



**AGENDA  
for  
THE EXTRAORDINARY MEETING  
OF THE COUNCIL**

to be held on

**Wednesday 29<sup>th</sup> October, 2025**



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Date: 21<sup>st</sup> October 2025

Our Ref: KB

To: All Members of the Borough Council

AN EXTRAORDINARY MEETING OF THE COUNCIL will be held in the Council Chamber, Town Hall, Nuneaton, on **Wednesday 29<sup>th</sup> October, 2025, at 6.00 p.m.**

In accordance with Procedure Rule Part 4A, Paragraph 4.3.1(v) of the Council's Constitution, the Head of Paid Service is calling an Extraordinary Meeting as the business to be transacted (see below) requires an urgent decision by Council.

*The Government's English Devolution White Paper – Power and Partnership: Foundations for Growth (December 2024) outlined a vision to streamline local governance structures to enhance service delivery, accountability and financial sustainability.*

*At Council (2<sup>nd</sup> July 2025) it was agreed that our preferred governance arrangement for Warwickshire would be as follows:*

- *A two unitary model*
  - 1) *Based on existing boundaries of North Warwickshire Borough Council, Nuneaton and Bedworth Borough Council and Rugby Borough Council*
  - 2) *Based on the existing boundaries of Stratford on Avon District and Warwick District Council.*

*The Council are required to submit their final business case to Government by 28<sup>th</sup> November 2025 therefore as Head of Paid Service, I call this extraordinary council to review the proposals within the business case prior to submission to Government.*

All members of the Council are summoned to attend to determine the business of the meeting.

Yours faithfully

TOM SHARDLOW

Chief Executive

## **A G E N D A**

1. **EVACUATION PROCEDURE**

A fire drill is not expected, so if the alarm sounds please evacuate the building quickly and calmly. Please use the stairs and do not use the lifts. Once out of the building, please gather outside Lloyds Bank on the opposite side of the road.

Please exit by the door by which you entered the room or by the fire exits which are clearly indicated by the standard green fire exit signs. If you need any assistance in evacuating the building, please make yourself known to a member of staff.

Please also make sure all your mobile phones are turned off or set to silent.

2. **APOLOGIES** - to receive apologies for absence from the meeting.

3. **DECLARATIONS OF INTEREST** - To receive declarations of disclosable pecuniary interests and other interests in matters under consideration pursuant to Council procedure Rule 4A.2(iii).

**Declaring interests at meetings**

If there is any item of business to be discussed at the meeting in which you have a disclosable pecuniary interest or non-pecuniary interest (Other Interests), you must declare the interest appropriately at the start of the meeting or as soon as you become aware that you have an interest.

Arrangements have been made so that interests that are declared regularly by members can be viewed in a schedule on the Council website - [Councillor Declarations of Interests for Meetings](#). Any interest noted in the Schedule at the back of the agenda papers will be deemed to have been declared and will be minuted as such by the Committee Services Officer. As a general rule, there will, therefore, be no need for those Members to declare those interests as set out in the schedule.

**There are, however, TWO EXCEPTIONS to the general rule:**

**1. When the interest amounts to a Disclosable Pecuniary Interest that is engaged in connection with any item on the agenda and the member feels that the interest is such that they must leave the room. Prior to leaving the room, the member must inform the meeting that they are doing so, to ensure that it is recorded in the minutes.**

**2. Where a dispensation has been granted to vote and/or speak on an item where there is a Disclosable Pecuniary Interest, but it is not referred to in the Schedule (where for example, the dispensation was granted by the Monitoring Officer immediately prior to the meeting). The existence and nature of the dispensation needs to be recorded in the minutes and will, therefore, have to be disclosed at an appropriate time to the meeting.**

**Note: Following the adoption of the new Code of Conduct, Members are reminded that they should declare the existence and nature of their personal interests at the commencement of the relevant item (or as soon as the interest becomes apparent). If that interest is a Disclosable**

**Pecuniary or a Deemed Disclosable Pecuniary Interest, the Member must withdraw from the room.**

Where a Member has a Disclosable Pecuniary Interest but has received a dispensation from Audit and Standards Committee, that Member may vote and/or speak on the matter (as the case may be) and must disclose the existence of the dispensation and any restrictions placed on it at the time the interest is declared.

Where a Member has a Deemed Disclosable Interest as defined in the Code of Conduct, the Member may address the meeting as a member of the public as set out in the Code.

**Note: Council Procedure Rules require Members with Disclosable Pecuniary Interests to withdraw from the meeting unless a dispensation allows them to remain to vote and/or speak on the business giving rise to the interest.**

**Where a Member has a Deemed Disclosable Interest, the Council's Code of Conduct permits public speaking on the item, after which the Member is required by Council Procedure Rules to withdraw from the meeting.**

4. ANNOUNCEMENTS - to receive announcements from the Mayor, Leader, Members of the Cabinet, or the Chief Executive.
5. PUBLIC PARTICIPATION - (maximum 20 minutes).  
to hear and answer questions by any resident of the Borough concerning the item on the agenda (maximum 20 minutes). A copy of the Procedure Rule 9 is attached **(Page 7)** and this is not subject to debate. A question or statement can be submitted using the link below which will send your submission to the Chief Executive and Member Services: [Ask a question at full council](#).
6. LOCAL GOVERNMENT REORGANISATION – report of the Chief Executive attached **(Page 9)**.

**NOTE: Points of Order and Personal Explanation can only be raised in accordance with Council Procedure Rules which are set out below:-**

**Point of order**

A Member may raise a point of order at any time. The Mayor will hear them at the end of the speech of the Member speaking at the time the point is raised. A point of order may only relate to an alleged breach of these Council Rules of Procedure or the law. The Member must indicate the rule of law and the way in which he/she considers it has been broken. The Mayor shall consider the Point of Order and, if necessary, take advice on the matter from the Monitoring Officer and, shall then rule on the Point of Order raised. There shall be no discussion or challenge to the advice given or the Mayors decision in the meeting. If a Member persistently seeks to raise a Point of Order but is unable to identify the procedure rule or legal principle infringed then, after having been warned by the Mayor, any further abuse of this procedure rule shall not be tolerated, and the Mayor shall move that the Member not be

heard further pursuant to Procedure Rule 4.19.13. The ruling of the Mayor on the matter will be final.

**Personal explanation**

A Member may make a point of personal explanation at any time. The Mayor will hear them at the end of the speech of the Member speaking at the time the point is raised. A personal explanation may only relate to some material part of an earlier speech by the Member which may appear to have been misunderstood in the present debate. The ruling of the Mayor on the admissibility of a personal explanation will be final.

**4A.9 PUBLIC PARTICIPATION**

**4.9.1 General**

At each Ordinary Meeting or Extra Ordinary Meeting of the Council, 20 minutes (which can be extended at the discretion of the Mayor) shall be set aside for questions or statements from the public gallery by any resident of the Borough in relation to matters in respect of which the Council has powers or duties, or which affect the Borough. In the case of an Extra Ordinary Meeting the question or statement must relate to the business of that meeting.

**4.9.2 Notice of Questions and Statements**

No such question shall be asked, or statement made, unless it shall have been delivered in writing to the Head of Paid Service no later than 12 noon, two working days, before the meeting of the Council.

**4.9.3 Scope of Questions and Statements**

The Head of Paid Service may reject a question or statement if it:

- a) is not about a matter for which the Council has a responsibility or which doesn't affect the Borough;
- b) is defamatory, frivolous or offensive;
- c) is substantially the same as a question or statement which has been put at a meeting of the Council in the past six months;
- d) requires or involves the disclosure of confidential or exempt information; or
- e) It is not a question nor a statement, as provided for in these Procedure Rules.

- 4.9.4** The Mayor will invite the relevant Cabinet Member or Committee Chair to give a reply. Such reply shall not exceed five minutes. In the case of a question, on the discretion of the Mayor, a supplementary question may be asked if arising directly from the reply, provided that the original allocation of five minutes is not exceeded. The Mayor may reject a supplementary question on any of the grounds detailed in paragraph 4.9.3 above

#### **4.9.5 Time Limit and Number of Questions**

No question or statement shall exceed three minutes. In the event of there being more than one question or statement, the Head of Paid Service will ensure that questions and statements are dealt with in the order received. At the expiry of the 20 minute period, or such period as may be agreed by the Mayor, or after the reply to the final question or statement, whichever shall first occur, the Council will proceed to the next business.

#### **4.9.6 Record of Questions and Statements**

The question or statement and the reply given shall be minuted.

#### **4.9.7 Reference of Question to the Cabinet or a Committee**

Unless the Mayor decides otherwise, no discussion will take place on any question, but any Member may move that a matter raised by a question be referred to the Cabinet or the appropriate Committee. Once seconded, such a motion will be voted on without discussion.

#### **4.9.8 Any question or statement which cannot be dealt with during Public Participation because of lack of time will be dealt with in writing, and recorded in accordance with paragraph 4.9.6.**

**AGENDA ITEM NO.6**

**NUNEATON AND BEDWORTH BOROUGH COUNCIL**

|                                |                                 |
|--------------------------------|---------------------------------|
| <b>Report to:</b>              | Full Council                    |
| <b>Date of Meeting:</b>        | 29 <sup>th</sup> October 2025   |
| <b>Subject:</b>                | Local Government Reorganisation |
| <b>Portfolio:</b>              | All                             |
| <b>Responsible Officer:</b>    | Chief Executive                 |
| <b>Corporate Plan – Theme:</b> | All                             |
| <b>Corporate Plan – Aim:</b>   | All                             |
| <b>Ward Relevance:</b>         | All Wards                       |
| <b>Public or Private:</b>      | Public                          |
| <b>Forward Plan:</b>           | Yes                             |
| <b>Subject to Call-in:</b>     | Yes                             |

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1. **Purpose of the Report**

- 1.1. This report provides an update on Local Government Reorganisation (LGR) ahead of the statutory submission deadline in late November. It summarises previous work, including the full business case drafted by Deloitte, and outlines the rationale for a two-unitary structure in Warwickshire. It also identifies key workstreams and corporate considerations in preparation for reorganisation legal orders.

## 2. Recommendations

- 2.1. That Council comments on the outline final proposals for unitary Local Government for Warwickshire (set out in Appendices 1 and 2) to inform the submission to Government by 28 November 2025.
- 2.2. That Council formulates a recommendation to Cabinet (recognising that the decision to submit is an executive function of Cabinet):
  - a. Expresses a preference on the form of unitary Government for Warwickshire to inform Cabinet's submission of the final proposal to Government.
  - b. Delegated authority be granted to the Chief Executive Officer to continue to represent and act on behalf of Nuneaton and Bedworth Borough Council in all matters relating to Local Government Reform and reorganisation, in consultation with the Leader of the Council.
  - c. Delegated authority be granted to the Chief Executive Officer to make and accept any necessary administrative amendments to the final business case prior to its submission to Cabinet, in consultation with the Leader of the Council and the Group Leaders of the opposition parties.

## 3. Reasons for Recommendations

- 3.1. The proposed recommendations are intended to ensure that Nuneaton and Bedworth Borough Council maintain a proactive and strategic role in the evolving landscape of Local Government Reform across Warwickshire.
- 3.2. The formulation of a recommendation to Cabinet enables the Council to contribute constructively to the decision-making process regarding future governance arrangements, satisfying the statutory requirement to respond.
- 3.3. Delegating authority to the Chief Executive to make administrative amendments to the final business case ensures that the submission remains accurate and responsive to emerging developments, while maintaining cross-party engagement through consultation with group leaders.

## 4. Timetable for Decisions

- 4.1. MHCLG has published guidance outlining the expected timeline for Local Government Reorganisation in areas, including Warwickshire, where councils are submitting proposals by the end of November. The guidance indicates that new unitary authorities would operate in a 'shadow form' from May 2027, one year

prior to their official “go-live” date in April 2028, when they would assume full statutory powers, assets, and liabilities.

- 4.2. 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 2027 who would formally become councillors of the new unitary councils upon vesting day.
- 4.3. Based on MHCLG guidance and Deloitte’s planning, the following indicative timeline outlines key milestones for Warwickshire’s reorganisation process:

| <u>Date</u>               | <u>Milestone</u>                                         |
|---------------------------|----------------------------------------------------------|
| October-November 2025     | Full Council review of final draft                       |
| 28 November 2025          | Statutory deadline for submission to Government          |
| Early 2026                | Anticipated feedback from Government                     |
| May 2026                  | Borough Council elections – go ahead as planned.         |
| Spring 2026               | Government consults on Warwickshire proposals            |
| Late spring / Summer 2026 | Mediation and Government decision to implement           |
| TBA 2026                  | Legislation drafted                                      |
| TBA 2026/2027             | Legislation laid; parliamentary approval                 |
| May 2027                  | Elections to Shadow Unitary councils                     |
| May 2027                  | Shadow Authority operates alongside predecessor councils |
| April 2028                | Formal ‘go live’ of new authorities                      |

## 5. Background

### 5.1. Policy Framework and Previous Decisions

#### 5.1.1. English Devolution White Paper

- a) 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. 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.
- b) Following publication of the White Paper, 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 to inform early engagement with the Department with subsequent feedback incorporated into the drafting of the full business case.
- c) 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.
- d) 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 want to 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 used by all proposals.
- e) Following Council support for progressing the proposal on 2<sup>nd</sup> July, the Council has been working collaboratively with external partners, as well as with other district and borough councils in Warwickshire (with the exception of Rugby Borough Council), to develop a comprehensive business case. This full business case proposing a Two Unitary North/South Model in Warwickshire, is to be submitted to MHCLG by 28 November 2025, in line with the Government's timetable for Local

## Government Reorganisation proposals.

### 5.1.2. Assessment Criteria

- a) The English Devolution White Paper sets out six key criteria against which Local Government Reorganisation proposals are to be assessed.
- b) These criteria provide the framework for the development of this business case, which evaluates the two structural options for Warwickshire (a single countywide unitary authority or a two-unitary model) through a comparative assessment against each criterion, using a forced-ranking approach.
- c) The six criteria are listed as follows:
  - 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.

