, Warwickshire shows a slightly better patient-to-GP ratio (1,461:1)³⁵ compared to the average in England, suggesting relatively good access to primary care.

5.97 However, Warwickshire presents a mixed picture in terms of population health, as evidenced in criteria 1 above. While some areas show positive indicators, others highlight future challenges. There are extremely different health needs in the North and South of the county, with substantial differences in health inequalities that need to be addressed. There is greater health inequality and deprivation in the North, while there is a more affluent but aging population in the South.

Proposed Future Model

5.98 Public Health functions would be entirely disaggregated from the County level to sit at the two-unitary level, enabling a more locally tailored service. The two-unitary model allows for the continuation of existing successful programmes while enabling a more tailored approach to specific local needs.

5.99 For example, one unitary authority could focus on initiatives addressing obesity and promoting healthy lifestyles in areas with higher prevalence rates. Conversely, another authority could concentrate on combating social isolation and supporting an ageing population.

5.100 This targeted approach leads to more effective and impactful public health outcomes across the county.

Waste and Recycling

Current approach

5.101 Waste service delivery models currently vary across Warwickshire's local authorities. The Warwickshire Waste Partnership has been responsible for developing Warwickshire's Municipal Waste Management Strategy and is made up of elected members and officers from all Warwickshire Authorities. The partnership aims to promote closer partnership working of the authorities and closely monitors waste amounts and recycling rates in each district. Stratford-on-Avon and Warwick demonstrate high performance, while others face greater challenges.

Table 52: Recycling Rates % in Warwickshire.⁵⁴

District	Recycling, Composting and Reuse Rate (%)		
	20/21	21/22	22/23
North Warwickshire	44.9%	36.3%	42.6%
Nuneaton and Bedworth	38.2%	37.8%	34.1%
Rugby	45.0%	43.2%	43.6%
Stratford-on-Avon	59.4%	55.5%	64.0%
Warwick	54.6%	54.0%	58.2%

Proposed model

5.102 The two unitary model would operate as follows:

- **Collection:** services will need to be integrated in each of the two new councils. This can build on existing collaboration such as the 123+ service between Stratford and Warwick, where the new council could take the same approach that has proved successful to date. In

⁵⁴ [Warwickshire Waste Partnership: Waste Management Performance Data 2022 - 2023](#)

house services will have to be merged and operating practices integrated. A lift and shift policy here is possible as a first step.

- **Disposal:** this will be operated as a shared service across the county. The authorities will continue to collaborate as at present, as shown with the Material Recycling Facility, operated by Warwickshire's five district and borough councils, Coventry City Council, Solihull Metropolitan Borough Council and Walsall Council.

5.103 As part of a two unitary model, services such as waste management and recycling would be enhanced through greater economies of scale, potentially leading to more efficient collection routes, improved recycling rates, and cleaner public spaces. Larger councils could also potentially invest in more advanced waste processing facilities and technologies.

5.104 Recognising the diverse needs and socio-economic make-up of the region, a two-unitary model enables service delivery to be tailored to each area's specific characteristics, such as varying recycling and contamination rates. This flexibility allows for targeted strategies to address the unique challenges of different areas.

Conclusion

5.105 A two-unitary model presents a compelling option for communities, effectively balancing the need for efficiency with the imperative to address the diverse needs of its residents. A one-size-fits-all approach to service delivery is not optimal for a county as diverse as Warwickshire. A more nuanced approach is required to ensure services are tailored to local needs and priorities.

5.106 Evidence clearly demonstrates that residents across Warwickshire have distinct needs and face varying challenges. This is apparent in areas such as skills and education, unemployment rates, aging population and social care needs, and health and well-being indicators. A two-unitary model, with its focus on creating two distinct authorities with a deeper understanding of local circumstances, can more effectively respond to these diverse needs. This structure allows for greater flexibility in resource allocation, enabling each unitary authority to prioritize services and investments that address the specific challenges and opportunities within its area.

5.107 Furthermore, the two-unitary model avoids the potential pitfalls of excessive centralisation associated with a single county unitary. A single authority risks creating an overly bureaucratic and inflexible system. Larger organisations can struggle to adapt to local needs, build strong relationships with communities, and implement transformative change effectively.

On this basis, the two unitary model has been ranked as best.

6. Criteria 4: 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

Summary

6.1 The advantages of the two unitary model are:

- ✓ **Popular with the public:** around three quarters (73%) of individuals agree with the proposal for two unitary councils in Warwickshire, based on the engagement activity undertaken.
- ✓ **Based on Effective Local Collaboration:** Better positioned to build upon existing successful partnerships and collaborative initiatives, which makes implementation likely to be more successful. This would reduce the burden for the significant transformation programme required to mobilise the new authorities, in that the two new councils can build on good practice.
- ✓ **Reflects real communities and place identity:** A two unitary model would better reflect the county's distinct local identities and variations in community needs. Local government structures should align with how people live their daily lives - including where they live, work, and access services. Evidence such as Travel to Work data confirms the North-South split.

6.2 The disadvantages of the single county unitary are as follows:

- × **Not the preferred option** of the public.
- × **Does not reflect local place identity** in North and South. Instead, a single county unitary has to make trade-offs with its budget and decide whether resources go to the North or the South, instead of the North and South making their own decisions with their own resources.

6.3 This section now highlights the engagement activity undertaken, collaboration between the councils, and how the two unitary model can recognise and value the distinct local identities and rich cultural heritage that make each district unique.

Resident and Stakeholder Engagement work

Overview

- 6.4 Warwickshire's councils undertook a structured programme of engagement to inform this Business Case and to evidence local views. The work combined an open engagement questionnaire, resident and stakeholder deliberative sessions, and targeted conversations with strategic partners. Alongside this research programme, councils also conducted wider engagement through meetings, correspondence and briefings with leaders and partners across the county.
- 6.5 Information about the options for local government reorganisation was published on a dedicated website with an online questionnaire available to all residents and organisations. Paper copies were made available on request to ensure accessibility. Alongside the questionnaire, a series of deliberative sessions was held with residents and stakeholder groups, and interviews were undertaken with strategic partners.

- 6.6 In total, 2,002 individuals completed the questionnaire. Responses were received from across Warwickshire.
- 6.7 Engagement invited views on awareness of current responsibilities, the importance of streamlining and efficiency, support in principle for moving from two tier to unitary councils, the importance of decision criteria such as quality and accountability, and views on the different structural options and potential geographies. Options were presented in a neutral way to understand preferences and reasoning.

Residents' views

- 6.8 Extensive engagement has been undertaken to ensure that this Business Case is informed by the voices of residents, communities, and partners. Government guidance is clear that proposals must command a good deal of local support, and Warwickshire's councils have delivered one of the most wide-ranging programmes of engagement seen in the county.

Public Consultation

- 6.9 A dedicated microsite provided information, FAQs, and an online questionnaire.
- The consultation ran for **five and a half weeks** (7 August – 14 September 2025).
 - **2,002 individuals** responded to the survey.
 - **Paper copies** were made available in council offices, including Rugby.

This response rate, combined with the structured programme of focus groups and interviews, gives a robust evidence base from which to draw conclusions.

Independent Research

- 6.10 ORS conducted a structured programme of engagement, including:

- **Residents** – four focus groups (one in each district except Rugby).
- **Service users** – one countywide focus group.
- **Voluntary and community groups** – one countywide focus group.
- **Business community** – one countywide focus group.
- **Town and parish councils** – two focus groups, including one in Rugby.
- **In-depth interviews** – with major businesses, economic bodies, NHS organisations, colleges, and voluntary sector partners.

Political and Public Service Leaders

- 6.11 Chief Executives engaged directly with Warwickshire's six Members of Parliament, Warwickshire Police, the Police and Crime Commissioner, and Warwickshire Fire and Rescue Service.

ORS Survey Findings

- 6.12 The ORS survey provides detailed quantitative evidence of residents' views:

- **Awareness of responsibilities** – 70% of respondents felt well informed about which services are provided by their district/borough council and which by the county council. This indicates a relatively high baseline understanding among residents.

- **Support for efficiency and simplification** – 83% agreed that councils should pursue opportunities to streamline services and make efficiencies while maintaining quality. This demonstrates a strong appetite for change and improvement.
- **Reorganisation in principle** – 54% supported the Government's requirement to replace the two-tier system with a smaller number of unitary councils. This confirms a majority in favour of structural reform.
- **Preferred model: two unitary councils** – 73% supported the specific proposal for two unitaries. Support was particularly strong in Stratford (79%), Warwick (76%) and Nuneaton & Bedworth (68%), with lower support in Rugby (33%). Despite this variation, majorities in most areas were in favour.
- **Support for boundaries** – 74% agreed with the proposed north/south split, showing that the geographic logic of the proposal is widely recognised.
- **Criteria for reform** – When asked to rate the importance of criteria on a 0–10 scale, all scored highly. "Quality" and "accountability" (both 9.3) were rated marginally above "efficiency" (9.1), "value for money" (8.7), and "local identity" (8.3). This suggests that residents want efficiency, but not at the expense of service quality or democratic accountability.

Qualitative Insights

6.13 The focus groups provide additional context:

- **Support for two authorities** – Most participants felt that two councils would be more manageable, retain local knowledge, and better reflect the different needs of north and south Warwickshire.
- **Concerns about a single authority** – A minority argued that a single unitary would be simpler, more efficient, and provide consistency across the county.
- **Support for the north/south split** – Participants in favour of two authorities felt this was the most sensible population division, retaining local focus while ensuring manageable scale.

Stakeholder Engagement

6.14 We have engaged widely with stakeholders across Warwickshire through combined themed forums, targeted interviews with strategic partners, and briefing and meetings with partners. In addition, we invited organisational responses to the questionnaire.

- **Parish and town councils**
Representatives emphasised practical localism, clear routes into decision making, and interest in area arrangements that give communities a strong voice. Many asked for commitments on local access points and for clarity on how parishes will be involved in service design and delivery.
- **Voluntary and community sector**
Stakeholders stressed continuity in partnership working, clarity of local points of contact, fair and accessible commissioning, and early involvement in transition planning so that support for vulnerable residents is uninterrupted.
- **Business and economic partners**
Participants recognised the value of a strong, consistent voice for investment and growth. They also noted the different economic profiles of north and south Warwickshire and asked that future arrangements support distinct local opportunities while collaborating on countywide priorities such as skills, infrastructure and inward investment.
- **Public sector partners**
Health and wider public service partners focused on alignment across prevention, public health, social care and housing, together with clarity at interfaces. They

asked for clear commitments on local points of contact and on pathways for joint working, including safeguarding and system leadership, to maintain continuity for people who rely on multiple services. Warwickshire Police, the Police and Crime Commissioner, and Warwickshire Fire and Rescue Service were contacted with information on the proposals and invited to share views. We are keen to collaborate as plans are refined, ensuring their expertise shapes arrangements for community safety and resilience.

- **Members of Parliament**

In parallel with the research programme, Chief Executives and senior leaders shared briefings with Warwickshire's Members of Parliament and invited discussion. We are committed to continuing this dialogue as proposals develop so that MPs' perspectives inform governance, accountability and system collaboration.

How research and engagement has informed the proposal.

- 6.15 Feedback from stakeholders reinforces the case for clear local access, strong routes into decision making, and structured collaboration across shared systems. These points are reflected in the proposed area arrangements, in our commitments on customer contact and councillor visibility, and in the collaboration framework set out for health, safeguarding, community safety and resilience.
- 6.16 Our consultation engagement and research evidence shows that Warwickshire residents are supportive of reform and engaged in the debate about how local government should be structured. The ORS survey demonstrates a clear majority preference for two unitary councils, supported by strong agreement on the proposed boundaries and criteria. Qualitative findings further confirm that most residents see two councils as the best way to balance efficiency with local focus.
- 6.17 A two unitary model would better reflect the county's distinct local identities and variations in community needs. Local government structures should align with how people live their daily lives - including where they live, work, and access services. A wealth of evidence was included under criteria 1 of this Business Case to show the different places and communities across Warwickshire, such as the demographic, economic and Travel to Work data.
- 6.18 A two unitary model creates two councils which are naturally closer to these places and communities that they serve. This proximity translates into greater accessibility with the potential for local offices and service points, as well as dedicated local teams responsible for community engagement within their designated areas.
- 6.19 Two unitaries can enable engagement methods to be precisely tailored to the unique context of each community. This could involve leveraging existing networks and partnerships within a specific area or employing a diverse range of communication channels from traditional newspapers and public meetings to online platforms and social media, to ensure that all demographics are effectively reached. This localised approach also fosters a culture of co-production, where residents are actively involved in shaping and designing local services that meet their specific needs.
- 6.20 By contrast, a single county unitary has to make trade-offs with its budget and decide whether resources go to the North or the South, instead of the North and South making their own decisions with their own resources. A centralised approach also risks creating a perception of top-down decision-making, potentially leaving residents feeling unheard and disconnected from the decision-making process. This, in turn, could lead to the recreation

of localised forums, potentially adding unnecessary complexity and fragmentation to the engagement landscape.

6.21 Finally, the two unitary model will enable the two councils to focus on developing the interests of the new communities that are planned in Warwickshire in the near future. Work will need to be done on placemaking for these communities, focusing on developing infrastructure, facilities and connectivity, and also softer work in community development. This work requires an understanding of the identity of the places and local opinion and is therefore better done by two medium sized councils.

Collaboration

6.22 This proposal has been shaped through constructive engagement between the districts and boroughs, along with continuing dialogue with the county council and wider partners. All councils have shared information to build a broad understanding of local needs and pressures. This Business Case has been produced by four of the five Boroughs and Districts working together. Rugby Borough Council has also been involved in discussions.

6.23 There is a rich history of collaboration between the Boroughs and Districts in the North and the South. The two unitary model will build on this history and has a better chance of successful implementation as a result.

6.24 Examples of this collaboration in the North of the county include:

- Shared services between North Warwickshire Borough Council and Nuneaton and Bedworth Borough Council for independent living support initiative and Private Sector Housing;
- A joint building control service that started with collaboration between North Warwickshire and Nuneaton and Bedworth, and has now expanded to include Staffordshire areas, showing that collaboration outside of the county is possible, and shows the importance of market forces from outside the county for the North of the county;
- A joint Election Services Manager;
- Shared procurement and IT system support services between Nuneaton and Bedworth Borough Council and Rugby Borough Council, and
- Shared management of service areas between North Warwickshire Borough Council and Nuneaton and Bedworth Borough Council (including Head of Service, Revenues Manager, Systems Manager and Financial Inclusion Manager) as well as Revenues & Benefits and an IT system hosted by Nuneaton and Bedworth Borough Council.

6.25 Examples in the South of the county include:

- The shared information governance team across Warwick and Stratford-on-Avon District Councils, which started in 2018, and has developed over time with greater investment from both Councils.
- The shared legal team between both councils.
- Two joint members of staff for the South Warwickshire Local Plan.

There are further examples provided below.

South Warwickshire Local Plan

6.26 Since 2021, Warwick and Stratford-on-Avon District Councils have been jointly developing a Local Plan, demonstrating a shared vision for the region's future. This collaborative approach ensures cohesive planning and development, addressing the interconnectedness of South Warwickshire while considering the unique needs of each district. The ongoing consultation on the Preferred Options document highlights the commitment to transparency and public engagement in this process. This, particularly evident in their shaping of draft policies and policy directions as well the emerging spatial growth strategy ensuring a fully co-develop approach.

6.27 The joint development of a shared Local Plan between Warwick and Stratford-on-Avon District Councils presents a range of benefits for South Warwickshire, leveraging the strengths of collaboration to address strategic planning challenges and unlock new opportunities:

- **Streamline Processes and Reduce Duplication:** Collaboration allowed for the streamlining of planning processes, reducing duplication of effort, and ensuring greater consistency in decision-making across the region.
- **Enhance Responsiveness to Local Needs:** While benefiting from a shared strategic vision, the joint plan allowed each district to retain a focus on its unique local needs and priorities, ensuring that planning decisions are tailored to the specific circumstances of each community.
- **Improved Strategic Alignment:** The shared plan provided a framework for addressing cross-boundary issues, such as infrastructure provision, economic development, and environmental protection, in a coordinated and strategic manner.
- **Effective Governance and Resource Allocation:** The councils could maximise efficiency by utilising existing governance structures and officer groups across both districts, ensuring clear lines of accountability and decision-making authority. The partnership also allowed for the allocation of dedicated resources, including a programme manager, to oversee the process and ensure its success.
- **Best Practice Exchange:** The councils benefited from the experiences of the other authority, sharing best practices and lessons learned.

Most significantly, the emerging overall benefit of this collaborative work was its ability to:

- **Address Strategic Challenges:** The shared plan provided a platform for tackling key cross-boundary challenges, such as climate change, economic recovery, and infrastructure provision, in a coordinated and strategic manner.
- **Unlock Growth Potential:** By presenting a unified vision for growth, the shared plan can attract investment, support sustainable development, and enhance the region's overall competitiveness.

6.28 The above, therefore, stands as a testament to the power of collaboration and the ability of the Councils to work together effectively to deliver high-quality, cost-effective services that benefit all residents. This challenges the notion that a single-unitary model is necessary for effective service delivery at scale.

South Warwickshire Economic Strategy

6.29 The joint South Warwickshire Economic Strategy aims to maintain gains of high-quality jobs, blue chip companies, and volume of new businesses seeking to locate. The two councils want to develop the wider partnership to deliver the SWES objectives, encouraging the release of employment land and/or fast-tracking applications.

6.30 Specifically, the joint strategy aims to undertake the following actions:

- Continuing engagement (aftercare) with businesses already operating within the area and regularly engage with them to determine their direction of strategic travel
- To determine their employment/skills needs, and that employment skills networks are partnered to develop the required pipeline
- Consider future funding and monitoring of projects such as the EV Hub at Stratford College, which will provide future skills uplifts, and
- Consider future release of employment land and planning applications.

Stratford and Warwick Joint Waste Contract

6.31 Stratford-on-Avon District and Warwick District have a single refuse and recycling collection contract and service. The new service is delivered to both Stratford-on-Avon and Warwick District residents through a joint waste contract with Biffa Waste Services Ltd serving around 130,000 households across South Warwickshire.

6.32 As part of the waste service the Councils' implemented a weekly food waste collection service ahead of this becoming a statutory responsibility. Food waste recycling stops this material going for incineration. Instead, it is taken to a specialist facility for Anaerobic Digestion where it is recycled. The waste is treated in specialist facilities to produce a biogas which can be used to generate a renewable, low-carbon electricity. The gas can also be put into the gas grid to help decarbonise the gas grid. The treatment method also produces a liquid which can be used to fertilise local farmland.

6.33 This service has been so successful that the councils have some of the highest recycling rates in England (Stratford on Avon DC now third with a household recycling rate of 61% and Warwick 20th with 57.2% out of 294 collection authorities). The joint contract has allowed for significant efficiencies in the delivery of the service and enabling the contractor to design the most practical routes for collecting housing waste and recycling.

HEART Partnership

6.34 The HEART (Home Environment Assessment & Response Team) Partnership is a collaboration between Warwickshire councils which provides advice and assistance to introduce home improvements and disabled adaptations to resident's homes. HEART arranges for adaptations based on the needs of residents such as stair lifts and small ramps, they also work to identify safety and hygiene risks in the home and helps residents to get help and support to rectify them.

Shakespeare's England

6.35 Both councils in the South are actively involved in Shakespeare's England, a long-established entity which is globally renowned and of national as well as local significance. As major funders and board members, the councils demonstrate their commitment to promoting Warwickshire's rich cultural heritage and attracting visitors to experience its unique offerings: tourism is a key part of the South economy.

6.36 This collaborative approach to tourism promotion, with active involvement from multiple district councils, yields significant benefits for the region and contributes positively to the wider country:

- **Regional Brand:** A collective approach creates a strong, unified brand for Warwickshire as a tourist destination, enhancing its visibility and appeal in a competitive market. This allows for more effective and efficient marketing campaigns, maximizing reach and impact.
- **Visitor Experience:** Collaboration ensures a more seamless and enjoyable experience for visitors, who can easily navigate the region and access information, services, and attractions across district boundaries.
- **Spreading Economic Benefits:** A coordinated approach to tourism helps to distribute economic benefits more widely across Warwickshire, supporting businesses and creating jobs in multiple districts.
- **Funding Opportunities:** A unified front strengthens the region's position when bidding for tourism-related funding from national bodies, potentially unlocking greater investment in infrastructure, marketing, and destination development.

6.37 This thriving tourism sector also contributes to the overall success of the UK tourism industry, attracting international visitors and generating economic benefits for the country. Warwickshire's rich cultural heritage, which is of national and international significance, attracts visitors to Warwickshire. This focus on tourism beyond major cities, supports a more balanced and sustainable distribution of the visitor economy across the UK.

Conclusion

6.38 We have engaged widely with residents and stakeholders. There is strong evidence of support from residents for the two unitary model. Stakeholders recognise the differences in the North and South and noted that public services are already often coordinated around this geography. Collaboration has been strong. The Borough and District Councils are active partners: they actively engage in partnerships within their natural communities in the North and the South, leading and participating in initiatives that extend beyond their

boundaries. The two unitary model can build on this track record of success and ensure successful implementation.

6.39 A two-unitary model therefore emerges as the most advantageous structure for Warwickshire, effectively balancing the preservation of local identities with the need for efficient governance. This model holds significant potential for recognising and respecting the distinct identities that characterise the county.

6.40 Creating two new unitary authorities, broadly reflecting the distinct characteristics of North and South Warwickshire, acknowledges the existing cultural and economic disparities and allows for tailored policies and initiatives. This localised approach fosters a stronger sense of local ownership and belonging.

6.41 Preserving and celebrating Warwickshire's diverse cultural heritage is another key advantage. Each unitary authority would be better positioned to allocate resources and develop strategies tailored to the specific historical assets and cultural landscapes within their respective areas. Moreover, by empowering communities with a greater voice in local decision-making, a two-unitary model can strengthen civic pride and encourage active participation in civic life.

6.42 Therefore, the two unitary option has been ranked as best against this criterion.

Option 1: Single Unitary	Option 2: Two-Unitary
2 nd Place	1 st Place

6.43 A single unitary risks overlooking the unique needs and priorities of Warwickshire's diverse communities, leading to a homogenised approach that fails to capture the distinct character of individual communities. This could lead to a sense of disconnect between decision-makers and communities, potentially diminishing civic pride and undermining existing collaborative initiatives. A single unitary could also disengage partners, especially those who under current arrangements may be able to engage more local Borough and District Councils directly.

7. Criteria 5: New Unitary Structures Must Support Devolution Arrangements

Summary

7.1 The key advantages of the two unitary model are as follows:

- ✓ **Flexibility:** The preference is for the two authorities to join the West Midlands Combined Authority. However, there is currently no clear solution for devolution in Warwickshire and it is essential therefore that as many options remain open as possible. The two unitary model provides more options, as the two individual authorities could look North and South for partners, or a single Strategic Authority could be created for Warwickshire. This would ensure the Councils could join a Strategic Authority that reflected the economic geography of the area.
- ✓ **Implementation Readiness:** The two unitary model can be implemented at pace, and therefore be ready to deliver devolution.
- ✓ **Enhanced Local Voice:** A two-unitary structure provides a stronger platform for local voices to be heard within devolution arrangements, ensuring that strategies are grounded in local realities.

7.2 The disadvantages of the single county unitary are as follows:

- × The single county unitary can only look to WMCA for a devolution solution, where the Mayor has already rejected the possibility of Warwickshire joining.
- × A single unitary council would be the second largest member of the WMCA, and by some margin. A single unitary therefore would not integrate well in the WMCA and this does not comply with the Government's requirement for sensible size ratios between Councils within Strategic Authorities.
- × There is a significant risk with a single unitary Council of large parts of the population being in a Strategic Authority that bears no relation to the economic geography of the area.

Therefore, the two unitary model has been ranked best against this criterion.

Considerations

7.3 The UK Government's Devolution White Paper outlines a clear vision for empowering local areas through Strategic Authorities. However, the success of this model hinges on establishing a strong and effective foundation at the unitary level within Warwickshire.

7.4 A two-unitary model is optimal for Warwickshire as it balances strategic scale with a vital focus on local needs. A single county unitary could potentially join the West Midlands Combined Authority. However, it is reported that the Mayor could veto Warwickshire joining the Combined Authority as a full member. This significantly limits the potential to create an alternative devolution structure that would make sense for Warwickshire.

7.5 Any other structure may involve two or three other neighbouring county areas; in which case there would not be an effective size ratio between the single county unitary areas and the overall Strategic Authority. The single county unitaries would be too close in size to the potential Strategic Authority. If the single county unitary entered a Strategic

Authority alongside other smaller unitaries, again there would be a size and power imbalance within the Strategic Authority between the Warwickshire single unitary and other, smaller unitaries.

- 7.6 Fundamentally, if the WMCA is not an option, there is not a logical devolution solution for a future single county unitary. There may be an option to look towards Leicestershire, or towards Worcestershire and Herefordshire, but in both cases, there are differences of geography and economy between South Warwickshire and Leicestershire, or North Warwickshire and the Worcestershire / Herefordshire footprint.
- 7.7 A two-unitary model provides more opportunity in this regard and makes it easier to deal with other county areas. First, the new unitaries could assess their local geographies and economies and decide to pursue the devolution options most effective for their local places. For example, the North unitary could look to Staffordshire and Leicestershire. The South unitary could look to Worcestershire, Oxfordshire and Northamptonshire. Conversations are already being held by the Boroughs and Districts in this regard.
- 7.8 Moreover, the size ratio works more effectively in this scenario, the smaller unitaries can advocate for their local interests without dominating any potential future Strategic Authority as they are too large. Indeed, there would also be the option for a single Warwickshire Strategic Authority if a two-unitary model was pursued, given there would be a size differential between the unitaries and the Strategic Authority. This option would not exist with a single county unitary, as the Strategic Authority and unitary local authority would be the same size.

Two-Unitary Model

- 7.9 A two-unitary model for Warwickshire presents a promising approach to supporting devolution arrangements and fostering a balanced and effective partnership within a potential Strategic Authority. It creates a more balanced power dynamic within a larger Strategic Authority. This structure aligns with the Devolution White Paper's emphasis on partnerships between multiple local authorities, ensuring that no single entity dominates.
- 7.10 It would provide a stronger platform for local voices to be heard within the Strategic Authority. Each unitary would be more directly accountable to its residents, fostering greater responsiveness to local needs and priorities, a key principle of effective devolution. Each unitary, with its more focused geographical area, can develop a deeper understanding of its communities' specific challenges and opportunities. This local expertise can then inform decision-making within the Strategic Authority, ensuring that strategies are grounded in local realities. This would empower local leaders to develop tailored solutions to challenges that are best addressed at a more localised level, fostering innovation and responsiveness.
- 7.11 A two-unitary model for Warwickshire would foster the development of strong local leadership, empowering communities to take ownership of their future. This aligns with the White Paper's vision of capable and responsive local governance as a prerequisite for successful devolution. By distributing power and decision-making, this model encourages greater accountability and responsiveness to local needs.

Single Unitary Model

- 7.12 Although a single unitary authority for Warwickshire might initially seem to offer a more streamlined approach to local administration, it poses significant obstacles to the successful implementation and enduring effectiveness of devolution. A single unitary authority for Warwickshire could diminish the influence of individual communities. Subsuming a large and diverse area under a single entity risks reducing accountability and responsiveness to the specific concerns of local communities. Centralising decision-making within a large unitary structure runs counter to the White Paper's emphasis on devolving power to the most appropriate level, potentially hindering the effectiveness of devolution in addressing local priorities.
- 7.13 A single unitary authority for Warwickshire, encompassing a diverse range of communities and priorities, might struggle to provide the necessary local insight and agility required for effective collaboration. Concentrating power and decision-making within a single entity risks stifling the development of strong local leadership across Warwickshire, ultimately limiting the effectiveness of the Strategic Authority. A large, single unitary authority might be less responsive to the needs of individual communities, as decision-making becomes more centralised and removed from those directly affected. This reduced accountability could undermine trust in the devolution process and hinder the long-term success of the Strategic Authority.

Conclusion

- 7.14 A two-unitary model balances the need for strategic coordination with the importance of local focus, particularly within the context of a potential West Midlands Strategic Authority. It ensures that local economic development strategies are tailored to the specific needs and opportunities of each unitary authority within Warwickshire. This localised approach allows for greater flexibility, innovation, and responsiveness to the unique challenges faced by different areas.
- 7.15 It is also more practical. The new unitaries could assess their local geographies and economies and decide to pursue the devolution options most effective for their local places. For example, the North unitary could look to Staffordshire and Leicestershire. The South unitary could look to Worcestershire, Oxfordshire or Northamptonshire. Conversations are already being held by the Boroughs and Districts in this regard. Moreover, the size ratio works more effectively in this scenario, the smaller unitaries can advocate for their local interests without dominating any potential future Strategic Authority as they are too large.
- 7.16 However, the single unitary model, with its county-wide scope, presents a significant challenge in relation to a broader Strategic Authority. A single unitary authority risks overlooking the diverse economic needs and opportunities within Warwickshire, limiting the potential for tailored economic development strategies.
- 7.17 Practically, a single county unitary could potentially join the West Midlands Combined Authority. However, there would be risks of this approach. In allocation of the financial Integrated Settlement, Warwickshire could lose out to the more deprived areas elsewhere across the WMCA footprint.
- 7.18 As mentioned previously, it is reported that the Mayor could veto Warwickshire joining the Combined Authority. This significantly limits the potential to create an alternative

devolution structure that would make sense for Warwickshire. Any other structure may involve two or three other neighbouring county areas; in which case there would not be an effective size ratio between the single county unitary areas and the overall Strategic Authority. The single county unitaries would be too close in size to the potential Strategic Authority. If the single county unitary entered a Strategic Authority alongside other smaller unitaries, again there would be a size and power imbalance within the Strategic Authority between the Warwickshire single unitary and other, smaller unitaries.

Therefore, the two unitary model has been ranked as best against this criterion.

Option 1: Single Unitary	Option 2: Two-Unitary
2 nd Place	1 st Place

8. Criteria 6: New Unitary Structures Should Enable Stronger Community Engagement and Deliver Genuine Opportunity for Neighbourhood Empowerment

Summary

8.1 The two unitary model has been ranked as best for the following reasons:

- ✓ **Brings decision-making and services closer to people:** Two unitary authorities would operate closer to the communities they serve, with a greater number of councillors for each elector. This proximity facilitates a greater understanding of local issues, provides more accessible channels for citizen engagement, and fosters a heightened sense of accountability. Residents or communities will not get left behind, councillors can focus on the satisfaction of the resident whom the authority is here to serve but also the role that the wider community plays in effective, efficient services, especially around prevention and early intervention.
- ✓ **Stronger Community Engagement and Neighbourhood Empowerment:** Builds on the strengths of the Boroughs and Districts in working with local people, supporting the role of existing local forums, and creating a new approach for Area Governance, ensuring that community input is genuinely integrated into local governance.
- × There would be a loss of local influence and democratic accountability within one large local authority. A single county unitary will have fewer members for each elector, therefore reducing engagement, and risks losing touch with residents and communities.

8.2 The transition to a unitary council structure in Warwickshire presents a valuable opportunity to reimagine and strengthen community engagement. By streamlining local governance, a unitary model can empower communities by providing clearer lines of communication, increased local decision-making power, and a stronger sense of shared ownership over local issues. This presents a significant opportunity to foster collaboration between the council and its residents, cultivating a shared vision for the future of Warwickshire. The following section examines how the proposed unitary options for Warwickshire can facilitate stronger community engagement, ensuring local government remains responsive to the needs of its residents.

Community engagement, local governance and democracy

8.3 The creation of two new councils will ensure that local democracy remains visible, accessible and rooted in place. These new councils must combine strategic leadership with strong arrangements for local voice.

8.4 The arrangements for governance are guided by these clear principles:

- Decisions should be taken at the most local sensible level
- Local identity and civic traditions should be safeguarded
- Councillors must remain visible and accessible to residents
- Structures should be simple and transparent, avoiding duplication

- Governance should be flexible, able to evolve as the new councils mature

Area Committees

- 8.5 A strong local voice will be central to both new councils. Each will establish a network of Area Committees providing a clear and visible link between the unitary council and local communities.
- 8.6 The precise geography of Area Committees will be developed through further engagement and may differ between the north and south of the county, reflecting the distinctive character of each area. The south covers a larger and more rural geography, while the north is more urban and densely populated. Districts and Boroughs vary considerably in population size and composition, which will be a key consideration in determining the most appropriate model.
- 8.7 The intention is to design boundaries that feel natural and meaningful to residents, rooted in community identity, local travel patterns and established service partnerships. This could mean Area Committees that align with recognised localities, clusters of market towns or neighbourhood areas, or other geographies where people feel a shared sense of place.
- 8.8 Area Committees will be councillor led, meet in public and act as the principal forum for local democratic debate and accountability. Their role will be to ensure that local priorities and local knowledge directly shape decision-making within the wider unitary structure.
- 8.9 While the scope of delegation will be developed in detail during transition, the core functions are expected to include:
- Setting and overseeing local priorities and neighbourhood budgets
 - Providing advice and local input on planning, regeneration, transport and place-based investment
 - Coordinating with partners across health, community safety and voluntary sectors
 - Monitoring the delivery and quality of local services
 - Promoting community participation and supporting parish and town councils in their area
- 8.10 In parts of the new councils where there is strong town or parish representation, Area Committees will work closely with those councils to avoid duplication and reinforce local leadership. In more urban areas with fewer parishes, Area Committees may play a stronger direct role in representing neighbourhood voices and shaping local service delivery.
- 8.11 Final governance arrangements, including delegated powers, membership and operating procedures, will be set out in each council's constitution to ensure transparency, accountability and consistency.

Community-Level Arrangements

8.12 There may be benefits in developing additional community-level forums beneath Area Committees, for example boards in larger towns or panels for clusters of parishes. These could provide a focus for local engagement and potentially hold budgets for community priorities.

8.13 The detailed design of any further community-level structures will be a matter for the Shadow Authorities and the new councils to consider. This provides flexibility and ensures that arrangements are developed in response to local needs and expectations.

Parish and Town Councils

8.14 Parish and town councils will continue to play an important role. In the south, coverage is complete. In the north, coverage is more limited, with Nuneaton and Bedworth having no parishes.

8.15 The new councils will:

- Work in partnership with parish and town councils, recognising their democratic mandate
- Support those that wish to take on greater responsibility for local services and assets, while recognising that this will not be appropriate everywhere
- Use parish charters or similar agreements to provide clarity on roles and responsibilities

8.16 This approach values the contribution of parishes where they exist, while recognising that different arrangements are needed in unparished areas.

8.17 New parish councils may be created. For example, the North unitary could consider creating parish and town councils in Nuneaton and Bedworth, which could potentially include a Nuneaton Town Council, a Bedworth Town Council and Bulkington Parish Council, all subject to due process decision whether that be Full Council or by Central Government Order.

Access and Visibility

8.18 The new councils will maintain visible and accessible democracy:

- Civic offices and service hubs will be retained in main towns
- Area Committees will meet locally, with opportunities for residents to participate
- Digital access will be strengthened so that residents can follow meetings and contact councillors easily

Formal Governance

8.19 Both councils will operate on a Leader and Cabinet model, providing clear leadership and accountability.

8.20 Each council will also establish:

- Overview and Scrutiny Committees to hold Cabinet to account
- Statutory committees for planning, licensing, employment matters, audit and governance
- The full range of statutory officer posts, including Chief Executive, Section 151 Officer, Monitoring Officer, Director of Children's Services, Director of Adult Services and Director of Public Health

Councillor Numbers

At present there are 257 councillors across Warwickshire's County, District and Borough councils:

Council	Number of Councillors
North Warwickshire	35
Nuneaton and Bedworth	38
Rugby	42
Stratford-on-Avon	41
Warwick	44
Warwickshire County	57
Total	257

8.21 In deciding the future number of councillors, focus should be placed on the guidance of the Local Government Boundary Commission for England (LGBCE) and their three core areas of Strategic Leadership, Accountability, and Community Leadership.

Strategic leadership: how many councillors are needed to give strategic leadership and direction to the authority in the long-term?

8.22 The number of councillors approved by MHCLG will be the number contested for the Shadow authority elections and will roll forward as the new Council on vesting day through to the next elections, expected to be in 2031. This four-year period will be key to setting the tone, aspirations, culture and policies for the new Councils. Within Warwickshire this has not happened since 1974 and provides a significant opportunity for change in way that services are delivered, and the support provided to the community. There are recognised significant challenges within local government and, during this window of opportunity, strong strategic leadership will be a key component.

8.23 The main strategic leadership will come from the Cabinet of the Council, which would be a maximum of ten Councillors, however, more broadly the contribution will come from all Councillors through good governance and community representation.

Accountability: how many councillors are needed to scrutinise council decisions?

8.24 There would be a need for strong and robust scrutiny of services but also the implementation of Local Government Reorganisation which will take several years to complete. Therefore, there will be a need for several Scrutiny Committees, looking at areas such as health, children, fire & rescue, service delivery, and resources. It could be assumed that each of these would be a Committee of 10 councillors.

- 8.25 It should also be noted that Warwick District Council has a specific Scrutiny Committee to review and challenge the progress in respect of ensuring compliance for safety under the Social Housing (Regulation) Act and overall view on the operation and delivery of the Housing Investment Plan and the HRA. They provide assurance on the delivery of this to Cabinet (as the responsible body) on behalf of the Council. It is anticipated the Social Housing Regulator will expect this to continue because of the significance of tenant safety.
- 8.26 There would need to be a Committee to act as the Licensing Authority in respect of the Licensing Act 2003 and Gambling Act 2005. While consultation is being undertaken by the Government on the role of this Committee, much like the review of Planning Committees, it is still reasonable to assume that a Committee of 15 members is required for each authority, except a single authority would be far busier for Councillors. In addition to this there would need to be careful consideration to Regulatory functions (such as Taxi and Private Hire) and if the more serious matters still came before members or were delegated to officers.
- 8.27 In addition to this there would need to be a Planning Committee, both in terms of strategic planning matters (for example major developments such as quarries) and then perhaps sub committees for more local areas on more routine development.
- 8.28 There would also need to be some form of Pensions Committee. There is potential that this will need to be a joint Committee across two Councils.
- 8.29 Across the Councils there are a considerable number of outside appointments, partnerships, and mixture of wholly owned council companies or other companies. While these may well be reviewed within a new Council (including governance arrangements as some are a joint ownership between Warwickshire Councils) within the formative years of the new Council(s), having sufficient Councillor time to fully engage with these will be a key aspect. There are currently 217 appointments of Councillors to outside bodies. While some of these are duplicates between councils the majority are not and if these were all to continue, there would be over 150 appointments to be made.

Community leadership: how many councillors are needed to represent and engage with local people and communities?

- 8.30 Warwickshire is currently represented, at County, Borough, and District level by 242 Councillors. This is a significant number and there needs to be recognition of the potential significant impact on community leadership through the reduction in number of Councillors. One of the Government's intentions is to provide clarity on accountability of service. Therefore, relying on Parish/Town Councils' elected representatives to respond to enquiries concerning unitary authority work would be counter intuitive and discounted when looking at community engagement.
- 8.31 Councillors need to recognise the additional work that will be required when being a Councillor for a unitary Council, in addition to the demands from electors, compared to current roles.
- 8.32 There is strong evidence presented in respect of a growing population across Warwickshire and Councillors are elected to represent every individual within their Ward and more widely their Council area, no matter if they are a registered elector or not.

8.33 There are many challenges within the respective communities across Warwickshire, with different needs in the North and South of the County. It is key for Ward Councillors to be leading both their community and the wider Council area in respect of community cohesion through being present but also working in collaboration with multiple partners to help improve services and quality of life for the community.

8.34 At present in Warwickshire there are no dedicated officers allocated to provide support on case work for Councillors. Therefore, the reliance will be on the Councillor to undertake the majority of the work themselves liaising directly with the appropriate officer for answers to their questions.

Conclusion

8.35 Given all of the above, for the first elections to the Shadow Authorities, two main options are available:

1. Use of County council divisions – using the 57 existing county electoral divisions, with each returning two members. This would give approximately 60 councillors in the North and 57 in the South. It provides a clear basis for the initial elections, but it is recognised that population growth and the time since the last boundary review have created notable imbalances in representation between divisions. Current arrangements have reached all three criteria for the Local Government Boundary Commission for England (LGBCE) to undertake a boundary review.
2. Use of District and Borough wards – using the current district and borough wards as the building blocks for electoral arrangements. This would align representation more closely with the proposed Area Committees and may provide more equal representation of electors (electoral equality).

These interim arrangements and council sizes will be set out in the Structural Changes Order for the first elections, with a full LGBCE review to follow.

Conclusion

8.36 The governance and democracy framework for the new North and South Warwickshire councils combines strategic strength with local accountability:

- Area Committees will provide the backbone of local governance.
- Parish and town councils will be supported and respected, with opportunities to take on greater roles where appropriate.
- Community-level forums may be developed in future, but their design will rightly be for the Shadow Authorities and new councils to decide.
- Formal governance will follow established models, with clear leadership, scrutiny and statutory functions.
- Councillor representation will be reduced overall, with options for county divisions or district wards at transition, and a Boundary Commission review to follow.
- Civic identity will be safeguarded through the continuation of traditions and visible local democracy.

This balanced approach ensures that Warwickshire's two new councils will be resilient, effective, and close to the communities they serve.

Existing partnerships: A foundation for engagement

Engaging Neighbourhoods

8.37 Nuneaton and Bedworth Borough Council prioritises tenant engagement and actively seeks the input of its residents in shaping housing services. Recognising the importance of direct engagement, the Council empowers tenant groups to influence and shape service delivery.

8.38 Furthermore, the Council employs a proactive and multi-faceted approach to reach tenants across the borough. A mobile tenant engagement service visits neighbourhoods, providing a convenient platform for residents to share their views. Complementing this, the Council organises neighbourhood walkabouts and dedicated tenant engagement days, fostering open dialogue and collaboration on issues of importance to the community. This commitment to tenant engagement ensures that housing services are responsive to the evolving needs and priorities of residents.

Informing the Council's Decisions on Climate Issues

8.39 Rugby Borough Council actively integrates community engagement into its decision-making processes, ensuring that its strategies reflect the priorities and concerns of its residents. The "Climate Adaptation World Café" event held in November 2024 exemplifies this commitment. This interactive event provided a platform for residents to engage directly with the Council's draft climate change adaptation plan. Attendees shared their insights and expressed their views on the proposed approach.

8.40 The Council, demonstrating its commitment to incorporating community feedback, has since utilised the report generated from the event to inform its approach to climate adaptation. Further demonstrating the importance of community engagement in addressing climate change, Stratford-on-Avon District Council and Warwick District Council have also undertaken initiatives in this area. In collaboration with the Warwickshire and West Midlands Association of Local Councils, these councils formed a steering group to empower community groups and town/parish councils in developing projects that promote the inclusion of typically under-represented voices in climate change discussions.

8.41 This collaborative effort underscores a shared commitment to fostering broader community engagement and collaboration in tackling climate change.

Leveraging Existing Strengths for a Unitary Future

8.42 The success of existing community engagement partnerships in Warwickshire provides a strong foundation upon which to build a framework for engagement within a new unitary structure. These partnerships can inform the development of effective engagement strategies for the future.

- **Leveraging Existing Relationships:** The new unitary authorities can tap into the established relationships and trust built through these partnerships to facilitate communication and collaboration with residents.
- **Adapting Successful Engagement Methods:** The diverse range of engagement methods employed by these partnerships, from community forums to digital platforms,

can be integrated into the new unitary structure's engagement plan and adapted to suit the needs of the communities.

- **Embedding a Culture of Collaboration:** The collaborative ethos fostered within existing partnerships can serve as a model for the new authority, ensuring that community engagement is not a one-off event but an ongoing and integral aspect of local governance.

8.43 By learning from and building upon these existing successes in community engagement, the two new councils can establish a robust framework for community engagement that is both effective and sustainable.

8.44 Maintaining strong local engagement and preserving the vital connection between local government and the communities it serves are paramount considerations in the design of any new model.

8.45 While a single unitary model for Warwickshire might offer potential efficiencies, the analysis indicates a significant risk of diluting local engagement and diminishing community voice. A single county-wide authority could inadvertently create a more centralised and bureaucratic system, where local concerns might be overshadowed by broader strategic priorities.

8.46 The two-unitary model strikes a more effective balance between achieving economies of scale and preserving a strong local focus. By creating two entities with distinct identities and a deeper understanding of their respective communities' needs, this model fosters greater accountability and responsiveness to local concerns.

8.47 The two-unitary structure provides a platform for more direct and meaningful citizen participation. It enables the development of tailored solutions that reflect the unique challenges and opportunities within each unitary area. This localised approach is essential for ensuring that services are designed and delivered in a way that resonates with the specific needs of each community.

Conclusion

8.48 Maintaining strong local engagement and preserving the vital connection between local government and the communities it serves are paramount considerations in the design of any new model.

8.49 A single county-wide authority could inadvertently create a more centralised and bureaucratic system, where local concerns might be overshadowed by broader strategic priorities.

8.50 The two-unitary model strikes a more effective balance between achieving economies of scale and preserving a strong local focus. By creating two entities with distinct identities and a deeper understanding of their respective communities' needs, this model fosters greater accountability and responsiveness to local concerns.

8.51 The two-unitary structure provides a platform for more direct and meaningful citizen participation. It enables the development of tailored solutions that reflect the unique challenges and opportunities within each unitary area. This localised approach is essential

for ensuring that services are designed and delivered in a way that resonates with the specific needs of each community.

8.52 Therefore, the two unitary model has been ranked best against this criterion.

Option 1: Single Unitary	Option 2: Two-Unitary
2 nd Place	1 st Place

9. Implementation

- 9.1 Local government reorganisation represents the most significant change that the councils and residents of Warwickshire have seen in decades. The work to shape and embed a new unitary cannot be underestimated, whichever option is chosen. In this context, the two unitary model allows existing arrangements and shared priorities across North and South Warwickshire, which are established, evidenced and well understood, to continue to be progressed during the implementation process, contrasted with a single unitary that would need to juggle these distinct and competing priorities.

The Importance of Robust Implementation Planning

- 9.2 A local government reorganisation of this scale and complexity demands meticulous planning and adequate resourcing. Ambitious transformation programmes must be grounded in realism, acknowledging the constraints of available resources and time. Insufficient resourcing and a lack of necessary capabilities are frequent causes of organisational change failures. Implementing change effectively, including the iterative process of testing, refining, and reinforcing new processes, often proves more demanding and time-consuming than initially anticipated.
- 9.3 Therefore, dedicating sufficient resources, including robust programme management and transformation capacity, is paramount. Failure to adequately plan and resource the implementation phase risks compromising the realisation of the full intended benefits. While the financial assessment includes a dedicated budget for key project manager roles to support and coordinate implementation, the responsibility for driving this transformative process extends beyond these individuals. Leadership and management teams within each council will play a crucial role in facilitating the merger, supporting staff, and fostering the necessary cultural shift. The effort required to achieve such wholesale cultural change should not be underestimated.

Implementation Timeline

- 9.4 Guidance states that new authorities should operate in 'shadow form' from May 2027, a year prior to their official "go-live" date in April 2028, when they assume full statutory powers, assets, and liabilities. During this shadow phase, while lacking full statutory powers, these authorities can recruit staff and undertake essential implementation planning. Governance during this period will fall to councillors elected in 2027, who will subsequently become councillors in the new unitary authorities upon the go-live date.
- 9.5 Before the election of shadow unitary authorities, governance arrangements for Local Government Reorganisation (LGR) are determined by whether the new unitary councils involve breaking up the existing county council structure. If multiple unitary councils are created within a county area, a joint committee is typically established to oversee LGR preparations, as seen in Cumbria and Northamptonshire. Conversely, if a single unitary council is selected for the county, an implementation executive is often formed, following precedents from North Yorkshire and Somerset, though a joint committee remains a possibility.
- 9.6 These committees or executives are responsible for all key local decisions regarding LGR implementation during the transition period, with their specific governance arrangements detailed in a Statutory Change Order (SCO). While ministers have discretion over representation, joint committees usually grant equal representation to all predecessor councils, including districts, whereas implementation executives have historically given

greater representation to the county council. Equal district council representation should be maintained in all transitional governance structures⁵⁵.

9.7 The below diagram illustrates the expected timeline for implementation.



9.8 To ensure a smooth transition, a structured approach, combined with dedicated resources and strong leadership commitment, will be essential for navigating the complexities of this significant transformation and realising its full potential.

Implementation Considerations

9.9 The upcoming local government restructure presents a unique opportunity for service transformation and organisational change. It is, therefore, imperative that this programme of change is adequately planned and resourced. When delivering ambitious programmes there needs to be an element of realism in terms of what can be achieved with the available resource and time. A lack of resource and capabilities is one of the most common reasons why organisational change fails. Implementing change, which is then tested, refined and reinforced, is often more expensive and takes longer than people realise. It is paramount that sufficient resource is dedicated, including programme management and transformation capacity, to ensure effective implementation and full benefits realisation.

9.10 In this regard, a specific budget to support and coordinate implementation has been included in the financial assessment above for key project manager roles. However, it should be noted that implementation will not fall to these individuals alone. It will be the responsibility of the leadership and management teams to drive forward the integration process and support their staff to create a new organisation. The effort required in this kind of wholesale cultural change should not be underestimated.

9.11 To ensure the smooth transition, the Councils should consider the key issues for implementation and overall approach.

A brief overview of the 11 indicative workstreams which could form the implementation programme is provided below.

Management

9.12 This work stream would establish the management team and structure required under the new authorities.

⁵⁵ District Council's Network (DCN) – Briefing on Governance during LGR Transition and in new Unitary Councils, September 2025

Services

- 9.13 This work stream would develop customer service strategies and focus on front line delivery, ensuring there is seamless transition to the new councils for customers and that ambitions for performance standards are met. As part of this, the workstream will integrate teams once Heads of Service have been consolidated across the councils.
- 9.14 To develop and implement combined services, the authorities will need to work on creating consolidated strategies for service delivery and implement the service efficiency opportunities identified as a result of combined service offerings.

ICT

- 9.15 This work stream would look at the key assets and enablers that the future councils would need in order to deliver services effectively. The future technology architecture would need to be designed to support the transition to a new operating model and there would need to be a clear understanding of the phasing and pace of technology change required.
- 9.16 Further work is required to review and consolidate systems, software and online portals to remove duplication and align.

People

- 9.17 This work stream would identify activities required to support the transition of staff to a new model of operation as defined by the organisational structures for the new councils and their working practices. Time will be required for extensive consultation with staff. Staff need to be kept informed and decisions on their individual futures communicated as soon as possible. The work stream will also require updates and consolidation of HR procedures and policies, as well as producing a new training and development programme for all staff.

Procurement

- 9.18 To leverage the new scale and size of the authorities, this work stream will look to create a single procurement function. As part of this, the procurement service will also review all existing contracts, applying transfer and vest where necessary, but also identifying opportunities to renegotiate contracts where efficiencies and benefits can be delivered because of economies of scale.

Assets

- 9.19 This work stream would identify options to reduce and consolidate assets to deliver cost efficiencies. Decisions would also need to be taken about the physical locations that the new councils would occupy and where customer facing services are delivered from. This could involve investment but is likely to be offset by savings made from surplus elsewhere.
- 9.20 There will be some complicated issues to tackle as part of this workstream, such as the future of any council-owned companies. Stakeholder Boards could be set up, with the two unitaries becoming shareholders in any companies.

Democratic Governance

- 9.21 Moving towards new councils will require a review of corporate governance arrangements and the implementation of new committee structures, including assessing delegations from the Council to committees and officers to establish a clear constitution. This work stream will support this, as well as the development of a democratic services team, and new governance structure.

- 9.22 Time will be needed to map wards into systems to enable elections to take place in May 2027.
- 9.23 Further work will also focus on combining the electoral services of the authorities and the reduction in democratic members, which will require assessment of community demand, and the factors outlined above, with the elections to the new Councils in 2027.
- 9.24 Finally, this workstream could focus on setting up new Town and Parish Councils in Nuneaton and Bedworth, if decided upon.