### 5.1.3. Current Regional Position

- a) NBBC has been working collaboratively with North Warwickshire Borough Council, Stratford-on-Avon District Council and Warwick District Council, supported by consultant partners Deloitte, Opinion

Research Services and PeopleToo, to develop a proposal for a Two Unitary Model in Warwickshire as follows:

- i. Based on existing boundaries of North Warwickshire Borough Council, Nuneaton and Bedworth Borough Council, Rugby Borough Council,
  - ii. Based on the existing boundaries of Stratford on Avon District Council and Warwick District Council.
- b) On 14th October 2025, Warwickshire County Council passed a motion in support of a Single Unitary Council covering the whole of Warwickshire, alongside expressing a preference for joining the West Midlands Combined Authority (WMCA). It should be noted that the motion for single county unitary, was not unanimously supported, and considerable opposition remains at the county level. However, it is therefore anticipated that Warwickshire County Council will submit a proposal making the case for a single countywide unitary authority.
- c) At time of writing, Rugby Borough Council has not yet expressed a clear preference for either option.

#### 5.1.4. Interim Plan

- a) In March 2024, Warwickshire Councils jointly submitted an 'Interim Plan' to Government, outlining the two options: a single county unitary or two north/south unitary councils.
- b) 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:
- i. 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.
  - ii. 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.

- iii. 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.
- iv. 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.

## **5.2. LGR Cabinet Sub-Committee**

- 5.2.1. Following a motion passed at Council on 2 July 2025, a politically balanced Local Government Reform Cabinet Sub-Committee was established to oversee and guide the Council's response to Local Government Reorganisation proposals affecting Warwickshire.
- 5.2.2. The Sub-Committee's remit includes reviewing relevant material and proposals, identifying necessary workstreams, making evidence-based recommendations to Cabinet, keeping Councillors informed of progress ahead of the November 2025 submission deadline, and providing input on communication and engagement strategies with residents and stakeholders.
- 5.2.3. Since its inception, the Sub-Committee has met twice and discussed pertinent issues relating to the draft business case. Members have met with external consultants including PeopleToo and Deloitte to discuss submitted reports and to guide the draft business case through a refinement of the arguments for a two-unitary structure presented.
- 5.2.4. During these meetings, the Sub-Committee considered a wide range of issues relating to service delivery, governance, and local outcomes. Key points raised included:
  - i. Pressures on adult and children's social care and associated budget gaps.
  - ii. Potential loss of local knowledge under a single unitary model.
  - iii. Opportunities for a two-unitary model to deliver more locally tailored social care and other services (e.g., health, education, community

initiatives) with improved outcomes.

- iv. Importance of commissioning arrangements, safeguarding, and robust data-sharing protocols during the transition.
- v. Significant time, resource, and cost implications, including potential redundancies.
- vi. Boundary review considerations, shadow council arrangements, and community governance considerations.
- vii. Funding allocations, particularly in areas with higher deprivation or ongoing regeneration, such as North Warwickshire and Nuneaton and Bedworth.
- viii. Importance of maintaining local initiatives and partnerships both within and beyond Warwickshire to ensure accessible and effective services.

### **5.3. Collaboration**

- 5.3.1. Since the publication of the White Paper in December 2024 and the subsequent invitation to submit proposals in February 2025, the four district and borough councils involved in developing the two-unitary proposals have worked closely, in partnership with external consultants, to ensure that the drafted proposals present the strongest possible case for reorganisation in Warwickshire.
- 5.3.2. As part of this process, Chief Executives have engaged directly with Warwickshire's Members of Parliament, and statutory consultees.
- 5.3.3. Furthermore, extensive public consultation, gathering the views of local residents and business groups, has informed the development of the business case. Further details on this engagement are provided in section 6.3 of the report.

## **6. Body of Report**

### **6.1. Proposed Full Business Case**

- a) This section summarises the full draft business case developed by Deloitte, distilling the core arguments and analysis for the two-unitary model in Warwickshire.

- b) The full case is contained within appendix 1. It is supported by analysis around social care, produced by PeopleToo, which is contained with appendix 2.
- c) The findings presented in this report stand in clear contrast to the conclusions reached by Warwickshire County Council, which has recommended a single county-wide unitary authority as the only viable option. However, these differing conclusions are largely attributable to variations in assumptions, interpretations of potential impacts, and the analytical lens through which the data is assessed.
- d) Section 6.1 highlights the rationale for the proposals based on the assessment criteria and outlines other considerations such as funding arrangements, potential risks, and climate and equality implications. Section 6.2 provides further detail on identified workstreams as identified by Council, including specific elements of the proposals such as council tax harmonisation and Adult Social Care.
- e) The business case is currently in its final draft stage and remains subject to the respective administrative processes of each participating authority. As such, the final version submitted may incorporate minor amendments arising from the deliberations and approvals of individual committees. In recognition of this, delegated authority is sought for the Chief Executive Officer to make any necessary administrative changes to the business case prior to its submission to Cabinet. This delegation will ensure that the final document reflects the collective input of all authorities involved, while maintaining consistency and timeliness in the submission process.

#### 6.1.1. Summary of Recommended Option

- a) The business case attached represents the draft formal proposal to Government from Nuneaton and Bedworth Borough Council, North Warwickshire Borough Council, Stratford District Council, and Warwick District Council. It appraises the two options for the future of local government in Warwickshire and presents the case for a two-unitary approach through an options appraisal against each of the six assessment criteria as outlined above.

- b) Within the business case, each criterion has been assigned a forced ranking based on the evidence and arguments provided, supporting the rationale for the preferred approach. The resulting rankings are as follows:

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

- c) A detailed breakdown of ranking justification can be found within the attached business case. The following provides a high-level summary of the justification for each criterion:

- 1. Establishment of a single tier of local government (1<sup>st</sup>):** The two-unitary model supports a strong place-based focus, recognising the distinct populations, economies, and challenges of North and South Warwickshire. It allows each council to set local priorities, integrate housing, planning, and highways policies, and deliver joined-up solutions that drive economic growth. Evidence suggests a North/South split reflects sensible geographies and distinct local identities. In contrast, a single-unitary model risks being too large to respond effectively to local needs, reducing its ability to foster targeted economic growth.
- 2. Right size to achieve efficiencies and withstand financial shocks (2<sup>nd</sup>):** The two-unitary model offers financial benefits, delivering £55m in net savings by 2029/30. Existing authorities are financially stable, and assets, revenue, and reserves could be allocated to match local demand. Both new councils would have the flexibility to set appropriate council tax levels, avoiding large increases. While the single-unitary model achieves slightly higher net savings and is ranked higher for this criterion, the difference is relatively small, and the two-unitary model could become more financially effective over the long term through targeted service transformation.

- 3. Public Service Delivery (1<sup>st</sup>):** The two-unitary model is place-focused and locally responsive, enabling services to be tailored to community needs and priorities. It fosters stronger community engagement by adopting a strengths-based, early intervention and prevention approach, supporting the voluntary sector and developing new relationships between residents and the councils. By integrating county and district responsibilities, services can be redesigned around the customer to improve accessibility and efficiency. Risks from disaggregation are minimised through flexible approaches, such as a Joint Safeguarding Board during transition, while building on the strengths of existing borough and district services. In contrast, a single-county unitary may become too large and complex, making it harder to drive transformational change and establish effective relationships with communities and local partners.
- 4. Councils working together and local place identity (1<sup>st</sup>):** The two-unitary model is popular with the public, with approximately 73% of respondents supporting the proposal, and is well-positioned to build on existing successful partnerships and collaborative initiatives. It better reflects the county's distinct local identities and community needs, aligning local government structures with where people live, work, and access services, with evidence supporting the North-South split. In contrast, a single-county unitary is less responsive to local place identity, requiring trade-offs in resource allocation between North and South rather than allowing each area to make decisions tailored to its own communities.
- 5. Support devolution arrangements (1<sup>st</sup>):** The two-unitary model offers greater flexibility, providing multiple options for devolution, including partnerships to the North and South or the establishment of a single Strategic Authority for Warwickshire. It supports implementation readiness, allowing for timely delivery of devolution, and enhances the local voice by ensuring strategies are grounded in the specific needs and realities of communities. In contrast, a single-county unitary has limited options for devolution, an obvious choice being the West Midlands Combined Authority, where the Mayor has already indicated the probable rejection of Warwickshire if it were a single unitary authority.
- 6. Stronger community engagement (1<sup>st</sup>):** The two-unitary model brings decision-making and services closer to communities, with a higher councillor-to-electors ratio facilitating better understanding of local issues, more accessible citizen engagement, and stronger accountability. It also enhances community engagement and neighbourhood empowerment, building on the strengths of existing

borough and district arrangements and creating new approaches to ensure community input is fully integrated into governance. In contrast, a single-county unitary may reduce local influence and democratic accountability, with fewer members per elector limiting opportunities for engagement.

#### 6.1.2. Rationale

- a) In summary, the rationale for the two-unitary model as Warwickshire's preferred option is that it provides councils that are financially sustainable, able to deliver efficiencies, and sufficiently close to residents to respond effectively to local priorities. The model aligns with existing service geographies, including health, policing, and education, and recognises the distinct economic and demographic characteristics of North and South Warwickshire. It creates councils with the clarity, focus, and capacity to deliver improved outcomes across the county.
- b) For example, in the North of Warwickshire, a dedicated unitary council would focus on addressing deprivation, reducing inequalities, and driving regeneration. Key priorities include housing growth, skills development, and partnership working with neighbouring areas such as Coventry to support inclusive economic growth. In the South, a separate council is needed to respond to the challenges of an ageing, rural population, dispersed communities, and limited connectivity. Targeted investment and infrastructure improvements would support prosperity and enhance rural community outcomes, building on existing collaborative arrangements between local authorities.
- c) As such, the two-unitary model is expected to deliver clear improvements for residents, businesses, and communities, including:
  - Driving inclusive economic growth and creating employment opportunities.
  - Improving healthy life expectancy, particularly in the North.
  - Increasing housing supply and affordability, supported by improved infrastructure.
  - Raising educational attainment and adult skills.
  - Enhancing transport and digital connectivity.

- Accelerating action on climate change.
- Delivering simpler, more accessible, and effective services.
- Strengthening town centres and high streets, fostering greater pride of place.

### 6.1.3. Financial Implications and Funding Strategy

#### **S151 Statement**

- a) Deloitte, partnering with PeopleToo and finance officers in the Council, were commissioned to carry out an independent review of the options for Local Government Reorganisation in conjunction with four district and borough councils across Warwickshire.
- b) Varying sources of information have been utilised all of which are a reasonable assessment of a future amalgamation of local authorities and services. Both options present savings with the differences between the options being immaterial against the size of the budgets that will be in place.
- c) Currently, the Fair Funding Review and Business Rates reset are underway and an assessment of the potential impact to authorities has been undertaken. Until the settlement however, it is still unclear how the funding settlement will affect the future position of local government.

#### **Detailed Financial Outlook**

- a) Warwickshire and its six councils are currently in a stable financial position, with debt primarily related to capital and infrastructure investment. Based on available data, both a North and South unitary would be financially sustainable. The North would rely more on government grants and business rates due to higher deprivation, while the South would benefit from a stronger council tax base but face greater demographic pressures from an ageing population. These challenges largely reflect the status quo.
- b) Based on financial modelling, it is predicted that the single county unitary will generate higher net savings through greater economies of scale and lower costs, though the gap is not significant.
- c) The business case indicates that the establishment of two unitary authorities, supported by a programme of service transformation, would enable more effective management of demand within high-cost service

areas, including Adult Social Care, Children's Services, and SEND. This approach is intended to address the County's principal financial risks.

- d) Analysis undertaken by PeopleToo consultancy suggests that smaller unitary authorities typically incur lower per capita expenditure on social care. Demand modelling undertaken as part of the business case identifies the potential to achieve additional savings in the region of £30 million over a five-year period. Should these efficiencies be realised, the two-unitary model would represent a more financially sustainable option than a single county-wide unitary arrangement over the longer term.

### Current Financial Position

- e) The primary financial challenge facing Warwickshire's local authorities arises from the County Council's deficit in service provision (as shown in the table below). This deficit is currently being mitigated through the application of reserves; however, projections indicate a worsening position over the next five years, requiring the identification of significant savings.

| Financial Position as Per 2023/24 Accounts                | 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                            |
| <b>Net Expenditure</b>                                    | 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                              |
| <b>General Fund Increase / (Decrease) in Year</b>         | <b>4,592</b>               | <b>1,898</b>                  | <b>5,300</b>  | <b>2,504</b>              | <b>-1,018</b>   | <b>0</b>                            |
| 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                           |

- f) The business case identifies the two-unitary model as offering the greatest potential to address these high-cost service pressures

effectively. This is attributed to its proposed focus on early intervention and place-based, community-oriented approaches designed to manage demand more sustainably.