Culture

- 9.25 The new councils would need to consider what kind of culture they want to develop, as well as the initiatives they would put in place to support staff and the pay/salary structures. This will require a significant communications campaign to engage staff, develop single policies and procedures, and implement new ways of working.

Finances

- 9.26 A key task will be to establish the budget requirement, the council tax requirement and the Band D council tax for the year restructuring comes into effect. As outlined above, there will need to be careful planning and consultation required around the council tax harmonisation.
- 9.27 This work stream will also complete the consolidation of various financial instruments and policies, including the Fees and Charges schedule, financial reporting and KPIs, bank accounts, and VAT numbers.
- 9.28 This workstream may also need to look at the pension schemes of the Councils and how these transition to the new local authorities, in particular, what is done around contribution rates.

Strategy

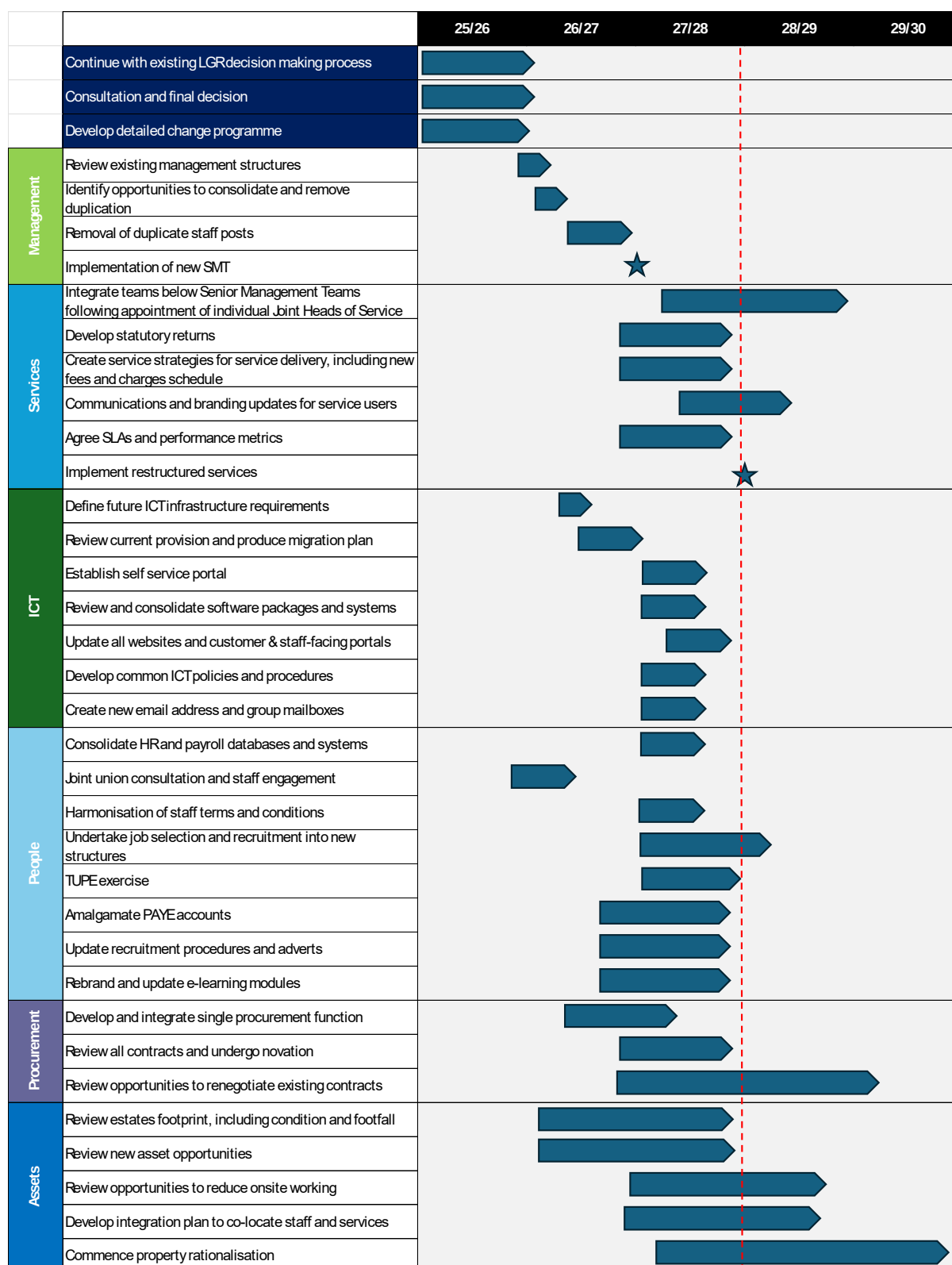
- 9.29 The creation of new councils will require the development of a single corporate strategy and business plan in the run up to, and after, the new councils are created. Consolidation of service strategies, policies and plans will also need to occur, e.g. one Local Plan for each area, and one housing allocation scheme and one enforcement policy.

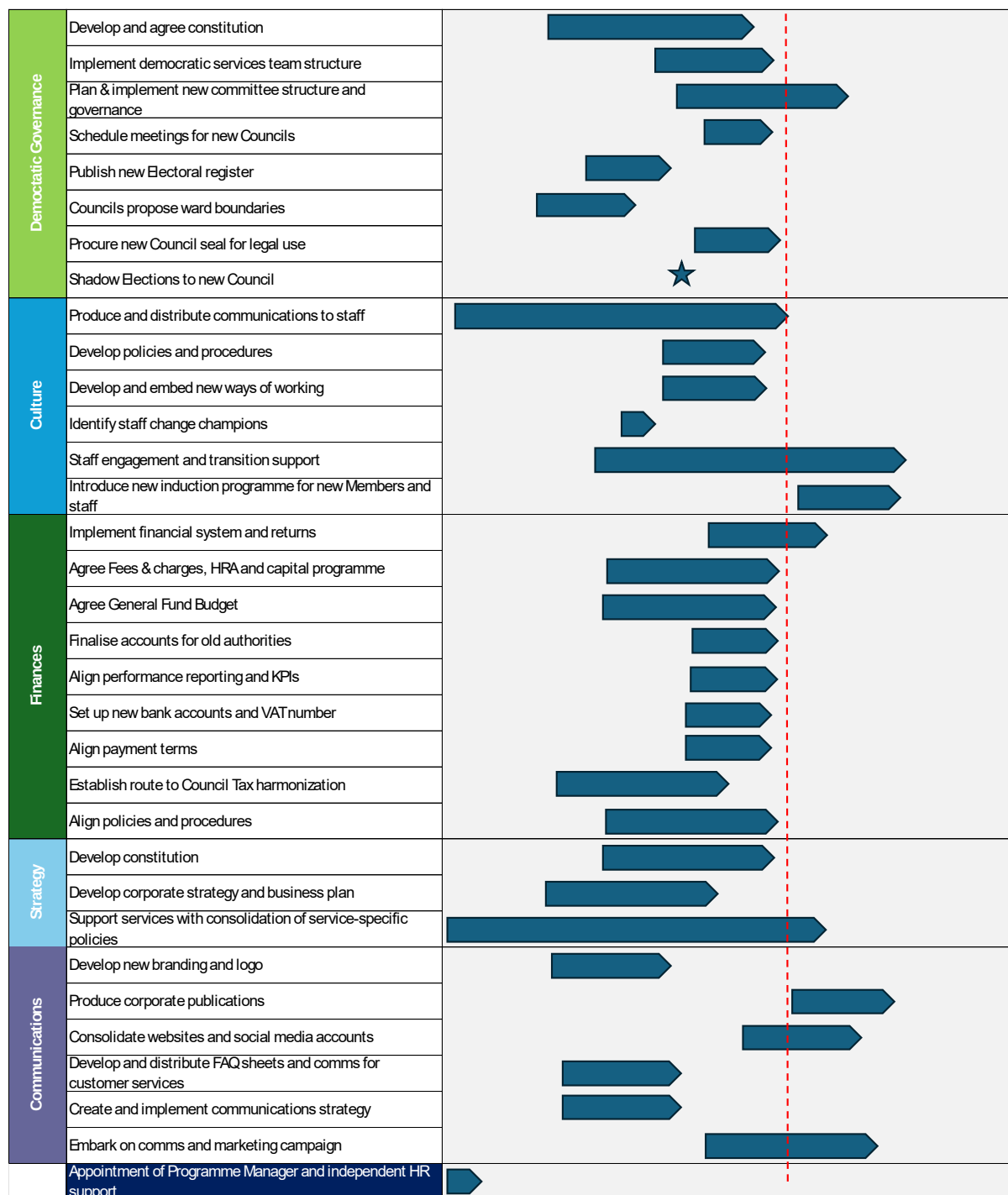
Communications

- 9.30 A significant work stream, this will focus on ensuring there is a plan for all stages of the implementation, appropriate for all audiences, to make sure everyone is well informed at the same time. This will include engagement with Members, Staff and the public to discuss the impacts of integration, timescales and what to expect once the new authorities are established.
- 9.31 There will also need to be a programme of work to create a new corporate identity in the form of logos, branding, new websites and social media accounts for the new councils.

10. Implementation

10.1 The diagram below indicates a potential implementation plan for the preferred option outlined in this business case.





Social Care implementation

10.2 In practice, when councils negotiate a devolution deal or a structural change order (e.g. moving to unitary status, or transferring functions to a Combined Authority), the “safe and legal” test is the gateway: government won’t sign off unless it’s clear that adult and children’s statutory services remain legally compliant, safe for service users, and financially sustainable during and after the transition.

10.3 The following conditions must be met:

Statutory Compliance

10.4 The new arrangements must comply fully with all relevant legislation (e.g. Children Act 1989, Care Act 2014, Children and Families Act 2014, Education Acts, Health and Social Care Act 2012).

10.5 Duties to safeguard and promote welfare of children, and to meet eligible needs of adults, must remain clear and enforceable.

10.6 The “single accountable body” principle applies: there must be a clear legal entity responsible for delivering each statutory function (no gaps or duplication).

Safety of Service Delivery

10.7 Services must continue without interruption through the transition (no gaps in provision for vulnerable children/adults).

10.8 Safeguarding arrangements must remain robust:

- Local Safeguarding Partnerships (for children) and Safeguarding Adults Boards must still function effectively.
- Clear escalation and accountability for risk and protection
- Workforce, data, and systems must remain aligned so statutory timescales and thresholds are met (e.g. assessments, reviews, casework).
- The DfE and DHSC require formal assurance before approving restructuring/devolution orders.

Governance and Accountability

10.9 Local authorities must be able to show that political and professional leadership is clear, e.g. a Director of Children’s Services (DCS) and a Director of Adult Social Services (DASS) are still appointed and legally responsible (as required in statutory guidance Children Act 2004, s18 and Local Authority Social Services Act 1970).

10.10 Decision-making and financial accountability must not be blurred when services are split or shared.

Financial Sustainability

10.11 Budgets for adult and children’s social care must be ring-fenced or transparently allocated so that statutory duties can be met.

10.12 Risk-sharing mechanisms must be in place if pooled or delegated budgets are used (e.g. in Combined Authority or joint commissioning models).

Regulation

10.13 Ofsted and the Care Quality Commission (CQC) expect councils to demonstrate “safe and legal” operation when disaggregating/reaggregating services.

10.14 The DfE and DHSC require formal assurance before approving restructuring/devolution orders.

10.15 In this context, an implementation plan has been developed to provide:

- Continuity of care: Statutory assurance that vulnerable people remain protected.
- Financial case: Robust evidence of achievable savings and cost avoidance.

- Localism benefits: Smaller, more responsive unitaries aligned to NHS and communities.
- Inspection readiness: Clear focus on improvement and assurance frameworks.

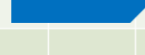
Key considerations are shown in the table below.

Key Enablers	Risks	Governance & Oversight
Governance: Clear accountability (separate DCS/DASS per UA), risk-share for joint services.	SEND DSG deficit (£151m) - risk of escalated DfE intervention if recovery not credible.	Programme Board: Chairs of Shadow Authorities + DCS/DASS.
Workforce: Local pipelines with FE colleges; digital upskilling; practice academies.	Provider fragility in rural South - early market development essential.	Locality Boards: co-chaired by schools & NHS partners.
ICT/Digital: Resident care accounts, online assessments, predictive analytics, dual running until stable.	Agency social worker reliance (esp. children's) - risk to improvement momentum.	Regional Hub: high-cost placements, workforce academy, brokerage.
Commissioning: Local micro-commissioning for volume; regional hub for high-cost/low-volume.	ICT migration delays - dual running costs/risks.	Inspection Readiness Group: aligned to ILACS, Area SEND, CQC frameworks.
Partnerships: Co-location with PCNs, schools, VCS; formal locality boards.	Inspection windows - likely Ofsted/CQC visits within 12–18 months of Vesting Day.	
Inspection Readiness: Single improvement plans; routine dry-runs against Ofsted/CQC frameworks.		

A summary of the project plan is as follows:

Phase	Level of Delivery	Key Actions	Source/Requirement
Phase 1 Foundations (2025/26)	Regional (West Midlands/ICS footprint)	Identify "Day 1 Essentials" (continuity of care, safeguarding, ICT dual running)	DfE regional sufficiency programme
	Local Authority (statutory corporate role)	Appoint statutory officers (DCS/DASS) Establish integrated programme and single business case (governance, budget, scope, benefits)	DfE/DHSC requirement
	Locality Hubs	Agree vision, principles and outcomes of locality working Agree scope for regional commissioning hub	Best practice
	Community / Neighbourhood (30-50k PCNs, schools, VCSE)	Map current demand, budgets and workforce capacity (by ward where relevant) Initial engagement with schools, GPs, providers, VCSE, ICS and partners	LGA guidance
Phase 2 Design (2026)	Regional (West Midlands/ICS footprint)	Design shared frameworks for residential & SEND placements	DfE/DHSC policy
	Local Authority (statutory corporate role)	Draft constitution & scheme of delegation Build draft transition plan with risk and benefit analysis, including shared/transactional services Align with MTFP, SEND and social care reforms	LGR statutory process
	Locality Hubs	Co-design operating model for family hubs & reablement	Family Help reforms
	Community / Neighbourhood (30-50k PCNs, schools, VCSE)	Pilot micro-commissioning with VCSE Communication plan – staff, members, families, partners	Good practice

Phase	Level of Delivery	Key Actions	Source/Requirement
Phase 3 Mobilisation (2026/27)	Regional (West Midlands/ICS footprint)	Mobilise regional workforce academy	ADASS workforce guidance
	Local Authority (statutory corporate role)	TUPE workforce transfers; workforce training, induction and cultural alignment Implement system and data transition (case management, BI, reporting); data migration testing Secure leadership and retain critical expertise to vesting day	TUPE Regs / GDPR
	Locality hubs	Establish locality teams/structures and co-located MDTs (ASC front door, Family Help) Novate/renege contracts "Day 1 Readiness Review" – dry run of key processes	Working Together 2023
	Community / Neighbourhood (30-50k PCNs, schools, VCSE)	Launch early help & reablement pilots	Best practice
Phase 4 Go Live (April 2028)	Regional (West Midlands/ICS footprint)	Broker high-cost placements; regional market oversight	DfE MIAG / CQC assurance
	Local Authority (statutory corporate role)	Submit statutory returns; monitor safeguarding continuity	Legal duty
	Locality hubs	Operate new front door pathways (FH + ASC triage) Launch locality operating model Implement contingency measures for risks identified earlier	Care Act / Children Act
	Community / Neighbourhood (30-50k PCNs, schools, VCSE)	Ensure community-level services accessible (family hubs, carers) Maintain provider and community reassurance through ongoing comms	SEND reforms
Phase 5 Optimisation (Post-2028)	Regional (West Midlands/ICS footprint)	Sustain regional QA and market resilience programmes Plan financial resilience and interim shared service hosting	DfE/DHSC policy
	Local Authority (statutory corporate role)	Review outcomes and financial performance vs benchmark; adjust MTFP	CIPFA duty
	Locality hubs	Refine commissioning, sufficiency planning and service pathways based on learning Consolidate contracts and embed VFM approach Embed prevention and early help as a core operating principle	Best practice
	Community / Neighbourhood (30-50k PCNs, schools, VCSE)	Continuous improvement of early help, kinship, carer offers and wider partnerships (ICS, QA, market resilience programmes)	Ofsted inspection

Phases	Key Actions	2025	2026	2027	2028	2029-30
Phase 1: Foundations	Set up Day 1 essentials (care continuity, safeguarding, ICT), appoint statutory officers, and agree vision, outcomes, and governance.					
	Map demand, budgets, and workforce; define commissioning scope; and engage with schools, GPs, providers, and partners.					
Phase 2: Design	Develop shared frameworks, draft constitution, and transition plan with risk/benefit analysis.					
	Align with reforms and MTFP, co-design family hubs/reablement, pilot micro-commissioning, and plan communications.					
Phase 3: Mobilisation	Launch workforce academy, TUPE transfers, training, and cultural alignment; test data migration and system transitions.					
	Secure leadership, set up locality teams and MDTs, manage contracts, conduct readiness reviews, and pilot early help/reablement.					
Phase 4: Go Live	Operate new pathways (FH + ASC triage), launch locality model, and oversee high-cost placements with market oversight.					
	Submit statutory returns, ensure safeguarding, maintain accessible services, and apply contingency measures.					
Phase 5: Optimisation	Sustain QA and market resilience, review outcomes vs benchmarks, and refine commissioning and financial planning.					
	Consolidate contracts, embed prevention/early help, and drive continuous improvement with carers, kinship, and wider partnerships.					

Conclusion

10.16 The creation of a North Warwickshire Unitary and a South Warwickshire Unitary is an ambitious, transformative and practical plan for local government reorganisation. It reflects the real geography, economy and identity of Warwickshire. It will deliver simpler, stronger and more efficient local government while keeping councils close to the people they serve. It will avoid hidden or inadvertent diseconomies of scale and inefficiencies that can be caused if Councils do not reflect real communities or are involved in devolution arrangements that bear no resemblance to the real economies in places.

10.17 Two councils will enable service transformation, harness digital opportunities, reduce duplication and release savings. They will strengthen local leadership and accountability and allow each new council to focus on the priorities of its communities. They will work together where issues are shared but remain free to pursue the distinct strategies that their areas need.

10.18 This is the right model for Warwickshire. Two new councils, rooted in the strengths and challenges of the north and the south, will deliver better services, stronger governance and a sustainable future for local government in the county.

Warwickshire LGR Support ASC and Children Services Analysis to Inform the Two Unitary Decision

June 2025

Content:

- Two Unitary Proposal
 - 1) Warwickshire Demographics
 - 2) Warwickshire CC Current Performance
 - 3) The Local Market
 - 4) The Financial Case
 - 5) The Opportunity
 - 6) Appendix A – Data Sources and Definitions

Two Unitary Proposal

The case for two unitaries in Warwickshire as opposed to one is strong. Whilst the demographics between the south and north of the county cannot be ignored, and are a major factor in considering the establishment of two unitaries, there is also huge variation in the capacity, cost and quality of commissioned services, supporting the most vulnerable citizens across the County.

As highlighted in the financial opportunities, the savings along with improved outcomes that can be achieved through establishing closer relationships with the local market, targeting intervention and ensuring services commissioned support the needs of the local community, are significant, modelled for the purposes of this report annually at £74.8m cost avoidance and £63.5m cashable savings.

National benchmark data indicates that unitary authorities with a population of 350k and below, perform better in terms of key areas of expenditure across Adult Social Care and Children's Social care, as depicted in the table below. The proposed geography for the two new unitaries will be the North with a population of approx. 313,600 and South 283,200. Warwickshire County has a population according to ONS figures 2022, of 607,604, which would place the proposed one unitary model in the upper bracket for expenditure.

Average unit costs	S251 LAC unit cost	S251 residential unit cost	S251 SEN unit cost	Nursing unit cost	Residential unit cost	Residential & Nursing unit cost
Population 500-750k	£1,949	£7,406	£123	£1,087	£1,160	£1,138
Population 350-500k	£1,946	£8,465	£118	£1,151	£1,209	£1,166
Population 250-350k	£1,718	£6,772	£96	£1,006	£1,028	£1,023
Population <250k	£1,759	£7,220	£100	£1,044	£1,059	£1,048

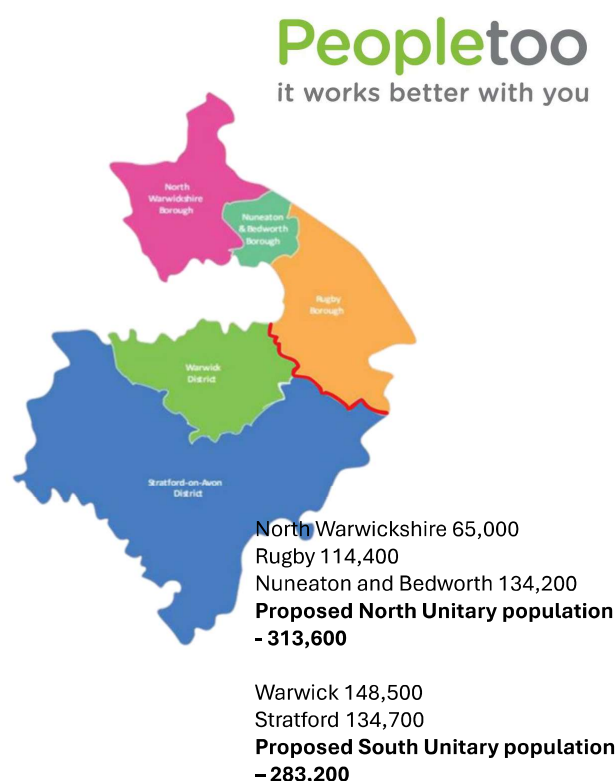
*Data source 2023/24 LAIT (Local Authority Interactive Tool) and ASCFR (Adult Social Care Financial Returns refer to Appendix A)

Two Unitary Proposal

But it is not just the financial case. We know from the data supplied by the County Council, that currently there are major challenges in areas such as SEND (special educational needs and disabilities). According to the written Statement of Action following its Joint Area SEND inspection in Sept '21, there is a real need to rebuild the trust of parents/ carers and schools. With expenditure on high needs in significant deficit and growing, it is essential that the right provision and services exist locally to keep Warwickshire's young people within their communities. This is a similar case for the County's looked after children, if you consider 44% (according to data provided by the County Council), are placed outside of the County.

In relation to adult social care (ASC), we know from benchmark data that the County Council are higher users of residential services in comparison to their nearest NHS neighbours (ASCFR recognised benchmark grouping), and that there appear to be capacity issues in relation to the provision of domiciliary care and extra care services, both crucial to keeping vulnerable older people within their own homes and communities.

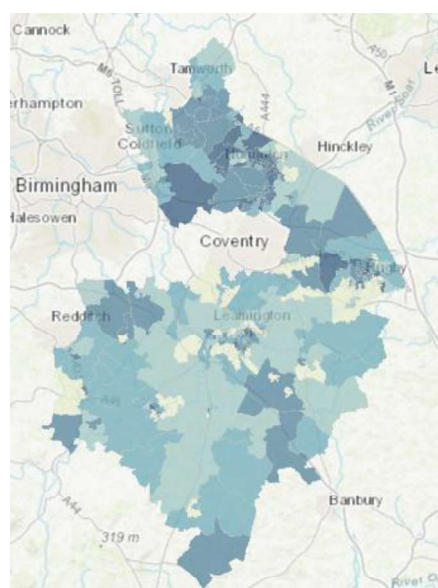
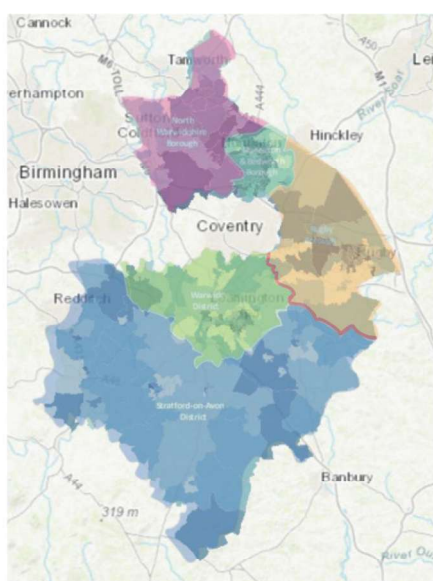
The risk with one unitary, is that adults and children's services continue as they are. The system needs real transformation, which only the establishment of two new unitary authorities can provide.



1) Warwickshire Demographics

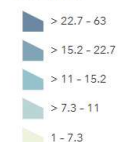
Deprivation in Warwickshire

The map to the left combines the county boundaries map to visualise where areas of deprivation are concentrated across Warwickshire. These are more prevalent in North Warwickshire, Nuneaton, Rugby, and in Eastern areas of South Warwickshire.



LSOA

Index of Multiple Deprivation (IMD)
Score|2019

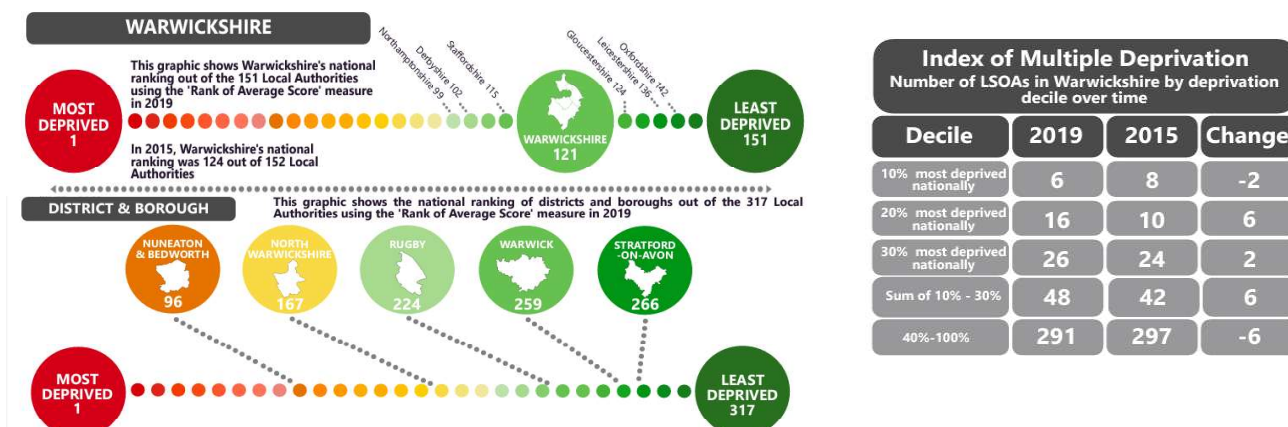


Lower Layer Super Output Areas (LSOAs) are small geographical units created for statistical purposes, primarily for the Census. They are designed to provide consistent and comparable data across the country, making them valuable for analysing social, economic, and demographic information.

Warwickshire Index of Multiple Deprivation 2019

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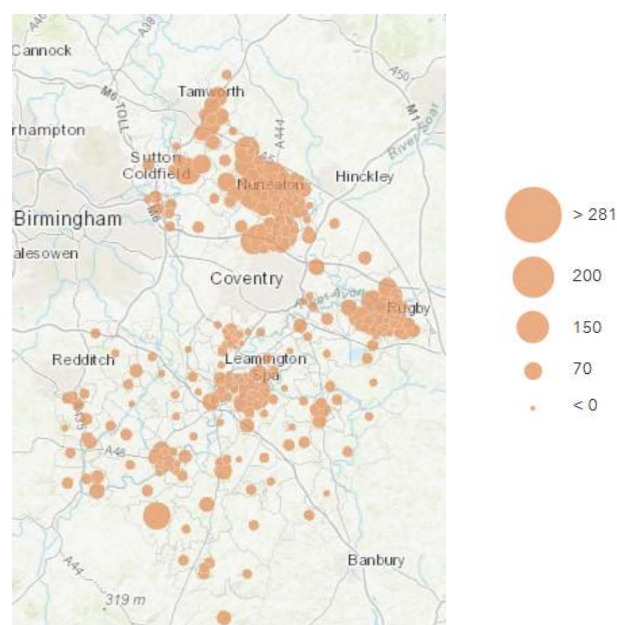
- In 2019, Warwickshire ranked 121 out of 151, placing as one of the less deprived councils in England. In terms of individual domains of deprivation, the county ranked 126 in income deprivation and 123 in income deprivation affecting children. The lowest scores were with regards to barriers to housing and services where it ranked 74 and living environment deprivation where it ranked 87.
- Further, while Warwickshire had two fewer Lower layer Super Output Areas (LSOAs) in the 10% most deprived nationally compared to 2015, these numbers increased for both 20% and 30% most deprived deciles.
- The least deprived districts and boroughs in Warwickshire were Stratford-on-Avon (266), Warwick (259) and Rugby (224), while among the more deprived areas were North Warwickshire (167) and Nuneaton and Bedworth (96).
- It should be noted that these figures are all from 2019 and current data may provide a different picture of deprivation in Warwickshire.



Warwickshire Number of Children Living in Families with Absolute Low-Income Map 2019-2020

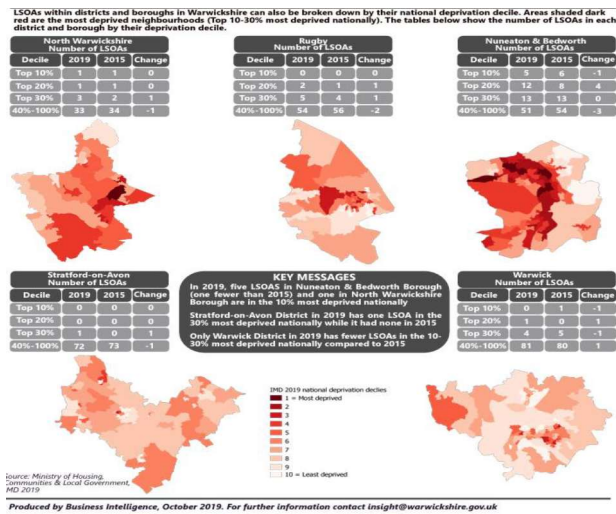
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The map on the right pinpoints the areas that have the greatest number of children living in families with absolute low income, being Tamworth, Sutton Coldfield, Nuneaton, Rugby, and Leamington Spa.

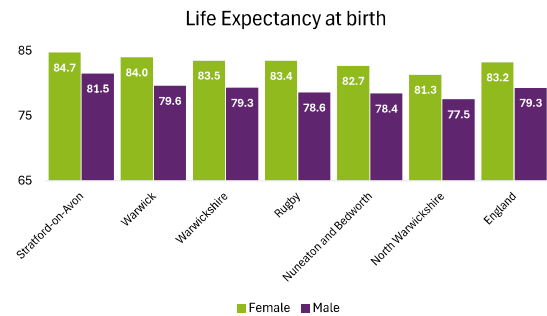


Warwickshire LSOAs by District

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- Unsurprisingly life Expectancy at birth is higher in the lesser deprived areas of Stratford-on-Avon and Warwick, than in the more deprived areas of Nuneaton and Bedworth and North Warwickshire



- In 2019, research done by Business Intelligence shows that the LSOAs with higher levels of deprivation align with the areas where children are living in families with absolute low income. These areas include; North Warwickshire, Rugby, Nuneaton & Bedworth, and parts of Warwick.

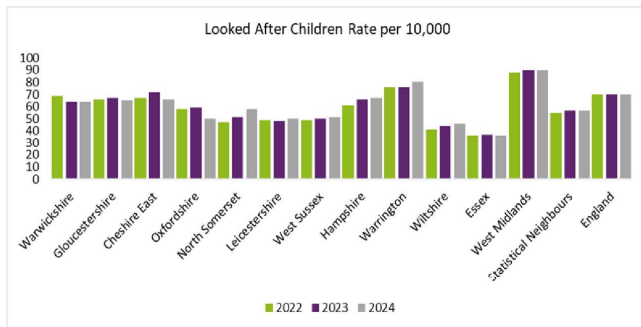
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2) Current Performance – Warwickshire CC

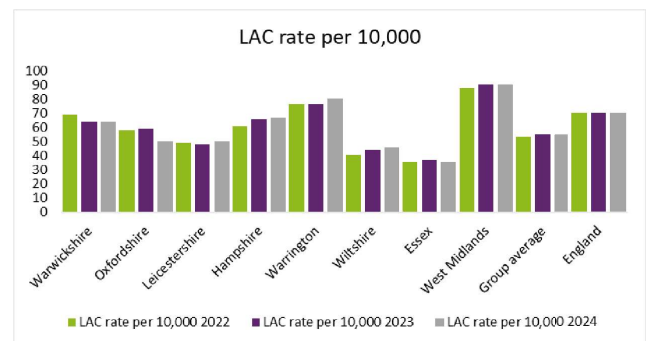
Children's Social Care

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Children's Social Care has an Ofsted rating of "Good" following a full inspection Feb '22 and further endorsed at Focused Visit May '23.



Looked After Children (LAC) Rates are above Statistical Neighbours (SN) at 64 per 10,000 (actual number 805 a rise from 778 in '23), in WCC compared to 57 SN average.

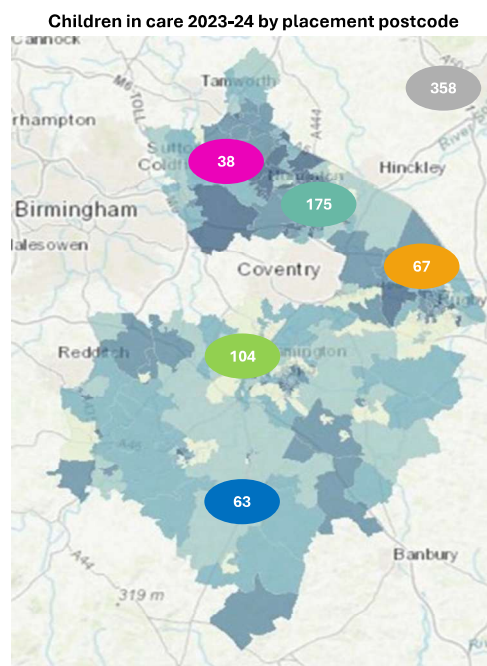
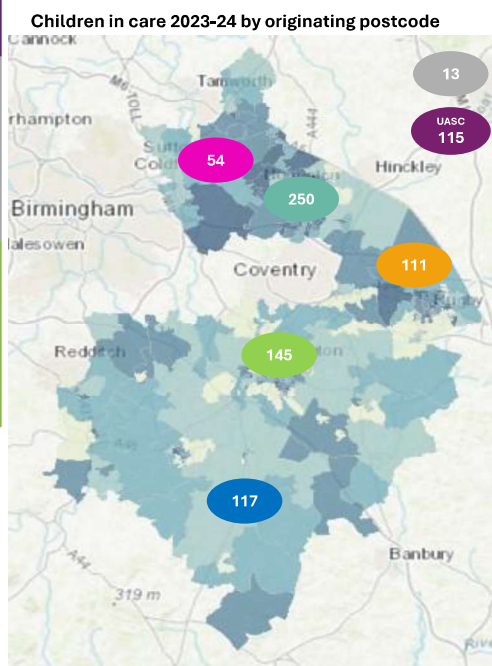


If we analyse the LAs within the SN group rated as either Good or Outstanding, Warwickshire CC (WCC) are at 64 and the average of the group is 55 per 10,000.

*Data source 2023/24 LAIT (Local Authority Interactive Tool) for children's services, built on local authority financial returns, refer to Appendix A.

Children in Care

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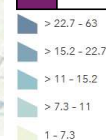


The darker areas are those with higher levels of deprivation

- In 2023-24 there were 805 children in care
- 31% originated in Nuneaton and Bedworth
- 2% originated out of county and at end of year 44% of placements were out of county

*data provided by WCC

Area	Originating area	Placement area at end of year
North Warwickshire	7%	5%
Nuneaton and Bedworth	31%	22%
Rugby	14%	8%
Warwick	18%	13%
Stratford-on-Avon	15%	8%
Out of County	2%	44%
UASC	14%	

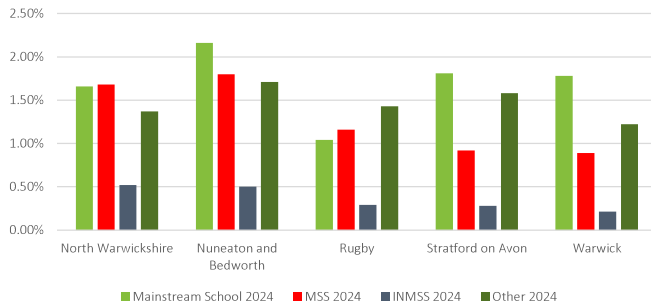


Children's Special Educational Needs & Disability (SEND) Demand

Total & New Education Health and Care Plans (EHCPs) as % of 0-19 Population per District/Borough

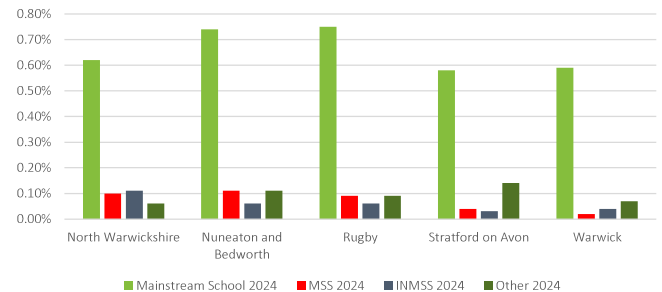
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Number of total EHCPs as % of 0-19 population per District/Borough



- The highest percentage of total EHCPs by district/borough population were typically for Mainstream schools or MSS (maintained special school), with the lowest EHCP percentages being for INMSS (independent non maintained special school).

Number of new EHCPs as % of 0-19 population per District/Borough



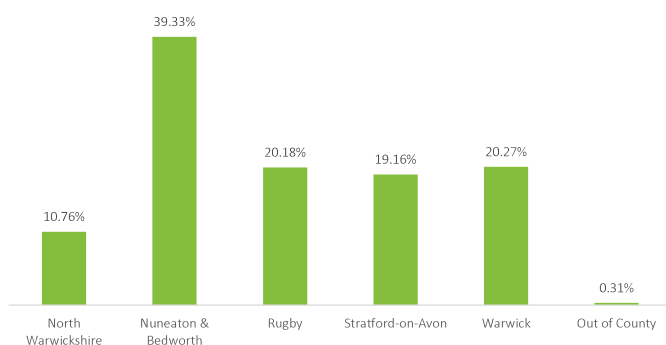
- Encouragingly the highest percentage of new EHCPs by district/borough population were for Mainstream schools, with the lowest EHCP percentages varying across areas and type of provision. Nuneaton & Bedworth and Rugby had the highest percentages of new EHCPs, while Warwick had the lowest.

Children's SEND Demand

Total & New EHCPs as % of all per District & Borough

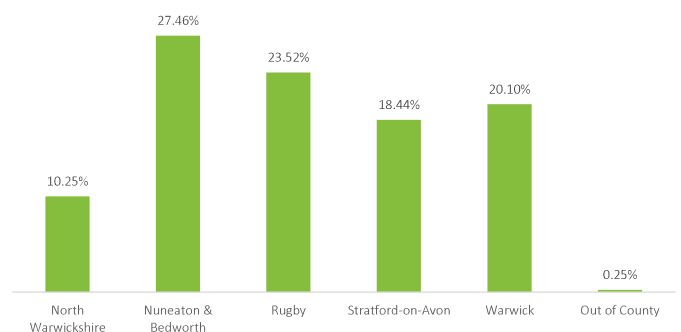
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Total number of EHCPs per district & borough (2024)



- The highest number of total EHCPs were in Nuneaton & Bedworth with nearly double the numbers seen in other areas. The numbers are consistently around 20% for Rugby, Stratford-on-Avon and Warwick.

Total number of new EHCPs in calendar year per district & borough (2024)



- The highest number of new EHCPs in 2024 were again in Nuneaton & Bedworth, however, numbers were more consistent in comparison to other areas. Rugby, Stratford-on-Avon and Warwick were again quite similar around the 20% mark.

Warwickshire SEND Services Map

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The map on the left-hand side depicts the Index of Multiple Deprivation (IMD) score of different areas within Warwickshire (2019). The darker areas are those with higher levels of deprivation. The map on the right-hand side depicts a variety of SEND services available for children across Warwickshire. It is interesting to note that quite a few of the SEND services available are outside of Warwickshire county in and around Coventry. Furthermore, services appear to concentrate around cities such as Warwick, Rugby, Bedworth and Stratford-upon-Avon, with few options in between for families in rural areas of the county. Areas that appear to be more deprived but benefit from fewer services include North Warwickshire, towns surrounding Warwick, and South Warwickshire. The map on the right-hand side cuts off as there are no further services below the ones pinpointed on the map.

Warwickshire CC SEND Service

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In summary it would appear that **SEND is failing currently in Warwickshire CC**, although they are due for another inspection, the previous inspection was quite challenging in terms of headlines.

Warwickshire CC, written Statement of Action following its Joint Area SEND inspection in Sept '21 Ofsted headlines:

- The inspection raises significant concerns about the effectiveness of the local area.
- The local area is required to produce and submit a Written Statement of Action to Ofsted that explains how the local area will tackle the following areas of significant weakness:
 - The waiting times for ASD assessments, and weaknesses in the support for children and young people awaiting assessment and following diagnosis of ASD
 - The fractured relationships with parents and carers and lack of clear communication and co-production at a strategic level
 - The incorrect placement of some children and young people with EHC plans in specialist settings, and mainstream school leaders' understanding of why this needs to be addressed
 - The lack of uptake of staff training for mainstream primary and secondary school staff to help them understand and meet the needs of children and young people with SEND
 - The quality of the online local offer.

We also know that the Dedicated Schools Grant is in deficit. Extract from April '25 Cabinet Report.....*The 2024/25 in-year deficit is now forecast at £48.245m which is an increase of £3.028m since Q3, giving a forecast cumulative High Needs DSG deficit of £87.733m at the end of this financial year. Financial projections per the 2025/30 MTFS anticipate further rapid increases to the in-year deficit in 2025/26, growing to £64.0m (73.6% higher than the 2025/26 High Needs Block DSG Grant allocation) giving a forecast cumulative deficit by 31 March 2026 (the currently scheduled end of the DSG Statutory Override) of £151.733m.*

Schools in Warwickshire

Overview

- There are a total of 266 state-funded schools in Warwickshire, comprising 196 primary schools, 37 secondary schools, and 4 sixth form schools. Warwickshire currently has no Pupil Referral Unit (PRU) places and no schools offering specific provision for teenage mothers. There are 2 schools in the county under Special Measures.
- The total pupil population across all schools is 85,318, with a median pupil-to-teacher ratio of 20.62, which is *the highest in the West Midlands and third highest in England*. The median *percentage of pupils eligible for free school meals is 16%, which ranks Warwickshire as 18th lowest in England for this measure*.

Primary Schools

- There are 196 primary schools in the county. Of these, 10% have been rated 'Outstanding' by Ofsted, and 68% are rated 'Good'. Attainment across primary schools is mixed, with 19% considered low and 16% considered good, though attainment data is missing for around 28% of primary schools. The most common pupil-teacher ratio in primary settings is considered very high.
- Primary schools represent the largest proportion of schools in Warwickshire. Despite a high number of 'Good' ratings, a relatively small percentage are rated 'Outstanding'. The high pupil-teacher ratios may be putting pressure on teaching resources and could contribute to the relatively mixed attainment levels seen across the county.

It should be noted that the data available for CS was limited and the following source was used for the information above: [Schools and Education in Warwickshire | SchoolRun](#)

Geographic Distribution

The towns with the most schools in Warwickshire are:

- **Nuneaton:** 36 schools (22 primary, 6 secondary, 2 sixth forms)
- **Rugby:** 33 schools (23 primary, 7 secondary)
- **Royal Leamington Spa:** 16 schools (13 primary, 1 secondary, 1 sixth form)
- **Bedworth:** 13 schools
- **Stratford-upon-Avon and Warwick:** 12 schools each

Nuneaton and Rugby are the two most significant hubs for education in the county, reflecting their larger populations and urban profiles. Smaller towns typically have one or two primary schools, with very limited or no secondary or sixth form provision.

Schools in Warwickshire

Secondary Schools

- Warwickshire has 37 secondary schools, 19% of which have achieved 'Outstanding' ratings, while 54% are rated 'Good'. Attainment levels are split quite evenly between high (22%) and low (19%), with 14% of schools lacking attainment data. Secondary schools in Warwickshire generally have a low pupil-to-teacher ratio, indicating smaller class sizes compared to primary schools.
- Secondary schools in Warwickshire are performing slightly better than primary schools in terms of 'Outstanding' ratings. The lower pupil-teacher ratio suggests more manageable class sizes, which may support the stronger attainment distribution observed in this sector.

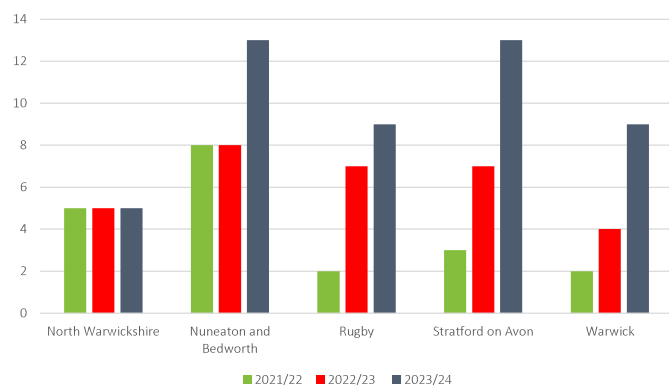
Sixth Form Schools

- There are 4 schools serving sixth-form education in Warwickshire. All four are rated 'Good', with 0% rated 'Outstanding'. In terms of attainment, data is quite limited with only 1 school being classified as good and data is missing for the other 3 schools. Sixth form schools typically have a low pupil-teacher ratio.
- While the sixth form provision is limited in number, it is consistent in quality, with all institutions rated Good by Ofsted. The small class sizes are a strength, though the lack of comprehensive attainment data makes it difficult to assess performance trends fully.

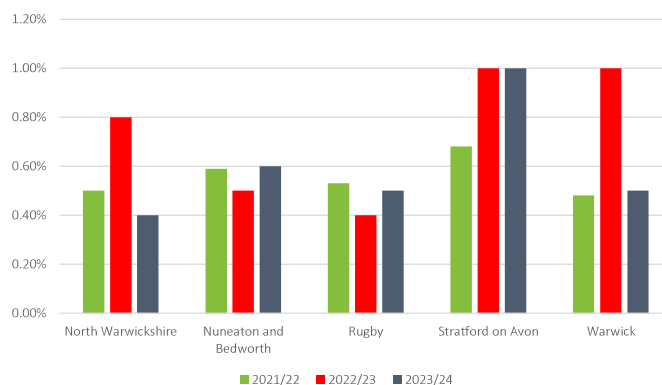
Schools in Warwickshire Permanent Exclusions in Primary

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Total Number of Permanent Exclusions in Primary Schools
(Recorded on Synergy)



Permanent exclusion rate via Synergy in Primary Schools (as a % of pupils on roll)

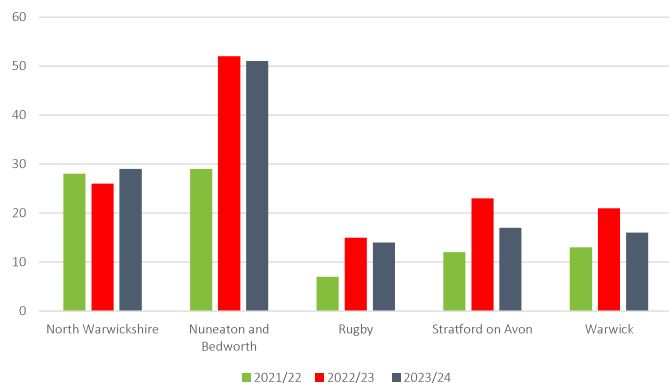


- The percentage of permanent exclusions in primary schools whilst low are increasing, having doubled in Stratford on Avon and Warwick Primary Schools.

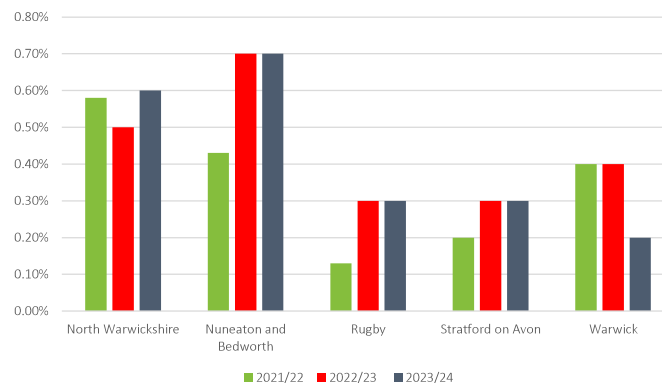
Schools in Warwickshire Permanent Exclusions in Secondary

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Total Number of Permanent Exclusions in Secondary Schools
(Recorded on Synergy)



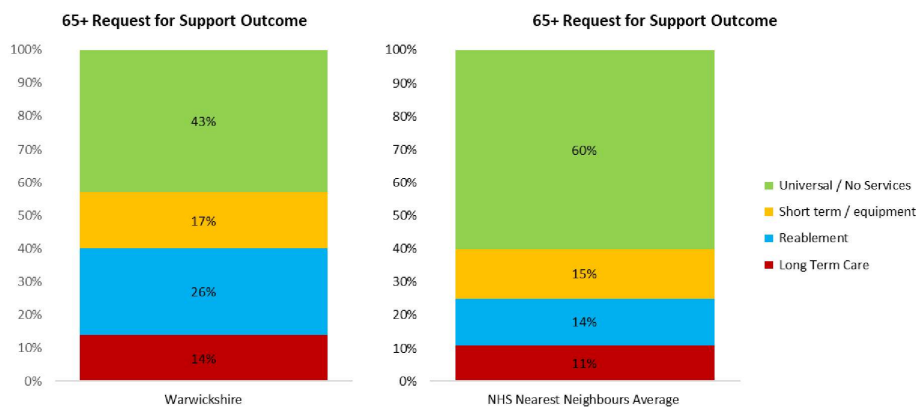
Permanent exclusion rate via Synergy in Secondary Schools
(as a % of pupils on roll)



- Encouragingly permanent exclusions are static or reducing across Warwickshire's secondary schools, although Nuneaton & Bedworth saw a significant increase in 2022/23.

Adult Social Care Demand – Older People 65+

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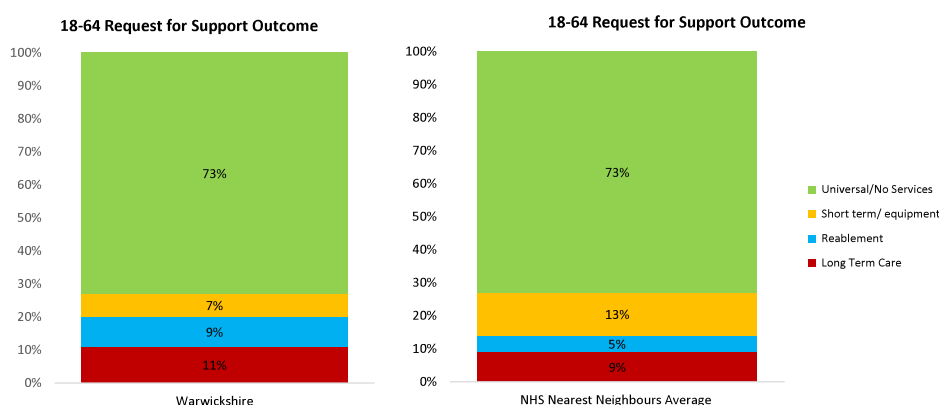


*Data source 2023/24 ASCFR

- A lower number are diverted away at the front door to ASC compared to WCC's NHS Nearest Neighbour. However, Peopletoo best practice would strive for 80% diverted to universal services or information and advice.
- WCC is offering a higher number of short term intervention services including Reablement which is positive, but questionable whether an intense Reablement service would have always been required or could people have been signposted to other short term community support.
- WCC do have a higher number in Long Term Support.