- g) Further due diligence will be required regarding the nature of debt across all six councils as part of the unitarisation process. This exercise will also inform the apportionment of assets and liabilities. Based on the information currently available, the level of debt is not considered to constitute a significant financial risk and would require management under either unitary model.

### Future Financial Position of the Potential Authorities

- h) Under a single unitary model, the full financial position of the existing councils would be consolidated within one new authority. Under a two-unitary arrangement, these financial positions would be apportioned between the two new councils, ideally in a way that reflects the distribution of assets, liabilities, services, and population.
- i) The report sets out an indicative financial position for the proposed two-unitary model as follows.

| Analysis of Financial Position of Councils (23/24 Accounts)<br>(£'000) | North             | South             |
|------------------------------------------------------------------------|-------------------|-------------------|
| Gross Expenditure                                                      | £799,191          | £771,874          |
| Gross Income                                                           | - £422,366        | -£389,382         |
| <b>Net Expenditure</b>                                                 | <b>£376,825</b>   | <b>£382,492</b>   |
| 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           |
| <b>General Fund Increase / (Decrease) in Year</b>                      | <b>£11,790</b>    | <b>£1,486</b>     |
| <b>Total Useable Reserves</b>                                          | <b>£269,400</b>   | <b>£249,381</b>   |
| <b>Total Unusable Reserves</b>                                         | <b>£1,153,712</b> | <b>£958,552</b>   |
| <b>Long Term Borrowing</b>                                             | <b>£328,453</b>   | <b>£374,717</b>   |
| <b>Fixed Assets</b>                                                    | <b>£1,780,354</b> | <b>£1,609,352</b> |

### Predicted Savings: Senior Leadership, Democratic, and Services

- j) As noted above, the single county unitary is expected to generate slightly higher savings through the reorganisation process. The business case

outlines how these savings would be achieved, highlighting differences between the two proposed structures across three areas: senior leadership, democratic, and service savings.

#### Senior Leadership Savings

- k) Analysis indicates that the single county unitary model would achieve the highest overall savings for senior leadership posts, although the two-unitary model would also deliver substantial, albeit lower, savings. The difference largely reflects the additional costs of disaggregating existing County Council functions.
- l) Under the two-unitary model, separate Directors for Adult Social Care and Children's Services would be required in each new authority. Estimated savings under the single unitary model are £1.95 million, compared with £1.05 million under the two-unitary model.

#### Democratic Savings

- m) The single unitary model offers the greatest savings for democratic representation, reflecting the lower number of councillors. Estimated savings are £1.79 million under the single unitary model, compared with £1.43 million under the two-unitary model. However, the reduction in councillor numbers, particularly under the single unitary, raises potential concerns regarding a democratic deficit, with fewer elected members available to represent residents and address ward-level issues.

#### Service Savings

- n) Both unitary models are expected to achieve service savings through integration and economies of scale. For example, consolidating back-office functions or leveraging greater purchasing power when outsourcing can deliver significant cost reductions. Due to its larger scale, a single county unitary would generally realise higher overall savings. However, as noted in the service savings assumptions section of the business case, certain areas, such as Children's Social Services, could achieve greater efficiencies under a two-unitary model, supported by comparative evidence from authorities of similar size.

- o) Whilst a full breakdown of saving assumption can be found in the attached business case, the table below outlines the expected restructure costs and service savings with a two unitary model.

| 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          |
| <b>Total</b>                    | <b>£14,925</b> | <b>£8,380</b> | <b>£835</b> |

| 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        |
| <b>Total</b>                    | <b>£0</b> | <b>£37,482</b> | <b>£55,604</b> |

- p) Overall, the financial assessment indicates that the single-unitary model is projected to deliver greater net savings over a three-year period, estimated at £89.454 million compared with £83.871 million for the two-unitary model. This primarily reflects lower transition and disaggregation costs, alongside increased economies of scale achieved through the consolidation of back-office functions and other aggregated services.
- q) Nonetheless, the two-unitary model is also expected to generate substantial savings, largely through more effective management of demand in high-cost services such as Adult Social Care, Children's Social Care, and Home to School Transport. These efficiencies are anticipated to arise from a localised, place-based approach emphasising early intervention and prevention. By contrast, the current county-led model has struggled to influence demand trends in these areas, reinforcing the need for a community-focused approach.

#### 6.1.4. Risk Assessment and Mitigation

- a) The reform of local government in Warwickshire presents both risk and opportunity. Once a decision is made by Government, careful risk management mechanism will need to be employed to safeguard service continuity. This responsibility will fall to all Councils involved in the process, as well as any new Shadow Councils. Furthermore, mechanisms will commence, that ensure key decisions over a certain threshold, are ratified by the Shadow Council.

#### 6.1.5. Equality Implications

- a) The future of Warwickshire local government will have significant impact potential on all residents' lives. This has the potential to disproportionately impact those with protected characteristics, though all new Councils would be bound by the same statutory responsibilities. Any new Councils will have a moral and legal duty to ensure that reasonable adjustment is made, and the needs of protected groups are accounted for.

#### 6.1.6. Climate and environmental implications

- a) The future of Warwickshire local government has significant impact potential on Environmental matters, though this is largely a Political consideration, and one to be determined by any future democratically elected administration.

## 6.2. Identified Workstreams

- a) This section sets out the specific service and operational workstreams identified by Full Council and monitored by the LGR Cabinet Sub-Committee, summarising the key analysis and arguments presented in the full draft business case supporting a two-unitary structure for Warwickshire.

#### 6.2.1. Council Tax Harmonisation

- a) Current disparities in council tax rates across Warwickshire present challenges for fairness and transparency. Harmonisation will therefore be an essential consideration under any new unitary structure.
- b) The business case models harmonisation using a Low-to-Max scenario, raising lower district and borough rates to match the highest existing rate. Under this approach, the single-unitary model would forego approximately £4.0 million over five years and achieve harmonisation by 2034, while the two-unitary model would forego £8.2 million but reach harmonisation

earlier, by 2031 in the North and 2027 in the South.

- c) Although the two-unitary model incurs higher short-term costs, it would be simpler to implement and more acceptable to residents, as it avoids significant council tax increases in the South. The single-unitary model is more financially efficient overall but would take longer to achieve parity.
- d) The creation of parish councils in currently unparished areas under a single-unitary model could further increase local precepts. In contrast, a two-unitary structure would provide greater flexibility to set council tax rates that reflect local demographics and service needs, supporting a fairer and more locally responsive system.
- e) By 2040, projected monthly council tax income is estimated at £97.0 million for a single unitary and £92.6 million (combined) for the two-unitary model. While the single-unitary arrangement would deliver higher long-term income, the two-unitary model offers a more balanced and resident-focused approach.

#### 6.2.2. Highways and Transport

- a) Analysis of travel-to-work patterns highlights a clear North/South divide within Warwickshire, with strong connectivity between the North and Coventry. Major transport routes, including the M40, M6, and M45, primarily run East-West, further emphasising the differing transport dynamics across the county.
- b) The business case proposes that establishing two new transport authorities, aligned with the North and South unitaries, would better reflect existing travel patterns and allow each authority to focus on local priorities. The North unitary could emphasise integration with Coventry and surrounding urban areas, while the South unitary could concentrate on rural mobility, tourism access, and heritage-related transport challenges.
- c) Certain administrative transport functions, such as Blue Badge processing or driver training, could be delivered jointly through shared countywide services to maintain efficiency.

#### 6.2.3. Education Services

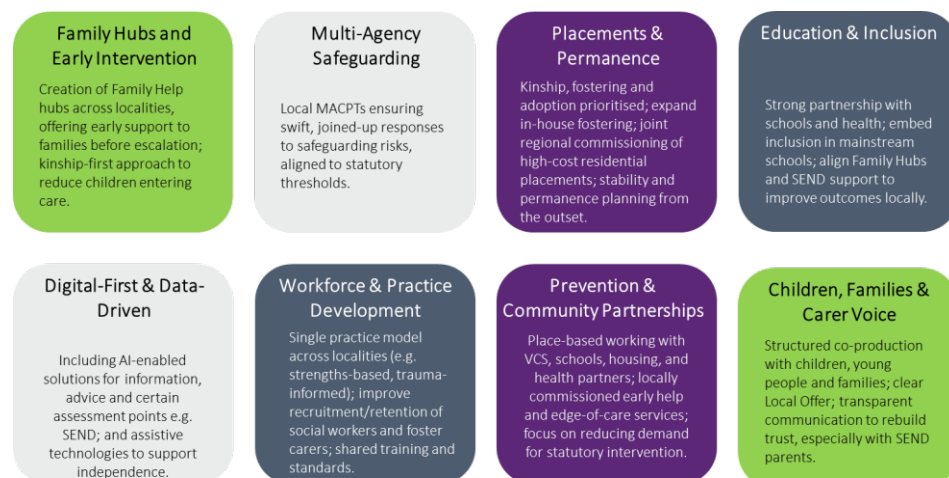
- a) Under a two-unitary model, education services would operate through a shared service or partnership arrangement, maintaining strategic oversight across Warwickshire while enabling more locally responsive delivery. This approach would ensure effective school place planning, equitable resource

distribution, and sufficient capacity to meet demand across both areas.

- b) The model would also allow for targeted local support, particularly in areas of lower educational performance in the North, enabling resources to be directed to specific community priorities. Integration with local planning functions would strengthen alignment between new housing developments, school provision, and infrastructure needs.
- c) Home to School Transport could be managed separately by each unitary authority, bringing decision-making closer to local communities and improving responsiveness to local transport circumstances. While this may require additional management capacity, it would ensure services are better tailored to local needs.

#### 6.2.4. Children's Services

- a) Analysis indicates that Warwickshire is experiencing significant and growing demand for children's services. While referral rates remain below national and regional averages, the county's large child population places increasing pressure on resources. Recent trends show rising safeguarding contacts and statutory assessments, reflecting escalating demand and the need for effective service management.
- b) The business case suggests that a two-unitary model offers the opportunity to redesign children's services around early intervention, prevention, and strengthened community infrastructure, reducing reliance on costly statutory interventions.
- c) This approach is set out in the target operating model produced by PeopleToo included below.



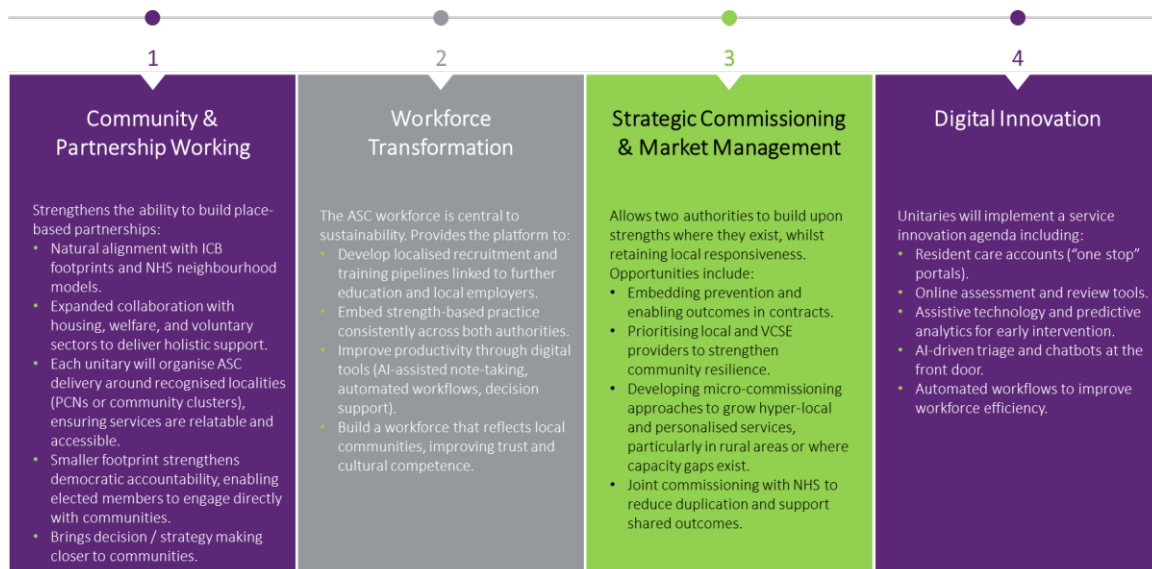
- d) Operationally, key social care functions: including Targeted Early Help, Children in Need and Child Protection, Children in Care, Care Leavers, School Transport, and Commissioning, would be delivered by each unitary, allowing for tailored responses to local needs.
- e) Certain specialist and safeguarding functions would be maintained as shared services to ensure consistency and scale.
- f) While disaggregation will require additional senior roles and system adjustments, these are expected to be offset by efficiencies and reduced management layers across smaller authorities.
- g) Overall, the two-unitary model provides the right balance between local responsiveness and strategic oversight, strengthening Warwickshire's ability to manage demand effectively and deliver improved outcomes for children and families.