Adult Social Care Demand – Working Age Adults

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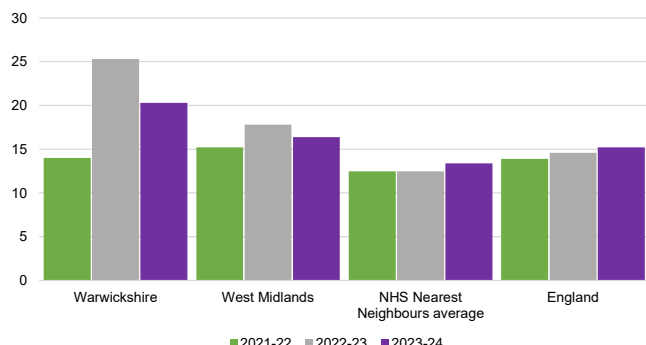
*data source 2023/24 ASCFR

- WCC are in line with its NHS nearest neighbours in relation to numbers diverted away at the front door to ASC. However, Peopletoo best practice would strive for 80% diverted to universal services or information and advice.
- WCC is offering a lower number of short term intervention services including Reablement.
- WCC do have a higher number in Long Term Support.

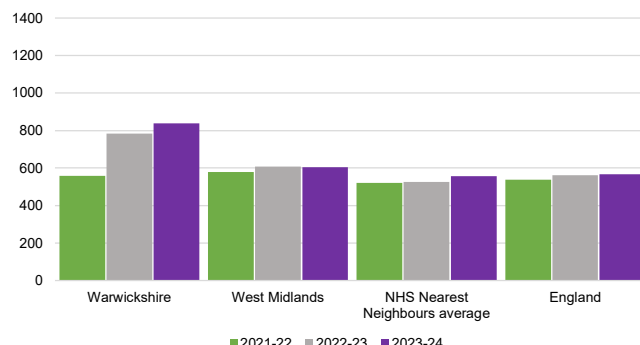
Adult Social Care Outcomes

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Long-term support needs of younger adults (aged 18-64) met by admission to residential and nursing care homes, per 100,000 population



Long-term support needs of older adults (aged 65 and over) met by admission to residential and nursing care homes, per 100,000 population



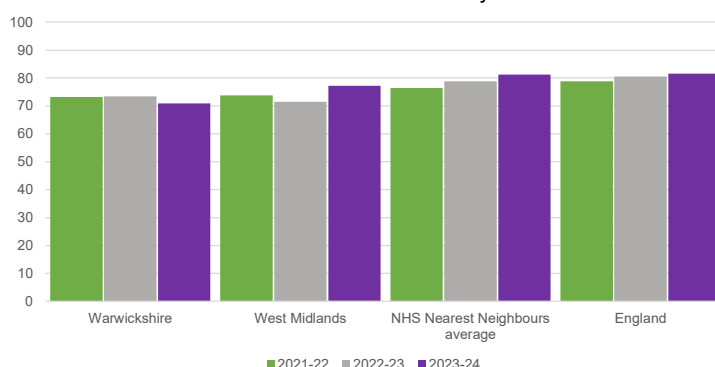
- In 2023-24 at 20.3 per 100,000 population, a larger proportion of younger adults' long-term support needs were met by admission to residential and nursing care homes in Warwickshire than regional (16.4), NHS Nearest Neighbours (13.4) and England (15.2).
- In 2023-24 at 838.1 per 100,000 population, a far larger proportion of older adults' long-term support needs were met by admission to residential and nursing care homes in Warwickshire than regional (603.8), NHS Nearest Neighbours (555.9) and England (566).

*Data source 2023/24 ASCFR

Adult Social Care Outcomes

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% of adults with a learning disability who live in their own home or with their family



- In 2023-24 a lower proportion of adults (70.9%) in Warwickshire with a learning disability lived in their own home or with family than regional (77.2%), NHS Nearest Neighbours (recognised benchmarking group) (81.2%) and England (81.6%). This correlates with the previous slide showing Warwickshire CC having a larger proportion than comparators of adults in residential and nursing placements.

*Data source 2023/24 ASCFR

3) The Local Market

Warwickshire County Map



This map of county boundaries in Warwickshire was utilised to visualise the number of providers across counties which have been rated by Care Quality Commission (CQC).

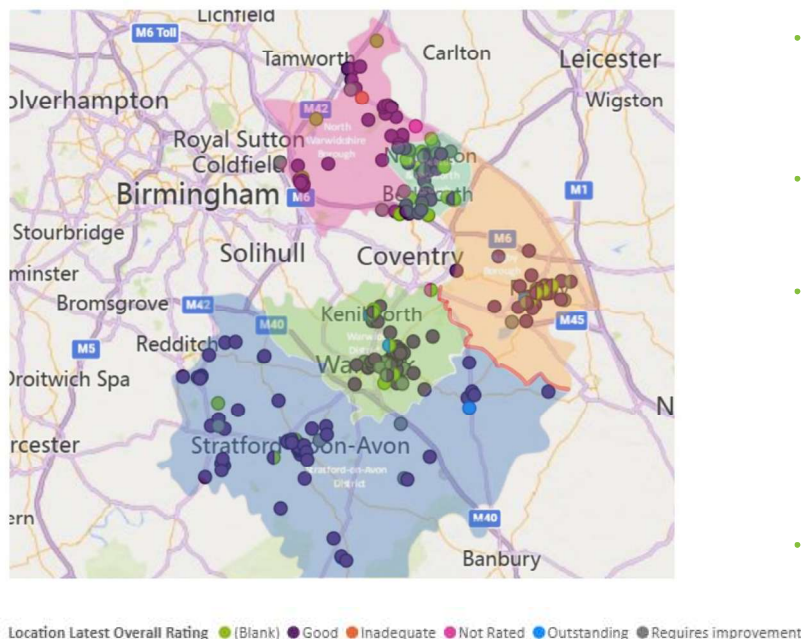
The 5 areas comprising Warwickshire include:

- North Warwickshire Borough
- Nuneaton & Bedworth Borough
- Rugby Borough
- Warwick District
- Stratford-on-Avon District

The red line across the map indicates the proposed split in a 2-unitary model.

Warwickshire-Wide Providers & CQC Ratings

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- This map depicts the CQC rated providers across Warwickshire, with ratings being colour coordinated. This map also visualises where providers can be accessed by residents.
- There is a clear cluster of providers around certain cities and towns, including Nuneaton, Bedworth, Rugby, Kenilworth, Warwick and Stratford-on-Avon.
- While there are dispersions of providers throughout Warwickshire, there do seem to be fewer providers in more rural areas. These include parts of Rugby Borough, Stratford-on-Avon District and North Warwickshire Borough. It should also be noted that the providers in Warwick District seem quite concentrated near larger population areas, with few in the Northwest of the district.
- This distribution of providers can present opportunities to potentially develop the micro provider market, to support areas where capacity/ access is an issue.

CQC Rated 'Outstanding' & 'Good' Providers

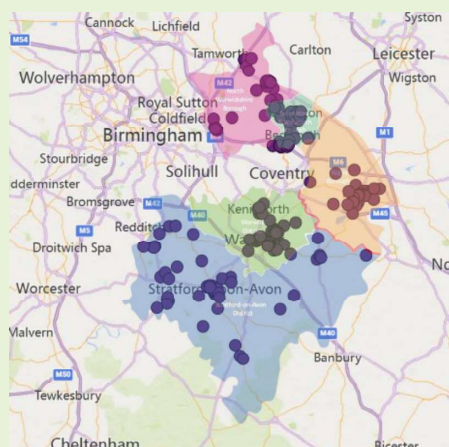
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'Outstanding' Providers



The 'outstanding' rated providers in Warwickshire are concentrated in Mid-Warwickshire, with only one situated in the South. North Warwickshire seems to have no 'outstanding' providers.

'Good' Providers

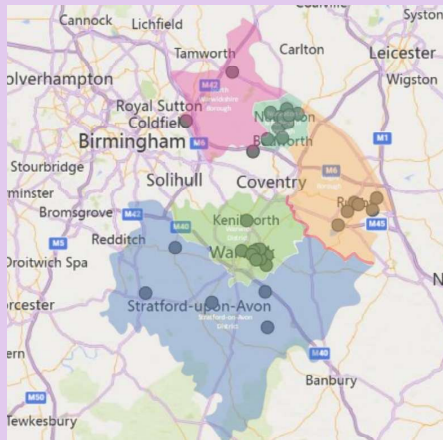


'Good' CQC rated providers are well-dispersed across the districts and boroughs, with each containing multiple to choose from and making access easier for residents. It should be noted that the South does seem to have fewer providers, potentially making it harder for residents to access services in the South/Southeast.

CQC Rated 'Requires Improvement' & 'Inadequate' Providers

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'Requires Improvement' Providers



Providers rated as 'requiring improvement' appear to be concentrated in Nuneaton & Bedworth, Warwick and Rugby. These are also the areas that have received higher scores for deprivation, particularly in North Warwickshire. This presents an opportunity to work with local providers to improve outcomes.

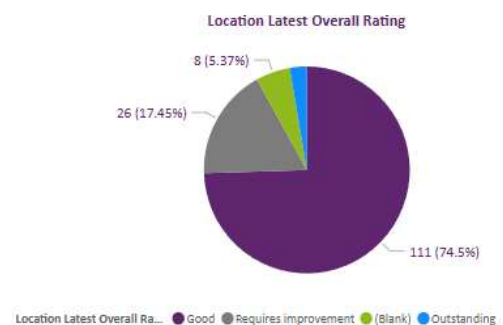
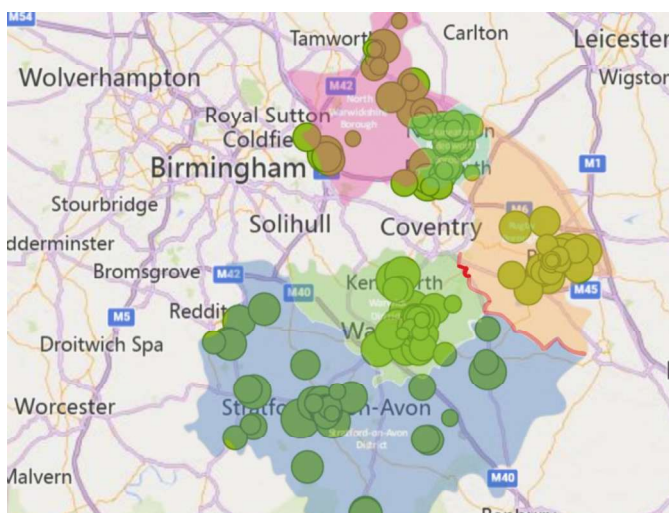
'Inadequate' Providers



There is only one 'inadequate' rated provider in Warwickshire which is situated in North Warwickshire Borough. There are also two RI rated providers in this area with no 'outstanding' providers in the nearby boroughs. There are some 'good' rated providers, however, this does limit the quality of services accessible to residents in a more deprived area.

Residential Care Providers Older People (65+)

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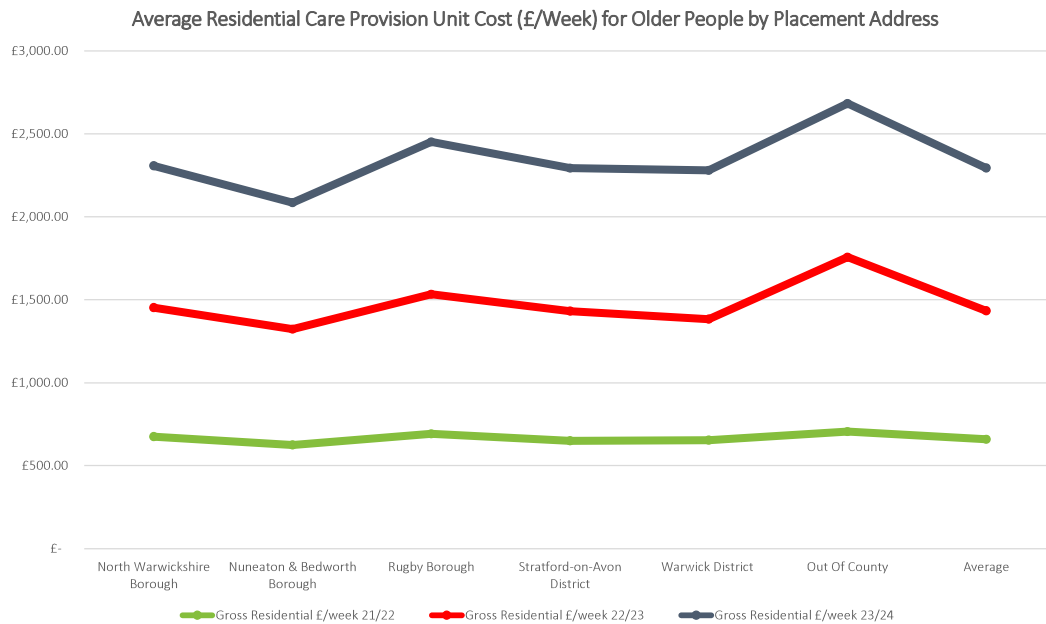


Older People:

- There are 87 providers registered with CQC as providing residential care for older people in 149 locations across Warwickshire, 74% of which are rated as Good and only 3% Outstanding.

Average Residential Care Unit Costs (2021/22 – 2023/24) Older People (by Placement Address)

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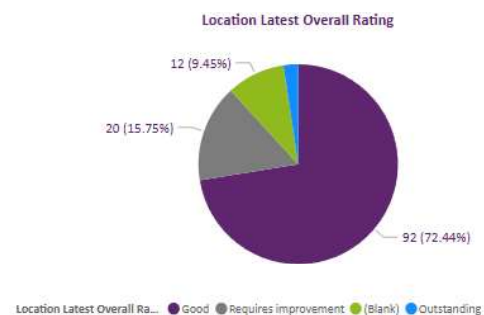
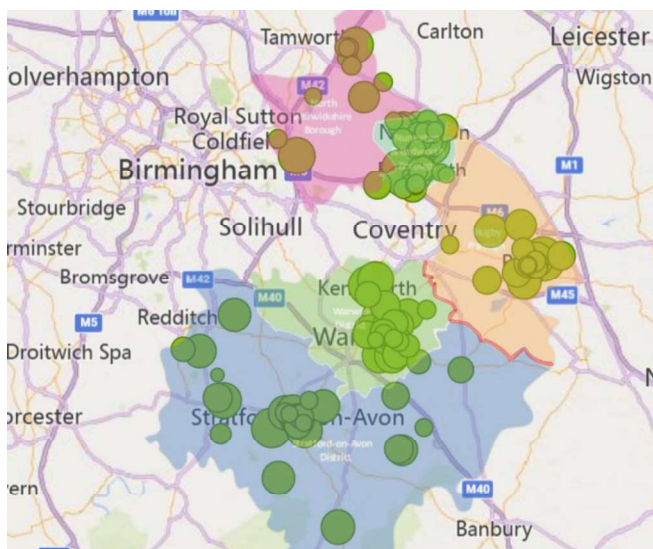
Older People Residential Care:

- Unit costs are higher in Rugby and out of county.
- The data also shows that weekly unit costs have been rising significantly year on year across the County, with the largest increases in 2023/24.

**Data provided by WCC*

Residential Care Providers Working Age Adults (18-64)

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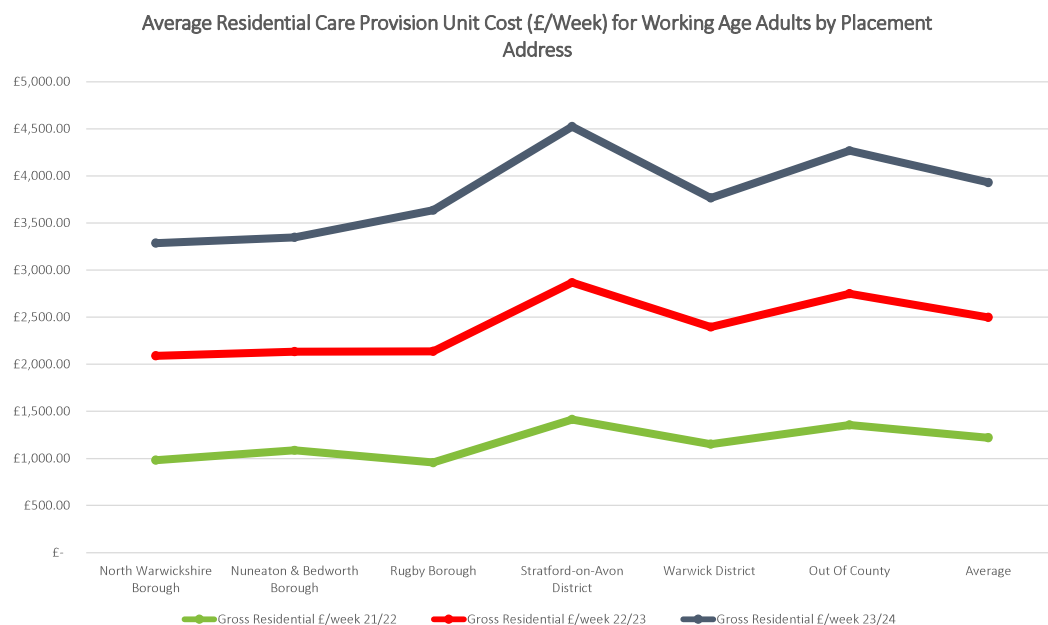


Working Age Adults

- There are 74 providers registered with CQC as providing residential care for working age adults in 127 locations across Warwickshire. 72% of which are rated as Good with only 2.5% Outstanding.

Average Residential Care Unit Costs (2021/22 – 2023/24) Working Age Adults (by Placement Address)

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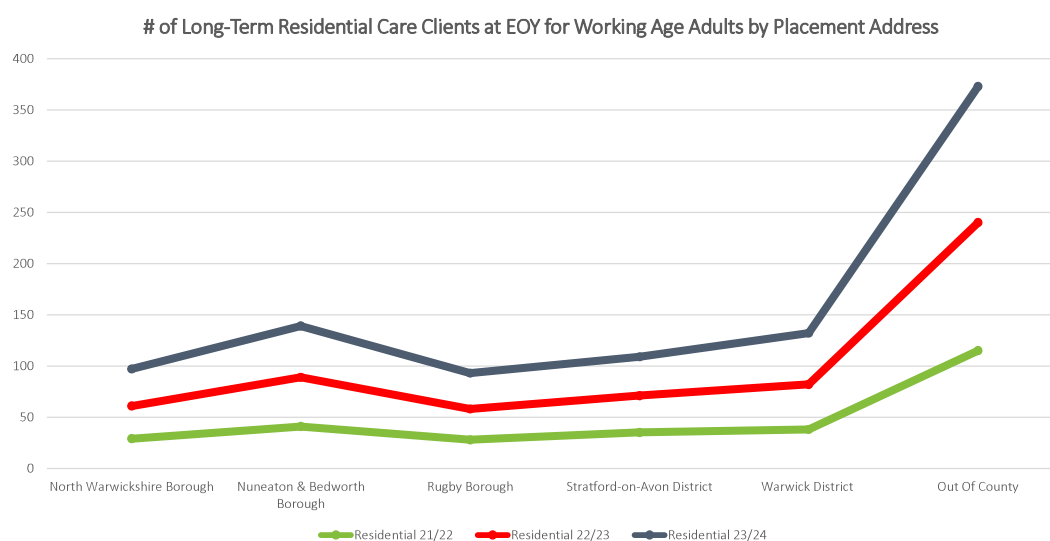
Working Age Adults Residential Care:

- Unit costs vary, the highest being in Stratford on Avon and Out of County.
- The data shows that weekly unit costs have been rising significantly year on year across the County, but with higher increases in 2023/24.

* Data provided by WCC

Clients Accessing Long-Term Residential Care at EOY (2021/22 – 2023/24) – Working Age Adults (by Placement Address)

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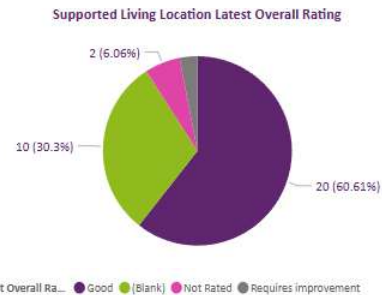
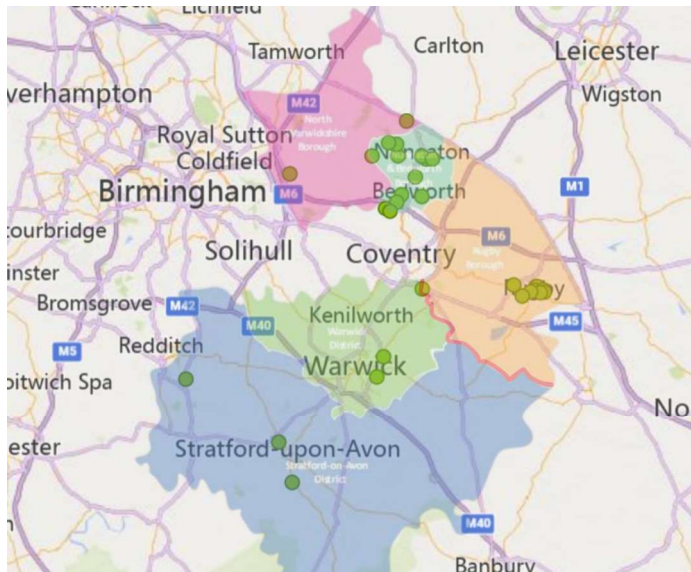
Working Age Adults Residential Care Placements:

- The highest number of working age residential placements are “out of county”, which given there would appear to be capacity in the County, and these are on average higher unit costs than placements in the County, would indicate that currently commissioning of the right quality provision in the County may be challenging.

* Data provided by WCC

Supported Living Providers Working Age Adults (18-64)

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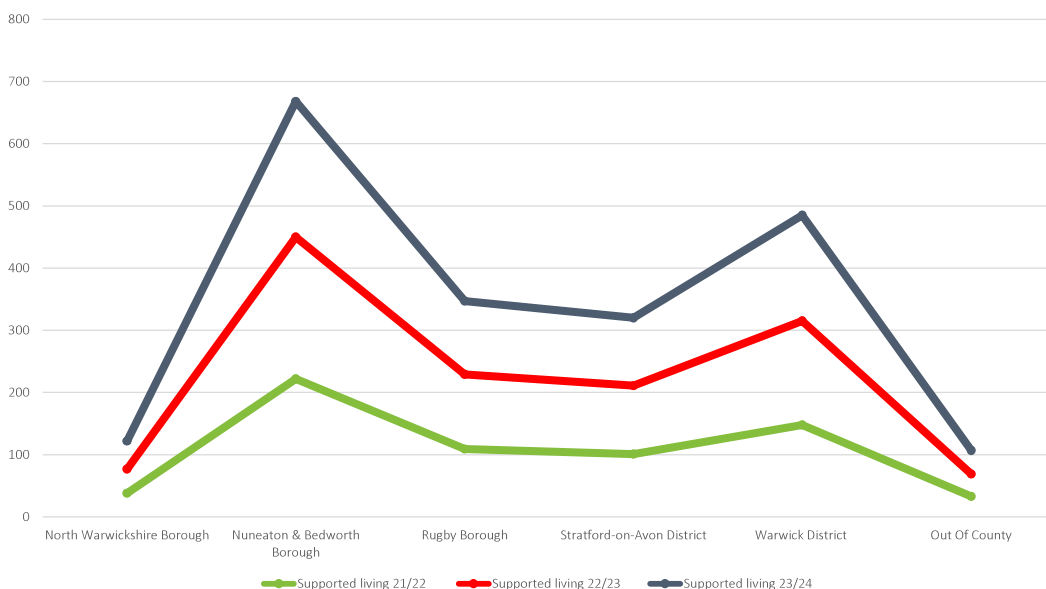
Working Age Adults:

- In relation to Supported Living, there are 30 providers across 33 locations in Warwickshire, the majority of which are located in Nuneaton and Bedworth, with very little provision located in Stratford or Warwick.

Clients Accessing Long-Term Supported Living at EOY (2021/22 – 2023/24) – Working Age Adults (by Home Address)

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of Long-Term Supported Living Clients at EOY for Working Age Adults by Home Address



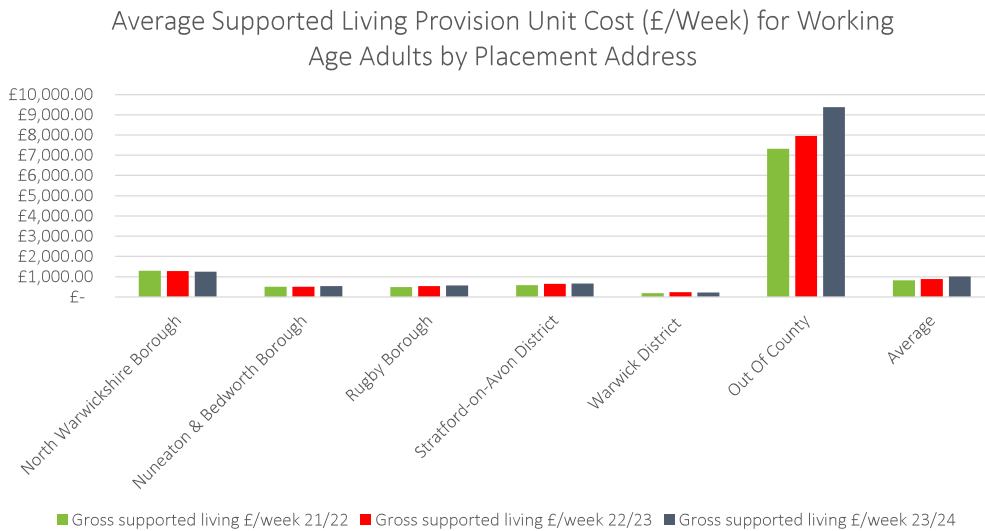
Working Age Adults:

- The highest areas of demand for supported living are Nuneaton & Bedworth and Warwick.

* Data provided by WCC

Average Supported Living Unit Costs (2021/22 – 2023/24) Working Age Adults (by Placement Address)

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Working Age Adults:

- Unit costs are variable, with the highest rates being out of county, and within county being North Warwickshire. Higher rates in the North are no doubt linked to capacity, with the CQC data identifying only one provider in North Warwickshire.

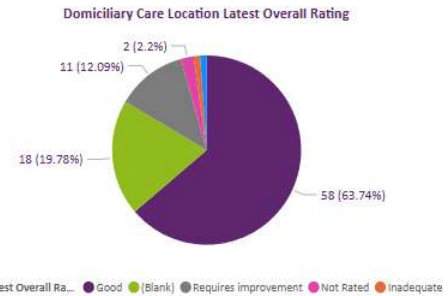
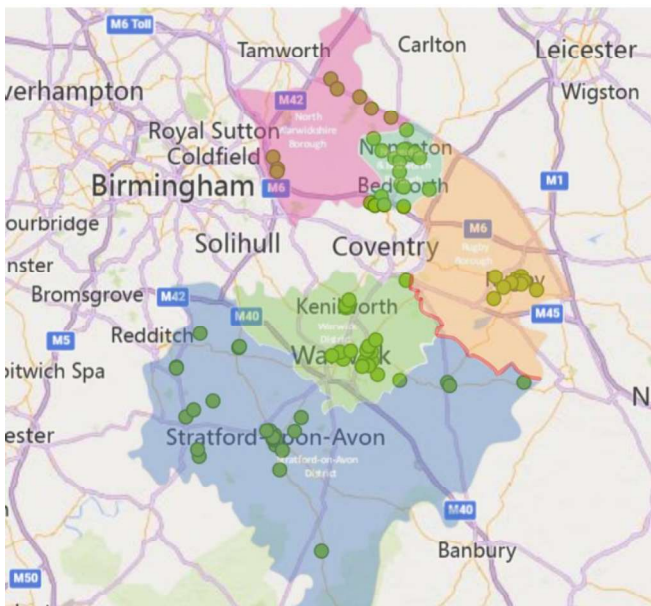
* Data provided by WCC

Domiciliary Care

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Domiciliary Care Providers Older People (65+)

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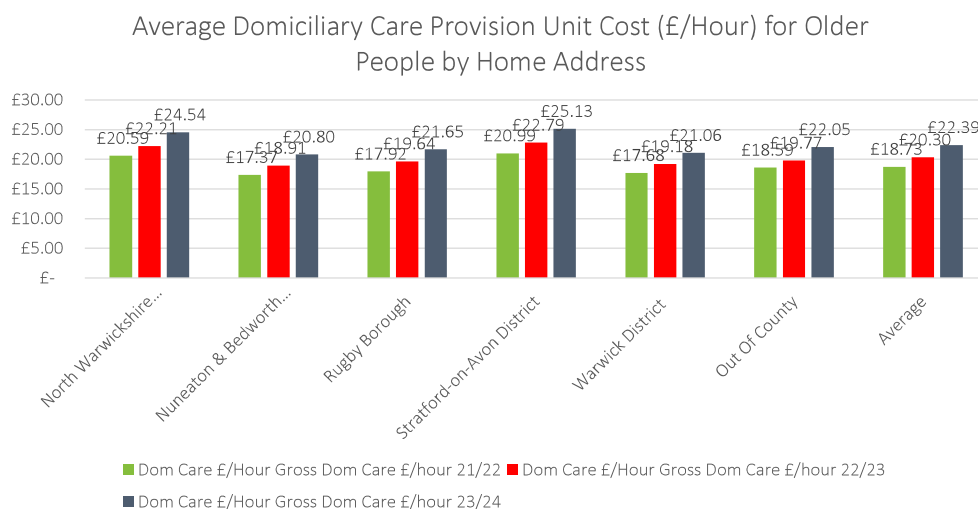


Older People

- There are 84 providers registered with CQC as providing domiciliary care for older people, based in 96 locations across Warwickshire, 64% of which are rated as Good, with very few Outstanding.
- The map indicates that there are fewer providers with office locations in North Warwickshire and Stratford upon Avon, which may impact capacity.

Average Domiciliary Care Unit Costs £ per Hour (2021/22 – 2023/24) – Older People (by Home Address)

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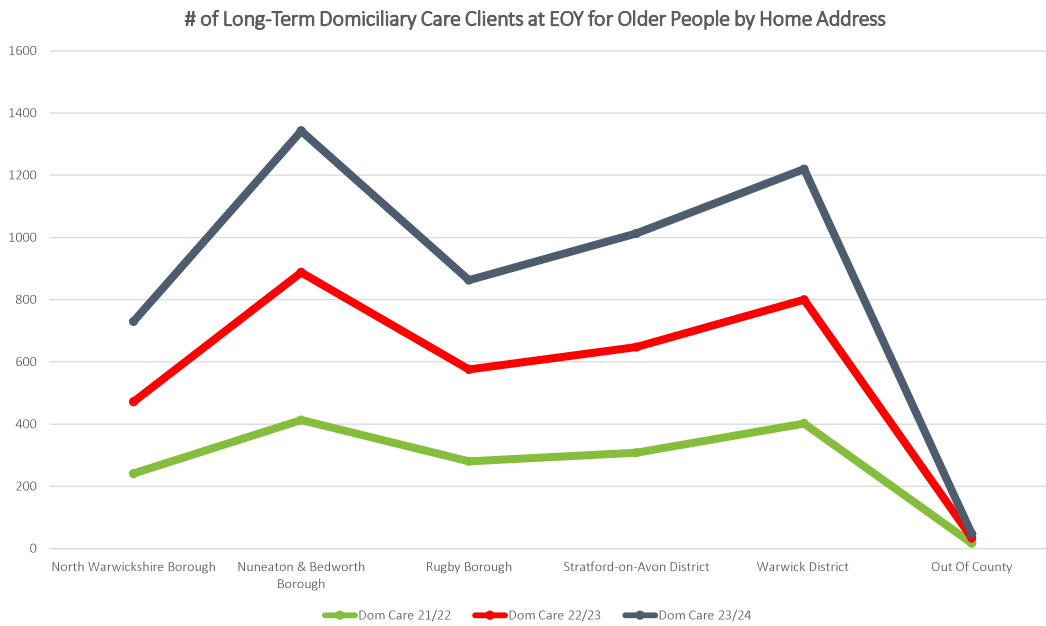


- Rates seem to vary across the County. Unsurprisingly given the amount of potential self funders and challenges with capacity, the highest rate is in Stratford on Avon, which has also seen the steepest increase. The next highest average rate is in North Warwickshire, which again may be due to issues with capacity, but also less demand.

* Data provided by WCC

Clients Accessing Long-Term Domiciliary Care at End of Year (EOY) (2021/22 – 2023/24) – Older People (by Home Address)

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- Given populations sizes and demographics, unsurprisingly the area with the most demand for social care commissioned domiciliary care is Nuneaton & Bedworth, although closely followed by Warwick.

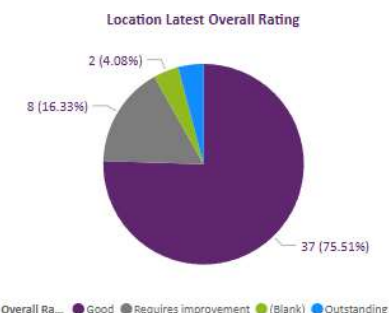
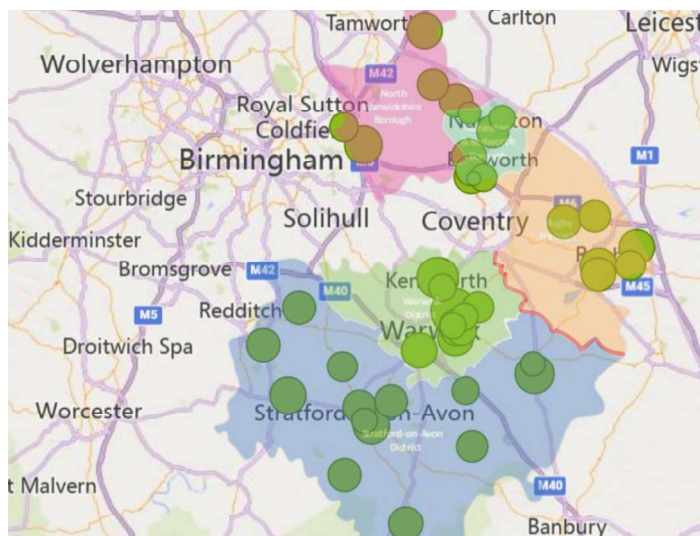
* Data provided by WCC

Nursing Care

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Nursing Care Providers Older People (65+)

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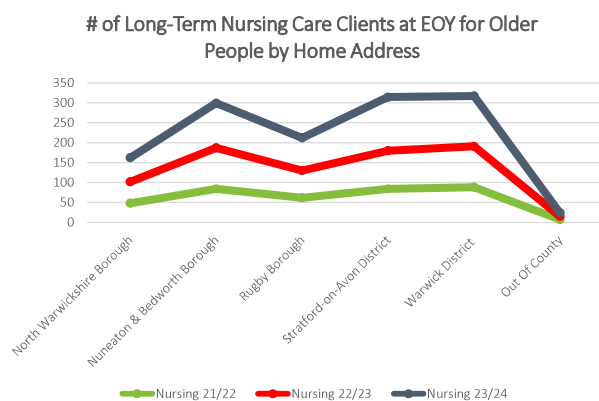


Nursing Care Older People

- There are 42 providers registered with CQC as providing nursing care for older people, in 49 locations across Warwickshire, 75% of which are rated as Good.

of Clients Accessing Long-Term Nursing Care at EOY (2021/22 – 2023/24) – Older People (by Home & Placement Address)

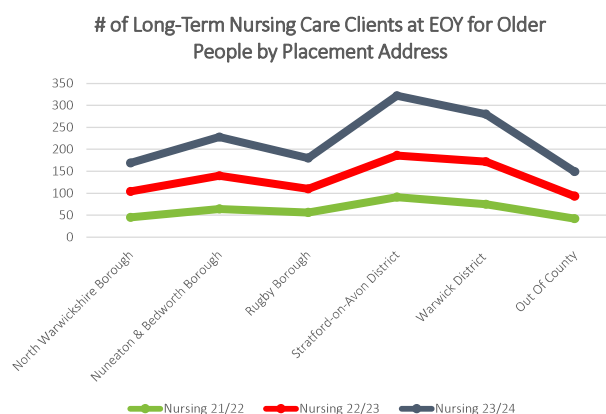
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* Data provided by WCC

Nursing Care Older People

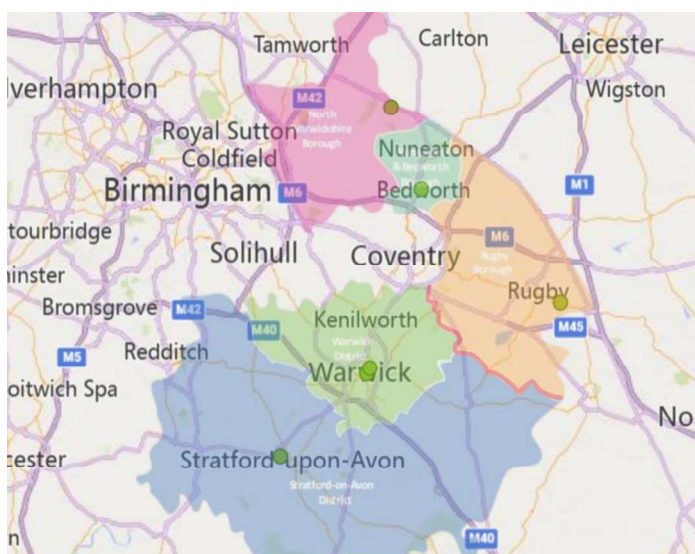
- Looking at where the demand is for nursing in Warwickshire this would seem to match placements, which would indicate that most people are being placed near to where they live.



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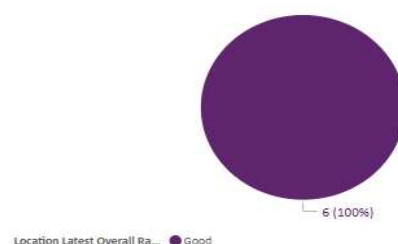
Extra Care

Extra Care Providers



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Extra Care Location Latest Overall Rating



- CQC data would indicate that there is limited Extra Care Provision, across Warwickshire, with only 2 providers across 6 locations registered.
- Extra Care when commissioned and utilised correctly can prevent or delay an older person having to go into residential care, enabling them to remain in their own tenancy, living with their partner, within a community ideally near where they were living.
- This is not only a better outcome for the individual and their families, but also a lower cost, important given the pressure on residential care rates depicted in the previous slide.

4) Financial Case – Achieving Financial Sustainability

Medium Term Financial Strategy (MTFS)

[Warwickshire County Council approves budget for 2025/26 to support vulnerable residents amid financial challenges – Warwickshire County Council](#)

The Council's Medium Term Financial Strategy includes significant investment over the next five years in key areas such as:

- £46.8m to support vulnerable adults and elderly citizens, meeting increasing demand and managing placement costs while progressing with the integration of health and social care. Such are the pressures on social care, this allocation is nearly six times higher than the £7.9m funds generated by taking the 2% adult social care precept.
- £8.1m for children's social care services, including £5.5m to address rising costs and demand for children's placements.
- £7.4m in home-to-school transport, ensuring services meet demand, particularly for pupils with special educational needs and disabilities (SEND).

ASC MTFs

Permanent Revenue Allocations 2025/26 to 2029/30

Description	Indicative Extra Allocation in Future Years					Total
	2025/26	2026/27	2027/28	2028/29	2029/30	
	£'000	£'000	£'000	£'000	£'000	£'000
Price inflation - An allocation to meet the cost of price increases across the Service.	3,308	3,375	3,442	3,511	3,580	17,216
Cost of care (General) - An allocation to manage the additional cost of care.	1,700	1,693	1,799	1,835	0	7,027
Cost of care (National Living Wage) - An allocation to manage the additional cost of inflation, mainly reflecting the impact of the increase in the National Living Wage.	9,442	422	430	439	448	11,181
Cost of care (Employer NICs) - An allocation to manage the additional cost of inflation, mainly reflecting the impact of the increase in the Employer National Insurance Contributions.	6,023	0	0	0	0	6,023
Ongoing impact of Adult Social Care Demand from 24/25 - An allocation to rightsize the recurring Adult Social Care budget as a result of pressures arising in 2024/25 which are expected to continue into future years.	15,067	0	0	0	0	15,067
Future Adult Social Care demand - An allocation to meet the cost of increased demand due to population growth, the length and intensity of care need as a result of increased life expectancy and the estimated reduction in people who can fund their own care.	11,309	13,164	13,987	14,854	15,764	69,078
Social Care and Support sub-total	46,849	18,654	19,658	20,639	19,792	125,592
Social Care & Health Directorate	47,794	19,210	20,225	21,217	20,381	128,827

Type	Annual Saving					Total Saving
	2025/26	2026/27	2027/28	2028/29	2029/30	
	£'000	£'000	£'000	£'000	£'000	£'000
Service Reduction	(1,000)	0	0	0	0	(1,000)
Right-sizing	(175)	0	(160)	(160)	(75)	(570)
Income Generation	0	0	(55)	0	0	(55)
Right-sizing	0	(40)	0	0	0	(40)
Right-sizing	(83)	0	0	0	0	(83)
Health and Care Commissioning for People sub-total	(1,308)	(80)	(265)	(220)	(75)	(1,948)
Demand Management	(1,000)	(1,064)	0	0	0	(2,064)
Demand Management	(935)	0	0	0	0	(935)
Service redesign	(287)	0	0	0	0	(287)
Demand Management	(1,622)	(2,072)	(5,222)	(5,756)	0	(14,672)
Income Generation	(8,694)	(4,902)	(5,161)	(5,434)	(5,720)	(29,911)
Social Care and Support sub-total	(12,518)	(8,034)	(10,383)	(11,190)	(5,720)	(47,845)
Social Care and Health Directorate	(14,185)	(8,573)	(11,131)	(11,564)	(5,891)	(51,344)
Right-sizing	(25)	0	0	0	0	(25)

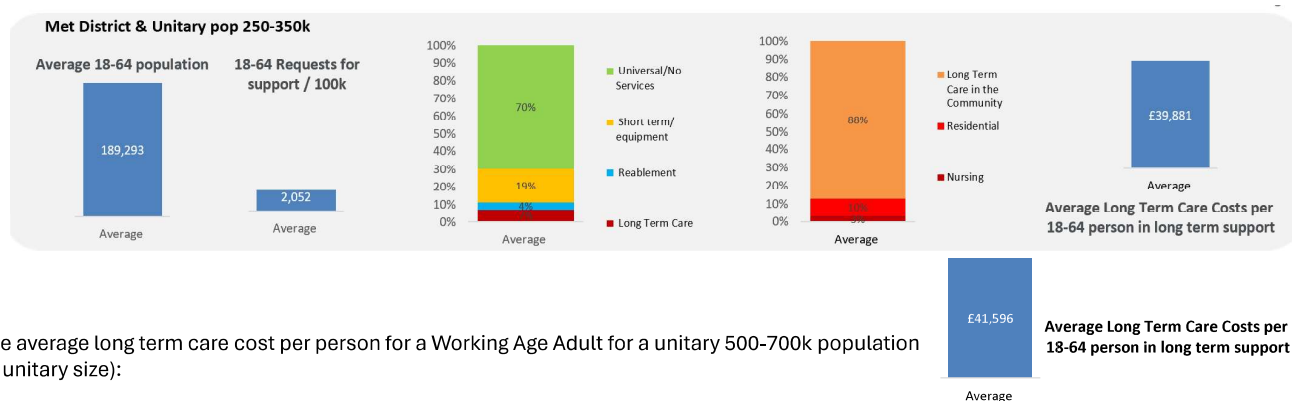
- If further transformation work is not undertaken to reduce both demand and cost over an above that already identified of which £29m is based on increased client contributions, the budget gap in ASC and Support will be £77.4m by 2030.

Adult Social Care Expenditure – Working Age Adults

In summary **ASC does present some real opportunities** to drive down cost and demand from a more localised approach. The long term cost per person for those in receipt of ASC services are higher than their nearest NHS neighbour for 18-64 year olds, and considerably higher than the average unitary and those with a population of 250-350k, which would be the population banding for the two proposed unitaries in Warwickshire, North Unitary - 313,600 and South Unitary - 283,200.

Source of data ASCFR '23/'24:

18-64 long term care cost per person for Warwickshire CC £49,802 (nearest NHS neighbour £45,750) average unitary population 250k-350k £39,881, numbers in receipt of LTS at the end of the year in Warwickshire CC (1895 x £9921 (difference WCC £49,802 and average unitary 250-350 £39,881) = **£18.8m gross cost reduction if expenditure was brought in line with an average unitary with a population of 250k to 350k**



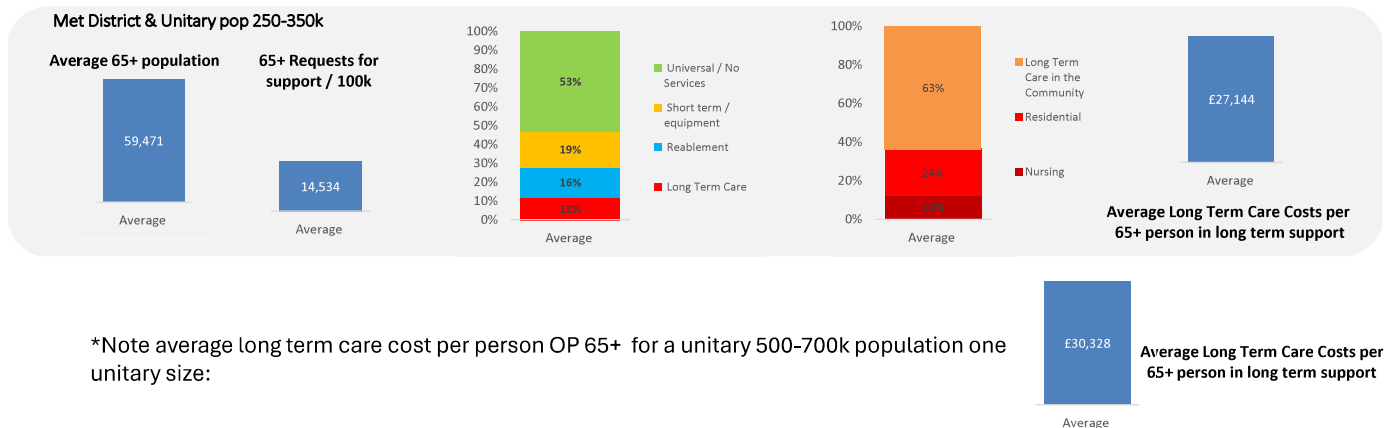
*Note average long term care cost per person for a Working Age Adult for a unitary 500-700k population (one unitary size):

* Gross Current Expenditure on long term care (ASCFR tables 43 and 44: Gross Current Expenditure on long term care for clients by support setting, 2023-24)

Adult Social Care Expenditure - Older People

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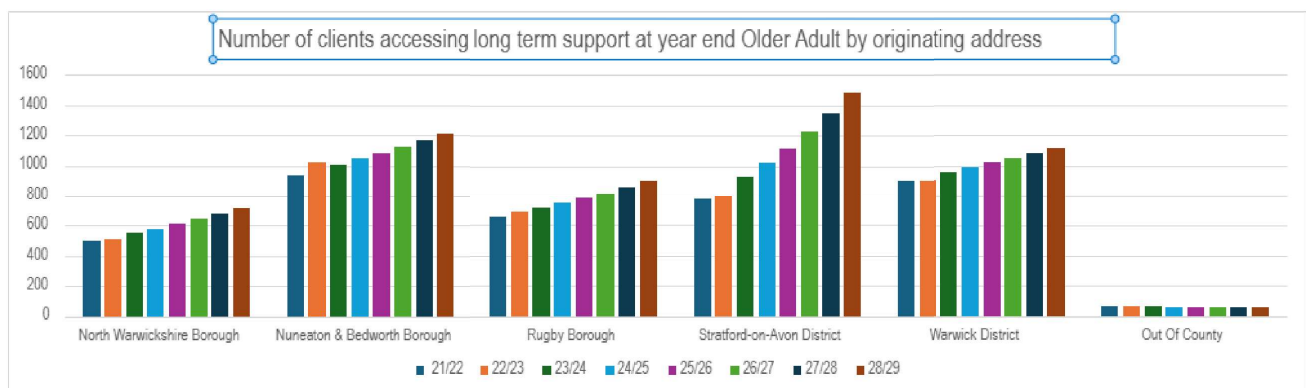
Older People 65+ long term care cost per person £33,996 (NHS nearest neighbour £32,065) average unitary population 250k-350k £27,144, numbers in receipt at the end of the year 3765 x £6852 (difference WCC £33,996 and average unitary 250k-350k £27,144) = **£25.8m gross cost reduction if expenditure was brought in line with an average unitary with a population of 250k to 350k**



* Gross Current Expenditure on long term care (ASCFR tables 43 and 44: Gross Current Expenditure on long term care for clients by support setting, 2023-24)

Older People Demand Projections – ASC by District

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- Peopletoo have used historic data provided by WCC to model demand for Older People (OP) accessing Long Term Support (LTS) through to 2028-29.

Projected Total Expenditure on Older People Long Term Support

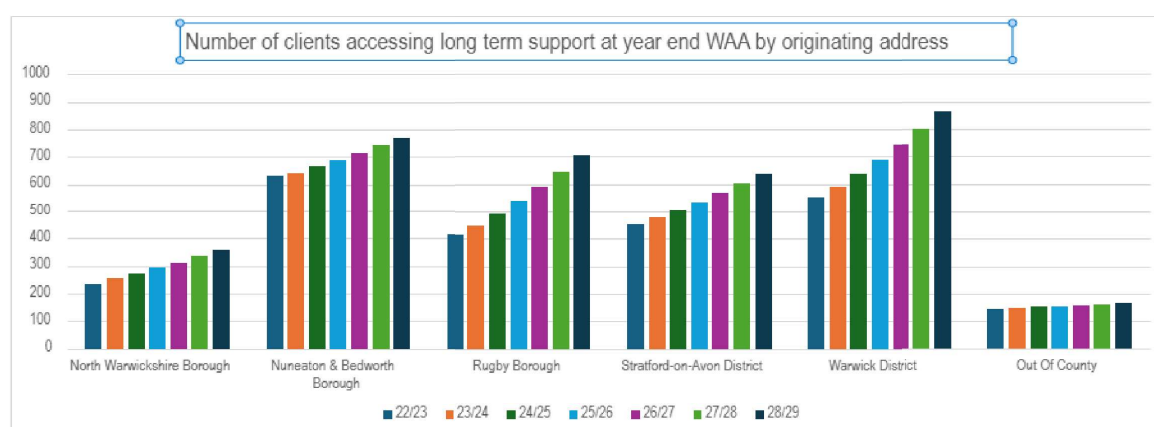
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- Using the projections from the previous slide, Peopletoo have calculated the annual expenditure on Long Term Support (LTS) not allowing for inflation, using current WCC average spend on LTS for Older People (OP), compared to the average expenditure on LTS for OP for a unitary with a population of 250-350k.
- By the time the new unitaries potentially go Live in April 2028, WCC (excl. increases in inflation and significant changes in demand), will potentially be spending £198.7m on LTS for OP. Whilst a new unitary which has undertaken key activities in line with those outlined in this report in preparation for go live, would be look to be spending £158.7m, **a difference of £40m** for that financial year.

Working Age Adults Demand Projections – ASC by District

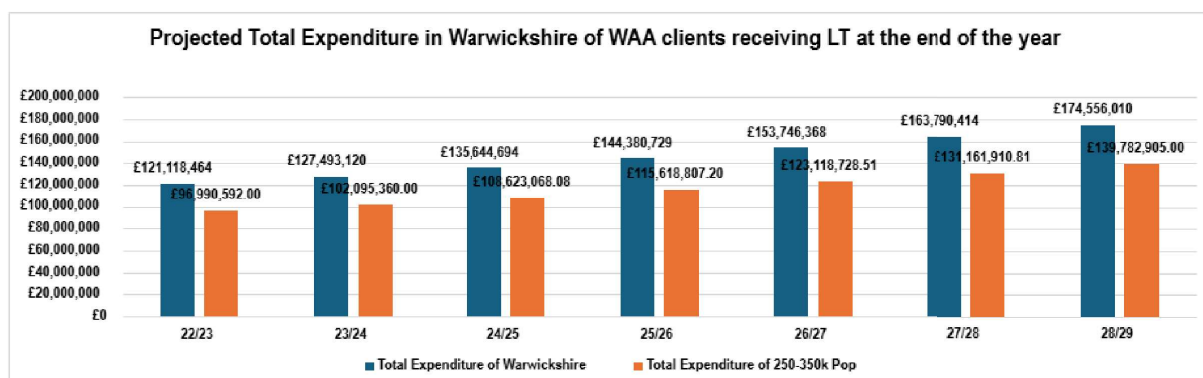
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- Peopletoo have used historic data provided by WCC to model demand for Working Age Adults accessing Long Term Support through to 2028-29.