#### 6.2.5. SEND

- a) Analysis indicates that Warwickshire's SEND services are experiencing increasing demand, with a projected rise in children and young people requiring EHC plans by 2027/28.
- b) Key pressures include home-to-school transport costs, delays in plan completion, attendance issues, long waits for autism and ADHD diagnoses, and support for children with multiple vulnerabilities, necessitating a coordinated, multi-agency response.
- c) The business case argues that a two-unitary model offers the opportunity to deliver more locally tailored SEND support. Each authority would adopt a family-centred approach, making decisions closer to children and families, building trust with parents and schools, and utilising community networks to provide early intervention and preventative support.
- d) Functions such as support for children with SEND and Home to School Transport would operate at the unitary level, while services benefiting from scale, including admissions and specialist SEND support, would remain as shared county-level functions. This flexible structure ensures services are delivered at the appropriate scale to manage demand, improve outcomes, and maintain sustainable and resilient SEND provision across Warwickshire.

## 6.2.6. Adult Social Care

- a) Analysis shows that Warwickshire faces significant and growing demand for adult social care, driven by an ageing population and increased long-term care needs.
- b) Areas such as Stratford-upon-Avon have particularly high proportions of older residents, placing pressure on services. Rising demand is reflected in increasing costs, which have grown by nearly 40% over the past five years. Financial pressures are further compounded by concerns over care quality, with a notable proportion of care homes requiring improvement.
- c) The business case argues that a two-unitary model is best placed to enable a place-based, preventative, and community-focused approach. By leveraging local knowledge, the model would deliver early intervention, build community infrastructure, and reduce reliance on costly statutory services.
- d) The target operating model developed by PeopleToo emphasises a shift from residential to community-based support, with expanded domiciliary and extra care services. It prioritises prevention and reablement, the development of micro-provider markets, enhanced digital services, and strengthened support for carers. The model also focuses on workforce sustainability and closer integration with NHS services to improve hospital discharge, intermediate care, and reablement outcomes.



- e) Structural considerations would see functions such as Early Help & Prevention, Social Work for Vulnerable Adults, Carers' Support, and Commissioning and Market Management disaggregated to the unitary

level, while safeguarding functions remain at the county level to maintain scale.

- f) Some additional senior roles would be required to support commissioning, prevention, and social work, but overall responsibilities and costs would be reduced in smaller unitaries. This model allows greater responsiveness, supports sustainable demand management, and ensures services are delivered at the appropriate scale for local communities.

#### 6.2.7. Emergency Services

- a) Fire and Rescue services would continue to operate at a countywide level through a shared service arrangement. Should a new Strategic Authority be established, governance and operational oversight could transition to that level.
- b) Warwickshire Police currently operate through three Local Policing Areas: North Warwickshire, Rugby, and South Warwickshire, which align closely with existing district and borough boundaries and could transfer effectively to a two-unitary model.
- c) Public safety services would prioritise prevention and early intervention, tailoring support for neighbourhood safety, youth services, and domestic abuse initiatives to local needs. This includes community-based services such as the Community Warden Service in Warwick District.
- d) Community Safety Partnerships would coordinate activity across partners in line with the chosen governance model. This would ensure alignment with strategic priorities and effective collaboration between the police, local authorities, and other stakeholders.
- e) Day-to-day policing and Fire and Rescue operations would remain locally managed, with a two-unitary structure enabling closer connections between authorities and neighbourhood teams while building on existing district-level collaboration. This approach supports responsive, locally focused services and maintains strong links with communities.

#### 6.2.8. Strategic Authority Options

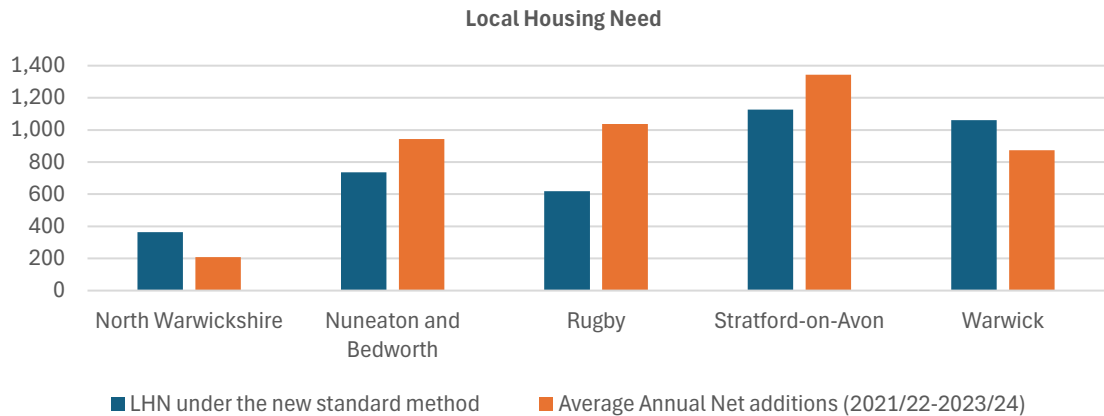
- a) All councils currently express a preference for alignment with the West Midlands Combined Authority (WMCA), reflecting economic geography and existing functional relationships, particularly in transport, skills, and housing.

- b) The Government's recently introduced English Devolution and Community Empowerment Bill (July 2025) provides new powers to expand Combined Authority boundaries, even without full local agreement, and supports the creation of Mayoral Strategic Authorities and Foundation Strategic Authorities. This represents a significant shift, enabling central government to extend strategic authority footprints where considered in the public interest or necessary for coherence.
- c) The business case argues that a two-unitary model balances strategic coordination with local focus, ensuring economic development strategies are tailored to the specific needs and opportunities of each authority. This approach allows greater flexibility, innovation, and responsiveness with regards to devolution options. The new unitaries could assess local geographies and economies and pursue devolution options most effective for their areas.
- d) For example, the North unitary could engage with Staffordshire and Leicestershire, while the South unitary could work with Worcestershire, Oxfordshire, or Northamptonshire. Smaller authorities can advocate for local interests without dominating a future Strategic Authority.
- e) By contrast, a single county unitary presents challenges in relation to broader Strategic Authorities. Its county-wide scope risks overlooking Warwickshire's diverse economic needs, limiting tailored development strategies.
- f) While a single unitary could potentially join the WMCA, there are financial and political risks. Under the Integrated Settlement, Warwickshire could lose out to more deprived areas within the WMCA footprint, and the Mayor could veto inclusion, restricting devolution options.
- g) 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.

#### 6.2.9. Strategic Housing and Homelessness

- a) Analysis indicates that Warwickshire is experiencing growing housing affordability pressures, with substantial variation in house prices and rapidly rising rents across the county.

- b) House prices in areas such as Stratford-on-Avon are significantly higher than in the North, while rental increases are placing considerable strain on households. Although overall housing delivery has generally exceeded Local Housing Need targets, shortfalls persist in North Warwickshire and Warwick, partly offset by higher completions in Stratford-on-Avon and Rugby (see table below).



- c) Homelessness and housing insecurity continue to place pressure on local services. The number of households seeking council assistance has risen year-on-year, reflecting rising private rents, limited affordable housing, and the cost-of-living crisis. Temporary accommodation use has increased significantly, with costs rising as councils struggle to source suitable local placements. These pressures have wider impacts on families, children's education, and health outcomes.
- d) The business case argues that a two-unitary model offers the opportunity to address these challenges through a more locally focused and preventative approach.
- e) Each authority would be of a scale sufficient to integrate housing, homelessness, and social care services, enabling earlier identification of at-risk households and coordinated prevention strategies. Combining data across services would allow councils to identify households at risk, such as those experiencing rent arrears or domestic abuse, and intervene early with targeted support.
- f) This model would also support place-based responses tailored to local circumstances, including community prevention initiatives, tenancy sustainment programmes, and partnerships with the voluntary and community sector. Strengthened links between housing, health, and social care would reduce reliance on temporary accommodation and improve long-term housing stability.

#### 6.2.10. Area Governance

- a) Unitarisation will place local democracy at greater distance from electors, making it essential to establish strong area governance arrangements. These arrangements will ensure decisions remain close to communities while strategic services are delivered efficiently at the unitary level.
- b) 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.
- c) 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.
- d) 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.
- e) 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.

#### 6.2.11. Democratic Arrangements: Shadow Authorities

- a) The business case sets out two options for the first elections to the Shadow Authorities.
- b) The first is to use existing county council divisions, with each returning two members, providing a straightforward approach but reflecting existing imbalances in representation due to population growth.
- c) The second option is to use current district and borough wards, which would align more closely with Area Committees and improve electoral equality.
- d) The interim arrangements and council sizes will be confirmed through the Structural Changes Order, with a full LGBCE review to follow.

### **6.3. Outcome of Consultation and Engagement**

- 6.3.1. Extensive engagement was undertaken on behalf of Warwickshire's district and borough councils (excluding Rugby Borough Council) to ensure the Business Case reflects the views of residents, communities, and partners. The consultation was independently conducted by Opinion Research Services (ORS), with participation from residents across the county, including those in Rugby.
- 6.3.2. The consultation ran from 7 August to 14 September 2025, supported by a dedicated microsite and paper surveys. In total, 2,002 individuals responded to the public survey, providing a robust evidence base.
- 6.3.3. Preliminary findings demonstrate a strong overall support for reform with 73% of respondents supported the proposal for two-unitary councils, with approval for residents in Nuneaton and Bedworth around 68%.
- 6.3.4. The full summary report of consultation findings, unavailable at the time of printing, will be provided to Cabinet upon its completion.

## **7. Corporate Function Considerations: Reorganisation Implementation**

- a) This section outlines key considerations for corporate functions in view of reorganisation. While most actions can only be implemented once the government's decision is confirmed, preparatory work can begin in advance, in line with the implementation timeline produced by Deloitte, as set out on page 78 of the report.

### **7.1. Finance, Assets, and Procurement**

- 7.1.1. A financial workstream will establish the overall budget requirement, council tax requirement, and Band D council tax for the year in which restructuring takes effect. Careful planning and consultation should be undertaken to ensure a smooth council tax harmonisation process.
- 7.1.2. This workstream should also consolidate financial instruments and policies, including the Fees and Charges schedule, financial reporting and KPIs, bank accounts, and VAT numbers. Consideration should also be given to the transition of council pension schemes, including any implications for contribution rates.
- 7.1.3. The procurement workstream should aim to create a single function to leverage the scale of the new authorities. This will include reviewing all

existing contracts, applying transfer and vest where necessary, and identifying opportunities to renegotiate contracts to achieve efficiencies and financial benefits through economies of scale.

7.1.4. The assets workstream will aim to identify opportunities to reduce and consolidate property and other assets to deliver cost efficiencies. Decisions will be required on the location of council offices and customer-facing service delivery points. While some investment may be needed, this is expected to be offset by savings from rationalised or surplus assets.

7.1.5. The future of council-owned companies should also be considered, potentially through the establishment of stakeholder boards with the two unitaries acting as shareholders where appropriate.

## **7.2. Legal and Constitutional**

7.2.1. Prior to the establishment of the Shadow Authorities, interim governance arrangements for reorganisation will depend on the chosen structural model.

7.2.2. Where multiple unitaries are created, Government typically requires a joint committee to oversee the transition and ensure coordination between councils. For a single countywide unitary, an implementation executive is often established, although a joint committee may also be used. These transitional bodies will oversee key decisions on workforce arrangements, financial planning, and service integration, with their governance frameworks set out in a Statutory Change Order. Equal representation for district and borough councils will ensure fair participation throughout the transition.

7.2.3. The move to new councils will also involve reviewing corporate governance arrangements, developing a constitution, implementing new committee structures, consolidating electoral services, and determining councillor representation through a Boundary Commission review. Elections to the new councils will follow this process.

7.2.4. Additionally, the creation of new councils will require a single corporate strategy and business plan, alongside the consolidation of service strategies, policies, and plans, including Local Plans, housing allocation schemes, and enforcement policies.

## **7.3. Human Resources**

7.3.1. The transition to the new councils will involve supporting staff to adapt to the new organisational structures and ways of working, ensuring timely consultation and clear communication on individual roles and futures. HR

policies and procedures will be consolidated, and a comprehensive training and development programme will be implemented.

7.3.2. The new councils will also need to define and foster their organisational culture, including initiatives to support staff, align pay and reward structures, and introduce new ways of working.

7.3.3. A robust communications strategy will underpin these changes, engaging staff and embedding consistent policies and practices across the new authorities.

#### **7.4. Digital Infrastructure**

7.4.1. Third-party contracts, IT systems, and related infrastructure could be shared between councils on a partnership basis where appropriate. Financial assessments have accounted for some disaggregation costs, such as the need for additional IT systems to support two councils.

7.4.2. Future technology architecture will need to enable effective service delivery and support the transition to the new operating model, with clear planning for the phasing and pace of technology change. Systems, software, and online portals will be reviewed and consolidated to remove duplication and ensure alignment across the new councils.

#### **7.5. Service Continuity and Transformation**

7.5.1. It is essential that this programme of change is carefully planned and adequately resourced. Ambitious transformation requires realistic assessment of what can be achieved within available time and capacity, as insufficient resources are a common cause of organisational change failure.

7.5.2. Effective implementation, testing, and refinement often take longer and cost more than anticipated, making dedicated programme management and transformation capacity critical to achieving full benefits.

7.5.3. A specific budget has been included in the financial assessment of the business which would support key project management roles; however, responsibility for implementation rests with leadership and management teams, who must drive the integration process, support staff, and embed the new organisational culture.

## **7.6. Communications**

7.6.1. A coordinated communications plan will ensure Members, staff, and the public are kept well informed throughout all stages of implementation, including timelines and what to expect from the new authorities.

7.6.2. This will also include creating a new corporate identity, covering logos, branding, websites, and social media channels for the councils ahead of any go live date.

## **8. Appendices**

1: A Case for Two New Councils in Warwickshire, Deloitte.

2: Target Operating Model and Implementation Plan for ASC, Children Services and SEND, PeopleToo.

## A Case for Two New Councils in Warwickshire

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### Executive Summary

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.

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 Nuneaton and Bedworth, Rugby and North Warwickshire
2. A South Warwickshire Unitary, covering Warwick and Stratford Districts.

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.

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.

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.

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.

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*

The North Warwickshire Unitary Council would bring together the existing Boroughs and Districts of Nuneaton and Bedworth, Rugby and North Warwickshire.

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.

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.

Regeneration of town centres, investment in skills, and improvements in public health are therefore critical priorities, requiring proper focus.

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*

The South Warwickshire Unitary would bring together the areas currently represented by Warwick and Stratford Districts.

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.

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.

Warwick and Stratford 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.

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*

Local government reorganisation is an opportunity to reshape the way councils serve their communities rather than merely repackaging existing services.

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.

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 People Too 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.

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.

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.

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.

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.

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*

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.

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.

Reorganisation is an opportunity to address the financial pressures in services, particularly around adults and children's service. 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.

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.

An approach to financial analysis was undertaken of the costs and benefits of the single unitary and two unitary models. Headline 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 |

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 People Too, 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*

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.

North and South Warwickshire are established geographies. Public services already reflect this split. The NHS has 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.

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.

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.

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

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.

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

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

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 1 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:<br>Single Unitary | Option 2:<br>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                                         | 2 <sup>nd</sup> Place<br>Score: 7 | 1 <sup>st</sup> Place<br>Score: 11 |

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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Establishment of a single tier of local government. Including sensible economic areas and geographies. | <ul style="list-style-type: none"> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ 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.</li> <li>× 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.</li> </ul> <p>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.</p> |
| 2. Right size to achieve efficiencies, and withstand financial shocks                                     | <ul style="list-style-type: none"> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ Council tax: Both new councils will be able to set appropriate levels of council tax for their residents, and big increases may be avoided, as the South will not have to raise rates to the same levels as the North.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

|                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                       | <p>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.</p> <p>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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 3. Public service delivery                                            | <ul style="list-style-type: none"> <li>✓ Place focused and locally responsive: The model enables services to be shaped around real community needs and priorities, with more tailored solutions.</li> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ Minimise risk of aggregation: As organisations get too big, diseconomies of scale can develop, and a two unitary model avoids this.</li> <li>× 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.</li> </ul> |
| 4. Councils working together and local place identity and local views | <ul style="list-style-type: none"> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ 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.</li> <li>× Not the preferred option of the public.</li> <li>× 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.</li> </ul>                                                                                                                    |
| 5. Support devolution arrangements                                    | <ul style="list-style-type: none"> <li>✓ 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.</li> <li>✓ Implementation Readiness: The two unitary model can be implemented at pace, and therefore be ready to deliver devolution.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

|                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                  | <ul style="list-style-type: none"> <li>✓ 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.</li> <li>× The single county unitary can only look to WMCA for a devolution solution, which is not currently supported by the WMCA.</li> <li>× 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.</li> <li>× 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.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 6. Stronger community engagement | <ul style="list-style-type: none"> <li>✓ 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.</li> <li>✓ 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.</li> <li>× 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.</li> </ul> |

### Conclusion

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.

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.

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.

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.

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.

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.

## Introduction

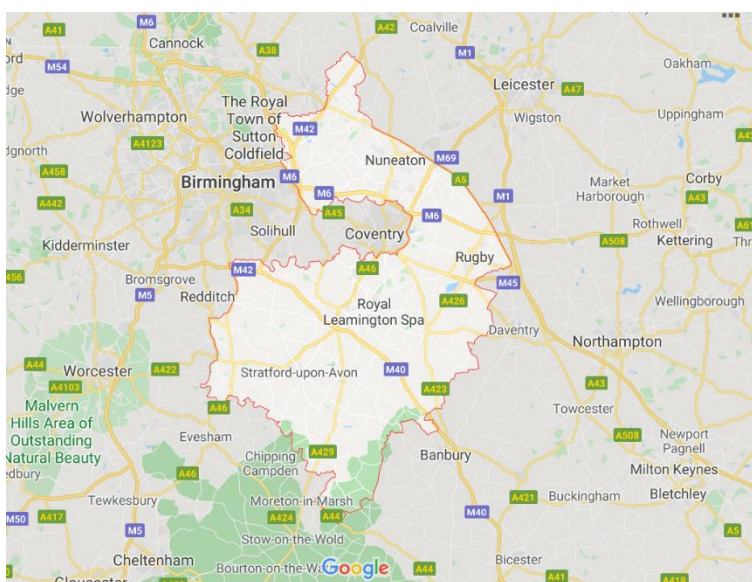
In December 2024, the Ministry of Housing, Communities and Local Government's White Paper set out the Government's ambitions around local government reorganisation. The Government is seeking to establish Unitary Councils in existing two-tier areas. The Government has invited final proposals from councils for future unitary councils in their areas by the end of November 2025.

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.

It undertakes an appraisal of two key options for the future of local government in Warwickshire and makes the case for a preferred option.

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:

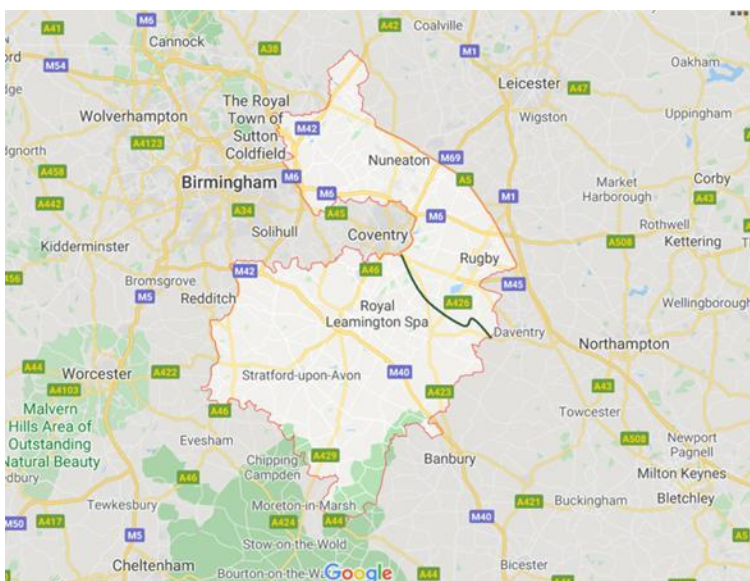


2. Two unitary councils, as shown in the map below, based on the following existing Borough and District boundaries:

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

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.

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

### Summary

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.

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.

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.

This section now considers the evidence underpinning this criterion.

### Demography

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. <sup>1,2,3</sup>

| Local Authority       | Population |         |                   |                   | Tax Base |        |        |        |
|-----------------------|------------|---------|-------------------|-------------------|----------|--------|--------|--------|
|                       | 2021       | 2024    | 2032 <sup>5</sup> | 2047 <sup>6</sup> | 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.

<sup>1</sup> [Estimates of the population for England and Wales - Office for National Statistics](#)

<sup>2</sup> [Council Taxbase 2021 in England - GOV.UK](#)

<sup>3</sup> [Population and household estimates, England and Wales: Census 2021 - Office for National Statistics](#)

| 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.<sup>4 5</sup>

| 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 |

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.

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.<sup>6</sup>

<sup>4</sup> [Local Statistics for Warwickshire \(E10000020\) - Office for National Statistics](#)

<sup>5</sup> 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.

<sup>6</sup> [Estimates of the population for England and Wales - Office for National Statistics](#)

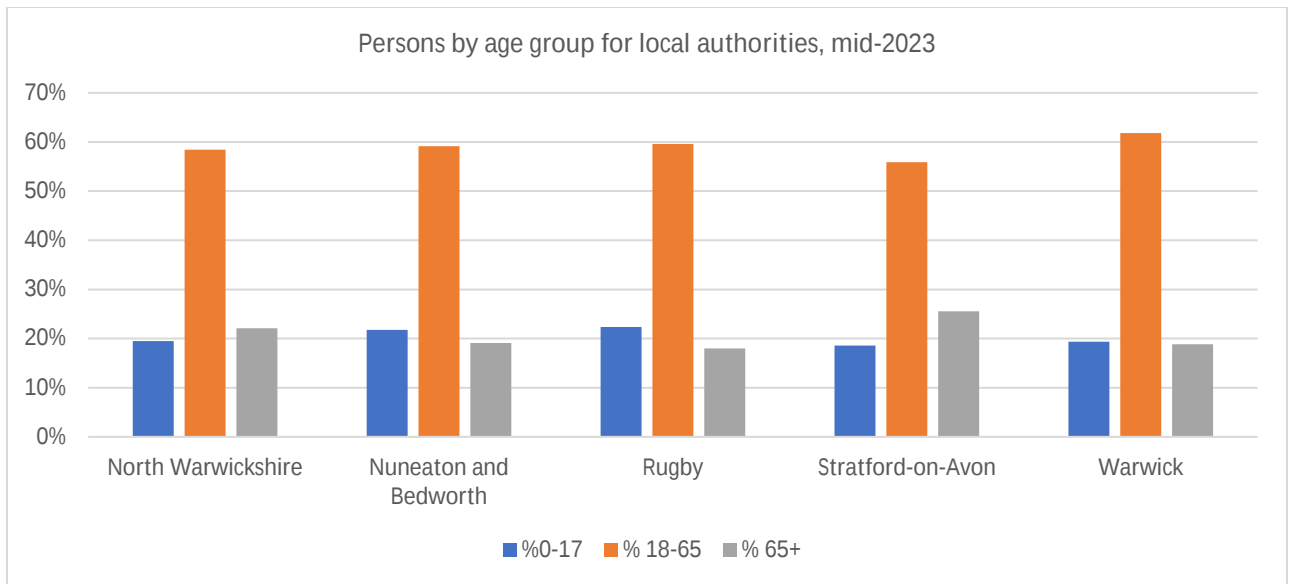
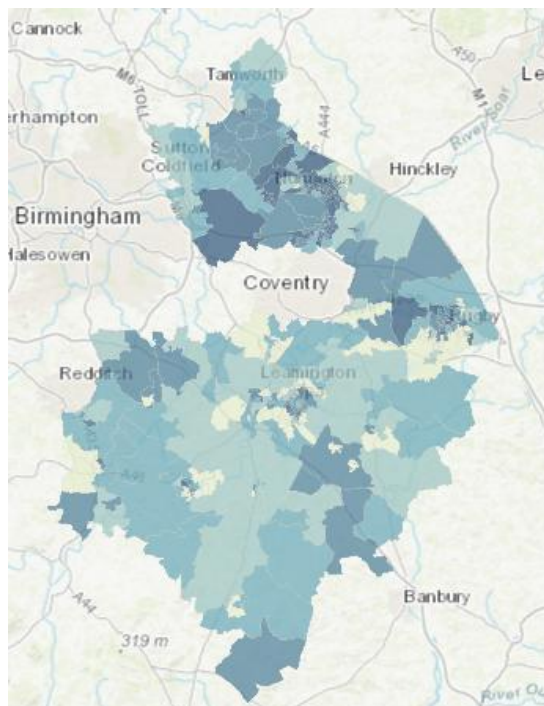
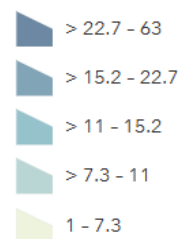


Chart 5: Warwickshire IMD scores, 2019



## LSOA

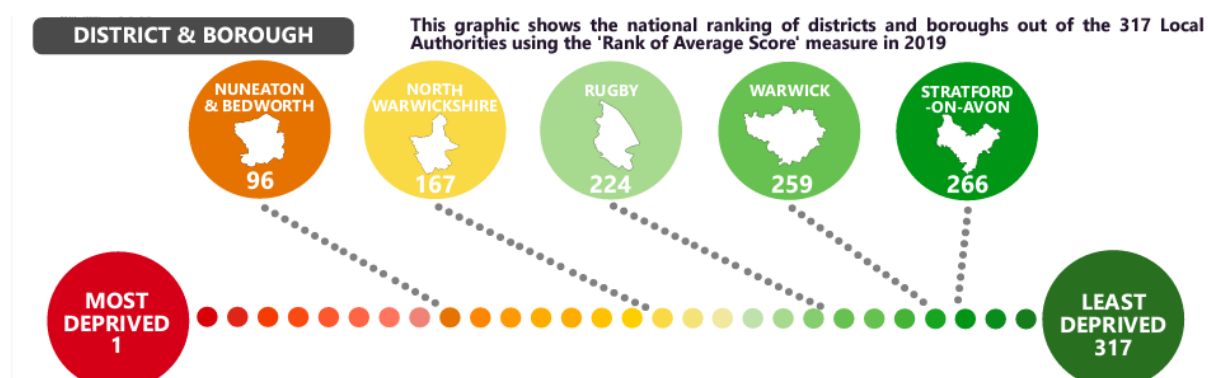
Index of Multiple Deprivation (IMD)  
Score|2019



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.

This is further shown in the chart below:

Chart 6: Warwickshire IMD ranking of Boroughs and Districts, 2019



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.

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.

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)) <sup>7</sup>

| 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%                                            |

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.