Projected Total Expenditure on Working Age Adults Long Term Support

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- Using the projections from the previous slide, Peopletoo have calculated the annual expenditure on LTS (not allowing for inflation), using current WCC average spend on LTS for Working Age Adults (WAA), compared to the average expenditure on LTS for WAA for a unitary with a population of 250-350k.
- By the time the new unitaries potentially go Live in April 2028, WCC (excl increases in inflation and significant changes in demand), will potentially be spending £174.5m on LTS for WAA. Whilst a new unitary which has undertaken key activities in line with those outlined in this report in preparation for go live, would be look to be spending £139.7m, **a difference of £34.8m** for that financial year.

Warwickshire CC Medium Term Financial Plan Children's Social Care

Budget Reductions 2025/26 to 2029/30

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Description	Type	Annual Saving					Total Saving
		2025/26	2026/27	2027/28	2028/29	2029/30	
		£'000	£'000	£'000	£'000	£'000	£'000
Reduce spend on residential care - Reduce the cost of care/services including the increased use of our internal children's homes, boarding schools, increasing number of internal foster carers and residential schools, to achieve better outcomes while reducing cost through more local and cost-effective placements.	Better Procurement	(1,000)	(100)	(1,381)	(1,831)	(1,642)	(5,954)
Grant income - More effective use of grant income to support the core activity of the service and contribute to the service overheads.	Income Generation	(100)	0	0	0	0	(100)
Third-party contributions - Maximise contributions from other agencies for care packages for children in care.	Income Generation	(300)	(200)	0	0	0	(500)
House project - Reduce the cost of 16 plus supported accommodation through the expansion of the House project, delivering financial benefits through this innovative approach.	Service redesign	0	(100)	0	(200)	0	(300)
Reduction in staff costs - Reduction in workforce costs following the implementation of the Families First Programme, including staffing, training and development costs over a three year period.	Service redesign	(53)	(1,126)	(656)	0	0	(1,835)
Youth and Community Centres - Increase income from third party use of centres.	Income Generation	0	(20)	(50)	(50)	0	(120)
Children & Families Building Maintenance - Zero base the budget after meeting current commitments.	Right-sizing	0	(103)	0	0	0	(103)
Director Budget - Rightsizing of budget following zero-based review and reset of Director's budget.	Right-sizing	(139)	0	0	0	0	(139)
Children & Family Centres - strategic review and repurposing of provision of Children and Families centres including through synergies with libraries and other council services/buildings where appropriate.	Service Reduction	0	0	0	(900)	0	(900)
Children and Families sub-total		(1,592)	(1,649)	(2,087)	(2,981)	(1,642)	(9,951)

- The current Medium Term Financial Plan identifies efficiencies within Children's Social Care (CSC) of £10.2m, the majority of which is modelled around savings on residential costs and staffing reductions.

		Annual Saving					Total Saving
		2025/26	2026/27	2027/28	2028/29	2029/30	
		£'000	£'000	£'000	£'000	£'000	£'000
Team Restructure - Permanent Saving within the Education Sufficiency and Capital Team	Service redesign	(14)	(35)	0	0	0	(49)
Savings to third party contract - Improved Value for Money through benefits of re-procurement with a reduction in contract value	Better procurement	0	(70)	0	0	0	(70)
SEND Mediation - Retender of mediation to reduce costs	Better procurement	(49)	0	0	0	0	(49)
Director Budget - Rightsizing of budget following zero-based review and reset of Director's budget.	Service redesign	(96)	0	0	0	0	(96)
Legal Fees - Overall reduction in use of internal Legal services.	Right-sizing	(10)	0	0	0	0	(10)
Education sub-total		(229)	(105)	0	0	0	(334)
Children and Young People Directorate		(1,821)	(1,754)	(2,087)	(2,981)	(1,642)	(10,285)

MTFP Children's Social Care

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Permanent Revenue Allocations 2025/26 to 2029/30

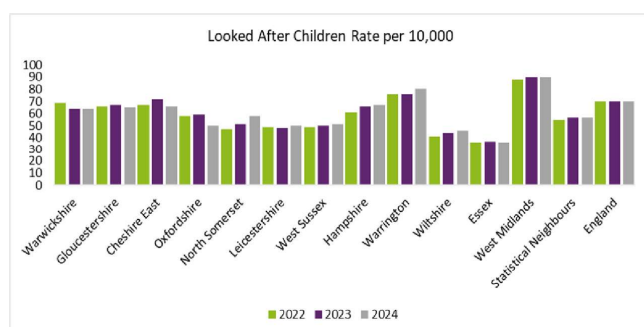
Description	2025/26	Indicative Extra Allocation in Future Years				Total
	£'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000	
Price inflation - An allocation to meet the cost of net price inflation across the Service.	1,356	1,383	1,411	1,440	1,469	7,059
Child allowances demand - An allocation to meet the increased demand for specialist care orders to support children to leave or avoid care through allowances for extended family members caring for children.	38	69	40	58	44	249
Children's placements (exc. children with disabilities) - An allocation to meet the impact of fostering/placements framework contracts and changes to the placement mix on costs.	5,478	155	159	944	974	7,710
Direct Payments - Increase above the normal 2% pay inflation to account for the increase in Employer National Insurance and the National Living Wage	122	0	0	0	0	122
Third Party Providers - Increase in costs of care due to impact of National Living Wage and Employer National Insurance on third party providers	740	0	0	0	0	740
Children and family centres - An allocation to meet the shortfall in funding to deliver the current service offer as a result of inflationary increases in costs	400	0	0	0	0	400
Children and Families sub-total	8,134	1,607	1,610	2,442	2,487	16,280
Price inflation - An allocation to meet the cost of net price inflation across the Service.	36	37	38	39	40	190
Special Educational Needs Assessment and Review Service (SENDAR) - Staffing - Additional permanent cost due to inflation over and above corporate inflation provision	685	229	0	0	0	914
Education sub-total	721	266	38	39	40	1,104
Children & Young People Directorate	8,855	1,873	1,648	2,481	2,527	17,384

- If further transformation work is not undertaken to reduce both demand and cost over an above that already identified, the budget gap in CSC and Support will be £7m over the 5 years.
- This is coupled with the DSG forecast cumulative deficit by 31 March 2026 of £151.7m.

Children's Social Care

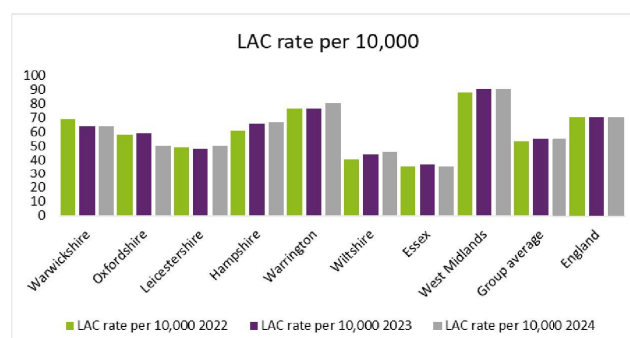
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Children's Social Care has an Ofsted rating of "Good" following a full inspection Feb '22 and further endorsed at Focused Visit May '23.



- However, Looked After Children (LAC) Rates are above Statistical Neighbours (SN) at 64 per 10,000 (actual number 805 a rise from 778 in '23), in WCC compared to 57 SN average.
- **Reducing the LAC rate in line with SN (717) would deliver a reduction in expenditure of £8m per annum, based on \$251 weekly outturn costs for LAC '23 £1750**

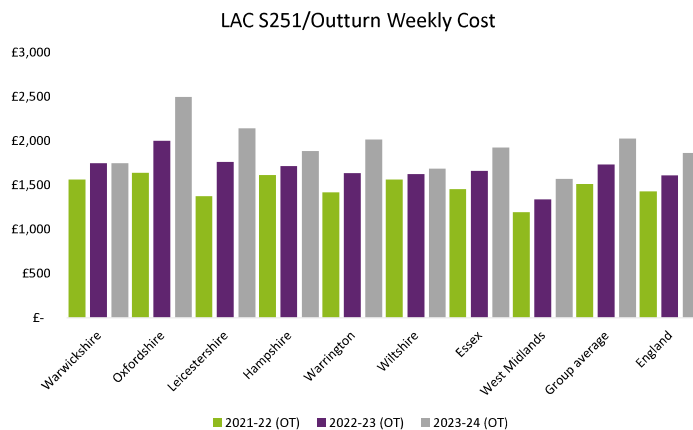
- If we analyse the LAs within the SN group rated as either Good or Outstanding, WCC are at 64 and the average of the group is 55 per 10,000.
- **Reducing the LAC rate in line with ILAC Outstanding or Good SN would deliver a reduction in expenditure of £11.4m per annum.**



*Data source 2023/24 LAIT (Local Authority Interactive Tool) for children's services built on local authority financial returns, refer to Appendix A.

Children's Social Care

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- In addition to reducing demand, whilst LAC S251 outturn weekly costs are lower than Statistical Neighbours, if we consider the West Midlands average of £1,570 per week compared to current WCC figure of £1,750 per week, bringing this more in line with other LAs in the region **would deliver an annual saving of £7.53m.**
- The opportunity from establishing 2 smaller sized unitaries provides opportunity to get closer to the local market and the needs of the local community and commission accordingly.

*Data source 2023/24 LAIT (Local Authority Interactive Tool) for children's services built on local authority financial returns, refer to Appendix A.

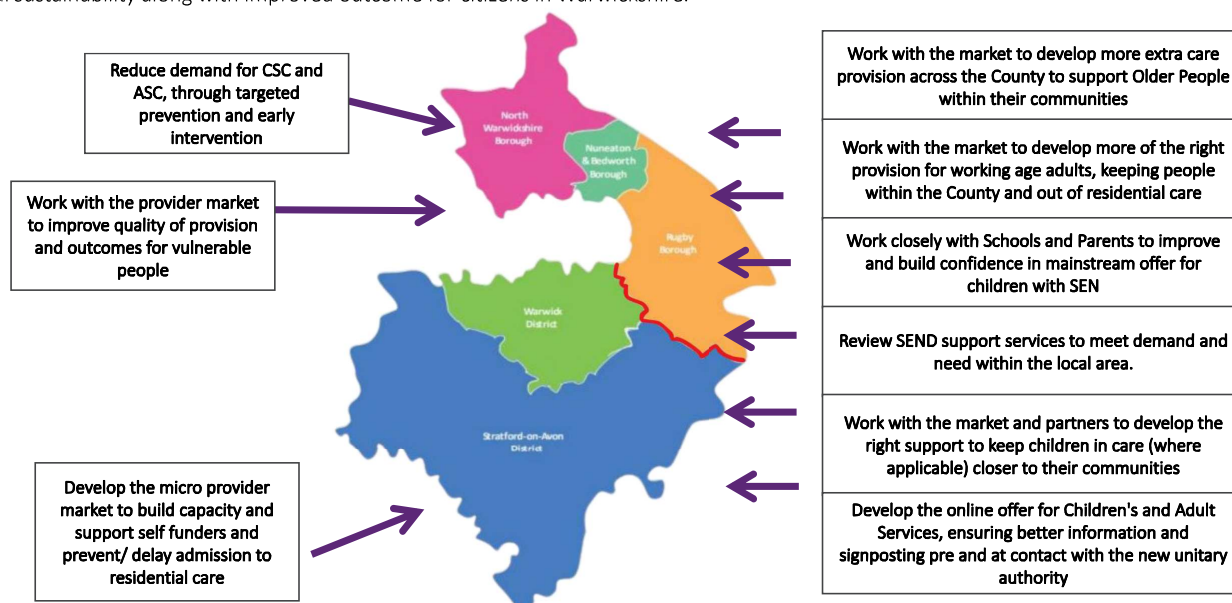
5) The Opportunity

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Opportunity to Better Manage Demand, Cost and Improve Outcomes – Targeted Prevention & Intervention

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What do the two new unitaries need to do differently to deliver **£63.5m annual savings** and **£74.8m cost avoidance year one**, ensuring financial sustainability along with improved outcome for citizens in Warwickshire.



The Business Case for Two Unitaries

- In line with the primary objectives of the devolution paper – the 2UA business case needs to build on local identity and agility to deliver change at pace – **achieving financial stability through transformation – reducing the demand and cost for People services in parallel to improving outcomes.**
- A strong emphasis on reducing demand through **localised targeting of prevention and early intervention, working closely with the voluntary and community sector**
- The benefit of **building closer relationships with schools and developing the local offer to ensure inclusion in mainstream schools**, reducing the expenditure on independent schools and the costs of transitions, ensuring young people remain in their communities through to adulthood
- Ability to develop the local market and build micro providers, ensuring the right capacity at the right price and the right quality**
- Bringing together key services such as Housing, Public Health, Leisure, Green Spaces and Social Care to ensure **maximisation of community assets and a place-based approach to prevention and early intervention**
- Using rich data sources from across revenues, benefits, social care and health, to develop predictive analytics, **targeting intervention activity to prevent escalation across social care and health**
- Reducing Demand/ Cost and Improving Outcomes for citizens**

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Appendix A – Data Sources for Financial Modelling

S251 LAC Outturn (taken directly from LAIT): **Statistics: local authority and school finance** last published September 2024)

Description - Funding line includes:

- 1) Special guardianship support - financial support paid to Special Guardianship families under the Special Guardianship Regulations 2005 and other staff and overhead costs associated with Special Guardianship Orders.
- 2) Other children in looked after services - support to looked after young people
- 3) Short breaks (respite) for looked after disabled children - all provision for short-breaks (respite) services for disabled children who are deemed "looked after". Data excludes any break exceeding 28 days continuous care and costs associated with providing disabled children's access to residential universal services.
- 4) Children placed with family and friends - Where looked after children do not live with their birth parents, it is not uncommon for them to be placed with family and friend foster carers. This Includes expenditure on the authority's functions in relation to looked after children placed with family and friends foster carers under the Children Act 1989.
- 5) Education of looked after children. This includes expenditure on the services provided to promote the education of the children looked after by your local authority (e.g. looked after children education service teams and training for designated teachers). This excludes any spend delegated to schools for looked after children.
- 6) Leaving care support services - This Includes local authority's "leaving care" support services functions under the Children (Leaving Care) Act 2000.

Methodology:

$(x/y)/365 * 7$ where:

- x = Total funding on Looked after children recorded on outturn
- y = Total number of Looked after children as at 31 March

ASCFR LTS

Gross Current Expenditure on long term care (ASCFR tables 43 and 44: Gross Current Expenditure on long term care for clients by support setting, 2023-24) includes:

- Nursing
- Residential
- Supported Accommodation
- Community: Direct Payments
- Community: Home Care
- Community: Supported Living
- Community: Other Long Term care

Our methodology is to then divide the GCE on long term care by the 'Total number of clients accessing long term support at the end of the year' (ASCFR table 37)

Warwickshire LGR Support

Target Operating Model (TOM) and Implementation
Plan for Adult Social Care, Children's Services and
SEND

September 2025

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Contents



1. Overview
2. Target Operating Model (TOM)
 - a) Adults Social Care
 - b) Children's Services Warwickshire
 - c) Localities, Neighbourhoods and Communities
 - d) Regional Working
3. Implementation Plan
4. Appendix – Warwickshire Implementation Plan



1. Overview

Overview: Purpose and Implementation Phases



Purpose

This summary outlines how Warwickshire can safely and legally transition Adult Social Care (ASC), Children's Services, and SEND into **two new unitary councils**. It demonstrates continuity of statutory services, financial sustainability, and stronger local accountability for MHCLG, DfE, and DHSC.

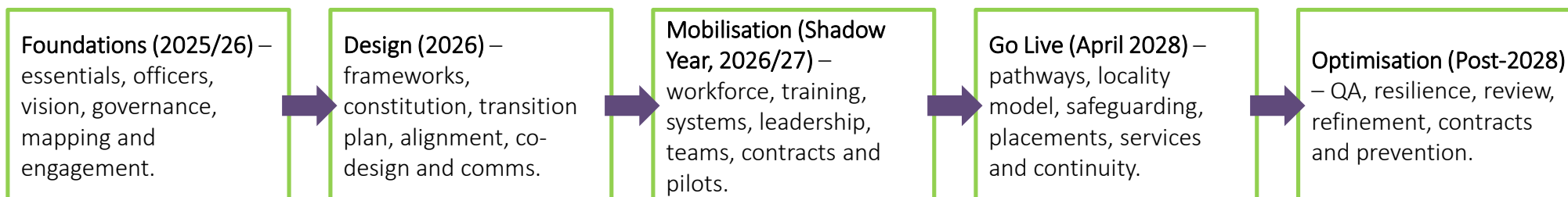
Why Change?

- High ASC costs: Reliance on residential care well above comparators.
- Children's Services: 44% of LAC placed out-of-county.
- SEND pressures: £151m DSG deficit risk; delays and weak parental trust.
- Opportunity: Two unitaries (313k North, 283k South) aligned to NHS "place" footprints enable local, responsive services.

Target Operating Model (TOM)

- Adults: Local front doors, targeted prevention, stronger reablement, assistive tech, micro-commissioning for rural areas.
- Children's: Family Help hubs, kinship-first placements, in-house fostering, joint commissioning of high-cost cases.
- SEND: More local specialist places, mainstream inclusion, transparent Local Offer, co-production with parents.

Implementation Phases





2. Target Operating Model

Target Operating Model (TOM) – Warwickshire Adult Social Care, Children’s Services & SEND

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Principles (specific to Warwickshire context)

- **Locality-based delivery:** Two new unitaries (North 313k / South 283k) aligning with NHS “place” footprints and PCNs.
- **Safe & legal transition:** No disruption to safeguarding, statutory assessments or placements during disaggregation.
- **Closer to community:** Local commissioning and family hubs, micro-provider market development, reducing out-of-county placements.
- **Financial sustainability:** Align long-term care costs to benchmark for 250–350k population unitaries (potential £40m ASC + £34m WAA savings).
- **SEND transformation:** Address Written Statement of Action weaknesses (parental trust, ASD wait times, placement appropriateness, mainstream inclusion).
- **Inspection readiness:** Continuous Ofsted/CQC compliance, single improvement plans.

Adult Social Care TOM Core Features

- **Front Door:** Multi-disciplinary triage with ICB partners, digital “care account” for residents.
- **Community & Prevention:** Stronger reablement, assistive tech, carer support networks.
- **Market & Commissioning:** Shift from residential to extra care/domiciliary; micro-provider growth in rural Warwickshire.
- **Integration:** Section 75 agreements with ICB for discharge and intermediate care.

Children’s Services TOM Core Features

- **Early Help:** Family hubs and kinship-first models to reduce LAC entries (target: closer to statistical neighbour (SN) average of 55/10k vs Warwickshire’s 64).
- **Safeguarding:** Local Multi-Agency Child Protection Teams (MACPTs).
- **Placements:** Joint regional commissioning for high-cost residential; expand in-house fostering.
- **Improvement:** Single plan addressing Ofsted ILACS recommendations.

SEND TOM Core Features

- **Financial discipline:** Stabilise £151m DSG deficit risk through local sufficiency.
- **Inclusion:** Graduated approach; mainstream inclusion expectations embedded.
- **Capacity:** Specialist school investment, reduced reliance on INMSS (Independent Non-Maintained Special Schools), Home-to-School transport re-modelling incl. alternative provision.
- **Co-production:** Rebuild parental trust via transparent local offer, clear comms, active parent forums.

Building Blocks for the Operating Model

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Pillars	Enablers	Risks
Governance & Accountability	- Appointment of DCS/DASS and statutory officers - Safeguarding Boards operational “Single accountable body” principle for statutory duties - Locality boards co-chaired with schools/health	- Blurred accountability during disaggregation - Inspection readiness gaps (Ofsted/CQC) - Fractured local governance undermining trust
Service Integration	- Alignment with NHS “place” footprints and PCNs - Section 75 agreements for discharge and reablement - Family Help hubs and MACPTs co-located with partners - Regional commissioning for high-cost placements & SEND	- Fragmentation between North/South unitaries - Delays in joint commissioning with ICB - Rural access gaps if neighbourhood delivery not in place
Workforce & Skills	- Local recruitment pipelines & Workforce Academy - Standardised practice model (trauma-informed/strength-based) - Digital tools (AI-assisted triage, automation)	- Heavy reliance on agency staff - Training gaps in mainstream schools for SEND inclusion - Workforce instability during TUPE transition
Finance & Commissioning	- Budgets disaggregated by need not just population - Regional frameworks for high-cost placements - Micro-commissioning for rural & hyper-local services - Outcome-based contracts driving prevention	£151m DSG deficit risk (SEND) - ASC residential reliance driving high costs - Contract novation delays; fragile rural provider market
Data, Systems & Business Insights	- Dual ICT running & safe case data migration - Resident care accounts & digital Local Offer - Predictive analytics for early intervention - Common BI dashboards across localities	- Data loss or handling failures at transition - Fragmented data-sharing across agencies - Limited analytics capacity in early years

Day 1 Priority: To Be Safe and Legal

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In practice, when councils negotiate a devolution deal or a structural change order (e.g. moving to unitary status, or transferring functions to a Combined Authority), the “safe and legal” test is the gateway: government won’t sign off unless it’s clear that adult and children’s statutory services remain legally compliant, safe for service users, and financially sustainable during and after the transition.

What “safe and legal” means in this context:

Statutory compliance (legal test)	Safety of service delivery (safe test)	Governance and accountability	Financial sustainability	Inspection and regulation
- The new arrangements must comply fully with all relevant legislation (e.g. Children Act 1989, Care Act 2014, Children and Families Act 2014, Education Acts, Health and Social Care Act 2012). - Duties to safeguard and promote welfare of children, and to meet eligible needs of adults, must remain clear and enforceable. - The “single accountable body” principle applies: there must be a clear legal entity responsible for delivering each statutory function (no gaps or duplication).	- Services must continue without interruption through the transition (no gaps in provision for vulnerable children/adults). - Safeguarding arrangements must remain robust: - Local Safeguarding Partnerships (for children) and Safeguarding Adults Boards must still function effectively. - Clear escalation and accountability for risk and protection. - Workforce, data, and systems must remain aligned so statutory timescales and thresholds are met (e.g. assessments, reviews, casework). - The DfE and DHSC require formal assurance before approving restructuring/devolution orders.	- Local authorities must be able to show that political and professional leadership is clear — e.g. a Director of Children’s Services (DCS) and a Director of Adult Social Services (DASS) are still appointed and legally responsible (as required in statutory guidance Children Act 2004, s18 and Local Authority Social Services Act 1970). - Decision-making and financial accountability must not be blurred when services are split or shared.	- Budgets for adult and children’s social care must be ring-fenced or transparently allocated so that statutory duties can be met. - Risk-sharing mechanisms must be in place if pooled or delegated budgets are used (e.g. in Combined Authority or joint commissioning models).	- Ofsted and the Care Quality Commission (CQC) expect councils to demonstrate “safe and legal” operation when disaggregating/reaggregating services. - The DfE and DHSC require formal assurance before approving restructuring/devolution orders.



2a. Adult Social Care TOM

Overview of Adults for Warwickshire



Top Priorities

- **Shift from residential to community-based support:** Warwickshire has significantly higher reliance on residential/nursing placements vs. comparators.
- **Expand domiciliary and extra care capacity** to reduce demand for residential placements.
- **Strengthen prevention & reablement** – embed “Home First” pathways, better triage, community networks.
- **Develop micro-provider markets** in rural areas to address capacity/access gaps.
- **Digital-first services:** resident care accounts, online assessments, AI-enabled triage.
- **Carer support** – respite, training, carer navigators.
- **Workforce sustainability** – reduce agency reliance, build local recruitment pipelines, embed strength-based practice.
- **Integration with NHS** – Section 75 agreements for hospital discharge, reablement, intermediate care.

Key Lines of Enquiry for the TOM

- Why is Warwickshire’s residential reliance so high, and how quickly can community alternatives be scaled?
- Can micro-commissioning realistically meet rural Warwickshire’s needs at pace?
- Is the workforce pipeline (recruitment, retention, training) sufficient to deliver new prevention and reablement models?
- Are digital solutions accessible to all residents, particularly older adults and those in deprived areas?
- How to balance local commissioning with regional commissioning for specialist/high-cost needs?

Specific Warwickshire Considerations

- **Financial gap:** without transformation, ASC will face a £77.4m budget gap by 2030.
- **Deprivation & health inequality:** particularly acute in Nuneaton, Rugby and North Warwickshire.
- **Provider market fragility:** shortages in domiciliary care (Stratford, North Warks) and lack of extra care provision.
- **Inspection readiness:** CQC assurance requires strong governance, safe transitions, and consistent quality oversight.

Core Features of the ASC Operating Model

Our operating model for ASC will be community-based, preventative, and digitally enabled, consistent with the Government's 10-Year Health Plan.

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Neighbourhood / Integrated Teams

Aligned to PCN/ICS footprints, co-locating social workers, OTs, NHS staff, and voluntary sector partners. Designed around the strengths and needs of each local population.

Multi-Disciplinary Triage

At the front door, ensuring people are directed to universal or short-term solutions before long-term care is considered.

Home First

Embedded as the default pathway, supported by expanded reablement services, assistive technology, and Disabled Facilities Grants (DFG) now devolved to the new unitary.

Strategic Commissioning & Market Management

At a unitary or locality scale, with outcome-based contracts, micro-care ecosystems, strong joint commissioning with NHS/public health and local resilient markets.

Digital-First Solutions

Including resident care accounts, online self-assessment, AI-enabled triage, and assistive technologies to support independence.

Workforce Transformation

Embedding strength-based practice, standardising ways of working, building local recruitment pipelines, and improving retention.

Prevention

Working with partners, VCS, and community assets to deliver targeted prevention and early intervention tailored to neighbourhood needs.

Carer Support & Co-Production

Structured engagement with unpaid carers and service users, with expanded access to respite, training, and peer networks.

Key Features of the ASC Warwickshire Model

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1

Community & Partnership Working

Strengthens the ability to build place-based partnerships:

- Natural alignment with ICB footprints and NHS neighbourhood models.
- Expanded collaboration with housing, welfare, and voluntary sectors to deliver holistic support.
- Each unitary will organise ASC delivery around recognised localities (PCNs or community clusters), ensuring services are relatable and accessible.
- Smaller footprint strengthens democratic accountability, enabling elected members to engage directly with communities.
- Brings decision / strategy making closer to communities.

2

Workforce Transformation

The ASC workforce is central to sustainability. Provides the platform to:

- Develop localised recruitment and training pipelines linked to further education and local employers.
- Embed strength-based practice consistently across both authorities.
- Improve productivity through digital tools (AI-assisted note-taking, automated workflows, decision support).
- Build a workforce that reflects local communities, improving trust and cultural competence.

3

Strategic Commissioning & Market Management

Allows two authorities to build upon strengths where they exist, whilst retaining local responsiveness.

Opportunities include:

- Embedding prevention and enabling outcomes in contracts.
- Prioritising local and VCSE providers to strengthen community resilience.
- Developing micro-commissioning approaches to grow hyper-local and personalised services, particularly in rural areas or where capacity gaps exist.
- Joint commissioning with NHS to reduce duplication and support shared outcomes.

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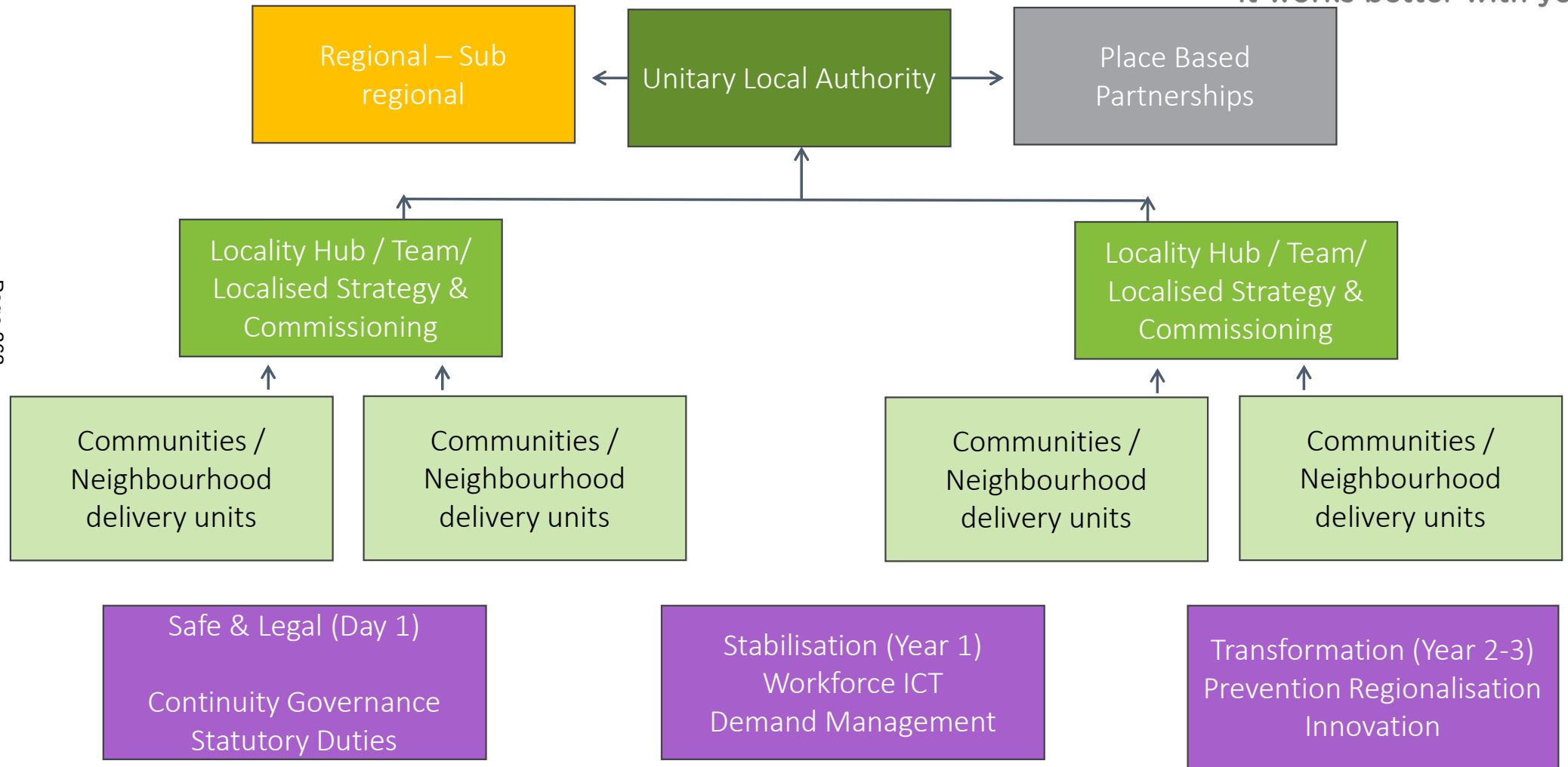
Digital Innovation

Unitaries will implement a service innovation agenda including:

- Resident care accounts (“one stop” portals).
- Online assessment and review tools.
- Assistive technology and predictive analytics for early intervention.
- AI-driven triage and chatbots at the front door.
- Automated workflows to improve workforce efficiency.

ASC Governance Example

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2b. Children's Services TOM

Overview of Children's Services for Warwickshire

Children's Social Care



1. Children's Social Care: Top Priorities

- **Reduce Children Looked After (CLA) rate:** Warwickshire at 64/10k vs. Statistical Neighbour average 55/10k.
- **Cut out-of-county placements:** currently 44% of CLA placed outside Warwickshire.
- **Family Help / Kinship-first model:** develop Family Help hubs, prioritise kinship placements.
- **In-house fostering expansion:** reduce reliance on high-cost external placements.
- **Safeguarding capacity:** robust local MACPTs.
- **Inspection improvement:** align with ILACS recommendations, maintain Ofsted "Good" progress.

Specific Warwickshire Considerations

Key Lines of Enquiry

- What interventions can realistically reduce children looked after (CLA) entries to Statistical Neighbour levels (savings of £8–11m per year)?
- How quickly can Warwickshire recruit/retain foster carers locally?
- What commissioning partnerships (e.g. Regional Care Cooperatives) are needed for high-cost placements?
- How to ensure consistent practice models across different localities?

Specific Warwickshire Considerations

- **Budget pressure:** CSC faces £7m gap over 5 years without deeper transformation.
- **Placement costs:** CLA weekly costs higher than regional average (£1,750 vs £1,570).
- **Geographic inequality:** Nuneaton & Bedworth accounts for 31% of children in care.

Overview of Children's Services for Warwickshire: Special Educational Needs



2. SEND (Special Educational Needs & Disabilities): Top Priorities

- **Financial stability:** DSG deficit projected at £151.7m by 2026.
- **Local sufficiency:** more local specialist places, reduced reliance on INMSS (independent/non-maintained schools).
- **Mainstream inclusion:** embed graduated approach, ensure staff training uptake in mainstream schools.
- **Rebuild parental trust:** clear communication, co-production, improved online Local Offer.
- **Address inspection failings:** ASD assessment delays, poor post-diagnosis support, inappropriate placements.
- **Transport pressures:** sustainable Home-to-School Transport solutions needed.

Key Lines of Enquiry for the TOM

- How to stabilise and reduce the DSG deficit trajectory?
- Can Warwickshire deliver sufficient local provision by 2028 to avoid escalation of out-of-county placements?
- What governance changes are needed to meet the next Local Area SEND inspection requirements?
- How to restore parental confidence and deliver visible improvements quickly?

Specific Warwickshire Considerations

- **Inspection history:** Ofsted raised significant weaknesses in 2021; a Written Statement of Action is in place.
- **Geographic gaps:** deprived/rural areas (esp. North Warks) have limited access to SEND services.
- **Financial volatility:** SEND remains the single largest risk to Warwickshire's medium-term financial plan.

Core Features of the Operating Model

Children's Social Care: focus on reducing Children Looked After numbers and costs through Family Help hubs, kinship-first, and stronger local fostering.

SEND: financial rescue and trust rebuilding are paramount, requiring rapid expansion of local sufficiency, mainstream inclusion, and parental engagement.

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Family Hubs and Early Intervention

Creation of Family Help hubs across localities, offering early support to families before escalation; kinship-first approach to reduce children entering care.

Multi-Agency Safeguarding

Local MACPTs ensuring swift, joined-up responses to safeguarding risks, aligned to statutory thresholds.

Placements & Permanence

Kinship, fostering and adoption prioritised; expand in-house fostering; joint regional commissioning of high-cost residential placements; stability and permanence planning from the outset.

Education & Inclusion

Strong partnership with schools and health; embed inclusion in mainstream schools; align Family Hubs and SEND support to improve outcomes locally.

Digital-First & Data-Driven

Including AI-enabled solutions for information, advice and certain assessment points e.g. SEND; and assistive technologies to support independence.

Workforce & Practice Development

Single practice model across localities (e.g. strengths-based, trauma-informed); improve recruitment/retention of social workers and foster carers; shared training and standards.

Prevention & Community Partnerships

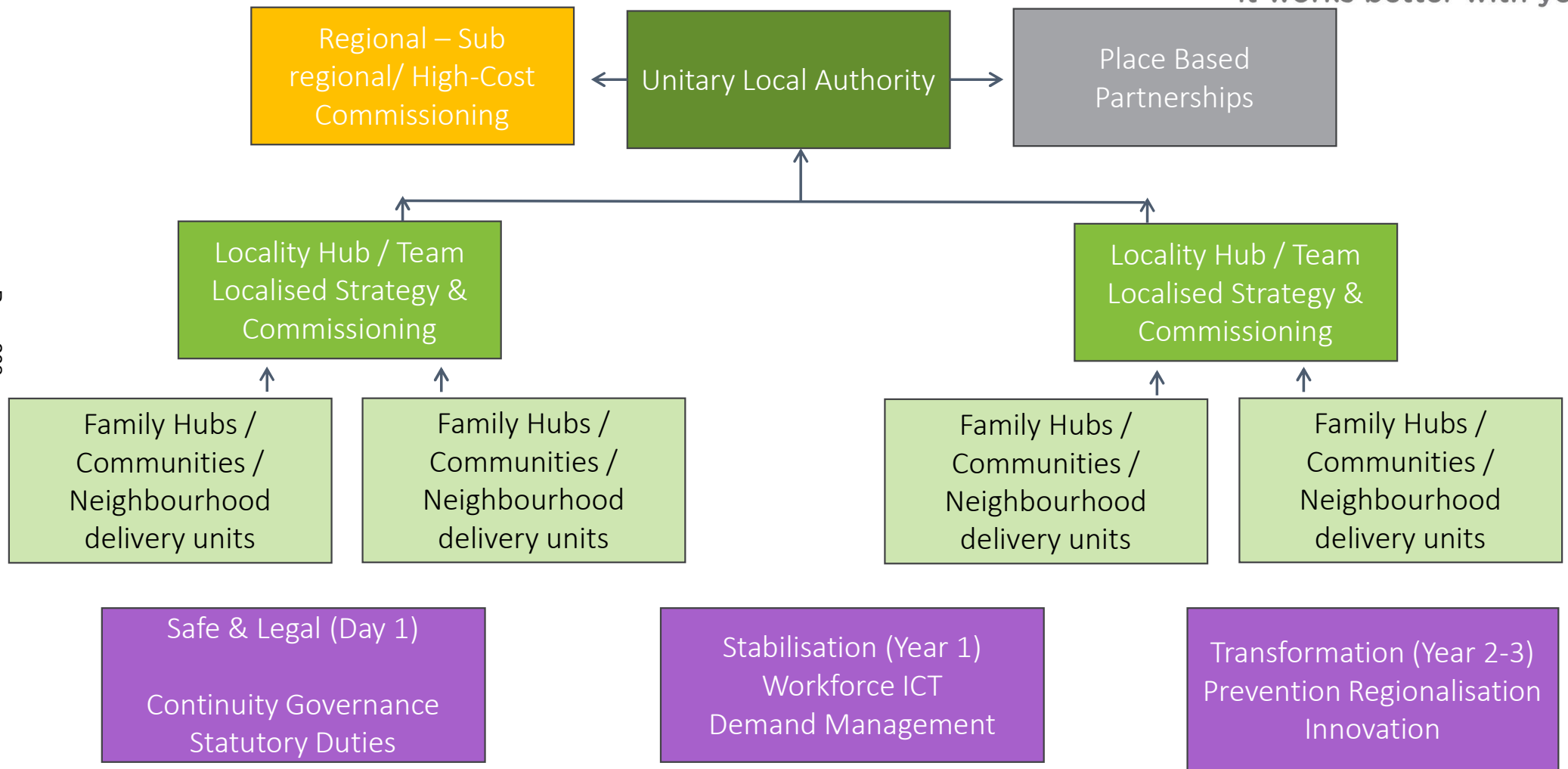
Place-based working with VCS, schools, housing, and health partners; locally commissioned early help and edge-of-care services; focus on reducing demand for statutory intervention.

Children, Families & Carer Voice

Structured co-production with children, young people and families; clear Local Offer; transparent communication to rebuild trust, especially with SEND parents.

Children's Services Governance Example

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2c. Localities, Neighbourhoods and Communities

Definitions



Key Difference

- Localities = system integration, statutory assurance, larger commissioning, safeguarding infrastructure.
- Communities/Neighbourhoods = day-to-day prevention, personalised delivery, direct relationship with families/residents.

Locality Level (approx. 125k-150k population)

- **Scale:** Matches NHS “place” footprint (4–8 Primary Care Networks).
- **Function:**
 - Owns the *front door* (Children’s MASH / Family Help hubs, Adults’ triage and reablement).
 - Runs local commissioning for *lower-value, high-volume* services.
 - Co-located, multi-agency teams (social care, health, schools, police, housing, VCSE).
- **Purpose:**
 - Large enough to sustain statutory functions (child protection, safeguarding, reablement).
 - Ensures consistent thresholds, practice model, and performance monitoring across services.
 - Provides leadership and governance (e.g. Locality Boards, Children’s Trust arrangements).
- **Analogy:** The “engine room” for integrated delivery.

Community / Neighbourhood Level (approx. 30–50k population)

- **Scale:** Mirrors a Primary Care Network footprint, secondary school catchment, or natural town community.
- **Function:**
 - Delivery of *prevention, early help, carers’ support*.
 - Strong VCSE role, housing links, Disabled Facilities Grants.
 - Micro-commissioning for hyper-local personalised services (esp. rural areas).
- **Purpose:**
 - Brings services as close to residents as possible.
 - Builds trusted relationships with families, carers, and communities.
 - Reduces escalation into statutory services by responding earlier.
- **Analogy:** The “front line” where families and residents experience services in their community.

Base for Locality Working



“Do locally what benefits from place-knowledge and relationships; do centre/regional what needs scale, resilience or scarce skills.”

This aligns to reform directions on Family Help, kinship emphasis, MACPTs (children), workforce, and community-first prevention (adults).

For a 313k and 283k unitary with two localities of 100k - 150k, each locality hub is a co-located, multi-agency unit that:

- ✓ Owns Family Help + CIN (children) and reablement + short-term care (adults),
- ✓ Convenes schools, PCNs/ICB community teams, police, housing & VCSE,
- ✓ Runs local commissioning (lower-value, high-volume), while the centre/regional level holds specialist/high-cost markets.

Good Practice: North Yorkshire Locality Boards (0–25): five boards co-governing inclusion & outcomes; formalised membership/decision-making; published impact examples. Great governance pattern for your hubs.

[Home - Locality Boards](#)

Core building blocks at locality level

Unified front door with rapid triage to Family Help (children) and to reablement / community independence (adults).

Family Hubs network (0–19/25 SEND), integrated with schools and early help partners.

MACPT capacity available to the locality with clear hand-offs from Family Help.

Reablement & intermediate care team (OT, physio, SW, support workers) linked to same-day equipment/adaptations and care tech.

Local commissioning cell for home care, extra care, supported living, short breaks, parenting, inclusion support, etc., with routes to centre/regional frameworks for high-cost/low-volume needs.

Data & insight mini-cell in each hub to run caseload dashboards, demand forecasts, and spot “hot streets.”

Practice development & supervision (restorative/strengths-based) embedded in hub routines.

Case Studies Locality Working



Children's Services – Locality Blueprint (Reform-aligned)

Family Help Team	FH lead practitioner + social workers + family support + embedded partners (school inclusion, health, youth). Single family plan; routine family network/kinship exploration from day one. Leeds runs 23–25 “clusters” pooling school & partner funding for early help—useful for design of your hub partnership and devolved spend.	EVALUATION OF THE EARLY HELP SERVICES PROVIDED AS A PART OF THE CLUSTER COLLABORATIVE IN LEEDS
MACPT / LCPP	Dedicated multi-agency child protection resource (SW, health, police, education) that handles s47/investigations and conferences; stays tightly coupled to Family Help to preserve relationships. (Model feature in national reform programme.)	The implementation of family hubs: Emerging strategies for success Local Government Association
Kinship & Permanence	A locality-based kinship team to assess, train and support family networks, with centre/regional sufficiency planning for fostering/residential. Hertfordshire's Family Safeguarding shows multi-disciplinary teaming around adult factors (DA, MH, substance use) improving outcomes—adapt its routines inside your hub.	A Guide to Family Safeguarding
Family Hubs	Locality-wide umbrella for 0–19/25 SEND. Surrey's family hub approach and recent LGA/Coram case studies are practical playbooks for space, staffing and commissioning models.	Annex 4.3 - Developing Family Hubs Paper.pdf

Adult Social Care

Reablement & Intermediate Care	Rapid start (≤48h), goal-oriented episodes, strong link to PCNs/hospital discharge. Torbay's integrated neighbourhood model (with pooled budgets and co-located MDTs) evidences faster flow and independence—lift their co-location + MDT + shared leadership features.	Impact of 'Enhanced' Intermediate Care Integrating Acute, Primary and Community Care and the Voluntary Sector in Torbay and South Devon, UK - PubMed
Adaptations & Care Tech	Embedded OT and home independence cell; Wigan's digital ASC case study shows workforce support & care-tech mainstreaming in local teams.	Wigan Council: a whole system approach to digital in its adult social care service Local Government Association
Carers	Visible “carer offer” in hub; Essex's All-Age Carers redesign is a good template for navigation + offer + digital support.	Essex County Council: unpaid carers support redesign Local Government Association



2d. Regional Working

A shared tier across 2+ councils (and aligned to the ICS footprint) that handles the high-cost / low-volume / scarce-skills pieces you don't want fragmented locally: specialist placements, complex packages, market oversight, workforce pipelines, shared procurement, quality & risk. This mirrors current direction on integrated "place" partnerships and multi-council collaboratives.

Key Reading:

[A new operating model for health and care | NHS Confederation](#)

Regional Models – Core Building Blocks



Core Building Blocks		
Regional Commissioning Hub	Hosted by one LA. Category management, procurement, analytics, brokerage for specialist/complex demand; leads joint tenders and frameworks.	
Market Stewardship & Intervention	Sufficiency plans, market shaping, price/quality oversight, escalation with regulators; aligns to DfE's market interventions work and new advisory structures (MIAG).	Children's social care market interventions advisory group - GOV.UK
Sufficiency Programmes (Children)	Regional pipeline of in-house homes, IFA/fostering campaigns, and secure/step-down capacity; proto-RCC functions where established. (Live examples: West Midlands , White Rose/Yorkshire & Humber , North East ADCS regional sufficiency collaboration, and Pan-London programmes.)	COV - West Midlands Children's Regional Residential Care Framework (2025) - Find a Tender
Complex Adults Commissioning	Regional lots for complex LD/ASD, MH rehab/forensic step-down, EBD/PD specialist supported living, and pan-area care-home frameworks (e.g., Pan-London nursing homes AQP).	Pan-London Nursing Homes AQP - Contract introduction for providers - Care England
Workforce & Practice Academy	Shared training/OD (e.g., delegated healthcare tasks into care roles per ADASS guidance), supervision standards, agency reduction initiatives.	
Data, Digital & Brokerage	Regional data room; dashboards for price/volume/quality; shared brokerage for hard-to-place cases; aligns to Ofsted ILACS/SEND and CQC assurance regimes.	
NHS/ICS Integration	Interfaces with provider collaboratives and specialised commissioning delegation to ICBs (useful for secure estate/complex health pathways).	NHS England » Specialised commissioning 2024/25 – next steps with delegation to integrated care boards

Regional Working – Children’s Services & Adult Social Care



Children’s Services

Categories: Residential & secure, complex solo/2:1, step-down therapeutic, independent fostering frameworks, specialist education packages linked to care, regional sufficiency capital pipeline.

- Demand & sufficiency: rolling 3-yr forecast; capacity pipeline with DfE capital routes; market heat-maps.
- Commissioning & procurement: regional frameworks, dynamic purchasing for edge cases, common Ts&Cs, shared QA; “price corridor” and escalation.
- Brokerage: single regional team for hard-to-place; localities retain mainstream fostering/kinship; time-bound brokerage SLAs.
- Market oversight: contract performance, unannounced checks with LA QA leads; dovetail with DfE Market Interventions Advisory Group signals.
- Workforce: regional recruitment campaigns (foster carers, residential staff), practice standards, and shared training.

Adult Social Care

Complex LD/ASD with PBS, forensic/MH rehab step-down, specialist dementia/nursing blocks, NHS-adjacent discharge capacity, workforce academies, and pan-area AQP frameworks. (E.g., Pan-London nursing homes AQP; NW ADASS market-shaping networks.) How it runs:

- Pooled category strategies: joint fee setting, shared risk/void cover for step-down beds, Better Care Fund linkage as policy evolves.
 - [New reforms and independent commission to transform social care - GOV.UK](#)
- Delegated healthcare tasks: joint protocols, training and indemnity (ADASS guidance), opening headroom in home support/reablement models.
 - [Adult social care and delegated healthcare activities - ADASS](#)
- Regional QA & market resilience: early-warning on provider failure, improvement support, and cross-border contingency placements.
- NHS interface: MAP with ICBs and specialised commissioning for secure/complex cohorts and discharge pathways.



3. Implementation Plan

Assurance to MHCLG, DfE, and DHSC



This TOM and Implementation Plan provide:

- Continuity of care: Statutory assurance that vulnerable people remain protected.
- Financial case: Robust evidence of achievable savings and cost avoidance.
- Localism benefits: Smaller, more responsive unitaries aligned to NHS and communities.
- Inspection readiness: Clear focus on improvement and assurance frameworks.

Key Enablers	Risks	Governance & Oversight
Governance: Clear accountability (separate DCS/DASS per UA), risk-share for joint services.	SEND DSG deficit (£151m) - risk of escalated DfE intervention if recovery not credible.	Programme Board: Chairs of Shadow Authorities + DCS/DASS.
Workforce: Local pipelines with FE colleges; digital upskilling; practice academies.	Provider fragility in rural South - early market development essential.	Locality Boards: co-chaired by schools & NHS partners.
ICT/Digital: Resident care accounts, online assessments, predictive analytics, dual running until stable.	Agency social worker reliance (esp. children's) - risk to improvement momentum.	Regional Hub: high-cost placements, workforce academy, brokerage.
Commissioning: Local micro-commissioning for volume; regional hub for high-cost/low-volume.	ICT migration delays - dual running costs/risks.	Inspection Readiness Group: aligned to ILACS, Area SEND, CQC frameworks.
Partnerships: Co-location with PCNs, schools, VCS; formal locality boards.	Inspection windows - likely Ofsted/CQC visits within 12–18 months of Vesting Day.	
Inspection Readiness: Single improvement plans; routine dry-runs against Ofsted/CQC frameworks.		