<sup>7</sup> [ONS - Local Indicators](#)

Table 8: Health indicators by district (white cells are worse than the national average grey filled cells are better than the national average (England)) <sup>8</sup>

| 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                                               |

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.

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

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.

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.

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*

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.

<sup>8</sup> [ONS - Local Indicators](#)

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*

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.

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 future <sup>9</sup>.

#### *Nuneaton and Bedworth*

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 <sup>10</sup>.

#### *Rugby*

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 (Davenport International Rail Freight Terminal) which provides rail goods links to the deep seaports.

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 automotive. The Borough's businesses base in terms of size is focused on the small (10-49 employees) and micro business (0-9 employees).

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.

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<sup>9</sup> [North Warwickshire - Economic Development Strategy and Action Plan](#)

<sup>10</sup> [Nuneaton and Bedworth - Borough Plan](#)

### [Stratford-On-Avon](#)

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<sup>11</sup>. 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 km<sup>2</sup>, 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.

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' Headquarters and main assembly plant along with professional services such as NFU Mutual.

### [Warwick](#)

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](#)

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 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.

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<sup>11</sup> [Stratford-on-Avon District - Core Strategy](#)

- 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.

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.

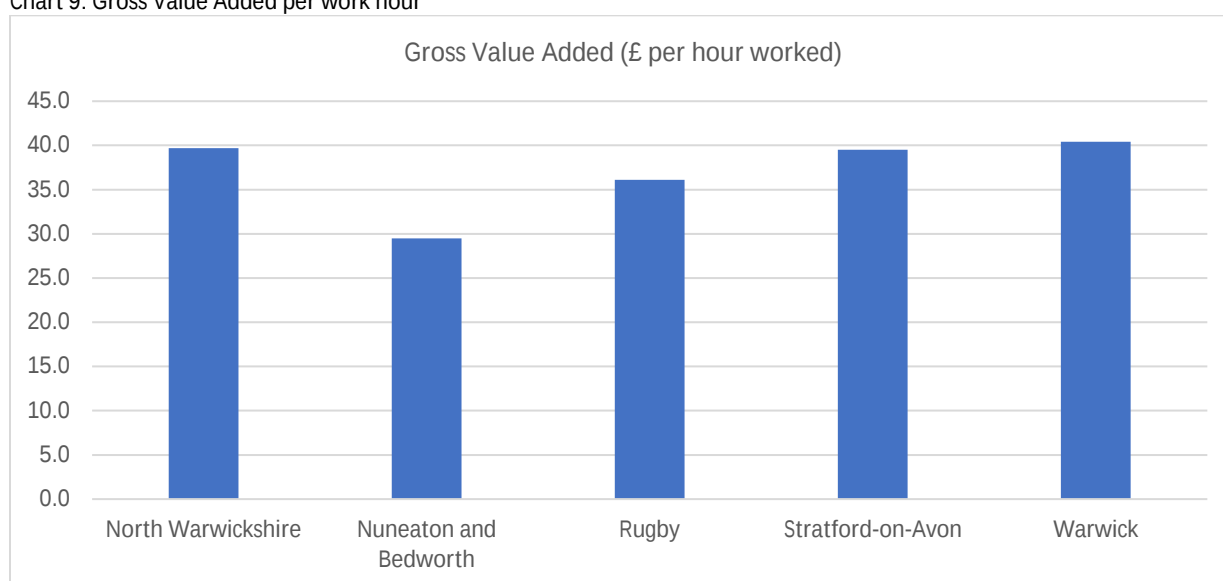
By contrast, the economy of the North of the county is based on heavy industry and the legacy of the mining industry. The North continues to have a higher proportion of lower-value manufacturing industries, personal services and public-sector employment than the national average.

#### Economic indicators

A range of economic indicators show the diversity between North and South.

#### Gross Value Added (GVA)

Chart 9: Gross Value Added per work hour



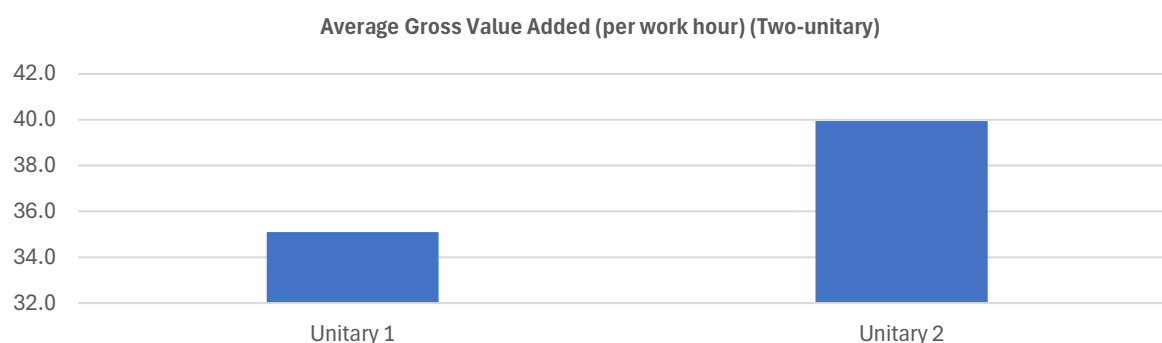
Examining the GVA figures across the region reveals strong performance in the South, as well as North Warwickshire, and weaker performance in the other Boroughs in the North.

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.

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.

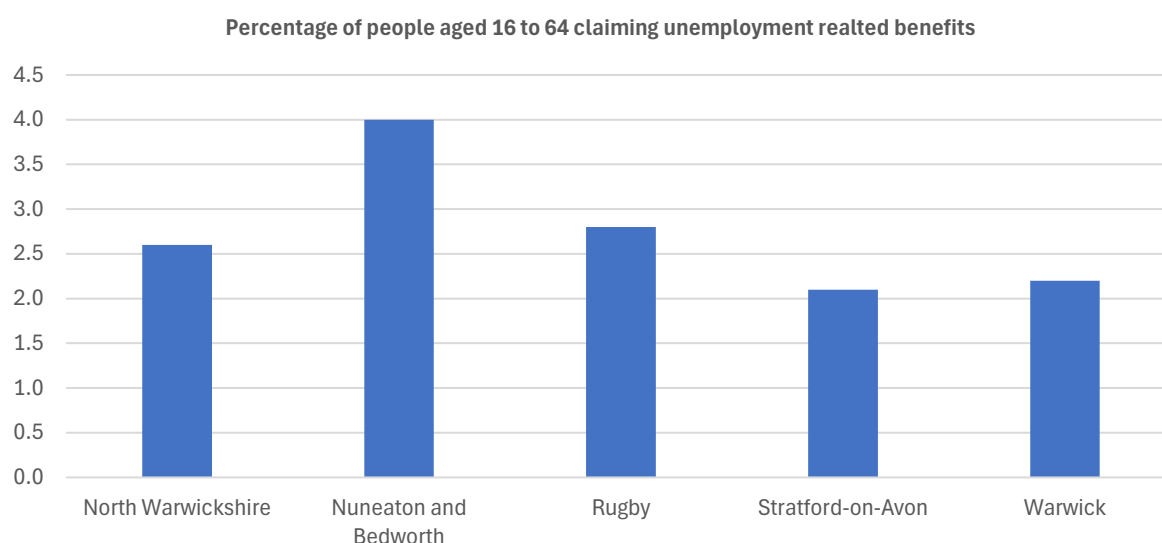
This indicates that the North and South have very different economies and in particular productivity. This is a gap that a future North unitary may wish to target.

Chart 10: Gross value added per work hour for the proposed two-unitary model.<sup>12</sup>



### Employment

Chart 11: Percentage of people ages 16-64 who are claiming unemployment-related benefits <sup>13</sup>.



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.

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.

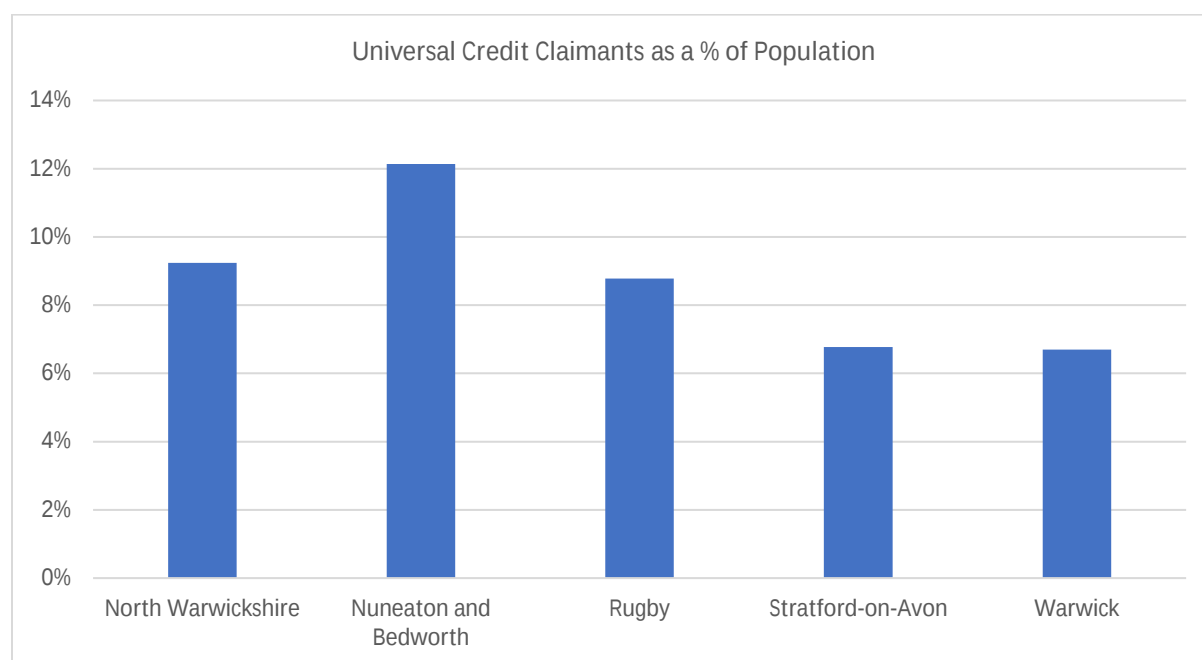
A two unitary model would offer greater flexibility to tailor interventions to the specific needs and circumstances of each unitary area, recognising the diverse economic landscape of Warwickshire.

Data on Universal Credit claimants further reinforces the trends observed.

<sup>12</sup> [Regional and subregional labour productivity, UK statistical bulletins - Office for National Statistics](#)

<sup>13</sup> [Claimant Count - Office for National Statistics](#)

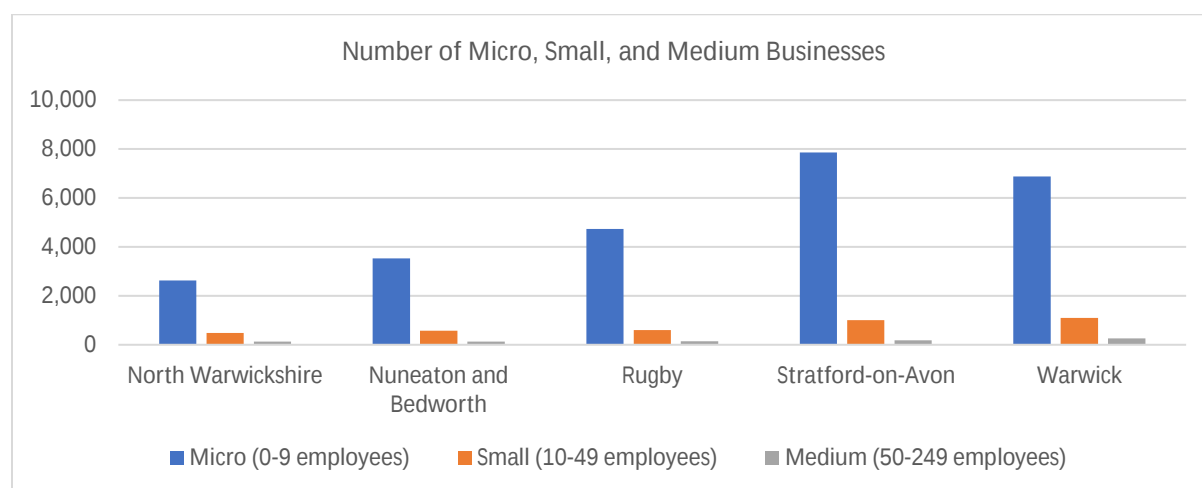
Chart 12: Universal credit claimants (Dec-24) as a percentage of population <sup>14 15</sup>.



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.

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, and Medium sized businesses by local authority <sup>16</sup>.