Project Plan Overview

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Phase	Level of Delivery	Key Actions	Source/Requirement
Phase 1 Foundations (2025/26)	Regional (West Midlands/ICS footprint)	Identify "Day 1 Essentials" (continuity of care, safeguarding, ICT dual running)	DfE regional sufficiency programme
	Local Authority (statutory corporate role)	Appoint statutory officers (DCS/DASS) Establish integrated programme and single business case (governance, budget, scope, benefits)	DfE/DHSC requirement
	Locality Hubs	Agree vision, principles and outcomes of locality working Agree scope for regional commissioning hub	Best practice
	Community / Neighbourhood (30-50k PCNs, schools, VCSE)	Map current demand, budgets and workforce capacity (by ward where relevant) Initial engagement with schools, GPs, providers, VCSE, ICS and partners	LGA guidance
Phase 2 Design (2026)	Regional (West Midlands/ICS footprint)	Design shared frameworks for residential & SEND placements	DfE/DHSC policy
	Local Authority (statutory corporate role)	Draft constitution & scheme of delegation Build draft transition plan with risk and benefit analysis, including shared/transactional services Align with MTFP, SEND and social care reforms	LGR statutory process
	Locality Hubs	Co-design operating model for family hubs & reablement	Family Help reforms
	Community / Neighbourhood (30-50k PCNs, schools, VCSE)	Pilot micro-commissioning with VCSE Communication plan – staff, members, families, partners	Good practice

Project Plan Overview

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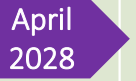
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Phase	Level of Delivery	Key Actions	Source/Requirement
Phase 3 Mobilisation (2026/27)	Regional (West Midlands/ICS footprint)	Mobilise regional workforce academy	ADASS workforce guidance
	Local Authority (statutory corporate role)	TUPE workforce transfers; workforce training, induction and cultural alignment Implement system and data transition (case management, BI, reporting); data migration testing Secure leadership and retain critical expertise to vesting day	TUPE Regs / GDPR
	Locality hubs	Establish locality teams/structures and co-located MDTs (ASC front door, Family Help) Novate/renegotiate contracts "Day 1 Readiness Review" – dry run of key processes	Working Together 2023
	Community / Neighbourhood (30-50k PCNs, schools, VCSE)	Launch early help & reablement pilots	Best practice
Phase 4 Go Live (April 2028)	Regional (West Midlands/ICS footprint)	Broker high-cost placements; regional market oversight	DfE MIAG / CQC assurance
	Local Authority (statutory corporate role)	Submit statutory returns; monitor safeguarding continuity	Legal duty
	Locality hubs	Operate new front door pathways (FH + ASC triage) Launch locality operating model Implement contingency measures for risks identified earlier	Care Act / Children Act
	Community / Neighbourhood (30-50k PCNs, schools, VCSE)	Ensure community-level services accessible (family hubs, carers) Maintain provider and community reassurance through ongoing comms	SEND reforms
Phase 5 Optimisation (Post-2028)	Regional (West Midlands/ICS footprint)	Sustain regional QA and market resilience programmes Plan financial resilience and interim shared service hosting	DfE/DHSC policy
	Local Authority (statutory corporate role)	Review outcomes and financial performance vs benchmark; adjust MTFP	CIPFA duty
	Locality hubs	Refine commissioning, sufficiency planning and service pathways based on learning Consolidate contracts and embed VFM approach Embed prevention and early help as a core operating principle	Best practice
	Community / Neighbourhood (30-50k PCNs, schools, VCSE)	Continuous improvement of early help, kinship, carer offers and wider partnerships (ICS, QA, market resilience programmes)	Ofsted inspection

Gantt Chart Overview

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Full implementation plan Gantt chart available in Appendix

Phases	Key Actions	2025	2026	2027	2028	2029-30
Phase 1: Foundations	Set up Day 1 essentials (care continuity, safeguarding, ICT), appoint statutory officers, and agree vision, outcomes, and governance.					
	Map demand, budgets, and workforce; define commissioning scope; and engage with schools, GPs, providers, and partners.					
Phase 2: Design	Develop shared frameworks, draft constitution, and transition plan with risk/benefit analysis.					
	Align with reforms and MTFP, co-design family hubs/reablement, pilot micro-commissioning, and plan communications.					
Phase 3: Mobilisation	Launch workforce academy, TUPE transfers, training, and cultural alignment; test data migration and system transitions.					
	Secure leadership, set up locality teams and MDTs, manage contracts, conduct readiness reviews, and pilot early help/reablement.					
Phase 4: Go Live	Operate new pathways (FH + ASC triage), launch locality model, and oversee high-cost placements with market oversight.					
	Submit statutory returns, ensure safeguarding, maintain accessible services, and apply contingency measures.					
Phase 5: Optimisation	Sustain QA and market resilience, review outcomes vs benchmarks, and refine commissioning and financial planning.					
	Consolidate contracts, embed prevention/early help, and drive continuous improvement with carers, kinship, and wider partnerships.					

Phase 1: Foundations



Cross-Cutting Actions

- Agree vision, principles and outcomes of locality working.
- Map current demand, budgets and workforce capacity (forensic analysis across potential/agreeing footprints, including demographic data).
- Identify “Day 1 essentials” (continuity of care, safeguarding, ICT dual running — case management, billing and payment systems).
- Early engagement with providers, VCS, ICS/ICB, schools and partners.
- Review existing governance and statutory boards; review recent inspection findings (CQC / Ofsted) and identify key areas of action.
- Establish integrated programme and single business case (governance, budget, scope, benefits).
- Agree scope for regional commissioning hub.

Adult Social Care Actions

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- Maintain continuity of care for residents during the transition.
- Redesign services to reflect priorities and demographics of the new unitaries using forensic, ward-level analysis.
- Ensure budgets transferred reflect need (not purely population numbers); analyse current MTFP and savings initiatives to inform new budget.
- Early assessment of workforce capacity and capability; consider operating models, caseloads and opportunities to address backlogs in assessments and reviews prior to going live.
- Detailed assessment of contracts to prioritise de/re-commissioning, identify those suitable for joint commissioning and those needing further VFM assessment.
- Early conversations with the ICS/ICB to review and agree Better Care Fund informed by forensic demand analysis.

Children’s Services Actions

- Maintain continuity of care and support for children, young people, parents/carers, families and wider networks during transition.
- Forensic analysis of current demand and future projections across the new footprint and demography (General Fund and DSG spend commitments).
- Establish a current and medium-term baseline budget requirement; identify underlying pressures in existing budget commitments.
- Early assessment of workforce capacity and capability; review operating models, caseloads and backlogs.
- Detailed contract assessment: which require novation / de/re-commissioning, which remain jointly commissioned, which require VFM review.
- Analyse recent Ofsted reports and ILACS / Local Area SEND recommendations to inform single improvement plans.

SEND Actions

- Forensic analysis of DSG across all Blocks and identification of strategic financial pressures; ensure budgets transferred reflect need.
- Readiness review for Local Area SEND inspection and development of single improvement plan for Local Area SEND.
- Early consideration of sufficiency needs for EHCPs and Home to School Transport demand and market implications.

Phase 2: Design

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Cross-Cutting Actions

- Co-design the operating model (governance, integration, workforce, commissioning) aligned to the new strategic outcomes.
- Develop options appraisals for service pathways and in-house delivery (detailed assessment of in-house services; options appraisals to be produced for consideration).
- Build draft transition plan including risk/benefit analysis and alignment to the MTFP and known reforms.
- Communication plan – staff, members, families, partners, providers (including website content going live pre-implementation).
- ICT & system architecture mapping, requirements gathering for integration or transitional dual running (case management, billing/payment, BI, reporting).
- Draft constitution and scheme of delegation.

Adult Social Care Actions

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Produce forensic ward-level service redesign options and options appraisals for in-house versus market delivery.

- Design performance management and statutory return requirement gathering, and integration plans.
- Design Section 75 and other partnership agreement transfer approaches; identify CQC actions that influence design.
- Identify capability building needs in commissioning, governance and performance management; design training/induction.

Children's Services Actions

- Co-design new children's social care operating model aligned to national social care and SEND reforms.
- Produce single improvement plans for ILACS and Local Area SEND as part of design.
- Design pathway and operational process maps and associated guidance/protocols for statutory processes.
- Consider regional collaborations (Regional Care Cooperatives, regional foster recruitment) in commissioning/design options.
- Design shared frameworks for residential and SEND placements.

SEND Actions

- Design graduated approach and inclusion expectations for the revised school community; incorporate EHCP sufficiency into pathways.
- Design Home to School Transport and policy, develop alternative provision, model route optimisation options to inform budgets.
- Ensure DSG analysis and medium-term financial planning are embedded in design options.

Phase 3: Mobilisation

Cross-Cutting Actions

- Establish locality teams/structures and implement workforce training, induction and cultural alignment.
- Implement system and data transition: case management, BI, reporting; carry out data migration, reconfiguration and integration planning.
- Novate / renegotiate contracts as identified; launch early commissioning pilots where appropriate.
- “Day 1 Readiness Review” — dry runs of key processes, business continuity and safeguarding pathways.
- Detailed communications and transition plans shared with providers; websites and key public information go live pre-implementation.
- Mobilise regional workforce academy.
- Secure leadership and retain critical expertise through to vesting day.

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Adult Social Care Actions

- Implement Section 75, Section 117 and Continuing Healthcare arrangement transfers to the new authority.
- Deliver detailed implementation plans for each service area, jointly with Health, to support Hospital Discharge pathways and integrated services.
- Mobilise performance management frameworks and statutory return processes; test flows and reporting.
- Deliver workforce initiatives to build capability in commissioning, governance and performance management.
- Prioritise case reviews, observation programmes and case review workshops where strength-based practice embedding is required.

Children’s Services Actions

- Mobilise single improvement plans for ILACS and Local Area SEND; test operational protocols for statutory processes.
- Implement provider engagement and contract novation plans; mobilise revised commissioning arrangements for placements and fostering.
- Mobilise regional collaborations (e.g., foster carer recruitment) and early help/prevention models in pilot localities.
- Configure case management and payment systems; migrate data and test statutory return submissions.

SEND Actions

- Deliver EHCP sufficiency planning measures and ensure systems capture demand for EHCPs and transport.
- Mobilise Home to School Transport arrangements and route optimisation pilots where ready.
- Test graduated approach operationalisation in schools and inclusion protocols with partners.

Phase 4: Go Live



Cross-Cutting Actions

- Launch locality operating model; maintain active communications to reassure providers, communities and staff.
- Monitor safeguarding and continuity of care closely; operate contingency measures for risks identified earlier.
- Confirm continuity of statutory returns and reporting; validate performance management dashboards and BI.
- Maintain provider & community reassurance through ongoing comms; ensure websites and public guidance are live and accurate.
- Broker high-cost placements and establish regional market oversight.

Adult Social Care Actions

- Ensure safe delivery from Day 1 for the most vulnerable residents and their families/carers through close operational oversight.
- Continue Hospital Discharge/health integration work and monitor Section 75/CHC/Section 117 transitions.
- Undertake immediate review of front door — is the service strength-based; is information, advice and guidance effectively utilised?
- Activate contingency plans for any contract or market instability identified during mobilisation.

Children's Services Actions

- Ensure continuity for children, young people and families: test statutory pathways, safeguarding and review processes in live operations.
- Validate novated contracts and placement arrangements; monitor sufficiency pressures.
- Implement revised partnership governance arrangements and maintain ongoing engagement with regional partners.
- Ensure performance and statutory returns for children's services are operating as designed.

SEND Actions

- Monitor EHCP processing times and placement sufficiency; prioritise cases at risk.
- Monitor Home to School Transport arrangements and escalate any service continuity or demand issues.
- Provide targeted communications to families about how SEND processes operate under the new authority.

Phase 5: Optimisation



Cross-Cutting Actions

- Review outcomes and financial performance; refine pathways and commissioning based on learning.
- Consolidate contracts and embed a VFM approach in commissioning and contract management.
- Embed prevention and early help as core operating principle and maintain continuous improvement cycles with ICS and wider partnerships.
- Review inherited policies for alignment, communication and application.
- Plan financial resilience measures and interim shared service hosting.

Adult Social Care Actions

- Early assessment of inherited contracts to determine VFM and outcome focus — identify opportunities to consolidate, renegotiate or decommission.
- Review in-house services against Stage 1 recommendations and strategic objectives; decide on retention/reconfiguration.
- Assess strength-based practice embedding through observations, guided conversations and case review workshops.
- Review income arrangements including charging, grants and health income; update MTFP as required.
- Continue to strengthen partnership working with VCS and Health to support market development and sustainability.

Children's Services Actions

- Undertake assessment of novated contracts and providers for quality and VFM; plan consolidation or market shaping where required.
- Assess medium-to-long-term sufficiency needs (placements and EHCPs) and work with providers to shape the market.
- Review effectiveness of early help/prevention model (aligned to Family Help reforms). Review foster carer recruitment approaches and regional collaborations; adjust recruitment strategy.
- Review Home to School Transport delivery and value for money; implement route optimisation and market interventions.

SEND Actions

- Review embedding of inclusion and the graduated approach across the revised school community; identify further support needs.
- Reassess EHCP sufficiency and demand forecasting; refine commissioning and placement strategies.
- Review Local Area SEND improvement plan progress and adjust priorities based on outcomes and inspection readiness.

Implementation Plan

	Levels of Delivery	Phase & Timeline	Source/Requirement	2025	2026	2027	2028	2029-30
Phase 1: Foundations	Regional (West Midlands/ICT footprint)	Identify "Day 1 Essentials" (continuity of care, safeguarding, ICT dual running)	DfE/DHSC requirement					
	Local Authority (statutory corporate role)	Appoint statutory officers (DCS/DASS) Establish integrated programme and single business case (governance, budget, scope, benefits)	Best practice					
	Locality hubs	Agree vision, principles and outcomes of locality working Agree scope for regional commissioning hub	LGA guidance					
	Community/Neighbourhood (30-50k PCNs, schools, VCSE)	Map current demand, budgets and workforce capacity (by ward where relevant) Initial engagement with schools, GPs, providers, VCSE, ICS and partners	DfE regional sufficiency programme					
Phase 2: Design	Regional (West Midlands/ICT footprint)	Design shared frameworks for residential and SEND placements	DfE/DHSC policy					
	Local Authority (statutory corporate role)	Draft constitution & scheme of delegation Build draft transition plan with risk and benefit analysis, including shared/transactional services Align with MTFP, SEND and social care reforms	LGR statutory process					
	Locality hubs	Co-design operating model (family hubs, reablement, governance, integration, workforce, commissioning)	Family Help reforms					
	Community/Neighbourhood (30-50k PCNs, schools, VCSE)	Pilot early commissioning approaches (including micro-commissioning with VCSE) Communication plan – staff, members, families, partners	Good practice					
Phase 3: Mobilisation	Regional (West Midlands/ICT footprint)	Mobilise regional workforce academy	ADASS workforce guidance					
	Local Authority (statutory corporate role)	TUPE workforce transfers; workforce training, induction and cultural alignment Implement system and data transition (case management, BI, reporting); data migration testing Secure leadership and retain critical expertise to vesting day	TUPE Regs/GDPR					
	Locality hubs	Establish locality teams/structures and co-located MDTs (ASC front door, Family Help) Novate/re negotiate contracts Day 1 Readiness Review – dry run of key processes	Working Together 2023					
	Community/Neighbourhood (30-50k PCNs, schools, VCSE)	Launch early help and reablement pilots	Best practice					
Phase 4: Go Live	Regional (West Midlands/ICT footprint)	Broker high-cost placements; maintain regional market oversight	DfE MIAG/CQC assurance					
	Local Authority (statutory corporate role)	Submit statutory returns; monitor safeguarding and continuity of care	Legal duty					
	Locality hubs	Operate new front door pathways (FH + ASC triage) Launch locality operating model Implement contingency measures for risks identified earlier	Care Act/Children Act					
	Community/Neighbourhood (30-50k PCNs, schools, VCSE)	Ensure community-level services are accessible (family hubs, carers) Maintain provider and community reassurance through ongoing comms	SEND reforms					
Phase 5: Optimisation	Regional (West Midlands/ICT footprint)	Sustain regional QA and market resilience programmes Plan financial resilience and interim shared service hosting	DfE/DHSC policy					
	Local Authority (statutory corporate role)	Review outcomes and financial performance vs benchmark; adjust MTFP	CIPFA duty					
	Locality hubs	Refine commissioning, sufficiency planning and service pathways based on learning Consolidate contracts and embed VFM approach Embed prevention and early help as a core operating principle	Best practice					
	Community/Neighbourhood (30-50k PCNs, schools, VCSE)	Continuous improvement of early help, kinship, carer offers and wider partnerships (ICS, QA, market resilience programmes)	Ofsted inspection					



LOCAL GOVERNMENT REORGANISATION BUSINESS CASE REVIEW

*A critical evaluation of the Local Government
Reorganisation business cases for both single- and two-
unitary options in Warwickshire*

NOVEMBER 2025

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Introduction and Background

In December 2024, the Ministry of Housing, Communities and Local Government published the *English Devolution White Paper*, outlining the Government's ambitions for Local Government Reorganisation (LGR).

Each council in Warwickshire was subsequently invited to work collaboratively to develop proposals for reorganisation.

This process advanced with the submission of an Interim Plan for Warwickshire. The plan assessed high-level options for local government reform against the six core criteria defined by the Minister. The Interim Plan identified two potential options for LGR in Warwickshire:

1. A **single unitary option**, a single tier of local government covering the whole of the County, based on the existing geography of the 5 Borough and District Councils and the County Council.
2. A **two-unitary council option**:
 - a. Unitary, covering North Warwickshire Borough Council, Nuneaton and Bedworth Borough Councils, Rugby Borough Council and part of Warwickshire County Council.
 - b. Unitary, covering the existing boundaries of Stratford on Avon District Council and Warwick District Council, and part of Warwickshire County Council.

The interim plan analysis confirmed that the single or a two unitary model are the only viable options for Warwickshire Local Government Reorganisation.

The single and two unitary models for Warwickshire have been developed into business cases that form a single submission to the Ministry of Housing, Communities and Local Government (MHCLG) on the 28th November 2025.

Independent Support

To inform its decision making, Rugby Borough Council has commissioned NC4T Ltd as an independent adviser to:

- Critically evaluate the Local Government Reorganisation business cases for both single- and two-unitary options.
- Provide assurance and balanced support to Members in assessing and determining the preferred reorganisation model for Warwickshire ahead of the business case submission to Government in November 2025.

NC4T brings current expertise in delivering local government reorganisation programmes, drawing on previous LGR experience.

This report provides an independent review of the Local Government Reorganisation (LGR) business cases that have been developed. Its purpose is to support Rugby Borough Council Members in determining which option offers the strongest model for delivering local government in Warwickshire and, critically, the best outcomes for Rugby residents.

Evaluation Criteria

The English Devolution White Paper sets out six criteria for assessing Local Government Reorganisation (LGR) proposals. The criteria below underpin the two Warwickshire Unitary business cases.

MHCLG LGR BUSINESS CASE CRITERIA

1. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.
2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.
3. Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.
4. 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.
5. New unitary structures must support devolution arrangements.
6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

Comparison and Analysis

This analysis applies the MHCLG Local Government Reorganisation criteria to identify the key considerations, risks, opportunities, and issues for Rugby Borough Council. Given the volume of material in each business case, the focus is on headline matters most relevant to the Council. These issues have emerged through extensive officer involvement and Councillor engagement.

Both business cases present different options that, based on this review, appear to provide evidence toward meeting the statutory criteria (noting that the final decision rests with the government). However, there remains a key question about the long-term sustainability of the two-unitary option. Members must therefore decide which structural model of reorganisation best serves the needs of Rugby's residents.

Headlines: A Single Unitary Authority for Warwickshire Unitary Business Case

Warwickshire County Council has developed a business case that examines both the proposition for a single unitary and two unitary model of structural change, identifying a clear preference for a single unitary for Warwickshire. For the purposes of this comparison and analysis the single unitary case has been reviewed.

The **single unitary** business case core proposition view is -

“A single unitary is the only model that can deliver genuine local presence and offer the scale and efficiency needed to be financially sustainable into the future. It enables coherent planning, strengthens strategic partnerships and improves accountability through unified leadership and delivery”.

The business case is centred on 6 areas of ‘stronger’... communities, finances, voice, partnerships, services, places and outcomes”. The case, illustrates the links to partners and key stakeholders across the County and a focus on financial and operational resilience.

Proposals are aligned to local and nationally driven priorities and the Government’s draft Local Government Outcomes Framework.

A key theme made throughout the single unitary business case is ... *“saves three times more than a 2 unitary option”.*

The County Council’s business case requests that the Minister establish a ‘continuing’ single unitary authority, building on the existing County Council to minimise transition costs and simplify the creation of a single authority for Warwickshire.

The two unitary case see this as meaning “little change and is a missed opportunity to target resources to where they are most needed”.

Headlines: Two Unitary Authorities for Warwickshire Business Case

Has been developed by a consortium of District councils working with their partner Deloitte’s to provide a business case for a **two unitary option that creates a north and a south unitary for Warwickshire.**

The two Unitary Business case core proposition is - *“This two-council model provides organisations that are **close enough to residents** to reflect their priorities and sense of place. It also provides sufficient scale to be financially sustainable and to deliver efficiencies”.*

A key theme made throughout the case is – *“Research shows that the largest unitary councils do not outperform their smaller counterparts”.*

“The two new councils we propose, serving populations of up to 350,000, better fit into the landscape of local government, being above the current average population size for unitary councils in England”.

The two unitary case claims that - *“In the North, a council can reduce inequalities, promote regeneration and connect people to growth. In the South, a council can manage good growth, improve housing affordability, reduce rural isolation and support healthy ageing”.*

Options Appraisals

Both business cases employ an options-appraisal methodology using the MHCLG evaluation criteria as the core framework, assessing the strengths and weaknesses of each structural model and assigning high/medium/low ratings against the criteria.

Neither business case evidences any external, collective or independent input into this appraisal. While the appraisals do comprehensively summarise the key strengths and weaknesses of each structural approach, the apparent self-assessment bias reduces the weight and impact of the rankings.

Evaluation and analysis against the MHCLG criteria

Evaluation and analysis has been provided across the 6 government criteria

SENSIBLE GEOGRAPHY

MHCLG criteria: Proposals should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.

The Government through these criteria is ensuring ‘geographically complete’ and sensible unitary solutions to a locality are provided through the business cases. Do the business cases establish a single tier of Local Government for the whole of the area concerned?

When Warwickshire submitted its interim plan outlining the two options—a single county unitary or two north/south unitary councils—the Government’s feedback (received in early June 2025) did not endorse either model. Instead, it set out further requirements for the full submission and indicated that an optimal population size is around 500,000, with flexibility allowed, provided the proposal clearly justifies the population level chosen.

Unitary Business Cases for Warwickshire

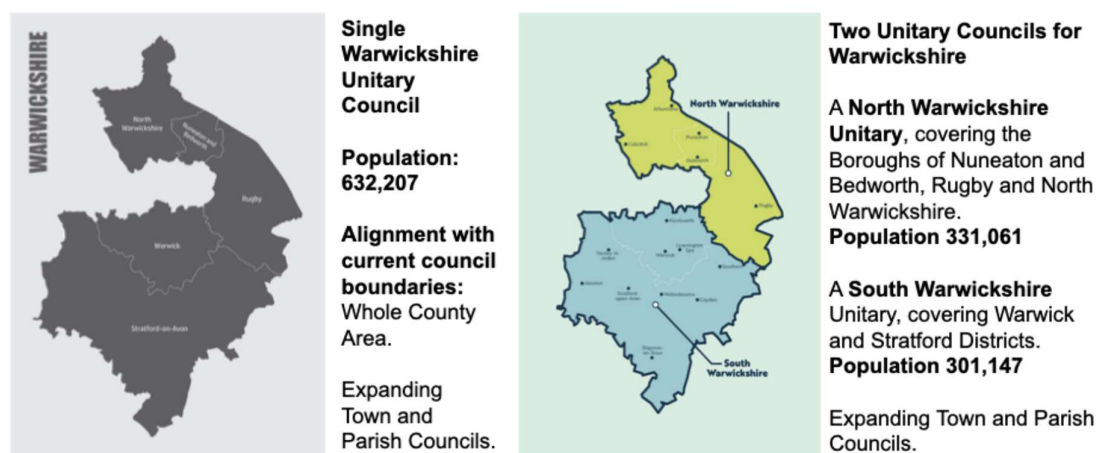


Diagram 1

The single unitary would serve a population of 632,207 and the two unitary proposals see the creation of a northern unitary of 331,061 and southern unitary of 301,147.

The core arguments for a **single unitary** for Warwickshire in terms of scale and geography are -

“A single unitary offers the optimal scale for financial resilience, operational efficiency, and service sustainability. With a population now of c.630,000, it provides financial sustainability, maximises long-term savings achieved with lower transition costs, and so creates greater capacity to protect and enhance service delivery whilst avoiding the underfunding of the north to meet prevailing need in a two unitary scenario”.

The argument against a single authority is that this would create a “super-council of more than 600,000 people, which would be the third largest local authority in England, would be too broad and too remote”.

With a counter from the **Deloitte, two unitary** that, *Research shows that the largest unitary councils do not outperform their smaller counterparts. The two new councils we propose, serving populations of up to 350,000, better fit into the landscape of local government, being above the current average population size for unitary councils in England. There is also evidence that councils of this size deliver more cost effective social care than bigger councils. There is clear precedent, including across the border in Northamptonshire where two unitary councils replaced the former county and districts.*

KEY WARWICKSHIRE ISSUE

Issue: Which unitary model would be closest to local residents and best positioned to deliver effective place-based services?

Mitigation: Both Unitary proposals include strengthened parish and town council arrangements and local governance. The effectiveness of this local, place based, area committee governance and engagement mechanisms are not dependant of the comparative size of the parent organisation. Key is appropriate resourcing at a local level and governance that is agile and responsive to local needs.

EFFICIENCY AND RESILIENCE

MHCLG Criteria: *Unitary local government must be the right size to achieve efficiencies, improve capacity, and withstand financial shocks.*

Efficiency and resilience is the key area that Local Government reorganisation is attempting to resolve, the stark reality is, there is no further money available and local government reorganisation is a proven approach to delivering savings and providing financial resilience to a system that is facing increased demands and costs.

Delivery of a sustainable new unitary organisation/s from day one with the ability to deliver further transformation is key.

This section summarises some of the financial and analytical issues arising from the two Warwickshire Unitary Authority (UA) business cases; with a particular focus on the underlying financial assumptions, comparability, and robustness of the evidence base.

Both business cases differ substantially in the structure and clarity of the financial cases. The *Warwickshire (1UA)* proposal presents a conventional local government reorganisation (LGR) case with additional transformation benefits identified as an option. The *Deloitte (2UA)* case is less

transparent, with financial modelling that is difficult to follow and assumptions that appear to rely heavily on secondary analysis from the PeopleToo work.

The financial cases are not directly comparable. The logic used to attribute costs between North and South Warwickshire is not disclosed, making it **impossible to reconcile** the reported surpluses/deficits. The *Deloitte model introduces complexity and assumptions that are insufficiently evidenced*. There is greater confidence from the Warwickshire case based on the initial review.

Observations on the Two Unitary Case

STRUCTURE AND CLARITY

- The Deloitte financial case is **difficult to navigate** and lacks a clear line of sight from assumptions to outcomes.
- The key financial savings track back to assumptions embedded in **Table 41**, which defines “Service Optimisation Savings”. These can, and do apply for both the 1UA and 2UA options. These savings form the bulk of the overall financial benefits case.

RELIANCE ON PEOPLETOO ANALYSIS

- The optimisation savings (table 41) in both UA scenarios appear to be derived from the **PeopleToo assumptions**, but this is neither clear, nor is the supporting evidence is not transparent or benchmarked.
- There is **no clear rationale** for the percentage uplifts or reductions applied between the one and two unitary options.
- The subsequent adjustments (e.g., +5% for demand-led services, -2% for corporate services) have negligible overall impact on the totals and appear arbitrary.
- The assumption of reducing “remaining expenditure” by 7.5% is **risky and ill-defined**. This residual spend is likely to include non-addressable costs (capital financing, insurance, pension deficit contributions, etc.).

COUNCIL TAX HARMONISATION

- The Deloitte case asserts that harmonisation will be problematic, yet **fails to note that councils retain choice** in harmonisation methodology under both options.
- The potential increase in council tax for residents in lower-precept areas is primarily on the proportionally smaller **district element**, not the county element (which would change regardless of LGR).
- The report does not reflect **current government policy on council tax equalisation**, which provides flexibility on pacing and modelling.

Financial Balance and Sustainability

- Both Warwickshire and Deloitte identify a significant **North/South financial imbalance**, but the scale differs markedly:
 - Warwickshire (1UA)** – £49m differential (North deficit £11m vs South surplus £38m).
 - Deloitte (2UA)** – £18m differential (North surplus £9.5m vs South deficit £9.6m).
- Without the base analysis, this financial in-balance and difference between north and south cannot be reconciled. To a certain extent it illustrates the difficulties of assumptions in a two unitary case versus single unitary case.
- Warwickshire’s position includes savings and growth assumptions; Deloitte’s apparently does not.
- The Deloitte suggestion that reserves could be used to offset the North’s deficit is **unsound** – reserves are one-off and cannot be applied to recurrent pressures or HRA balances.

STAFFING AND LEADERSHIP COSTS

- Deloitte’s assumption that senior leadership salaries will reduce in a 2UA model because “roles and responsibilities will reduce” is **conceptually flawed**.
- Market factors determine salaries for statutory and senior roles (e.g. DCS/DAS), which will remain competitive across both models.
- Conversely, the assumption that a single UA Chief Executive would cost £166k is **significantly understated** and not reflective of recent appointments in comparable councils.

Comparison with Warwickshire (1UA) Case

CORE AGGREGATION AND TRANSFORMATION BENEFITS

- The Warwickshire proposal’s “LGR core savings” are **reasonable and consistent** with evidence from other reorganisation areas (e.g. Dorset, Somerset, North Yorkshire).
- The “transformation benefits” are presented separately as *additional*, whereas the Deloitte “optimisation savings” conflate both aggregation and transformation, making comparison challenging.
- When equivalent transformation assumptions are included, the 1UA model yields savings of approximately **£48m** versus **£35.5m** for the 2UA model – a £12.5m advantage.

PAYBACK AND IMPLEMENTATION COSTS

- While implementation costs are marginally higher for 1UA, the payback period remains stronger due to higher recurring savings.
- Both business cases appear to **understate implementation costs**, particularly in ICT and integration areas. Warwickshire's ICT provision is notably low and unrealistic for full convergence.

Key Issues

Issue	Comment
Transparency	Deloitte's financial modelling lacks sufficient detail to validate assumptions.
Evidence Base	Reliance on PeopleToo analysis without local benchmarking undermines confidence.
Council Tax	In the 2 unitary case treatment of harmonisation is misleading; options and policy flexibility are not recognised.
Financial Balance	Material North/South differences unexplained and likely understated.
Implementation Costs	Appear to be underestimated in both Unitary cases, especially ICT and workforce transition.
Staff Costs	Assumptions around pay scales and CEX remuneration inconsistent with market evidence.

Summary and Advice

- **Neither case currently provides the full financial model to validate assumptions**, but the County-led (1UA) case is **more consistent** and aligned with wider LGR precedent (business case and delivery) – noting the lower than expected on-off costs.
- The *Deloitte* (2UA) approach is **opaque**, particularly in how it applies “optimisation” savings and distributes costs.
- The claimed “premium” performance of smaller unitaries is **not substantiated**.
- On balance, **a single Warwickshire Unitary** appears to offer a more robust financial case and clearer route to sustainability, subject to validation of transformation assumptions and correction of ICT costs.

High Quality Public Services

MHCLG Criteria: The Unitary structures must prioritise the delivery of high-quality and sustainable public services to citizens. Through integrating county and district services within each local council, do the proposals maintain continuity and improve outcomes.

The **single unitary** business case sets an ambition to - *“Develop an operating model that builds on the best elements of its predecessors”* and through a series of case studies identifies initial thinking on potential operating models and opportunities to deliver.

For example, under a heading of **council on the high street** it highlights service delivery based opportunities from moving into a single Unitary such as – *“maximising the benefits of bringing all services together in a single Council, co-locating councils teams in community/health hubs across the county”*.

The case being made is that - *“A single unitary delivers the platform for consistent, high-quality, and sustainable public service delivery. It is the only model that ensures financial viability across the whole county—particularly in the north—by enabling services to be maintained and improved in areas with the greatest need. It supports public service reform while avoiding the significant risks, costs, and disruption associated with disaggregating countywide services”*.

The **single Unitary** case goes onto make the link into service transformation and reform building a proposition that - *“local government reorganisation provides the platform required for system wide public sector reform, which will enable continuous change and improvement for people and communities in Warwickshire”*.

The Deloitte **two Unitary** makes the case for being - *“Place focused and locally responsive: The model enables services to be shaped around real community needs and priorities, with more tailored solutions”*.

Under the four headings below it makes the case for local service, linking this with the ‘strengths’ based approach and the social care transformation approach proposed.

1. **“Community focus:** The two unitaries will develop a new relationship between communities, citizens and the state, by taking a strengths-based, early intervention and prevention approach, bolstering the voluntary sector and creating stronger community engagement.
2. **Integrated and effective:** The new councils will bring County and Borough and District responsibilities together and redesign services around the customer, making them easier to access and more efficient.
3. **Minimise risk of disaggregation:** By taking a flexible approach, such as creating a Joint Board for Safeguarding in the transition period, risk can be reduced. The model also aggregates up existing effective Borough and District services, building on strengths while preserving local service models. Minimise risk of aggregation: As organisations get too big, diseconomies of scale can develop, and a two unitary model avoids this.
4. **Too big:** A single county unitary’s organisational structures and processes could become too complicated and cumbersome. A bigger organisation may find, for example, it more difficult to bring about transformational change by building new sets of relationships with residents and the community and voluntary sector”.

Issue: The Warwickshire single unitary case starts to give shape to the services and design of the new unitary, critically it makes a strong link to the transformation and partnership agenda that will be so key to any new unitary.

The two unitary case considers mitigating the risks of aggregation although the headline of this approach is (and any differential to the single unitary) is that it will, '*build on strengths*'. The link to transformation is not so clear and mainly contained within the PeopleToo, social care contribution to the case.

The core argument for a two-unitary model is that it avoids the perceived drawbacks of a large, cumbersome single unitary. However, this appears counter-intuitive given that many key services, such as social care and transport, are already delivered countywide, benefiting from economies of scale, service aggregation, and digital enablement. This approach can be developed and is proven across other public sector services and is core to exploiting the LGR service aggregation opportunity.

Local Identity

MHCLG Criteria: 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. Is local identity preserved?

Both single and the two unitary cases have detailed extensive engagement with stakeholders and residents. Below are some of the selected key highlights from this work. It is difficult to summarise the output from this survey work without the potential to introduce some bias and as consequence, the headlines below should be treated with some caution. In addition Rugby Borough Council was not involved in the two unitary consultation. Having said this they do give an indication of the key issues for local people in relation to Warwickshire local government reorganisation.

Single Unitary

There were 353 responses to the survey: a response rate of 38.5%; 350 responses were completed online, three were returned by post as paper copies.

What opportunities do you think local government reorganisation in Warwickshire could bring?

This was a free text question. The most common theme related to saving money/ efficient use of resources 41%, (n=128) followed by 17.6% (n=55) of respondents mentioning that there were no opportunities, 16% (n=50) mentioning improved services and 15.1% (n=47) mentioned simplifying things and helping residents know who is responsible for services.

What worries you most about local government reorganisation in Warwickshire? Are there any challenges or risks you want to highlight?

This was a free text question. The most common themes were lack of local knowledge (37.7%, n=122); unfair divide of resource/ funding (13.9%, n=45) and cost (11.7%, n=38).

Two Unitary

- **Preferred model: two unitary councils** – 73% supported the specific proposal for two unitaries. Support was particularly strong in Stratford (79%), Warwick (76%) and Nuneaton &

Bedworth (68%), with lower support in Rugby (33%). Despite this variation, majorities in most areas were in favour.

- **Support for boundaries** – 74% agreed with the proposed north/south split, showing that the geographic logic of the proposal is widely recognised.

The business cases make proposals for community governance.

The **Single Unitary** proposals for community governance include three critical elements:

1. **Local committees** - They will be formal council committees made up of local councillors and responsible for a defined set of functions over a defined area, with scope to expand as the Committees mature. A senior Council officer will lead for each Local Committee, ensuring the Council co-ordinates and integrates delivery, performance and engagement on a place perspective.
2. **Community Networks** - Community Networks will likely cover 20,000-30,000 residents and be a forum to collaborate with communities; their initial design could include the following key features:
 - Partnerships
 - Community led
 - Dedicated leadership
 - Place based focus
3. **Town and Parish Councils** - would have the opportunity to take on devolved assets and services. The approach will be flexible and collaborative; offering a list of devolution options that allow Town and Parish Councils to take on responsibilities aligned with their capacity, appetite, and local priorities. New Town and Parish Councils will be created in areas that do not currently have them including Bedworth, Bulkington, Nuneaton and Rugby.

The **Two Unitary community governance** proposals have 4 key component elements -

1. Each new council will develop clear structures that give **towns, parishes**, and rural areas a meaningful voice in shaping local priorities and services, safeguarding local identity and civic traditions.
2. **Area Committees**, aligned with existing district and borough boundaries, will form the cornerstone of local democracy. These councillor-led bodies will set local priorities, manage neighbourhood budgets and services, and advise on planning, regeneration, and transport matters.
3. In the South, **established parish and town councils will be supported to assume greater responsibilities** where appropriate, while in the North, Area Committees will enhance representation for Nuneaton, Bedworth, Rugby, and surrounding communities.
4. Decisions on expanding community governance, including the development of **parish or town councils in Nuneaton and Bedworth**, will depend in part on the unitary structure approved by Government and the direction of members.

Risk

By its nature Local Government Reorganisation and the aggregation of councils is diminishing representation. Unitarisation will place local democracy at greater distance from electors and there is the potential for less engagement with local people with a potential democratic deficit.

Mitigation: Establishing strong area governance arrangements to ensure that decisions remain close to communities while strategic services are delivered efficiently at the unitary level.

Councillor numbers are referenced in each business case. It should be noted that these are finalised as part of the structural order.

Supporting Devolution

MHCLG Criteria: New unitary structures must support devolution arrangements.

It should be noted that Warwickshire alone does not meet the minimum population size set by government of 1.5m for a strategic authority.

All councils and both LGR business case currently express a preference for alignment with the West Midlands Combined Authority (WMCA), reflecting economic geography and existing functional relationships, particularly in transport, skills, and housing.

Both unitary propositions make the case for how the structural model of local government reorganisation best fits devolution.

A single unitary considers it – *“provides the scale, coherence, and leadership capacity needed to take-on and utilise devolved powers effectively. It offers a singular strategic voice for Warwickshire with regional partners and Strategic Authority arrangements, strengthening Warwickshire’s direct influence and ability to deliver on local and national priorities”*.

While the **two unitary** case champions the **flexibility** that the **two unitary** model offers in relation to devolution. *“The preference is for the two authorities to join the West Midlands Combined Authority. However, there is currently no clear solution for devolution in Warwickshire and it is essential therefore that as many options remain open as possible. The two unitary model provides more options, as the two individual authorities could look North and South for partners, or a single Strategic Authority could be created for Warwickshire. This would ensure the Councils could join a Strategic Authority that reflected the economic geography of the area”*.

Key Issue

- There is currently no clear solution for devolution in Warwickshire and this will likely be the situation until the summer 2026.
- The key concern in relation to devolution falls under the potential that within the WMCA, there are financial and political risks. For example, under the Integrated Settlement, Warwickshire could lose out to more deprived areas within the WMCA footprint, and the mayor could potentially veto inclusion, restricting devolution options.
- Additionally, a single unitary’s size could create imbalances within a Strategic Authority, either overshadowing smaller authorities or being too close in size to achieve effective representation, which may reduce flexibility and local responsiveness compared with smaller unitaries.
- A linked concern is that large parts of the population are potentially in a Strategic Authority that bears no relation to the economic geography of the area.

Mitigation: will be through active engagement in the devolution agenda as it develops, championing local representation at each level.

Community Empowerment

MHCLG Criteria: New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

The **single unitary** case aims to – “provide a consistent, countywide framework for community engagement and neighbourhood empowerment. It enables integrated, community-focused service delivery and aligns effectively with key partners to support joint working. Done well, it will ensure all communities have meaningful opportunities to shape local services and decisions.

The **two unitary** core premise is that it – “**Brings decision-making and services closer to people:** Two unitary authorities would operate closer to the communities they serve, with a greater number of councillors for each elector. This proximity facilitates a greater understanding of local issues, provides more accessible channels for citizen engagement, and fosters a heightened sense of accountability. Residents or communities will not get left behind, councillors can focus on the satisfaction of the resident whom the authority is here to serve but also the role that the wider community plays in effective, efficient services, especially around prevention and early intervention”.

Key issue

Do the respective LGR structural models enable Rugby residents voice to be heard?

Mitigation: Active involvement in the transition and implementation phase of the LGR process to influence the design of local, Rugby community engagement.

Additional Information

Difference between WCC and Deloitte Analyses

The information below has been developed as part of the through the and highlights, through a financial lens the key differences between the single unitary and the two unitary cases.

Analysis reveals key methodological and numerical differences between Warwickshire County Council (WCC) and Deloitte financial modelling regarding Local Government Reorganisation (LGR) options, financial sustainability, and council tax harmonisation. This summary considers costs, benefits, and assumptions underpinning both approaches, highlighting significant disparities in savings projections and implementation costs.

COSTS AND BENEFITS OF LGR OPTIONS

The methodologies differ notably:

- WCC models savings and costs by type, based on previous LGR exercises, with detailed assumptions and specific modelling of disaggregation costs for two unitaries.
- Deloitte focuses largely on savings by service, especially in adults, children’s social care, and home to school transport, applying aggressive percentage reductions and applying

minimal disaggregation costs. They model implementation costs by type but with less detailed assumptions.

IMPLEMENTATION COSTS

- For a single unitary, implementation costs are similar – both around the £21/22m mark; however, Deloitte's two-unitary implementation costs are 29% lower than WCC's (£24.2m vs £31.1m) – which is a difference of £6.9m in estimated costs of implementing a two unitary model.
- Deloitte costs for some categories (e.g., organisational development/culture, procurement) are lower for two unitaries compared to their modelling for a single unitary. This is difficult to reconcile given the duplication and loss of economies of scale.
- WCC includes significant redundancy costs (£5.2-6.1m) and contingency (£4.6-7.3m), while Deloitte's redundancy costs are much lower (£0.57m-1.24m) and exclude contingency.
- Deloitte's ICT costs (£13-15m) are substantially higher than WCC's (£3-4.7m).

BENEFITS OF LGR

- Deloitte projects substantial service delivery savings early on, especially in social care and transport, driven by the Peopletoo analysis, but without clear delivery plans or ring-fenced implementation funds.
- WCC's savings focus on efficiencies from reorganisation rather than transformation savings which can be delivered but over longer timelines.
- WCC assumes higher leadership savings due to modelling more management tiers, whereas Deloitte assumes significant senior staff reductions (up to two-thirds in single unitary).
- Deloitte excludes potential savings from highways, and public health, while WCC sees some synergy opportunities in these areas.

MOVEMENT FROM INTERIM PLANS

- Deloitte savings estimates have tripled between interim plan (March 2025) and final plans, while WCC figures remain stable with slight cost increases.
- Deloitte have corrected an error regarding council tax harmonisation impacts, previously treated as one-off instead of recurrent.

COMMENTS ON METHODOLOGY

- Deloitte's marginal financial difference between one and two unitaries conflicts with the evidence of previous reorganisations.
- Peopletoo savings assumptions rely heavily on demand-driven people-based services without adjusting for demographics and local market factors.

- Use by Deloitte of gross rather than net costs for adult social care inflate savings potential. WCC's adult social care costs are low compared to statistical neighbours which impacts the potential for savings in this area. *It should be noted...WCC's adult social care costs are low compared to statistical neighbours which impacts the potential for savings in this area. The source of the Deloitte figures needs to be validated - are they net of income?*
- The inclusion by Deloitte of fully funded Unaccompanied Asylum-Seeking Children inflates savings potential. As this is fully funded by Government, there is limited opportunity for savings directly to the council.
- Deloitte's baseline inconsistencies and assumptions about reducing children in care risk statutory duty compliance.
- Year 1 savings of £33m (driven by Peopletoo assumptions on demand led services) lack corresponding investment, appearing optimistic given current demand and service complexities.
- Deloitte do not factor into their modelling the significant savings already programmed into WCC's Medium-Term Financial Strategy (MTFS), leading to double counting of those savings.
- Deloitte assumes no change in adult and children's social care savings under a single unitary, overlooking transformation opportunities through integration with housing and homelessness services.
- Deloitte assumes an 8.5% additional saving for two unitaries over one, netting 5% after disaggregation costs. WCC notes that a single unitary could similarly transform services at scale.
- Deloitte's corporate services savings targets are higher (13%) than WCC's (5% for one unitary), yet redundancy costs are modelled only for senior leadership.

ASSESSMENT OF FINANCIAL SUSTAINABILITY AND RESILIENCE

METHODOLOGICAL DIFFERENCES

- WCC uses a detailed MTFS model with full cost and funding disaggregation via the Pixel model, accounting for Fair Funding reform impacts and integrating LGR and council tax harmonisation effects.
- Deloitte relies on disaggregated 2023/24 statutory accounts, which are two years outdated, and assumes costs align strictly with population, ignoring evidence of service cost variation. The statutory accounts include a number of costs that must be removed for general fund/council tax purposes which means they are not a good basis for assessing future financial sustainability.
- Deloitte's approach lacks integration of Fair Funding impacts and does not build a forward-looking MTFS model bringing together all three elements of the financial assessment. *It should be noted that government advice was to develop the business cases on current numbers/knowledge*

COMMENTARY ON DELOITTE'S APPROACH

- Deloitte's use of 2023/24 statutory accounts limits relevance to the projected 2028/29 financial position and budget setting.
- Deloitte figures include non-budgetary items like pension fund changes and asset revaluations, which are excluded in WCC's budget analysis.
- Deloitte's assumption of negotiable division of assets and costs does not appear to consider practical challenges due to geographic service demand disparities, as evidenced in other county reorganisations.
- Deloitte underestimates the scale of budget reductions and reallocations already programmed into WCC's MTFS, misinterpreting significant allocations as budget gaps.
- Both agree on balance sheet analyses but differ in modelling robustness.

COUNCIL TAX HARMONISATION

- Both WCC and Deloitte consider harmonisation, but WCC's modelling is more granular, assessing multiple scenarios including impacts on new town and parish councils and Rugby town's special expenses.
- Deloitte examines a single 'low to max' scenario, showing higher income foregone over five years for two unitaries (£8.2m) versus one (£2.3m), concluding that single unitary harmonisation would take longer, which WCC does not recognise based on others' LGR experiences.
- Deloitte does not integrate harmonisation impacts into financial sustainability modelling, whereas WCC does for a holistic assessment.

This high-level comparison underscores significant differences in assumptions, methodologies, and projections between WCC and Deloitte. WCC's approach emphasises prudence, detailed modelling, and integration of strategic plans, while Deloitte's projections are more optimistic but less granular and in places do not consider existing evidence and strategies.

Proposed changes to councils in Warwickshire



North Warwickshire
Borough Council

Nuneaton
&
Bedworth



Report of Public Engagement: Final

Opinion Research Services

October 2025

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1. Executive Summary

Introduction

- 1.1 Warwickshire's councils are currently arranged in a two-tier, with some services provided by Warwickshire County Council and some provided by the five district and borough councils (North Warwickshire Borough Council, Nuneaton and Bedworth District Council, Rugby Borough Council, Warwick District Council, and Stratford-on-Avon District Council).
- 1.2 Each of the councils is independent, has its own political leadership and senior management team, and sets its own share of the council tax bill. Together, they currently have 257 councillors.

Devolution and reorganisation

- 1.3 In December 2024, the government published a Devolution White Paper, stating that all remaining two-tier areas in England should eventually be restructured into single-tier unitary authorities to make local government more streamlined and sustainable. The government invited all six of the councils across Warwickshire to work together on a plan to achieve this.
- 1.4 North Warwickshire Borough Council, Nuneaton and Bedworth District Council, Warwick District Council, and Stratford-on-Avon District Council engaged with thousands of residents, business and stakeholders, and collaborated on an interim plan that would abolish the existing councils and create the 'North/South' model. This model would see the creation of two unitary authorities:
 - » **North Warwickshire**, covering the areas currently served by North Warwickshire Borough Council, Nuneaton and Bedworth District Council, and Rugby Borough Council.
 - » **South Warwickshire**, covering the areas currently served by Warwick District Council and Stratford-on-Avon District Council.

The commission

- 1.5 Opinion Research Services (ORS) was appointed by North Warwickshire Borough Council, Nuneaton and Bedworth District Council, Warwick District Council, and Stratford-on-Avon District Council (henceforth 'the councils') to advise on and independently manage and report important aspects of the comprehensive public engagement programme.
- 1.6 The formal engagement period was launched on 7th August and ended on 14th September 2025. During this period, residents and stakeholders were invited to provide feedback through an online engagement questionnaire (open to all); paper and accessible versions of the questionnaire; public focus groups; workshops with various stakeholder types; and in-depth interviews with key stakeholders.

The nature of public consultation

- 1.7 Accountability means that public authorities should give an account of their plans and take into account public views: they should conduct fair and accessible engagement while reporting the outcomes openly and considering them fully.

- 1.8 This does not mean that the majority views should automatically decide public policy; and the popularity or unpopularity of draft proposals should not displace professional and political judgement about what is the right or best decision in the circumstances. The levels of, and reasons for, public support or opposition are very important, but as considerations to be taken into account, not as factors that necessarily determine authorities' decisions. Above all, public bodies have to consider the relevance and cogency of the arguments put forward during public engagement processes, not just count heads.
- 1.9 For the public bodies considering the outcomes of public engagement, the key question is not "*Which proposal has most support?*" but, "*Are the reasons for the popularity or unpopularity of the proposals cogent?*" In this context, it was essential that this important engagement programme should include both 'open' and deliberative elements, allowing many people to take part via the open questionnaire and residents' survey while promoting informed engagement via the deliberative focus groups, forums, and the in-depth interviews.

Note on the quantitative activities

- 1.10 Open questionnaires are important forms of engagement in being inclusive and giving people an opportunity to express their views; but they are not random sample surveys of a given population - so they cannot normally be expected to be representative of the general balance of opinion. For example, younger age groups are usually under-represented while older age groups tend to be over-represented; and more motivated groups or areas are also typically over-represented compared with others.

Key themes: the current two-tier system and the principle of unitary authorities

Quantitative feedback

- 1.11 Overall, seven-in-ten individual questionnaire respondents (70%) indicated that they feel very or fairly informed about the services provided by councils in their area, and over four-in-five (83%) agreed (i.e. either 'strongly' agreed or 'tended to' agree) with the principle that the councils should pursue opportunities to streamline and make efficiencies, while maintaining good services.
- 1.12 Additionally, just over half (54%) of respondents agreed, in principle, with the Government's requirement to replace the current system with a smaller number of unitary councils; however, a third (33%) disagreed.
- 1.13 Another question sought feedback on five criteria¹ that are likely to influence decision-making, by asking respondents to give each criterion a score from 0 to 10. When averaged, all five criteria attracted a high overall score, although a little more importance was attached to "quality" and "accountability" (both with an average score of 9.3 out of 10), and a little less to "local identity" (an average score of 8.3 out of 10).
- 1.14 An open-ended question allowed questionnaire respondents to provide further feedback on the proposals. In relation to the principle of introducing unitary authorities, there was some support for achieving efficiencies and better value for money. Nonetheless, various concerns were expressed around a loss of accountability, the difficulties of managing competing priorities (particularly between urban and rural areas), a loss of local knowledge, and the possibility of services becoming less accessible for residents.

¹ The five criteria were: accountability, quality, local identity, access and value for money

Deliberative feedback

- ^{1.15} Residents and Service Users gave mixed views on the principle of the reorganisation and were largely undecided. Most agreed it would create cost savings, reduce duplication, and provide the opportunity to streamline services. Others said it could be an opportunity to share expertise from staff across a wider area than is currently possible. Businesses, VCS, and key stakeholder representatives supported the principle of reorganisation for the aforementioned reasons and to simplify their dealings with the council, though most said their existing relationships with the various councils are already positive.
- ^{1.16} Concerns among all groups were that smaller populations would receive less focus from services and councillors, potentially impacting the quality of service that residents receive. One Service User described difficulty obtaining a suitable home in their area through social housing and questioned whether a new council covering a large geography might mean they could in future be expected to accept housing in more distant areas.
- ^{1.17} Town and Parish Councillors were concerned that the changes would increase their existing responsibilities. This was a concern to many who said that recruitment for the role is already difficult enough. One councillor sought clarity on how budgeting for the new council(s) would be affected by the reorganisation. They suggested that organising the new budget in a way that is deemed fair and reasonable would be difficult and that the new council would need to ensure transparency around the issue to maintain local trust.

Key themes: number of unitary authorities

Quantitative feedback

- ^{1.18} Over seven-in-ten individuals responding to the questionnaire (73%) agreed with the proposal for two unitary councils to run local government across Warwickshire, while just over a fifth (22%) disagreed.
- ^{1.19} Agreement was somewhat higher in the two districts comprising the proposed South Warwickshire unitary council (79% in Stratford-on-Avon and 76% in Warwick) compared to those areas making up the proposed North Warwickshire council (66% in North Warwickshire, 63% in Nuneaton and Bedworth, 35% in Rugby²).
- ^{1.20} Having two councils (e.g. covering north and south), many respondents suggested, would better reflect differences between areas. Some respondents who had concerns about unitarization and reducing councils in general, felt that having two might be preferable to one and help mitigate some of their concerns. Specific concerns expressed about a single unitary council were that it would be too large and remote, lack accountability and not treat all areas equitably.
- ^{1.21} However, other respondents expressed support for a single unitary council, feeling this would minimise duplication and help to achieve greater economies of scale. Some respondents also expressed concern about the potential impacts of disaggregating county-wide services such as social care and education in the event of two councils being created.
- ^{1.22} Occasionally, respondents also advocated for a larger number of unitary councils e.g. three.