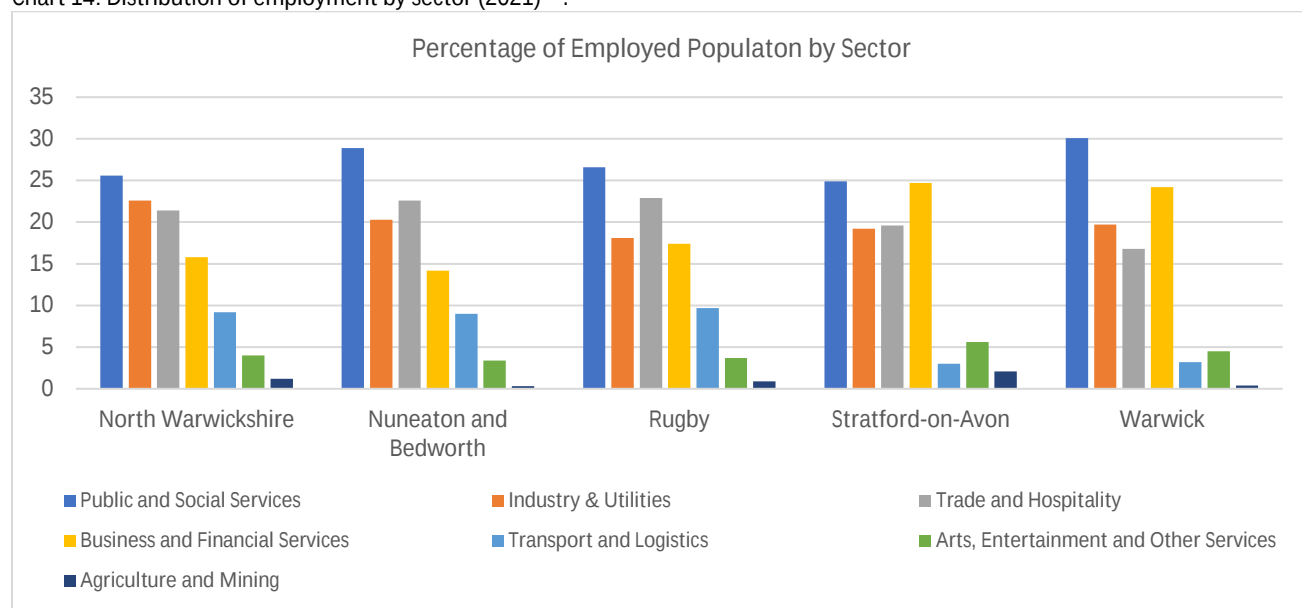
When employment data is considered, as in the graph below, the highest numbers employed in Business and Financial Services are found in Stratford-on-Avon and Warwick. The North has higher proportions of the population employed in Trade and Hospitality, and Transport and Logistics.

<sup>14</sup> [Estimates of the population for England and Wales - Office for National Statistics](#)

<sup>15</sup> [Universal Credit Statistics - Department for Work and Pensions](#)

<sup>16</sup> [Local units by industry and employment size band](#)

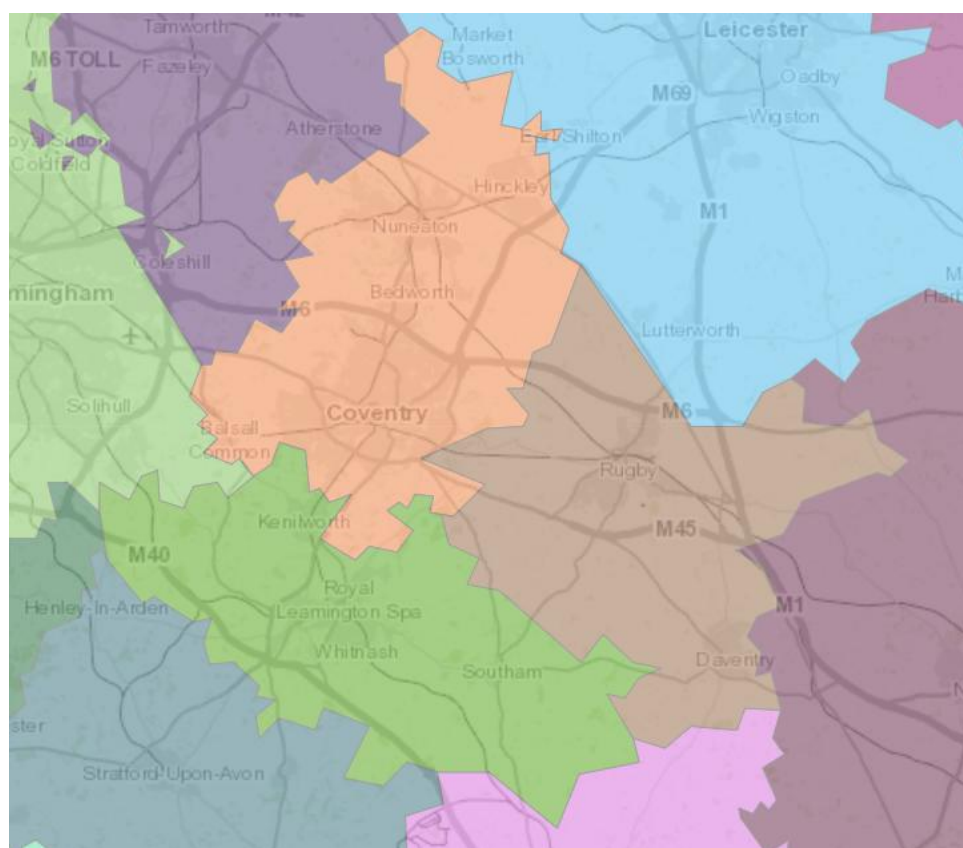
Chart 14: Distribution of employment by sector (2021) <sup>17</sup>.



## Transport

### Travel to Work Areas (TTWA)

The Travel to Work Area (TTWA) map<sup>18</sup> 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.



<sup>17</sup> [Industries of those in employment, by local area - ONS Census 2021](#)

<sup>18</sup> Provided locally on data collection SharePoint

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.

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.

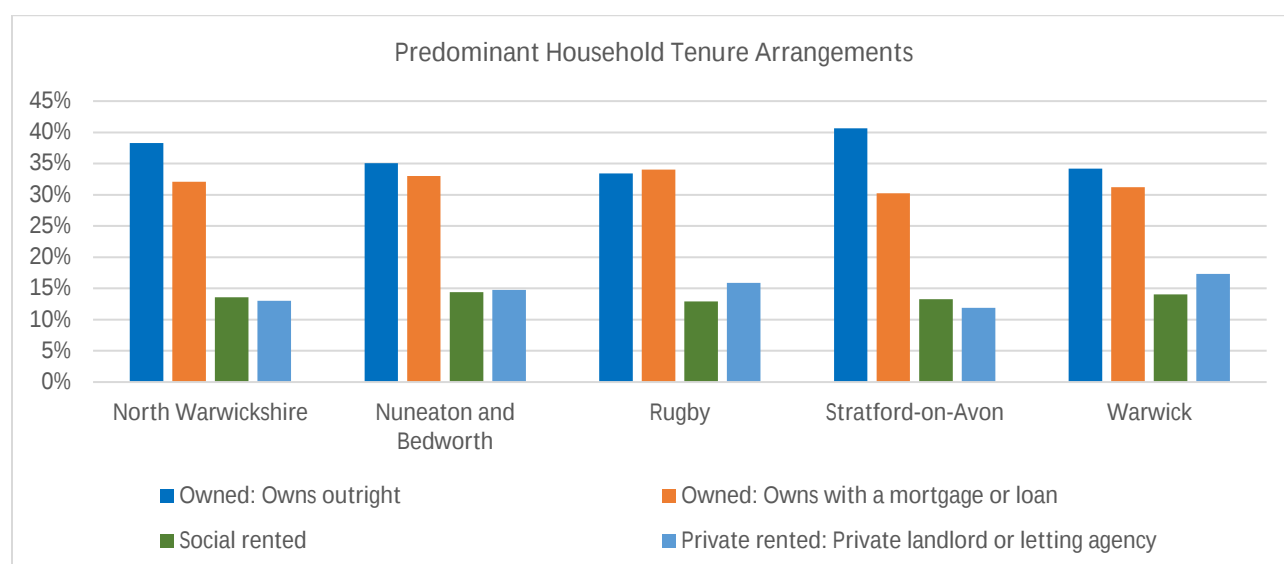
The South unitary can address rural transport concerns and enable tailored transport strategies for tourism and heritage management.

## Housing

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.<sup>19</sup>



Stratford-on-Avon boasts the highest rate of outright homeownership in the county, reflecting its affluent resident base and desirable location.

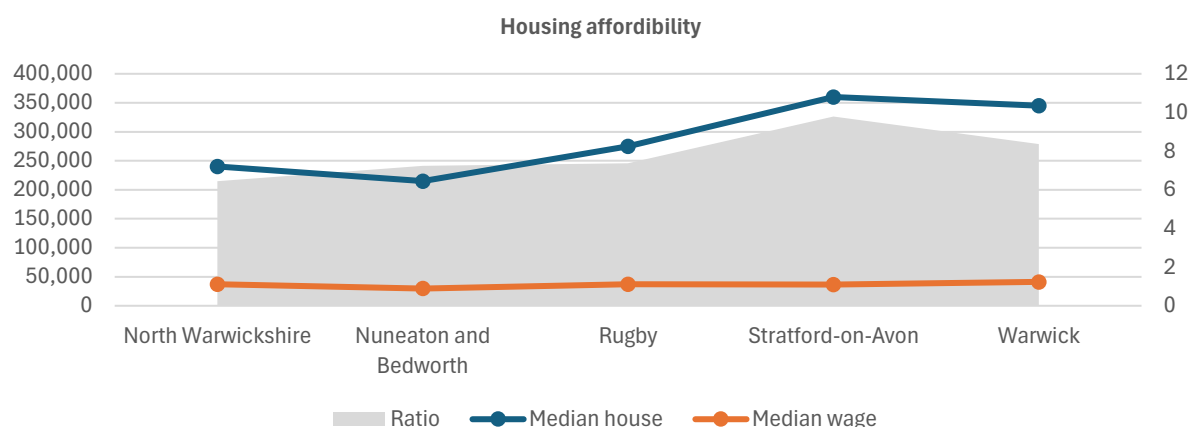
In contrast, North Warwickshire and Nuneaton and Bedworth exhibit a more balanced distribution between social rented and private rented housing sectors, suggesting a greater diversity of housing needs and socioeconomic backgrounds within these districts.

Meanwhile, Warwick stands out with a notably large private rental population, likely driven by the significant student population associated with the University of Warwick.

<sup>19</sup> [Household characteristics by tenure, England and Wales: Census 2021 - Office for National Statistics](#)

## Affordable Housing Provision

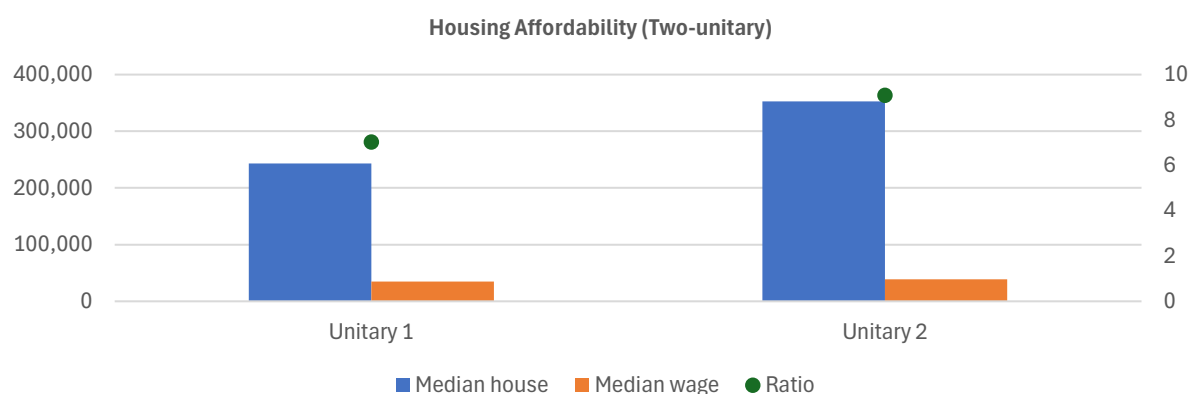
Chart 16: Median house price, earnings and affordability ratio (ratio of the median house price to earnings for each local authority).<sup>20</sup>



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.

While the average house price in Nuneaton and Bedworth stands at £234,000, Stratford-on-Avon sees a considerably higher average of £387,000.<sup>21</sup> 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.



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.

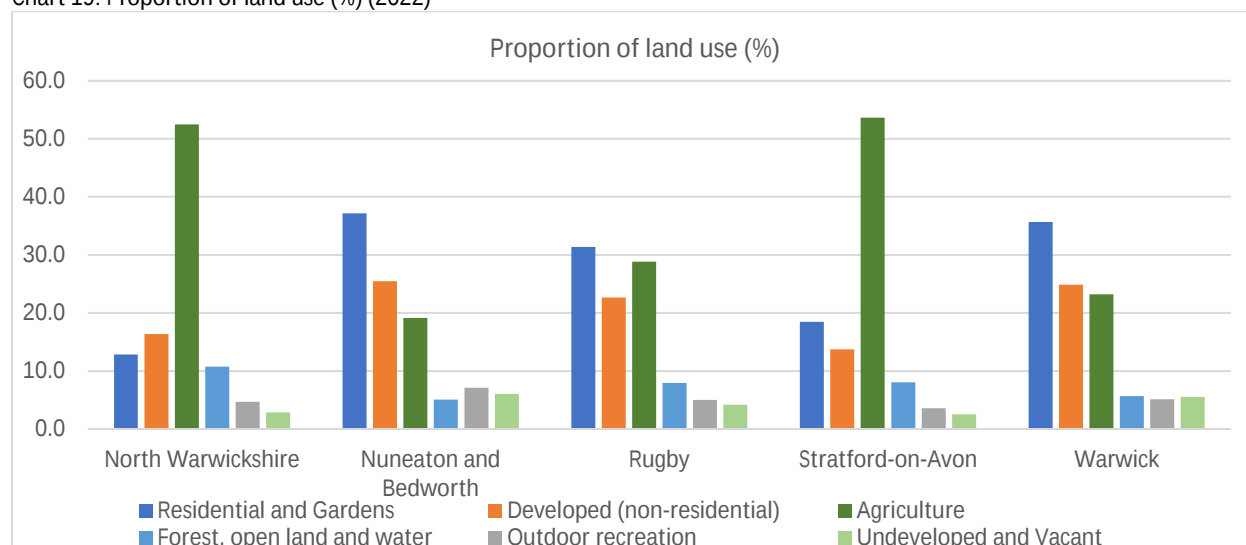
## Land Use

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, lower population density, and an economy often more reliant on agriculture, tourism, and heritage.