² Although note that this result is based on a low number of responses (31) from Rugby.

Deliberative feedback

- ^{1.23} Most participants in all groups preferred to have two unitary authorities, agreeing that it would better cater to the different needs of areas across Warwickshire and ensure that the more local focus from services is retained, improving service quality. One resident argued that having two authorities would give Warwickshire more 'bargaining power' within a strategic authority also.
- ^{1.24} Those who preferred to have one authority said it would provide better cost savings and efficiencies; more consistent service delivery; and create a bigger 'pot' of funds to focus on areas with the highest needs. Business representatives added that having one authority could ensure that strategic planning was more consistent.

Key themes: North/South

Quantitative feedback

- ^{1.25} Overall, around three quarters (74%) of questionnaire respondents agreed with the areas to be covered by the proposed unitary councils, while just under a fifth (18%) disagreed.
- ^{1.26} Again, agreement appeared to be higher in the districts making up the proposed South Warwickshire unitary (80% in Stratford-on-Avon and 79% in Warwick) compared to those making up the proposed North Warwickshire unitary (64% in Nuneaton and Bedworth and 61% in North Warwickshire, and only 23% in Rugby³).
- ^{1.27} Among respondents who provided further feedback, there was a widespread sense that the North and South of the county do have distinctive characteristics e.g. social, economic and political, which were felt by many to strengthen the case for having two unitary councils.
- ^{1.28} Nonetheless, there were some reservations, including concerns that the proposal risks creating an 'affluent council (i.e. in the south) and a 'poor' council (i.e. in the north) which might risk exacerbating inequalities. There was also some feedback that all (or, alternatively, parts) of Rugby might belong better in the proposed South Warwickshire unitary. A few suggested more radical configurations involving neighbouring areas outside Warwickshire.
- ^{1.29} A few had specific concerns about the creation of a South Warwickshire unitary council, noting strong urban and rural differences, and citing unsuccessful attempts to combine the two councils in the past.

Deliberative feedback

- ^{1.30} Participants across all groups voiced their support for the North/South model to varying degrees. Numerous residents said they would feel more comfortable being represented by a council with the population sizes suggested under the model, rather than under one council with the entire combined population of Warwickshire. Linked with this, North Warwickshire residents felt that the North/South model would best preserve focus on their local areas, benefiting the services they receive.

³ Although again note that this is based on a low number of responses from Rugby.

- 1.31 Town and Parish Councillors questioned whether service delivery and quality would vary between North and South if Warwickshire if the North/South model were implemented, and what controls will be in place to ensure service delivery is high quality across both authorities.

Key themes: additional feedback

Quantitative feedback

- 1.32 The remaining open-ended feedback from questionnaire respondents covered a range of topics. Various concerns were expressed around accessibility, with respondents noting that access can already be challenging for some residents (e.g. those in rural areas, some older people, those with low incomes) and therefore any further reductions in council sites may have a disproportionately negative impact.
- 1.33 A few respondents expressed strong concerns about possible impacts on the most vulnerable if services such as social care, safeguarding services and SEND (special educational needs) provision were disrupted.
- 1.34 Other concerns were expressed around: impacts on partnership working (e.g. with the Police and Fire and Resue Service), workforce issues associated with reorganisation (e.g. redundancies), and on council tax levels and the equalisation process.
- 1.35 Other feedback concerned local decision-making e.g. whether town and parish councils might take on an enhanced role, or some new bodies (e.g. area committees) might be created.
- 1.36 In terms of service delivery across a wider area, a small number of respondents queried whether two new unitary councils might be able to share some services, or going further, whether some services (e.g. social care and SEND) might be commissioned over a larger area in future, and shared by multiple councils across the region.
- 1.37 There were also some queries about how the proposal would fit into wider devolution e.g. how it might impact new or existing strategic authorities, and which strategic authorities the new councils might be part of.

Deliberative feedback

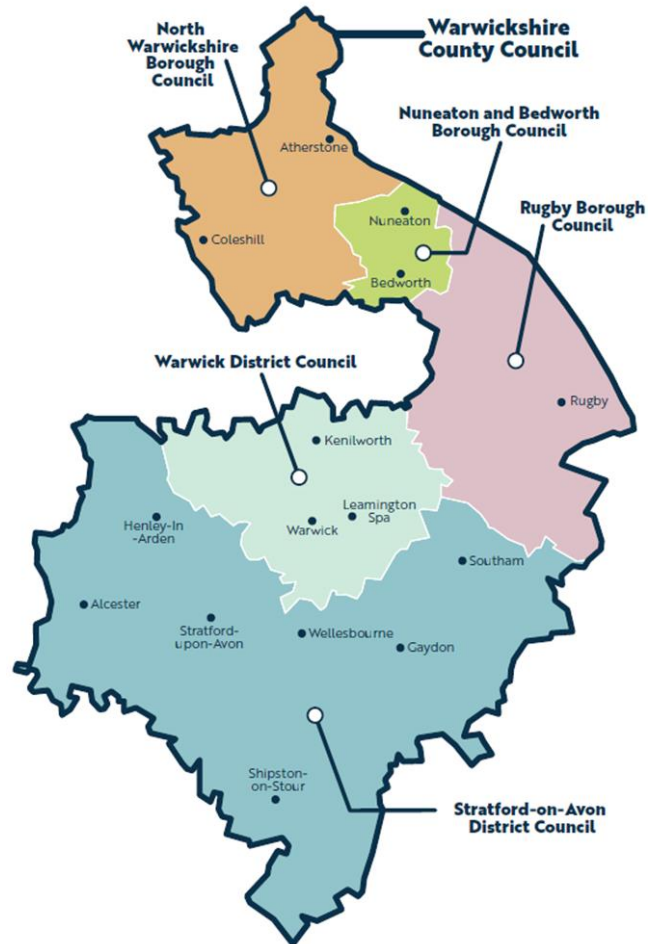
- 1.38 A few residents and Service Users voiced some frustration, and felt that more detail is needed for them to understand the impact of the reduction in councillors; the impacts of disaggregation; and the impacts on council tax. One resident felt that a decision on how the new council(s) would be formed had already been made, whilst another suggested the motivation for the changes was to increase council tax revenue. Concerns around council tax were also briefly raised during one of the Town and Parish council workshops.
- 1.39 Many participants in the Town and Parish Councillors' group wanted more detail on the potential plans for Warwickshire's place within a strategic authority, but praised the councils for their communication to date regarding the changes. Key stakeholders stressed that they would work closely with any new authorities to deliver the best outcomes for all areas, regardless of local government structures.

2. Introduction

Overview of the engagement

Local government in Warwickshire

- 2.1 In addition to many local parish and town councils, there are currently six councils providing services across Warwickshire: five district and borough councils, and Warwickshire County Council. These councils are responsible for a range of local services from housing, planning, and social care for children and adults; to collecting waste and recycling, maintaining roads, and running libraries.
- 2.2 The councils in Warwickshire are currently arranged in a two-tier structure with some services provided by Warwickshire County Council and some provided by the five district and borough councils (North Warwickshire Borough Council, Nuneaton and Bedworth District Council, Rugby Borough Council, Warwick District Council, and Stratford-on-Avon District Council). The councils cover an overall population of 632,207.
- 2.3 Each of the six councils is independent, has its own political leadership and senior management team, and sets its own share of the council tax bill. Together, they currently have 257 councillors.



Devolution and reorganisation

- 2.4 The government's devolution agenda is about giving more powers and funding to regions. In December 2024, it published the Devolution White Paper⁴, in which it stated that all remaining two-tier areas in England should be restructured into single-tier unitary authorities to make local government more streamlined and sustainable. The government invited the six councils across Warwickshire to work on a proposal to achieve this.
- 2.5 At the same time, the government also wants to create a network of Strategic Authorities, which would comprise two or more unitary authorities and be run by an elected mayor. These Authorities would be empowered to make decisions on strategic issues that cross unitary authority boundaries, such as transport, housing and economic growth, ensuring a more co-ordinated and long-term approach. Strategic Authorities would also receive funding direct from government for large scale schemes and projects.

⁴ Available at www.gov.uk/government/publications/english-devolution-white-paper-power-and-partnership-foundations-for-growth/english-devolution-white-paper

- 2.6 As a result of this, North Warwickshire Borough Council, Nuneaton and Bedworth District Council, Warwick District Council, and Stratford-on-Avon District Council (henceforth 'the councils') engaged with thousands of residents, businesses and stakeholders, and collaborated on an interim plan that would abolish the existing councils and create the 'North/South' model. This model would see the creation of two unitary authorities:
- » **North Warwickshire**, covering the areas currently served by North Warwickshire Borough Council, Nuneaton and Bedworth District Council and Rugby Borough Council.
 - » **South Warwickshire**, covering the areas currently served by Warwick District Council and Stratford-on-Avon District Council.
- 2.7 At the same time, different proposals for this area are separately being put forward by Warwickshire County Council⁵ and Rugby Borough Council had not decided on a preferred option at the time of this study. The eventual make-up of unitary authorities in the area will be the decision of the government.
- 2.8 Prior to finalising and submitting their full proposal to government in November 2025, the councils have undertaken the comprehensive public engagement exercise reported here to gather more data and evidence; and help ensure that the right decision is made for everyone in Warwickshire.

The commission

- 2.9 Opinion Research Services (ORS) is a spin-out company from Swansea University with a UK-wide reputation for social research, particularly major statutory consultations (including on local government reorganisations in Buckinghamshire, Dorset, Northamptonshire, Nottinghamshire and Oxfordshire) and engagement processes. ORS was appointed by the councils to advise on and independently manage and report important aspects of the comprehensive public engagement programme.
- 2.10 The formal engagement period was launched on 7th August 2025 and ended on 14th September 2025. During this period, residents and stakeholders were invited to provide feedback through a wide range of routes, including all the following:
- » An engagement questionnaire: the questionnaire was available online and paper questionnaires were available on request
 - » Six in-depth telephone interviews with the key strategic stakeholders
 - » Four focus groups with members of the public (one in each of the Warwickshire districts and boroughs, except Rugby)
 - » Five workshops and forums with external stakeholders: local business representatives, vulnerable service users, Town and Parish Councils x2, and Voluntary and Community Sector representatives

Open engagement questionnaire

- 2.11 The primary form of quantitative engagement was the open engagement questionnaire, which was available for anyone to complete - reached via a dedicated website (<https://shapingourcouncils.co.uk>) promoted via the councils' individual website, or by completing a paper version. The questionnaire included questions about the principle of reducing the number of existing councils, the criteria that ought to be considered as

⁵ Warwickshire County Council has put forward a proposal for one unitary authority representing the whole of Warwickshire. See: [Update on Local Government Reorganisation - Warwickshire County Council](#) and [Final proposal](#)

part of any reorganisation, support or opposition to the North/South Warwickshire proposal, and alternative suggestions and further comments.

- 2.12 Open questionnaires are important forms of engagement in being inclusive and giving people an opportunity to express their views; but they are not random sample surveys of a given population - so they cannot normally be expected to be representative of the general balance of opinion. For example, younger age groups are usually under-represented while older age groups tend to be over-represented; and more motivated groups or areas are also typically over-represented compared with others. For example, the proportion of responses from respondents in districts in the south of Warwickshire (around 83%) was far greater than the actual proportion of the population (48%); and conversely respondents from the districts and boroughs in the north of Warwickshire (around 17% of questionnaire responses), were generally underrepresented, relative to the size of their populations (52% combined). These differences should be borne in mind when reviewing the findings.
- 2.13 In total, 2,334 responses were received, including 2,312 individual responses and 22 on behalf of organisations.

Deliberative engagement

- 2.14 The engagement meetings reported here used a 'deliberative' approach, whereby focus group/forum/workshop participants were presented with the relevant contextual information; and given the opportunity to 'deliberate' the issues in question before their considered opinions were sought. Sessions like this offer opportunities for clear presentations of the proposals and evidence; questions and clarification of any ambiguous or difficult points; and for participants to think through their responses while having an opportunity to listen to the evidence and the views of others.
- 2.15 All focus groups and forums lasted for between 1.5 and 2 hours and began with an ORS presentation to provide standardised information about: the current council set-up across Warwickshire; the need for change; and the North/South model and its implications. Participants were encouraged to ask questions throughout, and the meetings were thorough and truly deliberative in listening to and responding openly to a wide range of evidence and issues.

Focus groups with residents

- 2.16 Four online focus groups were held with 35 randomly selected residents: one in each of the Warwickshire boroughs/districts except for Rugby Borough Council. The schedule of meetings and attendance levels are shown below.

Table 1: Resident focus groups (area, time and date, and number of attendees)

Group	Time and Date	Number of Attendees
Stratford-on-Avon	Tuesday 2 nd September 2025, 6:30pm – 8:15pm	7
Warwick	Wednesday 3 rd September 2025, 6:30pm – 8:15pm	10
Nuneaton and Bedworth	Tuesday 9 th September 2025, 6:30pm – 8:15pm	8
North Warwickshire	Wednesday 11 th September 2025, 6:30pm – 8:15pm	10
TOTAL		35

- 2.17 The borough/district-based groups were recruited by Acumen Field Ltd, a specialist recruitment agency, who initially sent out a screening questionnaire to a database of contacts and, more widely, on social media

platforms, targeting the relevant areas. The list of potential contacts was then further refined to establish an initial pool of plausible recruits. The possible recruits were contacted by telephone, asked to complete a more detailed screening questionnaire, and where they matched the required quota targets and other requirements, were recruited to attend the relevant focus group. All necessary details were provided in a confirmation email, and all recruits were telephoned in the days immediately prior to the events, to confirm their attendance (with replacements sought for any late drop-outs).

- 2.18 Although, like all other forms of qualitative engagement, deliberative focus groups and forums cannot be certified as statistically representative samples of public opinion, the meetings reported here gave diverse members of the public the opportunity to participate actively. Because the meetings were inclusive, the outcomes are broadly indicative of how informed opinion would incline, if similar discussions were undertaken with the overall population.

Forums and workshops with stakeholders

- 2.19 For most of the forums and workshops, initial invitations were issued by the council, and subsequent attendance arrangements organised by ORS. However, participants at the Service User group were recruited directly by ORS based on indicating use of relevant services within the engagement questionnaire. A fifth participant for the Service Users group was unable to attend on the day, and instead took part in a 1-1 telephone interview with an ORS researcher. Therefore, although the table below shows that four people took part in the Service Users group, five service users were spoken to in total.
- 2.20 The schedule of events and attendance levels can be seen in the table below.

Table 2: Stakeholder focus groups (area, time and date, and number of attendees)

Group	Time and Date	Number of Attendees
Voluntary and Community Sector	Wednesday 3 rd September 2025, 10am – 12pm	5
Town and Parish Council Forum (1)	Thursday 4 th September 2025, 4pm – 6pm	13
Business representatives	Wednesday 10 th September 2025, 9:30am – 11am	3
Town and Parish Council Forum (2)	Thursday 11 th September 2025, 4pm – 6pm	14
Service Users	Thursday 11 th September 2025, 6:30pm – 8:15pm	4
TOTAL		39

- 2.21 Attendance levels were reasonable, and the well-informed parish and town council representatives took a very active interest in the issues and asked many questions. In fact, most of them were familiar with the general local government reorganisation debate and had formed opinions on the issues before attending the workshops.

Nature of engagement

Proportional and fair

- 2.22 The key good practice requirements for proper engagement programmes (as with formal engagement programmes) are that they should:
- » Be conducted at a formative stage, before decisions are taken

- » Allow sufficient time for people to participate and respond
- » Provide the public and stakeholders with enough background information to allow them to consider the issues and any proposals intelligently and critically
- » Be properly taken into consideration before decisions are finally taken.

2.23 As a well-established and specialist social research practice with wide-ranging experience of controversial statutory consultations and engagement processes across the UK, ORS is able to certify that the process undertaken by the councils meets these standards. Overall, ORS has no doubt that the engagement programme has been conscientious, competent and comprehensive in eliciting opinions. It was open, accessible and fair to all stakeholders across Warwickshire; and it conforms with 'best practice' in both its scale and the balance of elements and methods used. The engagement was also proportional to the importance of the issues.

Nature of engagement

- 2.24 Accountability means that public authorities should give an account of their plans and take into account public views: they should conduct fair and accessible engagement while reporting the outcomes openly and considering them fully.
- 2.25 This does not mean that the majority views should automatically decide public policy; and the popularity or unpopularity of draft proposals should not displace professional and political judgement about what is the right or best decision in the circumstances. The levels of, and reasons for, public support or opposition are very important, but as considerations to be taken into account, not as factors that necessarily determine authorities' decisions. Above all, public bodies have to consider the relevance and cogency of the arguments put forward during public engagement processes, not just count heads.
- 2.26 For the public bodies considering the outcomes of public engagement, the key question is not "*Which proposal has most support?*" but "*Are the reasons for the popularity or unpopularity of the proposals cogent?*" In this context, it was essential that this important engagement programme should include both 'open' and deliberative elements to allow many people to take part via the open questionnaire and residents' survey while promoting informed engagement via the deliberative focus groups and forums, and the in-depth interviews.

The report

- 2.27 This report reviews the sentiments and judgements of respondents and participants on the councils' North/South model and on the local government reorganisation generally. Verbatim quotations are used, in indented italics, not because we agree or disagree with them - but for their vividness in capturing recurrent points of view. ORS does not endorse any opinions, but seeks only to portray them accurately and clearly. The report is an interpretative summary of the issues raised by participants.
- 2.28 ORS is clear that its role is to analyse and explain the opinions and arguments of the many different interests participating in the engagement, but not to 'make a case' for any option or variant. In this report, we seek to profile the opinions and arguments of those who have responded to the engagement, but not to make any recommendations as to how the reported results should be used.

3. Engagement Questionnaire

The open engagement questionnaire

- 3.1 The four Warwickshire councils (i.e. North Warwickshire, Nuneaton and Bedworth, Stratford-on-Avon and Warwick) developed an engagement document outlining the background to the proposed changes, along with details of the councils' proposals for two new unitary authorities covering North and South Warwickshire. To obtain feedback around the various issues outlined in this document, an engagement questionnaire was then designed by ORS in conjunction with the councils.
- 3.2 The questionnaire included questions intended to examine views on the case for change, unitary councils in principle, and the criteria that ought to be considered as part of any reorganisation. It also asked respondents' views about the potential introduction of two new unitary councils (i.e. the proposed North Warwickshire and South Warwickshire) and the areas that would be covered by each of these. Additional sections allowed respondents to make further comments or any alternative suggestions, and captured information about the type of response being submitted and respondents' demographics.
- 3.3 The engagement document and questionnaire were available throughout the entire engagement period, from 7th August until 14th September 2025. The councils produced a dedicated website (www.shapingourcouncils.co.uk) to host information about the proposals and to link to the online version of the questionnaire. Paper versions were also provided to the councils to distribute to those who might be unable to fill in the questionnaire online.
- 3.4 The engagement questionnaire could be completed by individuals and on behalf of organisations. In total, 2,334 responses were received, including 2,312 individual responses and 22 on behalf of organisations.

Duplicate and co-ordinated responses

- 3.5 It is important that engagement questionnaires are open and accessible to all, while being alert to the possibility of multiple completions (by the same people) distorting the analysis. Therefore, while making it easy to complete the survey online, ORS monitors the IP addresses through which surveys are completed. A similar analysis of "cookies" was also undertaken – where responses originated from users on the same computer using the same browser and the same credentials (e.g. user account). None were considered to be identical responses attempting to skew the results. A small number of partially complete responses were duplicates of other fully completed responses, and therefore after careful study of these, 19 partial responses were excluded (where it was clear that respondents had subsequently returned to the questionnaire to submit a full response, which superseded the initial partial response). Similarly, no paper copies of questionnaires returned to ORS were considered to be duplicated responses.

Respondent profile

- 3.6 Table 1 provides a breakdown of the respondent profile from the 2,312 individuals who responded either online or by post to the open engagement questionnaire. Where available, figures for the overall population of Warwickshire are also provided for comparison. These are based on ONS Census 2021 data and are used as a comparator to give some general indication of how well the response profile of the questionnaire matches the wider population. An asterisk has been used to denote percentages greater than zero, but less than half of one percent.

Table 2: Socio-demographic characteristics for the open questionnaire and population of Warwickshire aged 18+ (Note: Percentages may not sum due to rounding)

Characteristic		All responses		Population aged 18+
		Number of Responses	% of Valid Responses	
BY AGE	Under 25	19	1	9
	25 to 34	123	6	16
	35 to 44	238	12	16
	45 to 54	327	17	17
	55 to 64	478	25	16
	65 to 74	455	24	13
	75 and over ⁶	265	14	12
	Total valid responses	1,905	100	100
	<i>Not known</i>	407	-	-
BY GENDER	Male	941	50	51
	Female	940	50	49
	Prefer to self-describe	10	1	-
	Total valid responses	1,891	100	100
	<i>Not known</i>	421	-	-
BY ETHNIC GROUP	White	1,765	96	90
	Mixed or multiple ethnic groups	20	1	1
	Asian or Asian British	35	2	6
	Black, African, Caribbean or Black British	5	*	1
	Any other ethnic group	8	*	1
	Total valid responses	1,833	100	100
	<i>Not known</i>	479	-	-
BY DISABILITY	Has a disability	211	11	19
	No disability	1,658	89	81
	Total valid responses	1,869	100	100
	<i>Not known</i>	443	-	-

Table 3: Breakdown of individual responses to the open questionnaire by whether respondents identified as councillors or employees of a local authority in Warwickshire or a neighbouring area (Note: Percentages may not sum due to rounding)

Characteristic		All Responses	
		Number of Responses	% of Valid Responses
BY COUNCILLOR	County/District/Town/Parish councillor	81	4
	Not a councillor	1,856	96
	Total valid responses	1,937	100
	<i>Not known</i>	375	-
BY LOCAL AUTHORITY EMPLOYEE	Employed by a local authority in Warks or neighbouring area	184	10
	Not employed by a local authority in Warks or neighbouring area	1663	90
	Total valid responses	1,847	100
	<i>Not known</i>	465	-

⁶ This includes 245 individuals aged 75 to 84 and 20 individuals aged 85 and over

- 3.7 Of the 81 councillors responding to the engagement, 5 were county councillors, 19 were district or borough councillors, and 68 were town/parish councillors⁷.
- 3.8 Of the 184 local authority employees who responded, most (109) were employees of the district or borough councils in Warwickshire, although 32 were County Council employees and 38 worked for other organisations.

Geographical spread of respondents

- 3.9 Table 3 below provides a breakdown of individual responses to the questionnaire by district/borough, where known (i.e. where a postcode was provided). Figures for the adult population (aged 18+) of Warwickshire are also outlined for comparison, based on ONS Census 2021 data.
- 3.10 As can be seen in the table above, more than three-fifths (62%) of responses from within Warwickshire were submitted by respondents from Stratford-on-Avon, despite its actual population comprising only a quarter (25%) of the overall Warwickshire total. The proportion of responses originating from Warwick district (21%) was broadly in line with the population figure (23%).
- 3.11 Respondents from the districts and boroughs making up the proposed North Warwickshire unitary council, on the other hand, were generally underrepresented in the questionnaire response, relative to the size of their populations. Collectively, North Warwickshire, Nuneaton and Bedworth, and Rugby make up just over half of Warwickshire's overall population; however, only around 17% of the questionnaire responses originated from these areas.
- 3.12 Nuneaton and Bedworth (8% of questionnaire responses) and Rugby (2% of responses) were particularly underrepresented relative to the sizes of their populations (22% and 19% respectively), although it is worth noting that Rugby council did not promote the engagement as they had not decided a formal position on local government reorganisation.

Table 4: Breakdown of individual responses to the open questionnaire by local authority area and comparison to the population of Warwickshire aged 18+ (Note: Percentages may not sum due to rounding)

Characteristic		All Responses		Population aged 18+
		Number of Responses	% of Valid Responses	
BY LOCAL AUTHORITY	North Warwickshire	161	8	11
	Nuneaton and Bedworth	135	7	22
	Rugby	32	2	19
	Warwick	395	21	23
	Stratford-on-Avon	1,174	62	25
	Total Warks responses	1,897	100	100
	<i>Other</i>	<i>19</i>	<i>-</i>	<i>-</i>
	<i>Not known</i>	<i>396</i>	<i>-</i>	<i>-</i>

- 3.13 Table 4 below presents a breakdown of questionnaire responses by whether respondents live rural or urban areas and also by IMD quintile. These are compared to the population using relevant secondary data (Census 2021 for urban and rural, and 2020 Mid-Year Population Estimates for IMD).

⁷ A small number indicated they were more than one type of councillor; hence the sum of these numbers is greater than 81.

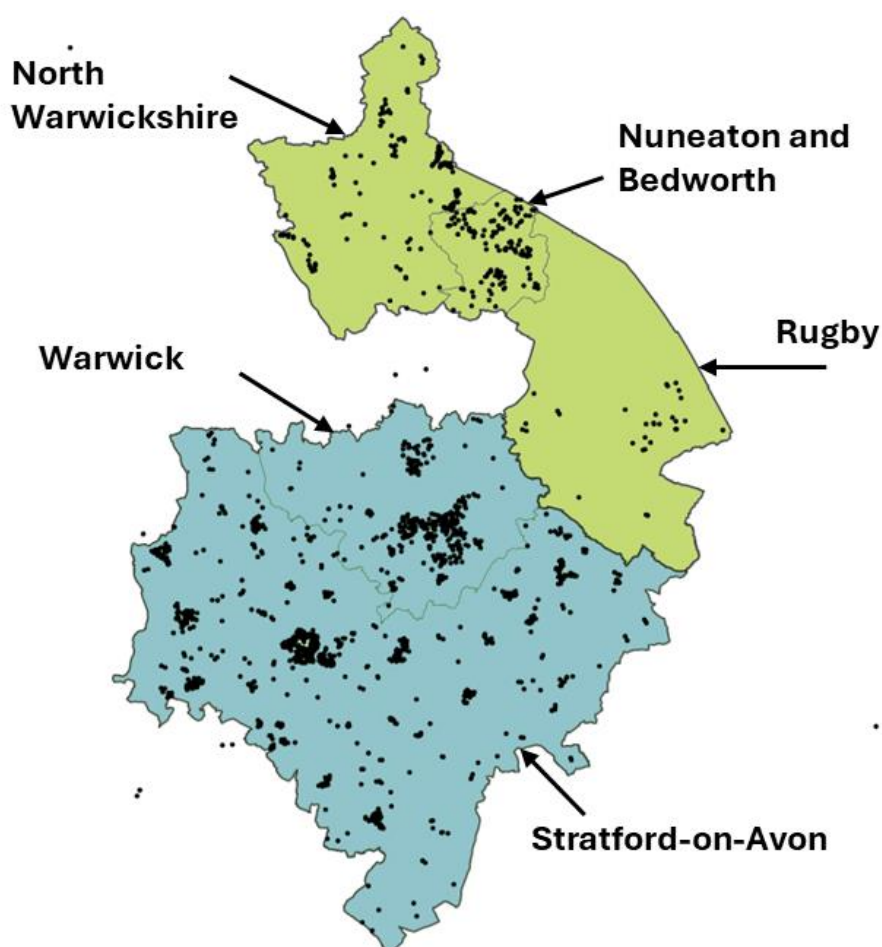
Table 5: Breakdown of individual responses to the open questionnaire by urban or rural and IMD quintile (calculated using Indices of Multiple Deprivation) for those providing postcodes in Warwickshire (NB: Percentages may not sum due to rounding)

Characteristic		All Responses		Population 18+
		Number of Responses	% of Valid Responses	
BY URBAN OR RURAL (IN WARKS)	Urban	945	50	69
	Rural	952	50	31
	Total valid responses	1,897	100	100
	<i>Outside Warks</i>	19	-	-
	<i>Not known</i>	396	-	-
IMD quintile (IN WARKS)	1 – most deprived	304	16	18
	2	386	20	21
	3	367	19	22
	4	391	21	20
	5 – least deprived	449	24	19
	Total valid responses	1,897	100	100
	<i>Outside Warks</i>	19	-	-
	<i>Not known</i>	396	-	-

3.14 Figure 1 below shows the number of responses that were received for the open engagement questionnaire (based on respondents who provided their postcode).

Figure 1: Map showing distribution of responses (for questionnaire responses where a postcode was provided)

The area shaded in green indicates the areas included in the councils' proposed North Warwickshire unitary area, while the areas shaded in blue are included in the proposed South Warwickshire unitary area.



- 3.15 An additional question provided a list of council services and asked respondents to indicate which of these they or their household had used in the previous twelve months. Table 6 below provides a summary of these responses.

Table 6: Summary of services used by individuals responding to the engagement questionnaire

	All Responses	
	Number of Responses	% of Valid Responses
Leisure and recreation (e.g. libraries, parks, open spaces, leisure centres)	1,560	83
Environmental (e.g. recycling centres, environmental protection, pest control)	1,560	83
Road, transport, and infrastructure (e.g. reporting repairs, public toilets, car parks)	1,053	56
Regulatory functions (e.g. trading standards, council tax and benefits enquiries, using the Registrar)	418	22
Planning and building (e.g. planning applications, building control/safety)	405	22
Education (e.g. school admissions/transport, special educational needs)	377	20
Social care and support (e.g. adult social care, children's social services, support for the vulnerable)	182	10
Public health (e.g. drug/alcohol dependency support, sexual health services, health programmes)	148	8
Housing (e.g. homelessness prevention, affordable/council housing, waiting lists, repairs, etc)	116	6
Total respondent count	1,871	100
<i>Not answered</i>	<i>441</i>	<i>-</i>

Interpretation of the data

- 3.16 The results for the open engagement questionnaire are presented in a largely graphical format. The pie charts and other graphics show the proportions (percentages) of respondents making responses. Where possible, the colours of the charts have been standardised with a 'traffic light' system in which:
- » green shades represent positive responses
 - » yellow shades represent neutral responses
 - » red shades represent negative responses
 - » bolder shades highlight responses at the 'extremes', for example, strongly agree or strongly disagree
- 3.17 Where percentages do not sum to 100, this may be due to computer rounding, the exclusion of "don't know" categories, or multiple answers. Throughout the report an asterisk (*) denotes any value less than half of one per cent. In some cases figures of 2% or below have been excluded from graphs to avoid potential identification of individual responses.
- 3.18 Individual percentages, such as those for 'strongly agree/disagree' or 'tend to agree/disagree', and grouped percentages showing overall levels of agreement and disagreement are presented here rounded to the nearest whole number. Because of this, the sum of the rounded individual percentages may not equal the percentage shown for overall agreement and disagreement.
- 3.19 The number of valid responses recorded for each question (base size) are reported throughout. As not all respondents answered every question, the valid responses vary between questions. Every response to every question has been taken into consideration.

Main Findings

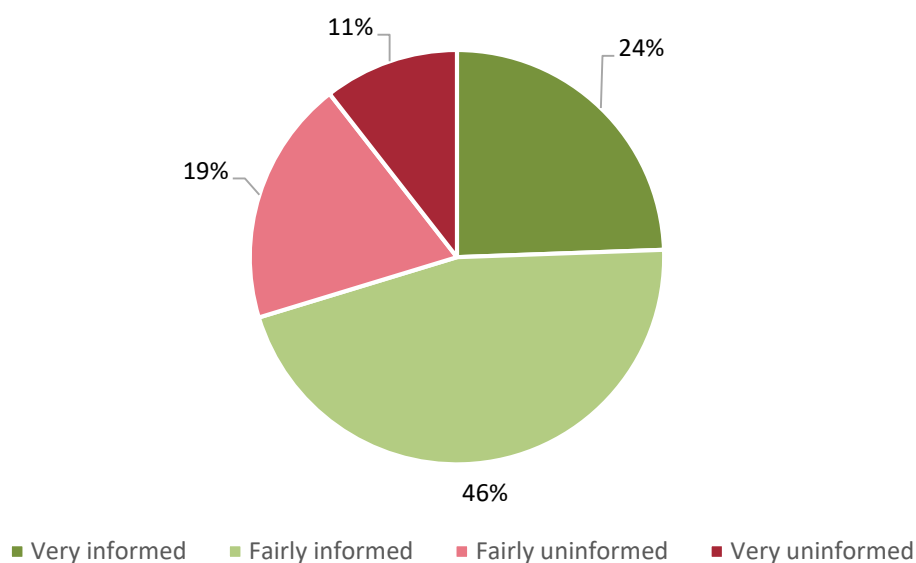
Awareness of current council services and views on making efficiencies

- 3.20 The questionnaire provided a brief explanation of the structure of local government that currently operates in Warwickshire, followed by an explanation of how UK government wishes to reduce the number of councils nationally by creating a smaller number of unitary councils, intended to make local government more streamlined and sustainable.
- 3.21 This preamble was followed by two questions: one aimed at understanding the extent to which respondents feel informed about the existing structure, and another aimed at understanding the extent to which they agree or disagree with the principle that councils should pursue opportunities to streamline and make efficiencies.

How informed or uninformed do you feel about which services are provided by your borough/district council and which are provided by the county council?

- 3.22 Overall, seven-in-ten individual questionnaire respondents (70%) indicated that they feel very or fairly informed about the services provided by councils in their area. The remaining three-in-ten (30%) indicated that they feel either fairly or very uninformed (see Figure 2).

Figure 2: How informed or uninformed do you feel about which services are provided by your borough/district council and which are provided by the county council?



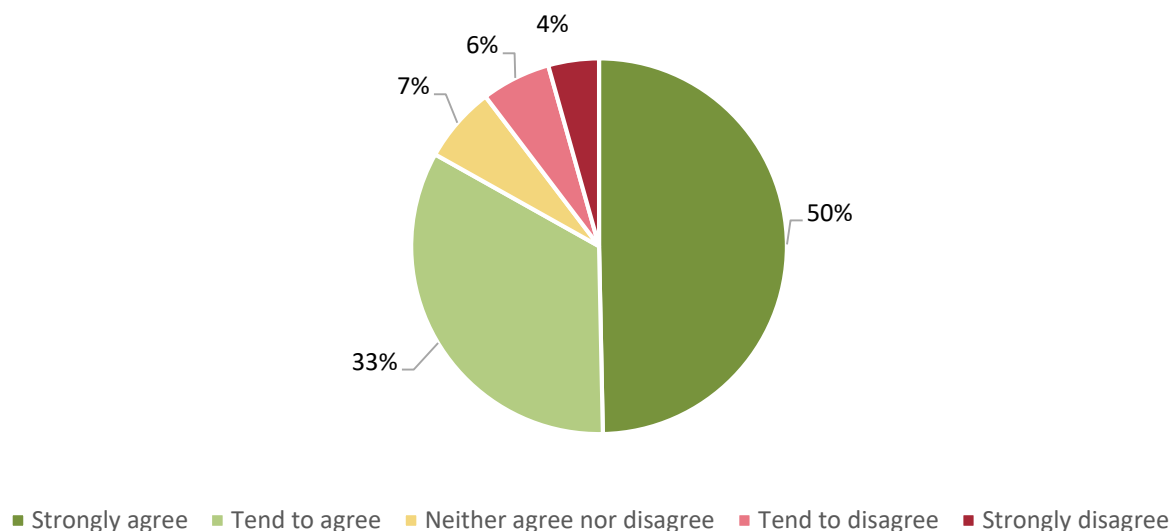
Base: All individual respondents (2,296)

Views on making efficiencies

To what extent do you agree or disagree that the councils should pursue opportunities to streamline services and make efficiencies, while maintaining good services?

- 3.23 Over four fifths (83%) of respondents agreed with the principle that the councils should pursue opportunities to streamline: half (50%) strongly agreed, with a further third (33%) tending to agree (see Figure 3).
- 3.24 Only a tenth (10%) of respondents disagreed (i.e. tended to disagree or strongly disagreed).

Figure 3: To what extent do you agree or disagree that the councils should pursue opportunities to streamline services and make efficiencies, while maintaining good services? OVERALL (individual respondents only)



Base: All individuals (2,293)

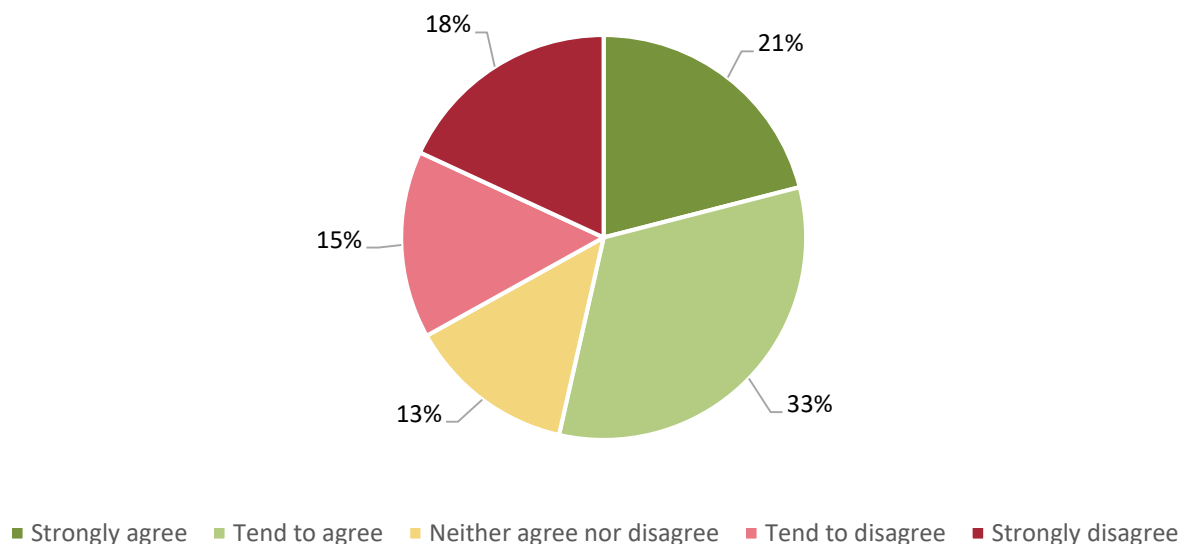
Views on reducing the number of councils

- 3.25 The questionnaire included a brief explanation of how the councils have collaborated on a plan to create a smaller number of new unitary councils. Respondents were then asked about the extent to which they agreed or disagreed with the councils doing this, in line with the Government's requirements.

To what extent do you agree or disagree with the government's requirement to replace the current two-tier system with a smaller number of unitary councils to run local government across the whole of Warwickshire?

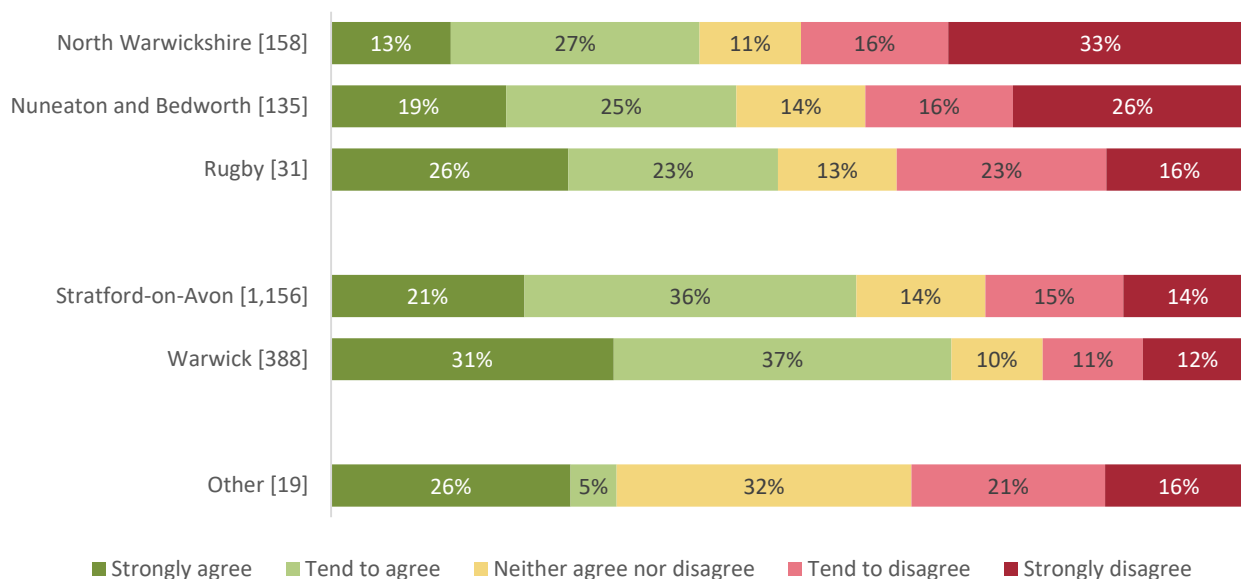
- 3.26 Just over half (54%) of respondents overall agreed, in principle, with the Government's requirement to replace the current system with a smaller number of unitary councils. A third of respondents (33%), however, disagreed (see Figure 4).

Figure 4: To what extent do you agree or disagree with the government's requirement to replace the current two-tier system with a smaller number of unitary councils to run local government across the whole of Warwickshire?



Base: All Individuals (2,271)

- 3.27 Figure 5 below summarises differences in views by respondents' district/borough (based on postcode where this was provided).
- 3.28 Around two thirds of respondents (68%) in Warwick agreed with the principle of introducing a smaller number of unitary councils, as did over half (57%) in Stratford-on-Avon. In the remaining districts, however, under half of respondents agreed: 48% in Rugby, 44% in Nuneaton and Bedworth, and 40% in North Warwickshire.
- 3.29 Levels of agreement were therefore somewhat higher in those districts forming the proposed South Warwickshire unitary, compared with those making up the proposed North Warwickshire unitary council.

Figure 5: Views on the principle of reducing the number of councils, by local authority

Base: Number of respondents shown in brackets

^{3.30} It is also worth noting the views of those who indicated that they were responding as a local authority employee. The numbers who responded were limited; nonetheless it is possible to observe a clear difference in views between those who indicated they are employed by the County Council (63% agreeing with the principle of reducing the number of councils) and those employed by the Districts or Borough Councils (35% agreeing).

Views on the criteria that should inform decision-making

3.31 The questionnaire outlined five different factors that the councils must consider when thinking about the future arrangements for local government in the area. To help the councils achieve the right balance between these different criteria, respondents were invited to give each a score out of 10, where “10” indicates that it is of critical importance and “0” indicates that it is of no importance. The five criteria, along with their definitions, are outlined below:

- » **Accountability:** democratic decision making that can be locally influenced and ensuring residents know how to raise issues to their local councillor and how to have a say on future service delivery
- » **Quality:** frontline services that are sustainable, cost-effective and equipped to deliver good local services in the long-term
- » **Local Identity:** boundaries that reflects how residents live their lives and how businesses operate
- » **Access:** keeping services as local as possible for as many residents as possible
- » **Value For Money:** cutting out duplication, increasing economies of scale and improving efficiencies

Please rate how important you think each of these criteria are using a whole number between 0 and 10, where “10” means that the criteria is critically important and “0” means the criteria is of no importance.

3.32 The average scores given to each of the criteria were calculated and are displayed in Figure 6 below.

3.33 As can be seen, all five criteria attracted a high average score; however, on average, a little more importance was attached to quality and accountability (both scoring 9.3), and a little less to local identity (scoring 8.3).

Figure 6: average scores attached to the five criteria that councils must consider when thinking about future arrangements for local government, based on a 0 to 10 scale where 10 indicates highest importance



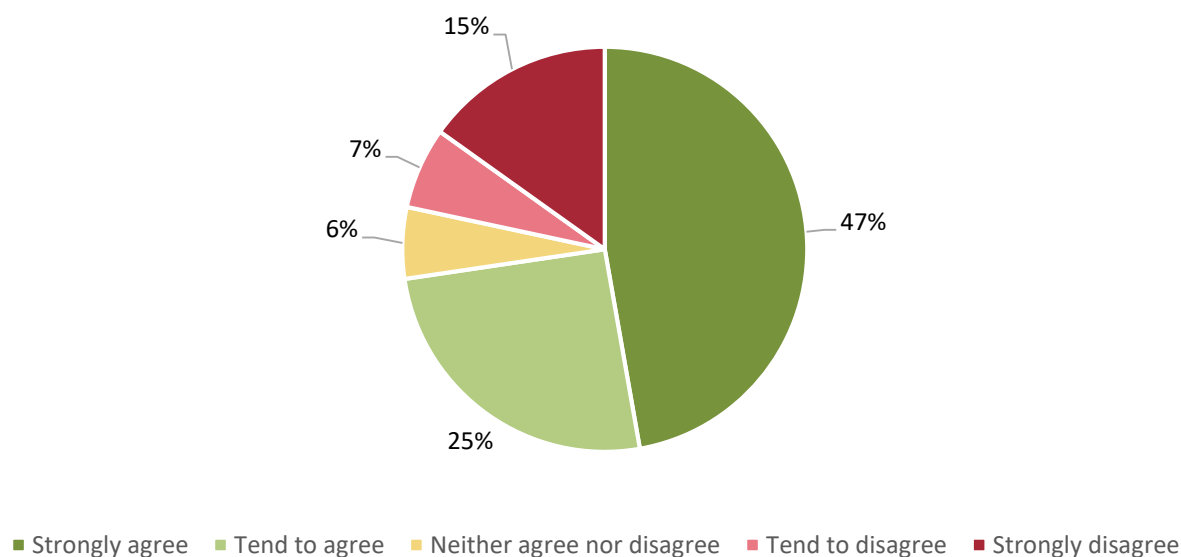
Views on the proposal for two unitary councils

- 3.34 It was explained that the councils considered options for either a single unitary covering the whole of Warwickshire, or for two unitary councils covering the north and south. It was explained that the two unitary option was preferred, with a brief outline of the main reasons for this.

To what extent do you agree or disagree with the proposal for two unitary councils to run local government across Warwickshire?

- 3.35 Over seven-in-ten respondents (73%⁸) agreed with the proposal for two unitary councils to run local government across Warwickshire. Moreover, nearly half (47%) indicated that they strongly agreed. Just over a fifth of respondents (22%) disagreed (see Figure 7).

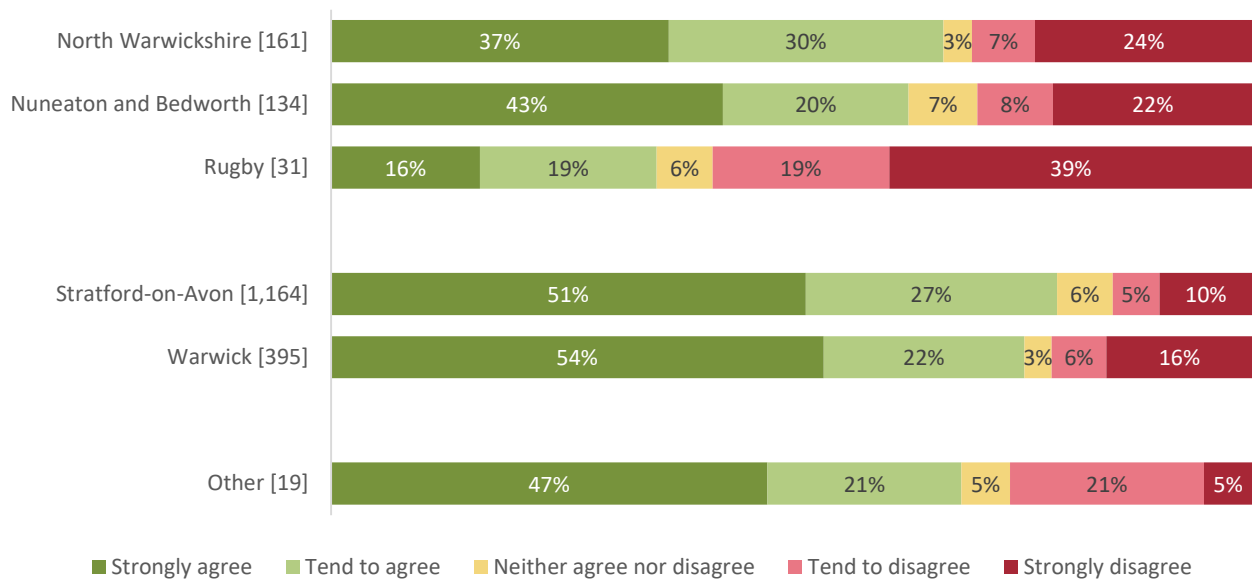
Figure 7: To what extent do you agree or disagree with the proposal for two unitary councils to run local government across Warwickshire?



Base: All Individuals (2,088)

- 3.36 As shown in Figure 8 below, agreement was somewhat higher in those districts comprising the proposed South Warwickshire unitary council. More than three quarters of respondents in Stratford-on-Avon (79%) and Warwick (76%) agreed.
- 3.37 Agreement was lower in the areas comprising the proposed North Warwickshire unitary; nonetheless, it is worth noting that more than three-in-five respondents in North Warwickshire (66%) and Nuneaton and Bedworth (63%) agreed.
- 3.38 Among the small number of respondents in Rugby, however, the level of agreement was noticeably lower (35%).

⁸ Figures presented in commentary and on chart are rounded to nearest whole number for convenience. Actual results are 47.22% strongly agree, and 25.43% tend to agree, hence overall grouped agreement is 72.65%.

Figure 8: Views on the proposal for two unitary councils, by local authority

^{3.39} Again, it is worth briefly noting the views of those who indicated that they were responding as a local authority employee. There was a clear difference in views between those who indicated they are employed by a District or Borough council (of whom, 77% agreed) and those employed by the County (47% agreed).

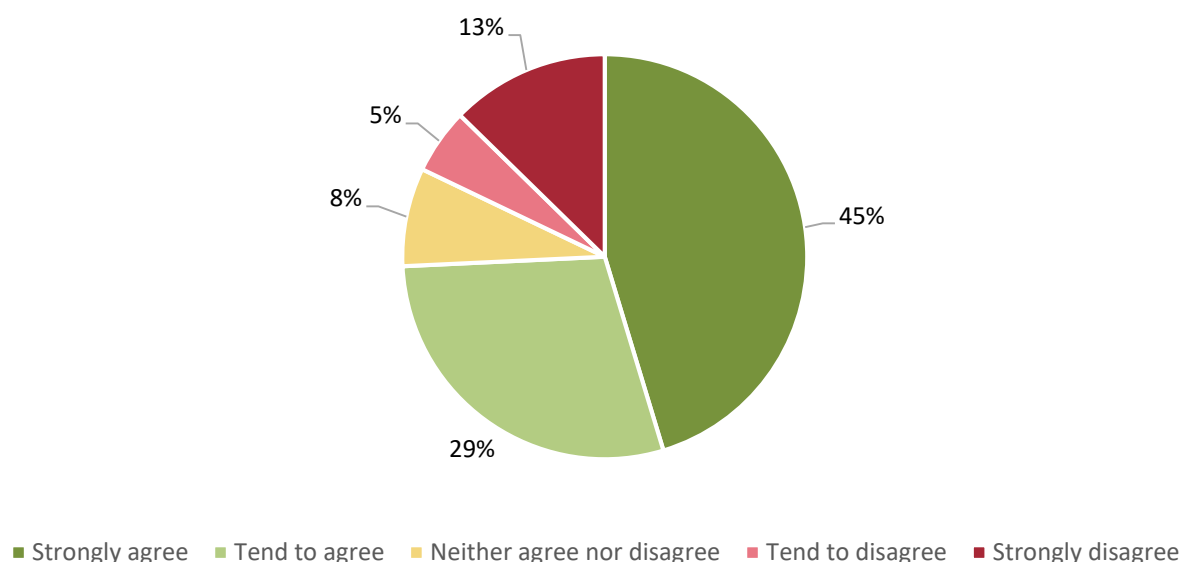
Views on the areas to be covered by each proposed new council

- 3.40 The questionnaire briefly outlined the areas to be covered by the proposed North and South Warwickshire unitary councils, before asking respondents about the extent to which they agreed or disagreed with this proposal.

To what extent do you agree or disagree with the areas covered by the proposed two unitary councils?

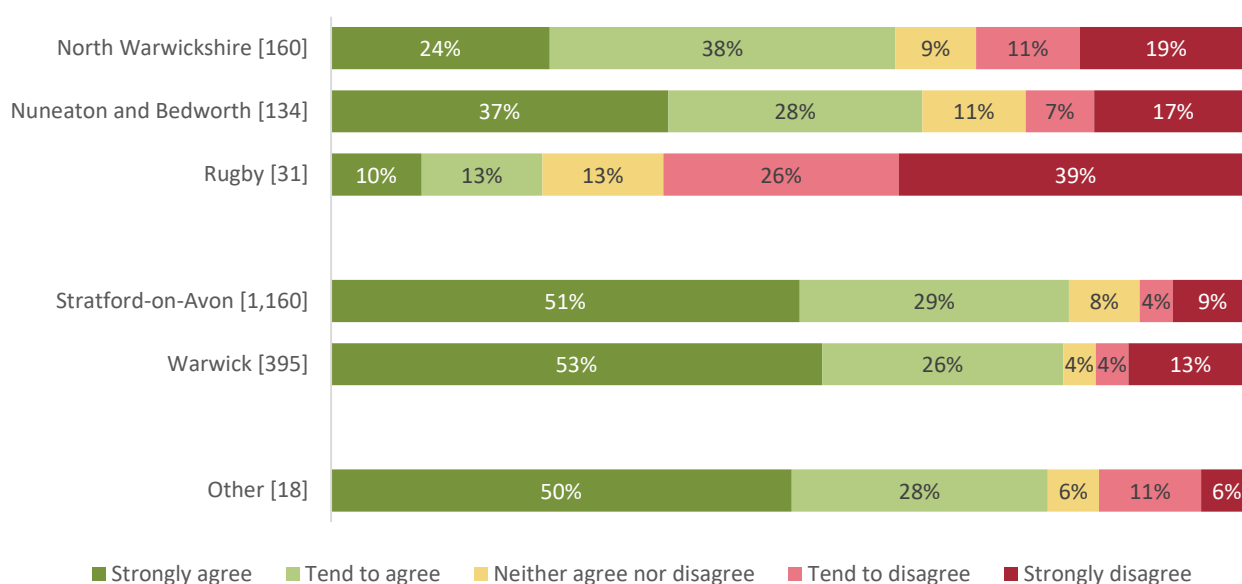
- 3.41 As shown in Figure 9, overall, around three quarters (74%) of questionnaire respondents agreed with the areas covered by the proposed unitary councils, with nearly half of all respondents (45%) strongly agreeing (see Figure 9).
- 3.42 However, just under a fifth (18%) of respondents disagreed with the areas to be covered by the proposed new councils.

Figure 9: To what extent do you agree or disagree with the areas covered by the proposed two unitary councils?



Base: All Individuals (2,078)

- 3.43 Once again, agreement appeared to be higher in the districts making up the proposed South Warwickshire unitary: around four-fifths of respondents in Stratford-on-Avon (80%) and Warwick (79%) agreed.
- 3.44 Among those areas that make up the proposed North Warwickshire unitary council: just over three-fifths of respondents in Nuneaton and Bedworth (64%) and North Warwickshire (61%) agreed with the proposed areas to be covered, while far fewer in Rugby (23%) agreed [although note that this is based on a very low number of responses].

Figure 10: Views on the areas to be covered by the proposed new councils, by local authority

Base: Number of respondents shown in brackets

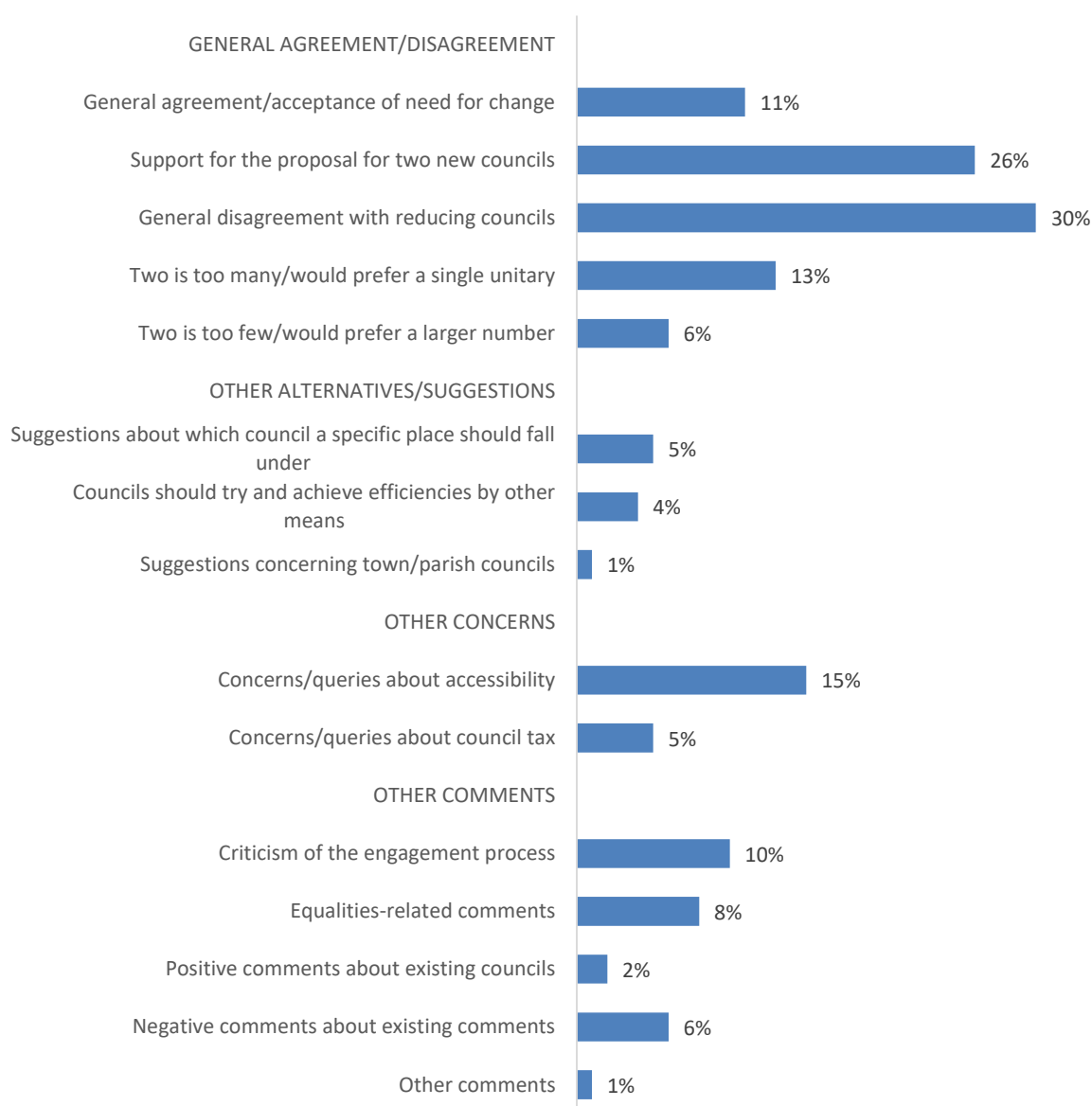
- 3.45 More than four-in-five of the District and Borough council employees agreed with the areas to be covered (83%), compared with just over half of those employed by the County (53%).

Respondents' comments

- 3.46 In addition to the structured questions, respondents were given the opportunity to share any additional views about the proposals and any alternative options that meet the government's criteria for local government reorganisation. They were also encouraged to share any potential positive or negative impacts of the proposals related to equalities or human rights that should be considered. In total, 848 individual respondents provided an additional comment.
- 3.47 All responses provided to the open-ended question have been read and then classified (coded) using a standardised approach (code frame). This approach helps ensure consistency when classifying different comments and the resulting codes represent themes that have been repeatedly mentioned in a quantifiable manner. The responses provided by a respondent to a single text question may present a number of different points or arguments, therefore in many cases the overall number of coded comments counted in a particular question may be higher than the number of people responding to that open-ended question (i.e. many respondents may have made comments about two or more different topics, so percentages will not sum to 100%).
- 3.48 Figure 11 overleaf highlights the key themes emerging from text comments, with a more detailed breakdown provided in the subsequent tables. The following themes were raised by at least a tenth of those who provided comments:
- » Disagreement/concern in general about a reduction in the number of councils (30%)
 - » Support for the proposal for two unitary councils – either agreement in general, or merely in the sense of this being preferable to a single unitary council (26%)
 - » Queries or concerns about accessibility in the event of there being fewer councils in future (15%)

- » Concern that two councils is too many or that a single unitary would be preferable (13%)
- » Agreement/acceptance in general around the need for change (11%).

Figure 11: Themes arising in text comments (individual respondents)



Base: All individuals who gave comments (848)

Agreement and disagreement with the proposals

- ^{3.49} Some respondents used the open-ended question to make comments generally expressing support for the principle of moving to unitary councils, citing (for example) opportunities to achieve efficiencies and value for money.

“A timely opportunity for change and create better value-added decision making.”

“If this leads to streamlining services, greater efficiency and removal of duplicated roles then this would be a good thing.”

"Every time I contact the council I get told 'that's not town. That's district, or county'. So I am thrilled that from now on there will be only one point of contact for my area."

- 3.50 Other respondents, on the other hand, opposed the principle of introducing a smaller number of unitary councils which, it was suggested, would be more remote and less understanding of their local areas. Some expressed a few that "bigger is not necessarily better" or that the councils "should not fix what isn't broken", while others commented positively about their experience of dealing with their local district or borough council. There were concerns that councillors would be less accessible, leading to a reduction in accountability.

"Why change what works well? Local authorities are better for the communities they serve, they understand their areas and residents, if they are to become part of a larger entity, the personal touch will be lost."

"Warwickshire's 'two-tier' system has worked well for numerous years, so why change a system that is working? Bigger institutions are often no better and not necessarily simpler or more efficient. Communication is often lost or non-existent between departments. Smaller organisations can be far more efficient and economic. The existing 'two-tier' council could be streamlined for more efficiency..."

"The district council at Stratford seems largely efficient and successful in dealing with local matters. My preference is for this to continue."

- 3.51 Those who expressed support for the proposal for two unitary councils often did so on the basis that a single unitary might be too remote or inaccessible, lack accountability, and not treat all areas equitably. While many respondents were wary of any change, some felt that having two unitary councils (i.e. as opposed to one) might mitigate some of their concerns or end up being 'the lesser of two evils'.

"A single authority for Warwickshire, whilst appearing an obvious choice, would weaken local accountability."

"Would prefer no change to current structure. However, if change has to happen then a north/south split is better than one authority covering all of Warwickshire."

"Strongly against the option for only one unitary authority. This would be too far removed from residents, too unwieldy, and not able to respond to the vastly differing needs of residents in the north and south of the county."

- 3.52 It was also suggested that having two councils would better reflect demographic and economic differences between the north and south of the county.

"I agree that north v south is a good split. People who live in Warwick making decisions for Nuneaton and Bedworth, with very different demographics and needs, makes little sense."

"The two areas proposed are significantly different in terms of culture with the north being more developed and industrial; the south is far more rural and tourist centre (edge of Cotswolds); the requirements of each area are fundamentally different."

“Warwickshire itself is a poorly constructed 'county', lacking the centre of gravity that would be provided by a dominant city: e.g. Coventry. There is little synergy between the mainly rural southern and more industrial northern districts. Therefore, the proposed 2-unitary solution will better match the needs and likely future development of the two regions.”

- 3.53 Specifically, a few commented on political differences between the north and south, which they felt had become more apparent based on the results of the May 2025 council elections.

“The proposed split is good because the voting demographics across the two proposed areas are clear in the County Council election, so by splitting them there would be two separate councils which could pursue policies which more of their residents approve of.”

“The makeup of the cabinet and portfolio holders in the current County Council show strongly why South Warwickshire needs its own unitary authority. The south of the county is unrepresented at County level in senior positions.”

- 3.54 On the other hand, several respondents indicated that two new councils might be too many. They suggested that – if the purpose of local government reform is to simplify and streamline services – then having a single unitary council would be the most rational and sustainable solution. It was also occasionally suggested that two councils might lack influence or struggle to attract investment, or that they may fail the Government’s criteria around population size.
- 3.55 A single unitary council, on the other hand, was said by these respondents to be more viable, likely to achieve better economies of scale and to be more able to support strategic decision-making across a wide area (e.g. in areas such as climate/sustainability, public transport and infrastructure).

“This will be a colossal and painful transition so if it is to be done it should be for maximum benefit which would be a single council. The savings of moving to two councils are not worth the effort and would squander an opportunity to do this properly.”

“Why pay double the number of salaries for duplicate services provided by two unitary authorities?”

“Strange that you are not even proposing the single unitary model, which would clearly be the most appropriate and effective model for Warwickshire and would maintain vital services across a county-wide footprint rather than artificially creating a split system, creating risk and extra cost for no reason.”

“Proposing North and South Warwickshire councils is self-indulgent, lacks strategic thinking and [they] will be insignificant [compared] to... larger neighbouring authorities. I also don't believe you'll meet the criteria for unitary authorities or attract funding leading to underinvestment in an area that desperately needs government attention. Working on a Warwickshire-wide basis has built-in structural advantages in terms of essential services, partner relationships and regional influence.”

- 3.56 Another concern expressed by proponents of a single unitary council was in terms of the impact on county-wide council services such as education and social care, which would need to be disaggregated in the event of a two-unitary proposal moving forward. In contrast, it was also suggested that a single unitary might

generally be better placed to promote a joined-up approach in areas such as social care, housing and planning.

“It is illogical to move to two unitary councils... it would be madness to split services like adult social care, children's social care, education, send, public transport etc - losing all economies of scale and creating twice as much management.”

“How are services which are common to both proposed new unitary authorities going to be managed i.e. library services, social care, roads/highways, streetlights? Currently these are managed by WCC, are they going to be split into two and processes duplicated for each new authority?”

“Two authorities gives very little consideration to the massive budget issues such as adult social care and education, along with legislation requiring in-area placements for children under sufficiency duty (as an example). How will any social care services be commissioned? Double the staff? How are they to work with health partners? How will joint working arrangements such as s106 and s117 be managed by two? Streamlining into one would save on staffing particularly at higher level with directors and chief execs. Merging into one would allow for joined up processes across social care and housing which can be incredibly difficult now.”

- 3.57 Reflecting on differences between areas, there were some concerns that the two-unitary proposal would divide the county on socioeconomic lines, with a risk that this might exacerbate existing inequalities and create, in the words of one respondent, “a ‘poor council’ and a more ‘affluent council’.”

“The proposed split is clearly based on economic grounds with the bulk of the services needed in the new north and the bulk of the funding coming from the south. The new split will reduce funding for the area which needs it the most and increase it for the area which needs it less.”

“I believe one unitary authority would be better to ensure that areas of deprivation are targeted and money is shared equally.”

“A North Warks council will have less revenue from council tax and business rates, with greater levels of need, impacting on service quality and exacerbating social and economic inequality.”

- 3.58 On the other hand, not all agreed with this point of view, as it was also suggested that dividing the county on north-south lines could have a positive impact e.g. in terms of safeguarding the interests of the north of the county:

“Warwickshire County Council (WCC) has been out of touch with the needs of the north of the county for years. In addition, WCC has provided poorer services in the north of the county compared with the south of the county- the money has gone south. in my view this will continue if Warwickshire becomes a single unitary authority.”

“It has to be a two unitary council system not a one unitary council, as Leamington Spa and Stratford would get all the resources.”

“As a resident in the Nuneaton and Bedworth area in north Warwickshire, I know we have been let down by the conservative county council... the north of the county in my eyes, would be better off on its own, along with Rugby.”

- 3.59 A few respondents were concerned that the areas making up the proposed southern unitary also have diverse needs and characteristics (e.g. urban and rural differences), which would not easily be reconciled under a single council. It was also stated that previous efforts to combine the councils had not come to fruition, or that the new council was likely to inherit significant debts from Warwick District Council.

“I do not think that a single council for south Warwickshire is a reasonable solution. The council will be too big, of necessity it will focus on the major population centres (Warwick, Leamington and Stratford) and ignore the needs of the rural areas.”

“Stratford-on-Avon and Warwick district councils were looking to merge two years ago but they didn't because of the level of Warwick District Council's debt against the healthy financial position of Stratford District Council...Therefore, I feel that a south Warwickshire unitary authority would be ridden with debts which would seriously burden the new south unitary authority...”

Other comments on the areas to be covered, and possible alternatives

- 3.60 In terms of Rugby, some respondents felt that it might fit better within the proposed southern Warwickshire unitary, rather than the northern one.

“Not sure about Rugby being part of "North Warwickshire" as connection [with] Nuneaton and Bedworth and North Warwickshire seems weak.”

“Residents of much of Rugby Borough identify with the south of the county rather than the north.”

- 3.61 There were also a small number of suggestions that the boundary between the proposed north and south unitary councils should be reconsidered, with the existing Rugby borough being broken up and specific localities redistributed between the two new unitary council areas.

“North-south divide should be moved further north based on the route of A45 with residents of Ryton, Stretton, Thurlaston, Dunchurch etc having a vote on whether to be in north or south.”

“Depending on what Rugby Council decide, one possible amendment could be to split existing Rugby Borough so that the parishes to the north and west of Rugby [form] part of North Warwickshire and the south of Rugby [go] into South Warwickshire. Having worked at the council I think the southern parishes are more closely aligned to Warwick than the northern ones.”

- 3.62 There were also occasional suggestions for a slightly larger number of unitary councils, such as three.

“I think there's more merit in reducing it to three councils: North, Mid and South-West, with Kenilworth, Leamington, Warwick and Southam in the middle; Nuneaton and Rugby to the north; and Stratford and villages to the south and west. Each would then be able to focus more on their specific environment.”

“Three areas aligned on urban density... 1. North Warwickshire, Nuneaton & Bedworth 2. Stratford and Rugby - featuring many smaller rural communities 3. Warwick Leamington & Kenilworth.”

- 3.63 Others suggested cross-boundary alternatives involving areas outside of Warwickshire e.g. Coventry and parts of Oxfordshire, Leicestershire, Staffordshire and Worcestershire.

“I do not believe the size of the population for the proposed north & south councils makes them viable - you would be better merging north with Coventry due to the geographical aspect and then south with Oxfordshire.”

“A more innovative approach would be to look across current county boundaries and for north Warks to look to Leicestershire. There is already a strong track record of North Warwickshire and Nuneaton and Bedworth working closely with Hinckley and Bosworth Borough Council and there is much common sense of place and use of services.”

“My belief is that North Warwickshire would be better served with a unitary which encompasses Lichfield and Tamworth in Staffordshire, and Nuneaton and Bedworth. These boroughs have a greater affinity with each other...”

“Transfer south-west Warwickshire to Worcestershire.”

Other concerns, queries and suggestions

- 3.64 Occasionally, respondents made suggestions about sharing services. Some were referring to the existing councils (i.e. suggesting the districts and boroughs might share some functions to achieve savings while maintaining the current configuration).
- 3.65 However, others suggested that the proposed two, new unitary councils might also share services. It was also suggested that current countywide functions (e.g. social care) could be commissioned over a larger area in future and used by several councils. In a couple of cases, respondents who lived on the periphery of Warwickshire noted that they might benefit from being able to use services in a neighbouring authority if agreements were put in place.

“I would agree with the two unitary councils, however budgetary considerations would need to be taken into account and shared services considered especially in terms of HR, finance and IT systems being shared so cost is not incurred for different disparate systems for both councils.”

“There should be some sharing of the services it will be harder to disaggregate, such as SEND.”

“It has always been my view that South Warwickshire is best served by a council that strikes the right balance of local and accessible vs size. Two unitaries achieves that aim. However, that doesn't mean each council should do everything on its own, there is scope for sharing the load across multiple councils. Adult social care and SEND provision can be run by one system used by multiple councils across the Midlands, Oxfordshire and Northamptonshire.”

“Encourage collaboration with neighbouring authorities and shared working arrangements to minimise the impact and improve service access for those that live on borders.”

- 3.66 Some respondents commented on a town and country divide in the county, suggesting that many rural communities already struggle with access to services and/or feel more remote from local government decision-makers, particularly when they lie close to the Warwickshire boundary. There was some concern that this could be exacerbated if there are fewer councils in future.

“With North Warwickshire being rural, taking away the smaller brough council and replacing it with a lot larger one, probably somewhere miles away, will mean residents have little or no say or contact with their local services.”

“I’d like to see a greater focus on, and help for, rural communities who currently feel under siege from developers and simultaneously ignored from a provision of services standpoint.”

- 3.67 Several comments were made relating to town and parish councils, or potentially new bodies such as “area committees”. Some queried why there had not been more discussion of town and parish councils in the engagement document and were often in favour of giving them an enhanced role to maintain local accountability and decision-making, particularly in areas such as planning. There was also some support for creating new town councils and neighbourhood forums. However, a few did express concern that any additional demands placed on town and parish councils might prove to be too onerous.

“Parish and town councils may feel disempowered if decision-making becomes more centralised - their role should be strengthened in regard to shaping local priorities.”

“There should also be encouragement to form slim town councils, to ensure that local decisions, such as planning are properly considered by people who are the most informed and each town retains its own identity.”

“I worry that unitary councils will attempt to ‘palm off’ certain services and accountability to parish councils who simply cannot facilitate these services and community engagement with no paid staff.”

- 3.68 The following concerns and considerations were also noted by some respondents:

- » Concerns around access to services in general, and a potential reduction in council sites and offices specifically, noting that:
 - access is already challenging for some residents (e.g. those in more rural areas, those relying on public transport, some older people) and reducing it further may disproportionately affect those with low incomes and other vulnerabilities
 - not all residents have good digital access or skills and therefore some might struggle if they were unable to attend a council site in person (e.g. some elderly people)
 - maintaining face-to-face contact with service users might be particularly important in some service areas (e.g. housing intervention) or where service users are more vulnerable, lack literacy etc
 - maintaining offices in some towns and strengthening public transport provision might help to mitigate some of these impacts.
- » Concerns about impacts on partnership working if moving to two unitary councils (particularly if these other bodies continue to be organised on a pan-Warwickshire basis e.g. Warwickshire Police and the Fire and Rescue Service).

- » Potential job losses and redundancies due to reorganisation, and other possible workforce issues.
- » Concerns about the potential disruption and costs associated with transition, the impacts on service provision and the timescales involved.
- » Concerns about council tax and the equalisation process, specifically:
 - the prospect of increases at a time when council tax is already perceived to be high and many households are struggling with the costs of living,
 - concerns that the process might be unfair to some areas (e.g. concerns that rural areas will continue to have poorer access to services, while also being required to contribute more to subsidise the better provision in larger towns).
- » Concerns about potential impacts on council housing tenants if areas are amalgamated e.g. rent increases, changes to repair service, longer housing waiting lists etc.
- » Criticism of the engagement process, typically
 - concern that the proposals are a ‘fait accompli’ and residents’ views may have little impact
 - claims that the materials are biased, including complaints that the questionnaire provides less opportunity to express support for a single unitary council or the status quo, than it does for the preferred two-council option
 - concerns about a lack of information provided, with some suggestion that further details (e.g. on cost savings, service area budgets, senior leadership teams, etc) would have helped to better inform respondents’ views on the proposals.
- » Concerns that those living near the boundary between the proposed new unitary councils may lose access to some local services or facilities, where these are currently provided by the County Council (e.g. residents in the south of Rugby borough who use the recycling centre in Southam, Stratford-on-Avon district).
- » Disappointment at the potential loss of “Warwickshire” as a local government entity, which “would be a shame”.
- » Consideration should be given as to the best way to promote the new areas’ identities e.g. coats of arms, insignia.

^{3.69} A limited number of comments raised additional equalities concerns, primarily around the risks of a deterioration in services provided to vulnerable people, if services such as social care, safeguarding services, special educational needs provision, and so on, were to be disrupted. It was also suggested that vulnerable people might be left confused by the possible changes in provision.

“Careful consideration will need to be given to how children's services, safeguarding services and early help/intervention (including youth crime prevention) services are still delivered to ensure outreach and awareness isn't reduced given the expanded geographic footprint. It's also important the new councils still have the resources to develop localised approaches - needs and priorities in Leamington will be different to those in Stratford.”

“I just think the change needs to be managed carefully so that vulnerable people aren't left confused by any changes in service providers, and particularly that vulnerable children don't slip through the net during the change.”

- 3.70 Concern was also expressed that insufficient research has been undertaken, or that little evidence has been presented, to understand the likelihood of possible impacts of the proposal on health and social care provision in the county, and therefore on some of its most vulnerable residents, including those with disabilities.

“Careful consideration will need to be given to how children's services, safeguarding services and early help/intervention (including youth crime prevention) services are still delivered to ensure outreach and awareness isn't reduced given the expanded geographic footprint. It's also important the new councils still have the resources to develop localised approaches - needs and priorities in Leamington will be different to those in Stratford.”

“I have a significant concern over the provision of essential services as there is no evidence presented that services will not be degraded, especially for the most needy and vulnerable.”

- 3.71 One comment made by a school governor expressed concerns that schools may be disadvantaged if there are disruptions or changes to any of the various support services currently provided at county level / by the County Council.

“Each council will need complex systems and high-level staff to support things like cloud services, software support, accounting systems, advisory services, welfare services such as attendance advisors, safeguarding including the provision of software and advisory solutions. There are also things like governor services offering reading and support and things like HR, MIS, bursarial support and many other areas that are currently provided at county level and the economies of scale that can bring. Would splitting all these services diminish the levels of support and indeed possibly increase costs to schools?”

- 3.72 Finally, it is worth noting comments from a small number of respondents who queried how the proposed new unitary councils might fit into wider devolution arrangements for England. A couple of these respondents commented on an apparent lack of reference to strategic authorities covering all or parts of Warwickshire in the engagement materials.
- 3.73 A couple of respondents felt that having two councils might be preferable if it helped advance the case for creating a strategic authority based on the county of Warwickshire; on the other hand, a few instead advocated building closer links with neighbouring areas such as the West Midlands or Oxfordshire.

“There's no mention of a strategic authority in this consultation, isn't this key to determining the success of the South and North Warks proposal?”

“There has been no information about what strategic authority South Warwickshire would fall within - this is important for spatial planning and devolution. Would South Warwickshire simply fall into a Warwickshire strategic authority? Would it be mayoral? This is not clear.”

“I agree that two authorities is much better... but serious consideration of coming under the West Midlands Combined Authority at the next opportunity should be considered.”

“Regarding a potential strategic area with elected mayor, south Warwickshire and north Oxfordshire would probably be a more natural 'fit'.”

“The West Midlands should be split; Coventry and Solihull should join with Warwickshire to become a strategic authority. The geography works; industries and businesses would work; transport links make sense; education would be better, including further education and universities. If the West Midlands can’t be split up, we should seek a strategic partnership with Worcester or Chilterns.”

Engagement Questionnaire: Organisation Responses

Overview

- 3.74 Of the 2,334 open questionnaire responses, 22 indicated that they had been submitted on behalf of an organisation. Each organisational response typically represents the views of many individuals, and feedback from these organisations has therefore been reported separately in this report.
- 3.75 Responding organisations were informed that their views may be published in full, and were asked for details about their organisation, including what it represents; the specific group or department; the area it covers; and how the views of members were gathered. Not all organisations supplied this information, but their names have been included in the report where provided.
- 3.76 Additionally, two Members of Parliament responded via the questionnaire. Give that these are individuals responding in their official capacity, and representing the interests of their wider constituents, they are included in this section alongside the organisational responses.
- 3.77 Table 7 below provides a full list of the organisations responding to the engagement (who provided a name).

Table 7: List of organisations responding to the questionnaire

Abbey Theatre
Action21
Barford, Sherbourne and Wasperton Joint Parish Council
Citizens Advice Bureau, North Warwickshire
Hatton Parish Council
HR-ZN Group Ltd
Kingsbury “Good Neighbour” volunteer group
NHS Coventry and Warwickshire
Ramblers, Warwickshire area
Rockinghams (Motor)Cycle Shop, Southam
Royal Leamington Spa Town Council
Shrewley Parish Council
Stretton-on-Fosse Parish Council
Tredington Parish Council
Unnamed business in Stratford-on-Avon
Warwick Chamber of Trade
Whitchurch Parish Meeting
Wormleighton Parish Meeting
Plus two Members of Parliament: Manuela Perteghella (MP for Stratford-on-Avon) and Matt Western (MP for Warwick and Leamington)

- 3.78 Given the relatively low number of organisations that responded to the questionnaire, the appropriateness of percentages in quantifying views is limited. Therefore, the percentages presented here are intended to be indicative only: they have been displayed at an overall level only to provide a contrast between views from organisations and individuals.

Main findings

- 3.79 Of the 22 organisational responses⁹:
- » 16 agreed with the principle that the councils should pursue opportunities to streamline services and make efficiencies, while maintaining good services; only 1 disagreed and 2 indicated that they 'neither' agreed nor disagreed;
 - » 10 agreed with the government's requirement to replace the current two-tier system with a smaller number of unitary councils, although there were also 7 that disagreed and 3 who answered 'neither';
 - » 14 agreed with the proposal for two unitary councils to run local government across Warwickshire - which was more than double the number that disagreed (i.e. 6), while 1 answered 'neither';
 - » 13 agreed with the areas to be covered by the new councils, while only 2 disagreed; however, there were 6 who indicated that they 'neither' agreed nor disagreed.

Additional comments made by organisations

- 3.80 Some of the comments made by organisations raised similar themes to those in comments expressed by individuals.
- 3.81 For example, there was some acknowledgement that the north and south are different in character, and there might therefore be benefits in having two unitary councils to represent their respective interests.

"Shrewley Parish Council are in agreement with the proposal structure put forward by Warwick District Council as there is a practical distinction between north and south being rural and not as rural." **Shrewley Parish Council**

"North and South Warwickshire are very different in needs and priorities. South Warks is mainly... semi-rural or rural, and rural areas could be neglected as they have different priorities."

Wormleighton Parish Meeting

- 3.82 Both Members of Parliament who submitted questionnaire responses (both representing constituencies in the proposed South Warwickshire unitary council area) also supported the proposals:

⁹ Please note that not all organisations answered every question; therefore the numbers agreeing, disagreeing or answering 'neither' will not necessarily sum to 22.

“Given that the County is bisected by Coventry, which represents its own council area, there is already a geographical split between north and south, which lends itself to such a division. Equally, a two-unitary approach guarantees greater local democratic representation - were a single unitary model to be adopted, this would be a concern. Regarding the areas covered by the two proposed unitary councils, I agree in principle, however it's important that Rugby Borough is allowed the discretion to choose whether to be part of North or South Warwickshire.” **Matt Western, MP for Warwick and Leamington**

“[The proposed South Warwickshire unitary council], which is contained within the boundaries of the south Warwickshire NHS trust, and of the emerging South Warwickshire Local Plan, would ensure local government remains anchored in the communities it serves, providing more responsive decision-making than a large, remote unitary ever could, and offering an efficient structure for healthcare and social care. Further, Stratford and Warwick district councils work already closely together with several shared services....” **Manuela Perteghella, MP for Stratford-on-Avon**

- 3.83 However, there was some preference for a single unitary council, expressed by one local company which identified the main benefits of a single unitary as being: cost efficiencies and the optimisation of resources; unified strategic planning; a stronger regional voice; equity and consistency of services; and ability to pursue enhanced digital services and make better use of data.
- 3.84 Similarly, the response purporting to be on behalf of the local NHS felt that a single unitary suggested that a single unitary would achieve better economies of scale and better match the footprint across which health services are commissioned.

“Dividing Warwickshire into two councils risks duplicating bureaucracy, weakening strategic coherence, and reducing efficiency — all while missing the opportunity to create a stronger, unified voice that can deliver better services and unlock investment at scale.” **HR-ZN Group Ltd**

“One unitary authority would make more sense from a health perspective. Matches the population we commission to, has the scale to reduce cost and deliver services and play an active part in economic development.” **NHS Coventry and Warwickshire**

- 3.85 One of the parish councils also expressed scepticism about the proposed benefits of having two unitary authorities; but ultimately it was felt that more information would need to be provided for it to be able to express a clear preference in either direction.

“We tend to feel that splitting to two authorities of approx. 300,000 people undermines the objectives of the unitary project and fails to give sufficient population numbers to support the collective bargaining and population diversity which would give these benefits. The current proposals lack depth and detail sufficient to endorse or otherwise this position, and for us as a parish council, we feel uninformed to make decisions in either direction.” **Barford, Sherbourne and Wasperton Joint Parish Council**

- 3.86 There was some concern about a possible weakening of the links between town and parish councils and the other tiers of local government. One parish council highlighted its good working relationships with existing

councillors at both District and County level and queried whether these could be replicated under a unitary council, given it is anticipated that there would be fewer councillors overall.

- 3.87 Similarly, a local charity highlighted positive working relationships with current district councillors.

“We currently have either a district or county councillor, or both, attend our meetings which we see as a valuable contribution. We are unclear how many unitary councillors would be elected but believe they may be as little as one third of the current district/county councillors. This is likely to mean that any councillor would have within their area a significant number of PCs and the regular participation link would be impossible. We see this as a great concern which could be addressed either by each unitary councillor having one or more deputies or (preferred) council employees having an area link which would make them more aligned with local issues and the PC better briefed on county issues.” **Stretton-on-Fosse Parish Council**

“As a local charity we work with all three levels of council (including the Town Council) and the district councillors have a greater understanding of and engagement with the local issues.” **Action 21**

- 3.88 There was also a query about the possibility of future increases to town and parish council precepts, in the event that they are required to take on any additional responsibilities from the district and borough councils.
- 3.89 There was some support for new bodies such as area committees, to help maintain local accountability and provide some balance between localism and the more centralised approach suggested by unitarisation.

“We would propose a single Warwickshire unitary authority with: sub-local delivery areas (e.g. regional hubs or service areas) to retain local identity; area-based committees or boards for community-level engagement and democratic oversight; central strategic leadership to guide growth, sustainability, and economic recovery. This model delivers both economies of scale and localism, avoiding the binary choice between centralisation and fragmentation.” **HR-ZN Group Ltd**

“We need accountability by way of area committees with the councillors on them.” **Whitchurch Parish Meeting**

- 3.90 One comment was made in support of the proposed two new unitary councils together forming a strategic authority, possibly in conjunction with at least one other neighbouring unitary authority.

“The two Warwickshire Unitary Authorities should form a Strategic Authority, possibly incorporating a neighbouring UA in e.g. Leicestershire”. **Hatton Parish Council**

4. Focus Groups with General Residents

Overview

- 4.1 Four deliberative focus groups were held with a broad cross-section of randomly selected Warwickshire residents: one in each Warwickshire district/borough except Rugby Borough Council. ORS worked in collaboration with the councils to prepare informative/stimulus material for the groups, before facilitating the discussions and preparing this independent report of findings.
- 4.2 The focus groups were designed to inform and engage participants with the issues under discussion. This was undertaken using a 'deliberative' approach to encourage people to question and reflect on the issues in detail. The meetings were attended as below in Table 3.

Table3: Focus groups (area, time, date and number of attendees)

Focus group location	Time/date	Number of attendees
Stratford-on-Avon	Tuesday 2 nd September 2025, 6:30pm – 8:15pm	7
Warwick	Wednesday 3 rd September 2025, 6:30pm – 8:15pm	10
Nuneaton and Bedworth	Tuesday 9 th September 2025, 6:30pm – 8:15pm	8
North Warwickshire	Wednesday 11 th September 2025, 6:30pm – 8:15pm	10
Total		35

- 4.3 The focus groups were independently facilitated by ORS. Each meeting began with the ORS presentation (to ensure that standardised information was provided to each of the sessions) which outlined the current council configuration across Warwickshire; the devolution and local government reorganisation agenda underpinning the reasons for change; the options for change, and importance of particular factors; and the rationale for and potential impacts of the North/South model. The meetings were thorough and truly deliberative in listening to, and responding openly to, a wide range of evidence and issues.

Main findings from residents' focus groups

Most people felt attached to their local areas, but less so to Warwickshire as a whole

- 4.4 Participants were initially asked to reflect on how they felt about their area and how attached they were to both their specific district or borough, and to Warwickshire in general.
- 4.5 Most participants spoke of being attached to their area, both those who had lived there for all or most of their lives, and those who were relatively new residents. In terms of what helps form those attachments, historical bonds; having family and friends nearby; good community spirit; community events; and clean, safe, green neighbourhoods were most prevalent.

"It's a great environment to bring your children up in. I think, generally speaking, it's a safe area. Absolutely." – Warwick Resident

"It is such a nice place to live. I feel really privileged to live somewhere so nice." – Warwick Resident

- 4.6 Others added that they feel attached to their borough or district area because of it is rural or semi-rural surrounding. Having good connections from these less urban areas to cities like Manchester, Birmingham and London were also seen to be a benefit of living there.

"I love living in the village and I really take pleasure every day in arriving home and seeing the countryside." – North Warwickshire Resident

"The positive thing is the connections to Manchester, to London, to Birmingham. It's so easy to get to all of these places." – Nuneaton and Bedworth Resident

- 4.7 Those who felt less attached to their local area tended to feel this way because they had not been living in the area long enough to develop an emotional connection. However, these participants still expressed their fondness of their local areas, regardless of their lack of emotional attachment. Those who did feel attachment to Warwickshire as a whole, praised it as a 'leafy', 'green', and 'pleasant' place to live.

"I wouldn't say I'm particularly attached to Stratford as such as I grew up outside Stratford. But as others have said, it's very lovely place to be around. I think it's quite expensive [but] the green scenery and the sort of small villages, - it's a really lovely place." – Stratford-on-Avon

"I think if you compare it with other counties, Warwickshire probably is quite well regarded and sort of seen as quite a nice, you know, affluent and green, pleasant area in the country." – Stratford-on-Avon Resident

- 4.8 Finally, some residents raised concerns around social and economic degradation across their areas. Some felt less connection to their local areas as a result, whilst others said they still felt those connections but found it difficult to see these issues there.

"I think it's a lost town. It's lost its identity. It's lost its direction... If things aren't looked after then it's just managed decline... We're asked to pay more council tax every year... but services continue to get cut and then so people think: 'Well, why am I investing in?'" – Nuneaton & Bedworth Resident

Awareness of current local government structures was mixed

- 4.9 While most residents were aware of the two-tier structure across Warwickshire, when asked exactly how many councils there are in Warwickshire (not including parish and town councils), knowledge was mixed: estimates ranged from 3 to 26.
- 4.10 Residents tended to have some awareness that the County Council provides one set of services whilst the District and Borough Councils provide another. Residents generally suggested that their District and Borough Councils provide what they feel to be 'more local' services such as waste and recycling collection whilst the County Council provides 'wider' services such as education. Others, meanwhile, appeared to have a more detailed understanding of what services are provided by each council. Some however, admitted to having no knowledge of what services are provided by which council. Some said this was down to a lack of interest and

trust in their councils, whilst others said they would only research which council is responsible for a service when they need to know.

- 4.11 In all the meetings, following the initial awareness questions, the facilitator's presentation explained the current local government structure for Warwickshire clearly - to ensure that everyone had a common level of understanding as the basis for the detailed discussions.

Residents were largely undecided on the principle of unitary authorities, recognising potential positives and negative impacts

- 4.12 Following the opening questions on awareness of current local government structures, and the explanatory presentation outlining current local government structures and the government requirement to change to unitary authorities, participants were asked for their initial or immediate views on whether the number of councils (not counting parish and town councils) in Warwickshire should be reduced to an, as yet, unspecified number of unitary authorities (each providing all council services in its area).
- 4.13 Initial views on reducing the number of councils were generally balanced, with residents readily considering potential benefits and drawbacks equally. There were also, naturally, some who leaned in favour of the changes and those who felt opposed.
- 4.14 Most residents agreed the changes would likely provide opportunities for cost savings; streamlining services; reducing duplication; and making service provision easier. Some expressed concerns around bureaucracy which they believed to be causing difficulties for service provision and saw this as an opportunity to remove that barrier.

"I guess the advantage of it obviously is everything's under in one box. It's going to help everything providing it makes it easier." – North Warwickshire

"Everything takes far too long. There's too much bureaucracy. I think any anything that would streamline that process would be of benefit to the area." – Stratford-on-Avon Resident

- 4.15 Others said the changes would be an opportunity to share expertise from staff across a wider area than is currently possible with the two-tier structure.

"It feels like a positive change because of what's been done in the north, and I think they're able to have much more say in terms of say the local transportation and look towards that long term." – Nuneaton & Bedworth Resident

- 4.16 Whilst residents were largely undecided on the changes, numerous concerns were raised from both those who were undecided and those opposed. The most commonly shared concern was that the changes would result in a loss of local voice and representation for residents – especially in areas that are less populated or that have smaller economies.
- 4.17 Access was also a concern for numerous residents, who felt that reducing the number of councils would reduce accessibility to council services. This included a concern that a larger council could result in having to speak to more people before reaching the specific service you require, and a less widespread concern that the changes would mean closing council offices, removing physical access for those in more rural areas.

“If someone is elected probably from Warwick or Leamington, there's going to be that bias to focus on the areas that currently are bringing in the money and leave the vulnerable areas such as Nuneaton and other areas behind. So that's just my worry really.” – Nuneaton & Bedworth Resident

“I just wonder whether there's a danger of particularly, maybe people who are older or people who are in a more rural setting, that they might end up just sort of falling off the radar, because they're not in such a position to state their needs.” – Stratford-on-Avon Resident

“I think one of my main concerns would be... the loss of councillors... Which will then dilute the service again. It all comes back down to that accountability. Are we going to see a reduction in services across the board because of that?– North Warwickshire Resident

- 4.18 Questions and concerns were raised during most of the groups around how a new council would be funded. One question was whether any of the existing District or Borough Councils have any existing debt and, if so, how that would be factored in when creating a new council. Another question was how areas perceived to have better services or lower levels of need would be impacted if they were expected to provide more for areas that are currently perceived to have poorer quality services or higher levels of need.
- 4.19 The final concern was around how budgeting and service delivery would be considered for areas with different needs generally. For example, Stratford-on-Avon was said to likely have more income from council tax than some other areas, but also more anti-social behaviour (ASB). Therefore, it was questioned whether using some of its budget for the benefit of other areas might impact on services around crime and ASB prevention in Stratford-on-Avon. Whether or not issues like these would lead to an increase in residents' council tax bills was a concern raised in most groups.

“Does it mean that for the areas that are more affluent or have more services available to them, that we're going to have to share those out more with people?” – North Warwickshire Resident

“I think there's never going to be enough money going into these budgets and therefore there's going to be some hard decisions to make. And if you're covering a larger area with very different needs, then how is that is going to be divvied up and is it going to be fair?” – Stratford-on-Avon Resident

- 4.20 There was at least some level of opposition to a change to unitary councils in all groups based on general scepticism and misgivings regarding local government, or government in general. These participants argued that the changes would be unlikely to create any tangible benefit for residents, and may also result in increased costs.
- 4.21 Overall, residents were largely divided between those in support, in opposition, and undecided on the principle of a smaller number of unitary authorities. Notably, those who were either in support or opposition were generally willing to give considered arguments for either side.
- 4.22 There were also those who said that whilst they might lean in favour of the changes, they would appreciate having more detail on the changes before firming up their views. Meanwhile, other residents said they could appreciate the potential benefits of the changes, but that it would have to be a priority of the new council to ensure that areas with smaller populations do not 'lose out'.

"I would say it's probably a positive starting point, but I think there's a lot of clarification needed to give comfort." – Warwick Resident

Residents rated quality as their main priority for a new council

- 4.23 During the groups, participants were asked how they would rank the following five factors in order of importance to them for a new council: quality, value for money, accountability, accessibility, and local identity (accompanied by a brief description of what was meant by each). During these discussions, participants gave varied orders of priority but generally agreed that all five factors were important to consider during any future local government reorganisation.
- 4.24 Of all the factors, quality was most often rated as the greatest priority as it was seen as the most fundamental aspect of the services residents pay for and receive. Some added that if quality of service is achieved, then the other priorities are more likely to be achieved also. Some placed value alongside quality, suggesting that in order to feel that they are receiving value for money, then they need to perceive their services as being high quality. Residents also felt it would be particularly important for a new council to consider accountability, given their concerns about a lack of local voice and representation in less populated areas

"Looking at them, they're so incredibly intertwined, but my initial response was to think quality. Ultimately, I think what most people, at least what I want from my council, is that." – North Warwickshire Resident

"Ultimately, if people are paying a lot of money into the Council, it needs to be reflected. So, I would probably say value for money and quality kind of go hand in hand, and I would probably put those at the top of the list." – Stratford-on-Avon Resident

"Quality stood out to me because I think we want a quality service that's giving us what we need in our area, and accountability because we want to know where things are going and what they're going to do about issues that are raised by residents." – North Warwickshire Resident

- 4.25 Accessibility was lower on most residents' lists of priorities. However, it was prioritised by some. Those who felt it should be a priority said that a move to one council could mean that a smaller team within the council would be responsible for taking calls from a larger number of residents. As a result, they felt it would be important to mitigate for this. Local identity was largely believed to be the least important of the five priorities, with many believing that it is a matter for residents rather than the council. In one case, transparency of spending was put forward as an additional priority, with a resident suggesting that any new council should provide a breakdown of how residents' council tax is spent.

Residents argued that having two or more unitary authorities would ensure better service delivery and focus across more areas

- 4.26 After covering the priorities for any new councils, discussion moved on to the available options, notably the preference for having either one unitary authority covering the whole of Warwickshire, or having two or more new unitary authorities. Most residents agreed that in future they would prefer to have two or more unitary authorities in Warwickshire rather than one covering the entire area. By far the most common reason for this was the belief that different areas of Warwickshire have different needs, and that having two or more authorities would allow for those needs to be better met.

- 4.27 Much of this was based on concerns about a loss of voice and focus on smaller, more rural areas, with residents feeling this issue would be less of a concern if more than one authority were to exist. Residents stressed that if councillors are responsible for areas that are too wide, smaller, more rural areas would see much less focus. The population of Warwickshire was also said to be too large for one authority, making it preferable to introduce two or more.

“Nuneaton is very different to an area like Kenilworth. So at least in terms of that split, the people representing it hopefully would have more knowledge of the north of Warwickshire as opposed to the south of Warwickshire.” – Warwick Resident

“[It is a] terrible idea for one unitary authority. It's already breaching the guidelines from the government [regarding recommended population size], so they shouldn't be entertaining that.” – Warwick Resident

- 4.28 Residents also agreed that the quality of council services would likely be better if there was more than one new authority within Warwickshire. It was said that the workload of the entire area would be too much for one authority, likely making it stressful for staff and negatively impacting services.

“I feel like when it's smaller, the workload is a lot less and the jobs that people have to do are less... I feel like the quality would definitely be better with two authorities, because... Warwickshire is big.” – North Warwickshire Resident

- 4.29 Concerns were also raised around the potential for councils to face significant financial challenges, or even become bankrupt, and how that could impact areas. It was argued that if one council were to be responsible for the whole of Warwickshire, then the risks of bankruptcy would be greater since they would represent a larger area. One resident explained that having a larger authority does not guarantee better spending and efficiencies, and drew on Birmingham as an example of a larger authority that has faced financial struggles.

“The example of Birmingham... larger does not mean better spending of money or necessarily more efficiency within local authorities.” – Warwick Resident

- 4.30 One resident argued that having two authorities would give areas more ‘bargaining power’ within a strategic authority to ensure they receive sufficient focus on strategic planning for their economies and transport.

“I think having the two... gives us that bargaining power. We're our own entity. Then we can create our own identity as an area.” – Nuneaton & Bedworth Resident

- 4.31 Although most residents favoured having two or more authorities, there was a minority who favoured having only one. Those who argued in favour of one authority for the whole of Warwickshire said it would ensure more consistent service delivery; maximise potential for streamlining, cost savings and efficiency; and create a bigger ‘pot’ of funds to focus on areas with the highest needs. Some residents who argued in favour of having two or more authorities also agreed that these could be potential benefits of having just one single authority, but felt they did not outweigh the benefits of having two or more. A small number of residents who prioritised access, and whose preference was for two or more authorities, said they would be willing to

consider one authority for Warwickshire, provided that council could be guaranteed to be sufficiently accessible to residents from across the entire area.

“[Having one authority could create] financial savings and therefore being able to spend more on some of the places that perhaps aren't getting what they need, for example areas that are particularly poverty stricken or rural areas.” – Stratford-on-Avon Resident

Most residents supported the North/South model as the best option available, given the need for change

- 4.32 Finally, facilitators of the groups explained the proposal for the North/South model using the presentation slides, before opening up discussion from the group to hear their thoughts.
- 4.33 Some residents had limited enthusiasm for the North/South model, due to their opposition to, or scepticism around, the introduction of unitary authorities. Most however, expressed their support for the model as the best approach, given the need for change.
- 4.34 The main benefit of the North/South model was said to be that it would give both authorities an ideal population size. Numerous residents said they would feel more comfortable being represented by a council with the population sizes suggested under the model, rather than under one council with the entire combined population of Warwickshire. Linked with this, North Warwickshire residents felt that the North/South model would best ensure focus on their local areas, benefiting the services they receive.

“I can see the definite benefits to that plan, and having the two would definitely be better in terms of population size as well.” – Warwick Resident

“Looking at the amount of people... I would feel safer with the two [authorities]... I would hope that I would get a better service.” – North Warwickshire Resident

- 4.35 In addition to these perceived benefits, one resident from Nuneaton & Bedworth said the model could benefit residents in the North Warwickshire authority by allowing them access to grammar schools in Rugby. Another said it could allow a council to focus on the economic potential of North Warwickshire, building businesses and infrastructure in the area instead of focussing on existing opportunities in the south.
- 4.36 The main concern about the North/South model was the economic disparity between the two areas, which could exacerbate over time. It was felt by many residents that dividing the area into North and South would disadvantage the North, which might stagnate economically whilst the South grows. Residents from across districts and boroughs in the north and the south shared these concerns, and felt it is something that would need mitigation if the proposal did go ahead.

“I can't see the advantage to the north of splitting away from the south because any wealth in Warwickshire is down in the South, or it seems to be so. They've lost all the industry in the north. There isn't much in terms of employment there. So, I think the fairest thing would be a single council for the whole county.” – Stratford-on-Avon Resident

“I'm convinced that in 10 years' time that divide is only going to get bigger and the South are just going to get further and further away from the North... You've only got to look at that map to see where all the money is and where everything's going.” – Nuneaton & Bedworth Resident

- 4.37 Disaggregation of County Council services that are currently provided across the whole area, was a concern for some residents, who questioned how the North/South model would impact service provision. Residents were concerned about the funding of different services following disaggregation, and whether the quality could be impacted, and potentially vary across both areas.
- 4.38 Some residents were unable to fully support or oppose the North/South model, recognising the range of potential advantages and disadvantages in relation to each of the authorities that would be created. Many felt that its success would considerably depend on the work done by Councillors following implementation.

“I think both [authorities] will have their own advantages and disadvantages. It's sort of how you lean into it is the main thing and the implementation.” – Nuneaton & Bedworth Resident

- 4.39 Multiple residents voiced their frustration with the situation, and felt that more detail is needed for them to understand the impact of the likely reduction in the number of councillors; the impacts of disaggregation; and the impacts on council tax. One resident feared that a decision of how the new council(s) would be formed had already been made, whilst another suggested the motivation for the changes was to increase council tax revenue. Another felt that a breakdown of the cost of the reorganisation should be made available to residents.

Summary

- 4.40 Residents were not wholly decided on the principle of the reorganisation, recognising potential benefits as well as negative impacts. Most agreed the reorganisation would provide cost savings, reductions in duplication and potential to streamline services. Others said it could be an opportunity to share expertise from staff across a wider area than is currently possible with the two-tier structure. Others were concerned that areas with smaller populations would receive less focus and would lose access to quality services as a result.
- 4.41 Quality of services was rated as residents' highest priority, closely followed by value for money. Accessibility was listed as a lower priority for some, whilst others rated it as their main concern.
- 4.42 Residents largely agreed that if a decision to create unitary councils was taken, it would be better to have two authorities for Warwickshire to ensure that focus remained on local issues and councils were accessible to residents. Participants agreed that the needs of areas such as Nuneaton and Bedworth in the North are different to those such as Kenilworth in the South. As a result, the North/South model was supported as the preferred option. There was however, a minority favouring having just one new authority covering the whole of Warwickshire, believing that as well as maximising potential for cost savings and efficiencies, it might provide more consistent service delivery across the County.

5. Focus Group with Service Users

Overview

- 5.1 A focus group was convened with users of particular council services that might potentially be impacted by possible changes. Participants were primarily recruited from engagement questionnaire respondents who had indicated that they (or someone else in their household that they care for) used Housing Services (including affordable and council housing, waiting lists, housing repairs and homelessness prevention) or Social Care Services (including for adults and children, and support for vulnerable people).
- 5.2 ORS facilitated an online focus group with these services users, who lived across Warwickshire. The group was attended by four people. As with the other residents' focus groups, the aim was to inform participants of the need for change and the potential options, including the North/South model, and to encourage deliberative discussion and feedback.
- 5.3 One telephone interview was carried out by an ORS facilitator with a fifth participant who had been unable to attend the group. This interview lasted around 30 minutes and included the facilitator covering the same information as in the workshop to ensure the participant had the opportunity to provide more informed feedback.

Main findings

Participants explained their connection to their local areas and highlighted differences across the county

- 5.4 Service users were asked about their connection to their local areas, and to Warwickshire as a whole. During the discussion, participants expressed their affection to their local areas and suggested it extends to Warwickshire as a whole, although to a lesser extent. They explained that Warwickshire is a diverse county with its urban, industrious towns and also rural towns and villages in the countryside.

"It's a very beautiful county and it's got very extreme differences. So, you've got the big cities and the very industrial areas, but you've also got then the beautiful countryside and smaller towns like Stratford. And then you've got the villages and the small communities." – Service User

"I think Stratford first and foremost, but Warwickshire as well. But... You can just see how separate it is geographically in terms of the reason north and south. Quite clearly, different parts of it. And I guess when I think of Warwickshire, I do tend to think of Stratford and Warwick." – Service User

Service Users worried that larger councils would be less accessible

- 5.5 Service Users were concerned with the potential move to a smaller number of new unitary councils. Loss of access and local voice were the biggest concerns, with residents worrying that larger councils would be more removed from service users. One resident described difficulty obtaining a suitable home in their area through social housing, and questioned whether a new council covering a large geography might mean they could in future be expected to accept housing in more distant areas.

- 5.6 The importance your local council being comprised of members of your community was highlighted, and retaining local knowledge with a focus on local areas was also mentioned, with participants believing the introduction of one or more unitary authorities could diminish this. The principle of reducing the number of councillors representing residents was also a concern.

"I do think it's important that it's got localism at its heart. That's the thing. It has to be your council. It has to be people from your community who are making the decisions." – Service User

- 5.7 Although the conversation largely focussed on the potential negative impacts of reorganisation, one participant, who was concerned about the possible changes, did agree that it could in future reduce confusion around which council provides which services.

"There is confusion about who's responsible and so on. So, I see the sense in having a single unitary layer where you know, that's your council?" – Service User

Service Users felt that accountability and accessibility should be prioritised by a new council

- 5.8 Potential priorities for any new Warwickshire councils were discussed. As in the other general residents' focus groups, the factors put forward for consideration were quality, accessibility, accountability, local identity, and value for money, and participants were encouraged to rank these in order of importance.
- 5.9 Accountability was agreed to be the most important priority for a new council. It widely felt by the group that a larger council would be more 'faceless' and have less accountability for the decisions it makes. Recent issues faced by Birmingham City Council were put forward as an example of a larger council lacking accountability for its decisions.

"... If you look at Birmingham, big council, and they can't even collect bins. And how ridiculous is that and what accountability has there been for getting in that position?... There's been no accountability. There's nobody that's held their hands up. There's nobody that's made it right." – Service User

"That's my biggest concern, with the bigger the organisation, the less accountability there is, because the big boys are at the top." – Service User

"My biggest concern with this proposal is there will be even less accountability and there is a bigger risk for mispending and finances going in the wrong areas. And the service not being provided that should be." – Service User

- 5.10 Access was of similarly high priority for this group, with participants worrying that councillors and service providers would become more difficult to reach if larger councils were introduced. One participant praised their local councillor for being so available to residents who have concerns and issues, and questioned whether this might become less common if things were to change. Another suggested that a reduction in the accessibility of the council could impact older residents in particular, who often have less access to transport and lower digital literacy.
- 5.11 Quality, local identity and value for money were discussed less, and felt to be slightly less of a priority for these participants.

Service Users all preferred to have two or more councils for Warwickshire

- 5.12 When the appropriate number of councils for Warwickshire was discussed, all of the participants expressed complete support for having more than one council in future, i.e. wanting two or more authorities.
- 5.13 Mostly, participants based this on the belief that it would prevent services and councillors from becoming too removed from their local communities. Warwickshire was also said to be too large – both in population and geographical size – to have only one council, and fears that the workload would be too great for its staff.
- 5.14 Participants also agreed that the North and South of Warwickshire have different needs, with one participant explaining how areas in the south rely on tourism, whilst those in the north do not.

“If you look at the map, it doesn't make sense to be one authority... I mean Stratford, Warwick, Cotswolds and to Shipstone, it's all about tourism primarily and a large rural area. Whereas if you go up into the Nuneaton and Bedworth and Rugby, tourism isn't by any means such a big deal. So, it's different conflicting issues in the different areas.” – Service User

- 5.15 After considering these points, one resident said that having two authorities would ‘tick all the boxes’ by ensuring that services and focus remain localised; population sizes remain manageable between authorities; and that the needs of communities are better met.

“[Having] two authorities seems to tick all the boxes. It's big enough to be able to do the job, but small enough to have local accountability [and] be rooted in the area that it's governing...I think it's a good idea.” – Service User

Service Users supported the North/South model for catering to the differences between the two areas

- 5.16 While participants largely remained opposed to the principle of replacing the existing two-tier system, *if* new unitary councils were to be created, they unanimously supported the North/South model as their preferred option. Drawing on their previous comments, the group agreed that the northern and southern regions of Warwickshire have their own distinct needs and therefore felt this model best catered to that.

“Obviously, the physical area of Stratford and Warwick combined is much larger than North Warwickshire. And yet North Warwickshire has the larger population. It just sort of indicates just the difference in terms of population density...” – Service User

- 5.17 Participants were interested whether the two new councils would continue to use all of the existing district and borough council offices, and therefore maintain accessibility for residents, or if they would have only one office each. The latter would be a concern, as it could mean significantly longer journeys for many residents.
- 5.18 The group again expressed concerns around the current two-tier council system being replaced, and the general lack of clarity around what the changes would actually mean for service provision.

“I was wondering whether these offices were going to be new offices put in more central places or whether they will still work from the different [existing] offices because... if you live in Studley or Alcester, it'd be quite a long trek to go to the other side of South Warwickshire to go and visit.” – Service User

“It's all the unknown, isn't it? We're going into the unknown and we don't know how it's all going to work out. That's what worries people, isn't it? That we don't know, and we've just got to wait and see and be told: ‘we're doing this and we're doing that, and you won't really have a say in it.’” – Service User

Summary

- 5.19 Service Users were largely opposed to any reorganisation due to concerns about loss of access and local voice and focus, believing that larger councils would make services and councillors more removed from smaller communities. However, one participant conceded that whilst they disagreed with the reorganisation, it would serve as an opportunity to reduce confusion for residents around who provides which services.
- 5.20 Participants agreed that accountability was their biggest priority for a new council, due to fears that a larger authority would be more ‘faceless’ and take less accountability for its decisions. Access was given similar priority, with participants worried it would be reduced following any reorganisation.
- 5.21 Service Users preferred to have two authorities for Warwickshire rather than one, and supported the North/South model. Participants preferred this option, believing it would avoid services and councillors from becoming too removed from local communities. They also agreed that the North and South have the most distinctly different needs of any areas in Warwickshire, making it the most logical way of dividing the county.

6. Town and Parish Council workshops

Overview

- 6.1 Two online workshops were scheduled, and the district and borough councils invited representatives from town and parish councils, and clerks, across Warwickshire to attend whichever event was most convenient. The schedule of events and attendance levels can be seen in the table below.

Table 8: Stakeholder focus groups dates and attendees

Group	Time and Date	Number of Attendees
Town and Parish Council workshops (1)	Thursday 4 th September 2025, 4pm – 6pm	13
Town and Parish Council workshops (2)	Thursday 11 th September 2025, 4pm – 6pm	14
	Total	27

- 6.2 The well-informed participants took a very active interest in the discussions. In fact, most of them were already familiar with the general local government reorganisation debate and had formed opinions on the issues under consideration before attending the workshops¹⁰.
- 6.3 In the two meetings, the issues were presented and the discussions facilitated and reported by ORS. The meetings lasted for two hours, and the ORS presentation outlined the current council configuration across Warwickshire; the devolution and local government reorganisation agenda underpinning the proposals; the options for change, and importance of particular factors; and the rational and potential impacts of the North/South model. Participants were encouraged to ask questions throughout, and the meetings were thorough and truly deliberative in listening to and responding openly to a wide range of evidence and issues.

Main Findings from Town & Parish Council workshops

Town and Parish Councillors were concerned about how the changes could impact on their existing responsibilities

- 6.4 When discussing the principle of local government reorganisation, the group gave considered responses, agreeing that the changes could make it simpler for residents and businesses to access the relevant council and its services, and that efficiencies and cost savings could be achieved. However, the group had numerous concerns about the changes and wanted to better understand the implications.

“I think there's some clear potential benefits, not least financial efficiencies.”

“It would certainly be simpler to have unitary authorities and then parishioners at least would know where they have to go for something. Whereas at the moment so many people have no concept of what's organised by county or borough.”

¹⁰ Please note that while some attendees were presenting the views of their town and parish councils as a whole, others stated that their councils had yet to discuss and form a collective view on the proposals and so they were expressing their personal views as a councillor.

- 6.5 The potential impact the changes could have on access and representation was a concern; it was questioned whether councillors would be less accessible and accountable, and whether services would become less localised. It was questioned whether councillors might be less invested in and engaged with smaller communities that were less local to them. One participant explained that their Parish Council has struggled to get their local district/borough/county councillors engaged with them, and was concerned that the situation could become even worse.
- 6.6 One councillor sought clarity on how funding for the new council(s) would be affected by the reorganisation. They suggested that organising new budgets in a way that is deemed fair and reasonable by all might prove difficult, and that any new council(s) would need to be transparent around the issue to maintain local trust.

“Just to say on budgets, they are really hard to disaggregate and it's really hard to do it fairly and it's really important that there's a way of that being transparent to show that one area isn't benefiting over another...”

- 6.7 A persistent concern for the group was whether the changes would lead to increased responsibilities for Town and Parish Councils. Mostly, participants were unsure of what these additional responsibilities might be but were concerned they could be placed on them. It was widely felt across both groups that recruiting T&P councillors is already difficult, and that increasing their responsibilities would make it even more difficult, or even unfeasible.
- 6.8 Whilst most concerns around increased responsibilities were general, one participant raised a specific concern about the potential for T&P Council responsibilities around housing allocations to be increased. They said that it had been suggested to them that following the reduction in councillors across Warwickshire, T&P Councillors might be expected to take on more of a role in housing allocation. They said that the role is too much responsibility for people in a T&P Council role and that many are not qualified for such work. As a result, they said there would be significant reluctance from T&P Councillors to accept this role and that many could stand down as a result. Many participants shared concerns that other responsibilities could be handed from district and borough councillors to T&P Councillors following the reduction.

“Given the difficulty many of us have in recruiting Parish Councillors as it is, I think that Parish Councils will become non-viable if that recruitment is further complicated by the by a requirement that any prospective councillor has to undergo training and to carry a greater burden of responsibility.”

“...Extra housing allocations... It takes us a hell of a lot of time to go through them. We probably aren't as qualified as we should be, and if we're going to get more responsibility, my fear is that a lot of people are just going to go. I don't want to take part in that. It's too much responsibility...”

Town and Parish Councillors preferred to have two authorities and supported the North/South Model as the ideal version of doing so

- 6.9 When discussing the prospect of having either one authority for the whole of Warwickshire or having two or more authorities, Town and Parish councillors again gave considered responses, weighing up the positives and negatives of each option.

- 6.10 Many participants agreed that one single authority could yield the biggest cost savings and efficiencies, and that having two or more authorities could create additional costs. Some also felt that the North could be disadvantaged if the county were split into two, and that the differences between North and South are not significant enough to warrant them having their own separate authorities.
- 6.11 Others who were less supportive of a single authority, suggested that they could potentially support the option if it meant that services became more effective. However, it was felt that currently there is not enough detail available about exactly how, it would improve services.

“There's no demonstrative information that this is going to reduce costs, and people just don't want increased costs. Having these two North and South ones could be more expensive in the long term.”

“I don't see there is a massive difference between the North and South of Warwickshire... I don't like the idea of Warwickshire becoming two separate councils. I think Warwickshire and my councillors believe the same thing as well. “They don't want it to be a county of haves and have-nots” is what one of my councillors did say to me.”

“The single unitary authority might be the answer if all the services were really, really good, but we've no way of knowing until it's decided.”

- 6.12 Though some participants preferred to have a single authority, and most were willing to consider the potential benefits, most leaned in favour of creating two new councils. The most common reasons for this were the perception that the needs of the North and South are different enough to merit having two separate councils; and that the area is too large in terms of size and population to have one authority. Participants also emphasised that keeping services and councillors more local would benefit services and residents, hence their support for two authorities over one.

“It's 60 miles from top to bottom and the requirements and the geographical differences is quite wide, and the needs are different in in the north to the South and the demands are different...”

- 6.13 One participant argued that if Warwickshire were in future to become a single authority, it ought to be part of a strategic authority with Coventry. They went on to explain that Coventry and West Midlands already make up a strategic authority together, and that it is unlikely that Warwickshire would be able to join. A question was raised about what other areas Warwickshire would be likely to join with, in a strategic authority.
- 6.14 If two unitary authorities were created, there was general support for dividing the county based on North and South, although some questions about the scenario were raised. One question was whether service delivery and quality would vary between north and south if Warwickshire has two unitary authorities, and what controls will be in place to ensure service delivery is sufficiently high quality across both authorities? Another was that if Warwickshire is split into two unitary authorities, will they be together in a strategic authority and would any other authorities be a part of it? If so, how might this impact large scale and long-term developments in Warwickshire, such as highways? Many participants in both groups felt that more detailed information is needed about how any future authorities will operate in relation to service delivery, funding, and the makeup of strategic authorities.
- 6.15 Whilst participants sought clarity on these issues, they also praised the district and borough councils for their communication, with both Town and Parish Councillors and with residents.

Summary

- ^{6.16} Both groups of Town and Parish Councillors were well informed and gave considered, well-rounded feedback and questions. Participants agreed that the changes could make things simpler for residents and businesses to access the Council and its services, and yield cost savings and efficiencies. However, councillors were concerned about the potential impact on access and representation following any reduction in the number of councillors, and whether councillors and services might have less local investment when covering a larger area. Participants also sought clarity on what strategic authority Warwickshire would be a part of under either option.
- ^{6.17} Most participants preferred the North/South model to maximise the local focus and maintain engagement of councillors and services, believing the differences between the North and South of Warwickshire to be the most pronounced. However, opinions were mixed with some councillors preferring to have just one council for Warwickshire to maximise cost savings and efficiencies, and reduce the risk of the North being potentially disadvantaged as its own authority, given its smaller economy.
- ^{6.18} Mostly, Town and Parish Councillors sought more detailed information on the changes and the proposals, especially around how any future authorities will operate in regard to service delivery, budgeting, and the makeup of strategic authorities.

7. Business Forum

Overview

- 7.1 Invitations to attend an online forum were issued by the councils to representatives of businesses across Warwickshire. The session was held on 10th September 2025 at 9:30am. The group was attended by only three participants (although this level of attendance is not uncommon in relation to local government reorganisation, as many businesses perceive that the changes will have limited impact on them).
- 7.2 In the meeting, the issues were presented and the discussions facilitated by ORS. The meeting lasted one and a half hours, and the ORS presentation outlined the current council configuration across Warwickshire; the devolution and local government reorganisation agenda underpinning the proposals; the options for change; and the rational and potential impacts of the North/South model. Participants were encouraged to ask questions throughout, and the meeting was thorough and truly deliberative in listening to and responding openly to a wide range of evidence and issues.

Main findings from Business Representatives' forum

Business representatives agreed that replacing the two-tier system would reduce confusion and duplication, and improve consistency of service delivery

- 7.3 Following an explanation of current local government in Warwickshire, participants were asked for their thoughts on the principle of replacing the existing two-tier councils with a number of new unitary authorities (based on the government requirement). Participants were supportive of the change, agreeing that it would simplify businesses dealings with the council.
- 7.4 One participant said that currently the work they do with councils is often duplicated when working across multiple district and borough areas, and so they would welcome the change if this was simplified in future. Another said the changes could lead to better and more consistent service delivery across wider areas, including services for housing, health and social care, and more local facilities such as parking.

"If there isn't good partnership working across services that are jointly delivered, whether it's parking or housing and social care and so on, then I think that it does make sense that the organisations are kind of brought closer into one."

- 7.5 Whilst participants all supported the principle of the changes, some suggested mitigations that might need to be in place. One participant stressed the importance of maintaining appropriate staff levels to meet demand, following a reduction in the number of councils. Another questioned whether staff would be working from home or from an office (if they are more remote from council offices), suggesting it could be harder to contact staff if many were working from home.

Business representatives gave balanced views when considering the number of unitary authorities, but preferred the option to have two

- 7.6 When asked for their thoughts on the potential benefits and drawbacks of having either one, or two or more authorities, participants reflected on the positives and negatives of each option. When discussing the

proposal to have one single authority, arguments in favour were that it more closely reflects the existing County Council, and could therefore be easier for businesses who already have a good relationship with them; a single Warwickshire council might have a 'bigger' voice on a national scale; it would maximise cost savings and reduce duplication; and it could improve strategic planning and ensure consistency of services across Warwickshire, potentially making it easier for businesses to operate.

"Having a single authority, [there's] less in the way of administration. So, then we get into our cost savings [and] reducing the duplication to save money."

"In terms of strategic planning, countywide infrastructure... you've got the potential for uniformity of policies, service standards, etc."

- 7.7 The main argument for considering more than one new council was that Warwickshire is too large and diverse to have only one authority. The group agreed that the north and south of Warwickshire have different needs and that a single authority would be less capable of representing residents and catering to their needs across the entire area. One added that many residents in the north of Warwickshire feel that the area is disadvantaged relative to the south, and that a single authority might impact the north by focussing more on the South.

"I do think that probably something on the scale of Warwickshire County Council is going to be too big... [because of] the diversity and the real sort of differences between the areas within Warwickshire."

"North Warwickshire is very different to South Warwickshire. The communities that make up those parts of Warwickshire are very different. I suppose if it was a single authority then... that's a negative because they're not truly representing all of those separate parts of the authority."

"They are two different communities, North and South. There's absolutely no doubt about that. And historically, the North has always felt slightly disadvantaged."

- 7.8 Other arguments in favour of having two or more authorities were that it would maintain local focus from councillors and on more tailored service delivery; and that service quality would likely benefit as a result.
- 7.9 After considering the arguments for both options, by the end of the discussion, participants expressed a preference for two new unitary authorities.

"It does feel like the two unitary authority option for Warwickshire would give us the best chance of not losing all of the great work that happens at a local level."

Business representatives supported the North/South model

- 7.10 After explaining the North/South model, the group expressed their general support for it. Having already discussed their views that the north and south of Warwickshire have different needs, the group felt the model was appropriate. The group agreed that it would allow for services to be better tailored to the needs of residents, and that individual needs of smaller areas would receive more focus. One participant questioned how existing partnerships between the County Council and businesses in Warwickshire would be impacted

by the disaggregation of services between north and south. Whilst maintaining support for the model, they still felt this was a concern that would need explaining and addressing.

“The voices that will be heard will be slightly different and hopefully you would get better engagement between the communities and the authorities, so the communities might feel better connected.”

“The north and the south is a much simpler split. It's a clearer split... I think they've justified it in a much better way compared to a single authority.”

“It's a difficult but my feeling is that a North/South split should be more advantageous...”

Summary

- 7.11 Business representatives supported the reorganisation to unitary authorities, believing it would simplify their dealings with the council and reduce duplication. Although the group supported this change, they stressed that a new council would need to be sufficiently staffed to meet the demand of residents across a larger area.
- 7.12 Business representatives expressed arguments for both options: one single council, or two new unitary councils for Warwickshire.
- 7.13 Having one council for the whole area was said to be beneficial by more closely reflecting the existing County Council, with whom many businesses have a good working relationship; by giving Warwickshire a ‘bigger’ voice on a national scale; maximising cost savings, improving strategic planning and ensuring consistency of services across Warwickshire.
- 7.14 Arguments in favour of having two authorities were that a single authority might not be best placed to cater to the needs of different areas across Warwickshire; that residents in the North of Warwickshire might receive less focus than those in the South if they shared a single unitary authority; and that the quality of service delivery across both areas might be better, given the more local focus if two new authorities were created.
- 7.15 Participants voiced general support for the North/South model, believing it to be the optimum way of splitting the area, based on different needs. The group felt the North/South model would allow for services to focus on the needs of each area more effectively, benefiting residents.

8. Voluntary and Community Sector Workshop

Overview

- 8.1 A deliberative workshop with five Voluntary and Community Sector (VCS) representatives from across Warwickshire was held virtually on 3 September 2025. ORS worked in collaboration with the councils to prepare informative stimulus material for the groups before facilitating the discussions and preparing this independent report of findings.
- 8.2 The group was independently facilitated by ORS. It began with a presentation outlining the council set-up across Warwickshire; the devolution agenda and reasons for change; the options for change; and the rationale for and potential impacts of the North/South model. The meetings were thorough and truly deliberative in listening to and responding openly to a wide range of evidence and issues.

Main findings from VCS focus group

Views were largely positive on current local government structures across Warwickshire

- 8.3 Views on the current local government structure in Warwickshire were largely positive. Some participants described the two-tier system as effective and efficient and questioned the need to replace it, despite understanding the principles underpinning the change.

“Although I can understand the principle of replacing a two-tier system, we actually have an effective locally- run system of two tiers, which already works really well from the point of view of me as a resident and also actually in terms of the organisation I work in and the funding that we have.”

- 8.4 In addition, VCS representatives referred to the positive relationships that they have built up over time hold with local councils, with some expressing concern over the loss of these relationships on the adoption of a unitary system.

“My most pressing concern is that the process of moving from the system we have now to the one that we may well get... It's going to [mean] a degree of upheaval in people's minds... The history that we have with local authorities could be lost.”

Some VCS representatives supported the principle of unitary authorities, but were uncertain around realising the proposed benefits of doing so

- 8.5 VCS representatives ultimately supported the principle of replacing the current two-tier system with unitary authorities to increase efficiency, cut duplication and cost, better streamline services, and reduce bureaucracy.

“My hope is that by saving money at a senior level, perhaps there will be more money that's coming to the frontline so that we can provide better services.”

- 8.6 Participants also acknowledged the advantages associated with having fewer councils to interact with, noting that unitarisation could streamline communication and decision-making processes. Additionally, it was seen as a potential opportunity for larger county-wide contracts, enabling improved service delivery across the region.

“I wonder whether it's actually going to mean less conversations for us and bigger contracts for us in terms of, ‘We want to provide services across the whole of Warwickshire and make sure that everybody is getting that same service in in their postcode.’”

- 8.7 However, there was some uncertainty around whether these potential benefits would be realised in practice. In particular, it was suggested that, historically, mergers have not resulted in predicted savings being realised.

“I think the principle, if it's around economy of scale and financial efficiency, that feels good... But at the moment the uncertainty is outweighing the potential... and once we've gone quite a long way down that track there's no coming back from that. So, I understand the principle.”

“I'm very sceptical about these financial efficiencies. There isn't a lot of history about with financial efficiencies, in mergers and I've been responsible for some very large mergers.”

VCS representatives raised concerns about the potential loss of funding and local voice

- 8.8 Participants expressed concern that the move to unitary authorities would have a major impact on the VCS in Warwickshire. Concerns were expressed around the practical implications of moving to unitary authorities, again raising the prospect of losing good working relationships (developed over many years) between councils, VCS organisations, and communities, which could result in less local expertise and poorer service quality. It was felt that unitarisation would alter these relationships and impact their ability to secure funding in future.

“I'm obviously worried about the fact that we do have relationships with different individuals and we have the go to people that we can talk to about funding and that will all change when you reorganise. It's such a long process that we could lose some of that history and some of those relationships that we have. So, so that bit of me is concerned.”

- 8.9 Participants felt that local councils would need to be inwardly focused during the transition, and as a result would sideline external priorities like development opportunities for VCS organisations. This shift of focus could, it was felt, disrupt established VCS relationships with local authorities, especially where previous contacts move posts; and lead to reductions in current support for both councils and residents.

“For local authorities it will all be about what's happening to them and therefore the outside organisations and development and opportunities... goes off the boil. Everyone's focus shifts and the history that we have with local authorities, could be lost as people that we've worked with for many years move on. The upheaval and the impact on smaller charities, organisations... it's going to have a massive impact on the support that lots of us offer to councils, tenants, and residents in the area for the non-statutory services that we all provide.”

- 8.10 Furthermore, it was argued that the way in which funding is allocated would be different and more complex within a unitary structure; and that regardless of the chosen configuration, funding would probably not match current allocations.

“My concerns would be the impact of funding, certainly for the charity sector, and what that looks like in the longer term because there's a strong possibility that that's going to get much more difficult.”

“Whatever comes out of this consultation, whether it's one authority or two authorities, we're really concerned about the funding that we would receive. It's very unlikely whether we go to one or two that either new organisation will make up the funding that we currently get from districts.”

- 8.11 Participants expressed concern that potential funding cuts could negatively affect how resources are allocated, and funding is distributed, putting pressure on organisations to make contingency plans and potentially harming the voluntary sector as a whole.

“Just listening to colleagues around the table and ...if they're already scenario planning for the worst possible outcome and concern about what that means in terms of cuts to non-statutory funding, ...that then passes down the chain... So, [there is] only a certain amount of money every year ... that means that's a concern for us if we're going to be under more pressure.”

- 8.12 Concerns were also raised about reduced political representation through unitarisation. Participants felt that expecting Town and Parish councils to address the anticipated democratic deficit is unrealistic, as they are already overstretched and unable to take on additional responsibilities.

“... My greatest worry about some of this is the lack of democracy in it. Some of this has been justified on the basis that parish councils will be able to take over... Well, that's just not going to happen... With greatest respect to parish councils, they're struggling as it is, to do the little jobs that they currently have to do.”

Most of the VCS representatives considered access to be the most important priority for a new council or councils

- 8.13 When asked to rank important criteria for future local government arrangements, most VCS representatives chose access as their top priority, followed by value for money/sustainability and quality. Their rationale was that quality and cost-effectiveness are irrelevant if services are not accessible to users.

“... It's the accessibility that's really that's important. I mean, it's already difficult enough for people to access councils and local authorities and services.”

“I think access is really important. If I'm going to access a service, I want to make sure it's a quality service when I do access that service and [that quality] is determined by where I live, whether I'm living rurally or whether I'm living in urban conurbation.”

Most VCS representatives supported a two-unitary authority structure over a single-authority structure

- 8.14 A few participants explicitly stated they would prefer no changes to current local government structures but accepted that change is inevitable. They expressed a clear preference for a two-unitary authority structure over a single unitary; despite acknowledging that they currently enjoy a good working relationship with the existing County Council which, in their view, already operates in a manner that closely resembles a single unitary model.

“It actually works pretty well the way it is, but we're not allowed to have what we have [now]. I see the first option, the single unitary as really, really difficult for us all actually, although we have really good relationships with Warwickshire County Council and we work well with them.”

- 8.15 This preference was largely based on participants' belief that a two-unitary authority structure would mitigate their concerns about smaller, local VCS organisations getting lost in the system, losing the 'local voice,' and access to services.

“So much of the work that happens and is so positive locally could get swallowed up and lost, which maybe it stands a better chance of remaining intact if there's two unitary authorities.”

“So, given the two [choices], it does feel like the two unitary authority option for Warwickshire would give us the best chance of not losing all of the great work that happens at a local level.”

“As an organisation, we have very good relationships with the County Council. But we don't have quite as much interaction and engagement with them as we do with, say, the borough councils. And some of that no doubt will be lost if it's one larger authority.”

- 8.16 Concerns were also expressed that should a single authority be chosen, the distinct economic, social, and cultural differences between north and south Warwickshire could be overlooked, potentially leading to decision-making that does not reflect the specific needs, priorities, and identities of different localities. Participants felt that some communities could have inadequate representation and a diminished voice in county-wide matters as a result.

“North Warwickshire is very different to south Warwickshire. The communities that make up those parts of Warwickshire are very, very different. If you're having discussions as a single authority, [then] they're not truly representing all of those separate parts of the authority.”

“They are two different communities, north and south. There's absolutely no doubt about that. And historically, the north has always felt slightly disadvantaged ...”

The North/South proposal was said to be the best option for Warwickshire

- 8.17 VCS representatives generally agreed that the North/South proposal would be the most advantageous for Warwickshire as a whole, as it considers the differing economies and communities across the county. The proposal also addresses the issue of population distribution, ensuring each new authority falls within central government's suggested population guidelines, with allowing for ample room for future growth.

"The advantage of the North South proposal, so the two unitaries rather than single, is you are making decision making more local. You wouldn't get that with the single authority, so there are lots of pros and cons... It's difficult but my feeling is that a North/South split should be more advantageous than a single unitary authority."

- 8.18 Moreover, the North/South proposal was seen as a step toward addressing the disparities between north and south Warwickshire, helping to ensure that local needs remain a priority and that community voices are heard within the decision-making process.

"We have raised the fact that it's quite different North to South. So, you can tailor those services, and the policies for the differences between the North and the South."

"The voices that will be heard will be slightly different and hopefully you would get better engagement between the communities, the authorities and the officers. So actually, the communities might feel better connected, if you've got the two as is being proposed."

Suggested mitigations included forward planning and contingency plans

- 8.19 Some participants said they had started forward planning for whatever local government reorganisation brings, setting in motion contingency plans to mitigate for either eventuality (i.e., a two-unitary authority or single unitary authority structure). The impetus for this was again fear that the changes could affect future funding and impact on their organisation.

"We're already working on a crash plan. We worked out how much we get from here and there and what happens if that disappears."

"I'm already starting to think, 'What roles can I do without?' And that sounds dreadful, but how can we double up? How can we do this? [Even] do they need me? Can I manage with a bit less of me, so we can keep that [department] going? All kinds of different things!"

Summary

- 8.20 VCS representatives generally agreed that their working relationships with district and borough councils and the County Council were good, and that the current two-tier system in Warwickshire is both effective and efficient.
- 8.21 VCS representatives understand the principles underpinning the change and supported reorganising into unitary authorities as an opportunity to improve efficiencies, cut duplication and cost, better streamline services, and reduce bureaucracy (providing these benefits can be realised); while also raising concerns around losing local identity and voices, and funding and contract allocation.

- 8.22 VCS representatives generally favoured a two-unitary authority model, believing it would better reflect the distinct needs, priorities, and identities within Warwickshire, preserve local voices, and maintain well-established existing relationships between councils and communities at a local level.
- 8.23 In the event of a two-unitary solution, the North/South proposal was felt to ensure the most appropriate division of Warwickshire and VCS organisations agreed that of the interim plans submitted to government, the North/South proposal provides the best opportunity for the county to maintain its identity and continue to provide good quality services.

9. Key Stakeholder Interviews

Overview

- 9.1 Sixteen key stakeholder organisations were invited to take part in an in-depth interview with ORS to discuss their views on the proposals. Despite extensive attempts at engaging stakeholders, only six of those contacted were able to take part. Interviews took place remotely on Microsoft Teams and lasted an average of 30 minutes. During the interviews, ORS staff outlined the current council set-up across Warwickshire; the devolution agenda and reasons for change; the options for change; and the rationale for and potential impacts of the North/South model. Participants were asked for their thoughts and opinions and each topic in turn.
- 9.2 Stakeholders had a good overarching knowledge of local government reorganisation and the various interim plans submitted to the government. However, we would note that some were hesitant to give definitive feedback, stressing that they work for apolitical organisations and that they will endeavour to work with any new authorities to provide the best services possible for residents.
- 9.3 In addition, participants requested that any direct quotations they provided either not be used or not be attributed to them. As a result, quotations in this section are limited to those who gave permission for their use and are not attributed.

Main findings from key stakeholder interviews

The current two-tier system in Warwickshire was said to be confusing, but also to have advantages when working locally

- 9.4 Most stakeholders agreed that the current two-tier local government structure is complicated, as it is not always immediately clear which council needs to be contacted for which issue.

“... When you're looking at devolution and how we [currently] engage with the various different authorities or even [the] combined authorities that exist, there's a lot of layers that we have to deal with.”

“There are so many times things fall between the gaps of who's actually owning the projects and how they're linking together and where there's obvious synergies.”

- 9.5 Despite this, stakeholders felt they had established good working relationships with local council at both county and district and borough levels, which they were keen to maintain.

“We engage positively. I'd like to think that we've got those good relationships with all the districts and boroughs and the county.”

- 9.6 A few key stakeholders felt that the decision on future structures is something of a ‘fait accompli,’ and stressed that they would embrace change regardless of what these structures look like, working closely with any new authorities to deliver the best outcomes for all areas. In this context, several said they were less

concerned about council configurations than ensuring service delivery and relationships between delivery partners are as effective as possible.

"So, I think there's a little bit of fait accompli. Whatever that looks like remains to be seen of course ...and nobody is surprised this is happening."

"I think the decision has been made, so it's irrelevant what anybody thinks, the decision has been made, government is doing this and it's happening. So ...all we can do is try and embrace, look at the opportunities rather than the negativities, make sure that we are communicating very well with those people that it's going to impact."

- 9.7 Stakeholders also highlighted that as a unitary county, regardless of exact configuration, Warwickshire would have more political weight in Westminster. This, several felt, would be advantageous.

"When the authorities do become unified, they [will] have a lot more punch and power to set their plans and to have a lot more influence on Westminster as well, who clearly hold a lot of the power in a lot of these issues."

Stakeholders were largely in favour of reorganisation, but there were concerns about communication, potential disruption, and a loss of local focus

- 9.8 Half of the stakeholders were willing to discuss the principle of replacing the two-tier system with unitary authorities and said they were in favour of it and accepted the principle of change as a positive that will bring about the potential for efficiencies, cost-savings and streamlining.

"I think the simplification of decision-making processes, and a smaller amount of local government organisations to deal with, most people would agree with So, broadly the principles of what they're trying to do, we would completely agree with."

- 9.9 However, clear communication was highlighted as crucial for change, along with the need to maintain and build on existing positive relationships.

"[It needs] clear communication to organisations about what is happening and a general way of making it smoother in terms of the contact points [that allow] maintaining those relationships going forward."

- 9.10 One stakeholder was more cautious about the prospect of reorganisation and expressed concerns around uncertainty and potential disruption.

"The disruption and uncertainty ... is a concern in itself in that [we] have been through an awful lot of change ... Then to [have to] face a period of uncertainty and further disruption ... it would have some impact around the costs of the changes [in general] and how that might impact in terms of things like support programmes being provided."

- 9.11 Indeed, another stakeholder noted that while the reorganisation has been presented as a way to achieve savings and efficiencies, all change incurs costs. They also felt that the current lack of detail on how savings would be achieved has made it difficult to assess cost versus value and requested more clarity around this in future.

“One of the pros put forward [within the proposal] is that it is about cost savings. But actually, in the short-term, any kind of restructure is going to cost.”

- 9.12 Concerns were raised by three stakeholders around the potential loss of local focus and community representation within unitary authorities. These stakeholders feared that consolidating power into a larger, centralised body or bodies could weaken the connection between decision-makers and the communities they serve.

“It's a large and very rural county, with lots of hidden deprivation. So, it's about how we would make sure the communities are still heard in shaping services through all of this, they don't get lost along the way.”

- 9.13 As a result, stakeholders stressed the importance of maintaining a degree of local autonomy (especially at town and parish council level) to ensure decisions continue to reflect the unique character and needs of individual communities.

“I think ... that there should be some local autonomy at town council level to keep the sense of local pride and local matters that actually are just small issues being dealt with by a local town or parish council.”

- 9.14 In addition, smaller businesses, charities and tourism organisations were especially worried that reduced local representation might negatively affect how funding is distributed, potentially overlooking the specific needs and priorities of their areas.

“... Whatever happens, we will be seriously affected ... from a funding perspective because [when] we go unitary, we can't for one moment assume that Warwickshire Council, if it is unitary, will suddenly just put what our existing income is from all of those districts and boroughs into one pot.”

The two-unitary authority model was preferred by most stakeholders, while support for a single unitary authority was minimal

- 9.15 Two participants felt they could not give an opinion on this issue, preferring to remain neutral. Of those who did, all preferred the option of two unitary authorities over one, arguing that the population and geographical area of Warwickshire is too large to be run effectively by a single council. Having a population of under 500,000 in each authority was also considered advantageous in placing less stress on services and allowing some headroom for growth; as was the prospect that smaller councils would be more local and less remote. Overall, this model was described by those in favour of it as the more balanced of the two.

"[We] support the split of south and north entirely. It's not only the most geographically logical, it's demographically logical and also economically logical."

- 9.16 Stakeholders also felt that creating two unitary authorities instead of one would preserve local identities, ensuring community needs are better understood. They believed this approach would better retain local knowledge and ensure service delivery and decision-making is more responsive to local priorities.
- 9.17 The North/South model was also thought to offer a better population balance than the single unitary option. Indeed, the general feeling was that one unitary authority would cover too large a population to adequately provide for local needs.
- 9.18 However, one stakeholder acknowledged the potential benefits of moving to a single unitary authority, recognising that this could further reduce service duplication and streamline decision-making processes. Fully consolidating responsibilities could also, it was felt, lead to financial savings and improved efficiency; and having a single point of contact was seen as a way to simplify communication and access to support, negating the need for service users and partners to navigate multiple layers of local government.

"From our point of view, it would be much easier to have one single point of contact from an authority perspective."

"... If we were to go [to one] unitary, the pros of that would be a reduction of duplication, the number of meetings we sit in where we see repeated presentations and repeated discussions."

Those who supported the North/South proposal considered it the most logical approach to improving efficiency without losing local focus

- 9.19 Those who favoured a two-unitary authority model generally felt that the North/South proposal divides the county across logical boundaries given the socio-economic differences between north and south Warwickshire. Indeed, it was said that the distinct needs of each area would be more effectively supported by two separate unitary authorities, allowing for a more tailored and responsive service delivery across the county.

"South Warwickshire is a largely tourism ... whereas in the north it's a very different economy, so I think the rationale ... is really clear and I strongly support that."

- 9.20 The disaggregation of services was a concern for half the stakeholders, especially considering the differing economic and political situations in the north and south of the county. In particular, stakeholders expressed uncertainty around how funds and resources would be allocated across the two areas.

"I think [with] having one larger authority ... there's still a chance that political differences between the north and south would mean an imbalance in areas of focus and development. Whereas if you are very clear that the south is a separate authority then the chance of a large political difference between the areas ... is less likely."

Summary

- ^{9.21} While stakeholders commended the existing councils for their local knowledge and expertise, and their working relationships with partners, the two-tier system itself was agreed to be complicated, and duplicative. There was an appetite for change as a result, but also some caution around losing local focus and realising potential benefits.
- ^{9.22} Of those prepared to give a view, more stakeholders supported a two-unitary authority model over a single-unitary model. Those who favoured the former felt it would allow for efficiencies and cost savings while also maintaining local expertise and focus. Those who supported the latter felt it would maximise efficiencies and cost savings; and allow stakeholder organisations to function more easily, since there would be fewer relationships to maintain with different local authorities.
- ^{9.23} Those who favoured a two-unitary authority model generally felt that the North/South proposal offers a good population balance and best caters for the differences between north and south Warwickshire.
- ^{9.24} Finally, stakeholders stressed that they would work closely with any new authorities to deliver the best outcomes for all areas, regardless of local government structures.

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The Future of Local Government in Warwickshire

Report of Public Survey Results

Executive Summary

A public online survey hosted on the Citizen Space platform, Ask Warwickshire (www.warwickshire.gov.uk/ask), was open from 25th July 2025 until 25th August 2025.

Respondents

There were 857 responses received. Most respondents (n=790, 92.2%) indicated that they were a Warwickshire resident. Of the 790 respondents selecting they were a Warwickshire resident; the highest proportion of responses was from residents of Warwick District (34.3%, n=271), followed by 26.7% (n=211) of responses from residents of Stratford-on-Avon District. Respondents aged 16-39 years of age were underrepresented in the survey responses.

Benefits of bringing all council services together under one or more unitary councils for Warwickshire

The main themes with regards to benefits were:

- Potential for cost savings including savings made by streamlining services and reducing duplication of services such as administration and support services, or savings made by consolidating assets, and savings made due to economies of scale.
- Potential for improved and more efficient ways of working including improved integration across councils and departments leading to better services and more efficient ways of working; having one vision and unified strategies and policies that cover Warwickshire; and improvements to the workforce and use of technology.
- Potential for improved interaction with residents due to a simpler structure. The current structure of two/three tiers of councils is confusing to residents with regards to who is responsible for what service. A unitary model would make contacting the council much easier with potentially one point of contact and reduction of signposting between authorities. In addition, clearer routes to enable engagement and potential to enable better engagement between residents and the council.
- Potential for simpler governance and control. The way councils operate being much more transparent due to reduced numbers of councils, and improved accountability of officers, services and elected members. In addition, a less complicated hierarchical structure and simpler decision making process, and potentially fewer councillors.
- Potential for more consistent and equitable delivery of services across Warwickshire.

Some respondents felt that there no benefits or took the opportunity to mention concerns. In addition, some respondents gave their views on the proposed LGR models (single unitary or two unitaries) or mentioned other potential models.

Concerns of bringing all council services together under one or more unitary councils for Warwickshire

The main themes relating to concerns were:

- Loss of local understanding, local focus, the representation of local areas and the presence of council buildings and offices in local areas.
- How local government reorganisation would be implemented, including costs of implementation and challenges associated with integration and transition; job losses and impact on staff morale, along with loss of experience and knowledge in the workforce.
- The ability of a unitary council(s) to understand and cater for differences in communities and their needs across Warwickshire in general but also differences between communities in the north and south of Warwickshire.
- The impact of local government reorganisation on the delivery of services including disruption to services and inequalities in service delivery.
- How funding would be distributed across Warwickshire and that this may be unfair.
- Governance and control particularly around reduced accountability, increased bureaucracy and power being with too few decision makers.
- Communication and engagement with residents, both increased difficulties in contacting the council and perceived fewer opportunities for engagement with the council or reduced communication from councils.

In addition, some respondents gave their views on the proposed LGR models (one unitary councils or two unitary councils) or mentioned other potential models. Some respondents said they had no concerns.

Importance of considerations for how any future unitary council (s) in Warwickshire should operate

Respondents were asked to indicate the importance of several themes in thinking about how any future unitary council(s) in Warwickshire should operate. The themes which the highest proportion of respondents felt were either very important or important related to money: "Making sure the council manages money well so it can keep providing services in the future" (95.9%, n=822) and "Working efficiently to save money and provide good, reliable services for everyone" (93.9%, n=805). The theme that the highest proportion of respondents (7.8%, n=67) felt was not at all important was "Making it easier for you to find and use council services in one place".

	Very important	Important	Neither important nor unimportant	Slightly important	Not at all important	Not answered
Making it easier for you to find and use council services in one place	40.0%	34.3%	9.8%	6.9%	7.8%	1.2%
Making sure the council is visible and available in your local community	62.7%	25.7%	4.6%	3.7%	2.7%	0.7%
Giving you options about how you want to contact or interact with the council (online, phone, in person, etc.).	48.0%	34.2%	9.3%	5.0%	2.3%	1.2%
Making sure the council manages money well so it can keep providing services in the future	77.9%	18.0%	1.3%	0.9%	1.2%	0.7%
Working efficiently to save money and provide good, reliable services for everyone	72.7%	21.2%	2.3%	1.6%	1.4%	0.7%

Making decisions in a way that's easy to understand and where it's clear who is responsible.	64.8%	27.9%	4.1%	1.5%	0.9%	0.8%
Involving local people in decisions that affect their area	71.1%	21.8%	3.2%	2.0%	1.5%	0.5%
Finding new and better ways to do things, including using the latest technology	44.5%	35.7%	11.4%	5.8%	2.2%	0.4%
Working together with other public services like the police and NHS to give you better, more joined-up support	63.6%	26.1%	4.9%	2.3%	2.0%	1.1%

Further comments

Finally, respondents were asked, *"Is there anything else you would like to say about how local government in Warwickshire can work better for you and your community in the future?"*.

The main themes derived from responses focused on:

- a desire for improved engagement and communication with residents and stakeholders including reducing confusion that is caused by the current two-tier structure,
- further responses about local government reorganisation in general and the proposed models or alternative models,
- service delivery including ensuring needs of residents are met, improving collaboration between organisations/partners, efficient use of resources, and reducing bureaucracy,
- local needs, local representation and local decision making including comments on the role of elected members and parish councils, and
- a desire to monitor the impact of local government reorganisation.

The Future of Local Government in Warwickshire

Report of Voice of Warwickshire Survey Results

Executive Summary

An online survey was hosted on the Citizen Space platform, Ask Warwickshire (www.warwickshire.gov.uk/ask), from 25th July 2025 until 25th August 2025. Only Members of the Voice of Warwickshire Panel were invited to participate in the survey.

Respondents

There were 353 responses to the survey: a response rate of 38.5%; 350 responses were completed online, three were returned by post as paper copies. The place of residence of panel members responding to the survey is broadly similar to the distribution of residents aged 18 and over in Warwickshire, although respondents in Nuneaton and Bedworth Borough and North Warwickshire Borough were slightly underrepresented, and respondents in Warwick District were overrepresented. Age groups 18-49 were underrepresented, whereas those age 60-74 were overrepresented.

Your local area

When you think of your local area, which places comes to mind?

Overall, 46.2% (n=163) of respondents said they think of their “borough or district” as their local area, 33.1% selected “your neighbourhood”.

What do you love most about your local area?

The most common theme in response to this free-text question was “green spaces,” with 50.4% (n=178) of respondents giving an answer related to this theme. Other common themes were “community” (31.7%, n=112) and “local amenities” (21.0%, n=74).

What are the biggest challenges facing your local area?

The most common theme in response to this free-text question was “over development” (41.3%, n=142). Other common themes were “crime, anti-social behaviour and policing” (23.0%, n=79) and declining town centre/lack of amenities (17.2%, n=68).

Council services in your local areas

Overall, how satisfied are you with the service provided by your councils?

In total, 42.8% (n=151) were very satisfied or satisfied with the service provided by their councils, 23.8% (n=84) were very dissatisfied or dissatisfied, 33.1% (n=117) were neither satisfied nor dissatisfied.

How satisfied are you with the following council services?

	Respondents who have used service	Very satisfied or satisfied		Neither satisfied or dissatisfied		Very dissatisfied or dissatisfied	
	No.	No.	%	No.	%	No.	%
Community (such as libraries, museums, parks or playgrounds, shows or fun days and activities for young people and families)	324	196	60.5%	74	22.8%	54	16.7%
Economic (such as for local business, grant funding, supporting local attractions, tourism)	285	74	26.0%	102	35.8%	109	38.2%
Education (such as school admissions, or transport or educational needs)	248	84	33.9%	85	34.3%	79	31.9%
Environmental (such as rubbish collection, recycling centres, street cleaning, environmental protection, flood protection, getting rid of pests)	352	199	56.5%	64	18.2%	89	25.3%
Planning and building (such as planning applications, planning enforcement, building control/ safety, protecting old buildings, local development plans, affordable housing)	306	54	17.6%	69	22.6%	183	59.8%
Public Health (such as drug or alcohol dependency support, health improvement programmes, sexual health services)	209	46	22.0%	94	45.0%	69	33.0%
Regulatory functions (such as trading standards, licensing - taxis/ alcohol, food safety inspections, noise complaints, council tax, registering of birth, death or marriage)	288	95	33.0%	126	43.7%	67	23.3%
Road, transport and infrastructure (such as local road repairs, pavement/ footpath repairs, streetlights, public toilets, car parks)	343	44	12.8%	44	12.8%	255	74.3%
Social care and support (such as adult social care, children social services, safeguarding, support to vulnerable people, homelessness prevention)	213	31	14.6%	76	35.7%	106	49.8%

What council services are working well in your local area?

The question was an open text box. The most common themes mentioned were waste and recycling (71.7%, n=220); green spaces and parks (17.3%, n=53); libraries (10.7%, n=33); and maintenance of public areas (10.7%, n=33).

What council services do you think could be improved in your local area?

This question asked respondents what council services they thought could be improved in their local area. The answer was an open text box, and 91.5% (n=323) people responded. Overall road maintenance/ management was mentioned by 37.2% (n=120) respondents, with 19.5% (n=63) mentioning maintenance of public areas and 12.4% (n=40) mentioning planning enforcement.

How strongly do you agree or disagree that your councils provide good value for money?

Overall, 21.5% (n=76) indicated they strongly agreed or agreed that their councils provide good value for money, 39.9% (n=141) said they strongly disagreed or disagreed, with 38% (n=134) advising they neither agreed nor disagreed. A total of 42.8% (n=151) of respondents provided further information on their answer in the free text box. The most common themes were tax too high (15.2%, n=23); confirm councils perform well in light of funding challenges (13.9%, n=21); poor service delivery (10.6%, n=16); and waste in public spending (10.0%, n=15).

If you needed to contact your council, how would you prefer to do it?

More than one response could be selected; 75.1% (n=265) of respondents selected email, 60.6% (n=214) selected telephone and 40.8% (n=144) selected in person visit/ meeting. A total of 49 respondents added a comment in the open text box; seven respondents mentioned “no automated systems”; seven respondents mentioned “regular open meetings”; and 5 respondents mentioned “website”.

Having your say

How important is it for you to have a say on how local services are delivered?

Most respondents, 92.1% (n=325) indicated it is very important or important to have a say on how local services are delivered.

How would you like to have your say on how local services are delivered?

More than one response could be selected. Overall, 80.9% (n=283) selected on-line surveys, 54.6% (n=191) selected in-person events/ meetings and 48.3% (n=169) selected polls.

What would encourage you to participate more in local council decision making

This was a free text question. A common theme was that respondents would participate more if they were confident that they were listened to (33.7%, n=102). In addition, 19.1% (n=58) mentioned in person events/ engagement activities; 12.5% (n=38) mentioned communication and feedback and 7.9% (n=24) mentioned making it easy.

Opportunities and challenges of local government reorganisation

What opportunities do you think local government reorganisation in Warwickshire could bring?

This was a free text question. The most common theme related to saving money/ efficient use of resources 41%, (n=128) followed by 17.6% (n=55) of respondents mentioning that there were no opportunities, 16% (n=50) mentioning improved services and 15.1% (n=47) mentioned simplifying things and helping residents know who is responsible for services.

What worries you most about local government reorganisation in Warwickshire? Are there any challenges or risks you want to highlight?

This was a free text question. The most common themes were lack of local knowledge (37.7%, n=122); unfair divide of resource/ funding (13.9%, n=45) and cost (11.7%, n=38).

What are your top three priorities when it comes to reorganising councils in Warwickshire?

A list of themes was presented with description of the theme. Responses listed in order of those prioritised most frequently were:

- “Value for money” - selected by 60.6% (n=208)
- “Accountability” - selected by 59.2% (n=203)
- “Access to services” - selected by 42.9% (n=147)
- “Service quality” - selected by 41.1% (n=141)
- “Representation” - selected by 23.9% (n=82)
- “Community engagement” - selected by 22.7% (n=78)
- “Strong financial resilience and sustainability” - selected by 19.8% (n=68)
- “Ability to attract investment and deliver economic growth in Warwickshire” - selected by 12% (n=41)
- “Innovation” - selected by 5% (n=17)
- “Other” - selected by 2.6% (n=9)