<sup>20</sup> [House price to residence-based earnings ratio - Office for National Statistics](#)

<sup>21</sup> [Housing prices in Nuneaton and Bedworth](#)

Chart 19: Proportion of land use (%) (2022)<sup>22</sup>



## Conclusion

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.

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.

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.

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 and housing, and accelerate the delivery of affordable and market housing that the county needs.

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:<br>Single Unitary | Option 2:<br>Two-Unitary |
|-----------------------------|--------------------------|
| 2 <sup>nd</sup> Place       | 1 <sup>st</sup> Place    |

<sup>22</sup> [Land use in England, 2022](#)

## Criteria 2: Unitary Local Government Must be the Right Size to Achieve Efficiencies, Improve Capacity and Withstand Financial Shocks

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### Summary

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 may 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 service transformation may mean the two unitary model is more financially effective.

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

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.

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.

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.

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.

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 2023/24 Accounts                | 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                           |

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.

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.

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.

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

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

The County Council has the highest level of unusable reserves, followed by Warwick.

## Debt

An overview of the debt positions for all councils is shown below.

Table 23: Borrowings as at 31<sup>st</sup> 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

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, as identified in each council's Medium Term Financial Strategy.

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                    | TBC             | -4,800                              |
| 2026/27                                       | -3,625                     | -2,778                        | TBC           | -2,332                    | TBC             | -1,800                              |
| 2027/28                                       | -3,502                     | -3,680                        | TBC           | -2,855                    | TBC             | -400                                |
| 2028/29                                       | -3,067                     | -3,927                        | TBC           | -3,948                    | TBC             | 4,100                               |
| 2029/30                                       | Not available              | Not available                 | TBC           | -3,783                    | TBC             | 0                                   |

Note: From evidence provided under MTFS, reserves are not forecasted to be used for Rugby and Warwick.

The Medium Term Financial Strategy (MTFS) positions show that only North Warwickshire expected to add to their General Fund Reserve in 2025/26.

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.

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.

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 income<sup>23</sup>. This is a significant potential budgetary gap if those savings are not delivered.

<sup>23</sup> [Warwickshire County Council approves budget for 2025/26 to support vulnerable residents amid financial challenges - Warwickshire County Council](#)

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.

| % 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

There may be concerns around the level of debt across the councils and how this would be apportioned for the future unitary councils.

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.

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.

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 reserves<sup>24</sup>, and therefore a solid overall financial position.

Similarly, Warwickshire County Council has stated that current debt is all public works loan board borrowing and "wholly used to finance capital expenditure"<sup>25</sup>. 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.

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.

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 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.

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.

The County Council itself has highlighted the likelihood that current plans, while robust, will result in future funding gaps.<sup>26</sup> 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.

<sup>24</sup> [Debt hits £260m at Warwick District Council which says it has 'strong balance sheet'](#)

<sup>25</sup> [Debt hits £260m at Warwick District Council which says it has 'strong balance sheet'](#)

<sup>26</sup> [2024/25 Revenue Budget Resolution](#)

The DSG deficit for 2023/24 was £17.1m<sup>27</sup> 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.

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

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

A single unitary model would, unsurprisingly, have the largest amount of expenditure and income, the largest deficit, but also the largest reserves.

There are no particular concerns emerging from the figures below for the financial sustainability of a single county unitary.

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.

| 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     |

<sup>27</sup> [Statement of Accounts \(page 27\)](#)

## Two-Unitary Model

Table 27: The potential financial position of a two-unitary model.

| Analysis of Financial Position of Councils (23/24 Accounts)<br>(£'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 |

Based on the analysis above, both new councils would have significant levels of reserves, assets, and also long-term borrowing.

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).

The financial risks to the new councils, as noted above, will derive from increasing demand for social care and SEND services.

### Summary

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.

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.

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.

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.

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.

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

This section appraises the potential implications of council tax harmonisation for each unitary model.

Significant disparities in Council Tax rates across the county will present challenges for the new councils.

To understand the potential implications of Council Tax harmonisation, the analysis explores one scenario:

Low-to-Max: Raising lower tax rates across the Boroughs and Districts to match the highest existing rate.

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.

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      |

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

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.

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.

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

Analysis has also been undertaken of the amount of income that would be collected under the three different models, in order to understand any potential differences.

Table 30: Single Unitary Income Projection

| Unitary 1             | 2025  | 2026  | 2027  | 2028  | 2029  | 2030  | 2031  | 2032  | 2033  | 2034  | 2035  | 2036  | 2037  | 2038  | 2039  | 2040  |
|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 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             | 2025  | 2026  | 2027  | 2028  | 2029  | 2030  | 2031  | 2032  | 2033  | 2034  | 2035  | 2036  | 2037  | 2038  | 2039  | 2040  |
|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 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         | 2025  | 2026  | 2027  | 2028  | 2029  | 2030  | 2031  | 2032  | 2033  | 2034  | 2035  | 2036  | 2037  | 2038  | 2039  | 2040  |
|-------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 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

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.

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

A financial assessment has been undertaken of the potential savings and costs of the two options.

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.

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

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 salaries<sup>28</sup>.

| 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 |

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.

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.

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 |            |            |            |

<sup>28</sup> Statement of Accounts for each Council

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.

The two unitary model would make a reduced amount of savings and would retain more strategic capacity.

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

Determining the appropriate number of councillors for each proposed unitary model is crucial, balancing democratic representation with financial considerations.

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 Cost | BA | Current Cost | SRA | Electors per Councillor | Total Electors <sup>29</sup> |
|-----------------------------|----------------------------|--------------|----|--------------|-----|-------------------------|------------------------------|
| 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                      |

### Single Unitary Model

The actual numbers of councillors moving forward will be determined in due course, potentially by a Boundary Commission review. However, numbers can be estimated at this point using comparator councils. 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.

<sup>29</sup> "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*

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.

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       |

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.

A two unitary model provides a balance between amount of savings and providing greater representation to the people of Warwickshire.

#### Service savings

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.

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) <sup>30</sup> | Nuneaton and Bedworth (£'000) <sup>31</sup> | Rugby (£'000) <sup>32</sup> | Stratford on Avon (£'000) <sup>33</sup> | Warwick (£'000) <sup>34</sup> | Warwickshire County Council (£'000) <sup>35</sup> |
|---------------------------------------|------------------------------------------|---------------------------------------------|-----------------------------|-----------------------------------------|-------------------------------|---------------------------------------------------|
| 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.

<sup>30</sup> 2023/24 Statement of Accounts

<sup>31</sup> 2023/24 Statement of Accounts

<sup>32</sup> Net Current Expenditure – 24/25 RA Forms

<sup>33</sup> Net Current Expenditure – 24/25 RA Forms

<sup>34</sup> Net Current Expenditure – 23/24 RA Forms

<sup>35</sup> 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  |
|                                |                                      | 2027/28                    | 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 report<sup>36</sup> (£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 report<sup>37</sup> (£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 £30.1m<sup>38</sup>.

#### *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):*

- 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 People Too 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.

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<sup>36</sup> Warwickshire LGR Support – ASC and Children Services Analysis to Inform the Two Unitary Decision, June 2025 by People Too

<sup>37</sup> Warwickshire LGR Support – ASC and Children Services Analysis to Inform the Two Unitary Decision, June 2025 by People Too

<sup>38</sup> [Cabinet Report - Member Working Group – Home to School Transport](#)

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

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.

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.

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

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 |

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.

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.

Therefore, the single county unitary model has been ranked higher against this criterion.

| Option 1:<br>Single Unitary | Option 2:<br>Two Unitary |
|-----------------------------|--------------------------|
| 1 <sup>st</sup> Place       | 2 <sup>nd</sup> Place    |

However, it should be noted that the two unitary model also generates significant savings.

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.

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.

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

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.

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.

### Criteria 3: Unitary Structures Must Prioritise the Delivery of High Quality and Sustainable Public Services to Citizens.

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#### Summary

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.

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.

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

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

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.

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.

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.

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)

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.

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.

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.

The risk with one unitary, is that adults and children's services continue as they are, with the risks outlined above.

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

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

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.

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.

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.

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

The process of disaggregation would be supported by the way in which services often split on North-South lines already.

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.

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.

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.

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.

This section now provides some examples of services and how they would be operated under a two unitary model.

#### **Adult Social Care**

##### *Current Demand*

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.

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.

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 2030<sup>39</sup>, representing a substantial increase in demand for services.

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.

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*

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.
- 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).

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<sup>39</sup> [Warwickshire Adult Social Care Strategy 2024-2030](#)

In support of this approach, the District Councils Network<sup>40</sup> 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.

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.

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.

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 Care<sup>41</sup>: 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.

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.

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.<sup>42</sup>

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.

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.

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<sup>40</sup> [The power of prevention and place in new unitary councils](#)

<sup>41</sup> [Integrated Care Value Case - Greenwich](#)

<sup>42</sup> [LGA: Investing in preventative support can save more than £3 for every pound spent](#)

### Operating Model

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.
- 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.

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

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.

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

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 demand<sup>43</sup>.

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.

Table 45: Number of children in care<sup>44</sup>

| Year | Number of looked after children at 31 <sup>st</sup> 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                     |

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.

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*

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.

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.
- Build community relationships and capacity, focusing upon factors such as social connectedness and financial wellbeing, enabling people to thrive in their own communities.

<sup>43</sup> [Warwickshire Safeguarding Annual Report 2023-24](#)

<sup>44</sup> [Children looked after in England including adoption: 2023 to 2024](#)

- 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.

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

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.

The operating model will be community-based, preventative, and digitally enabled.

Core features are shown in the diagram below:



### Structural Considerations

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 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

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

This flexible model would provide the right functions at the right scale and give the two unitary model more chance of managing demand effectively.

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.

## SEND

### *Current Demand*

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 situation<sup>45</sup>.

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.

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*

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:

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<sup>45</sup> [SEND and Inclusion Strategy 2024 to 2029](#)

- 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.

#### *Structural Considerations*

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

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

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*

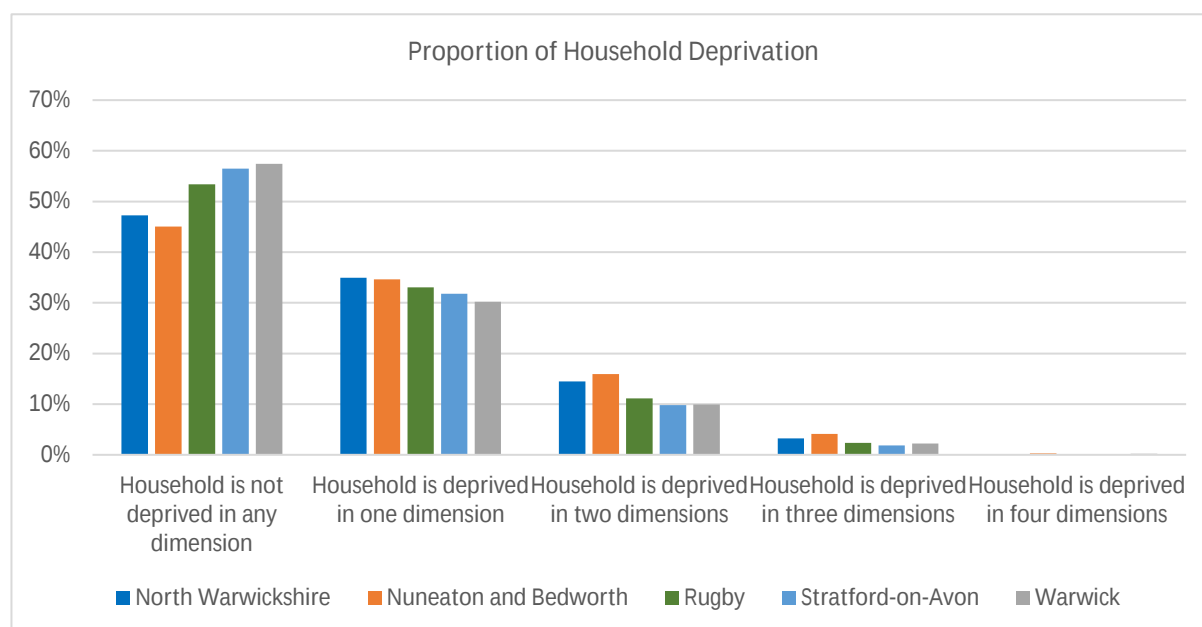
Deprivation and homelessness pose significant challenges in Warwickshire, particularly in the North of the county.

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.

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.

This underscores the urgent need for addressing housing insecurity and the underlying factors contributing to deprivation in these areas.

Chart 46: Households by deprivation dimension<sup>46</sup>



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.

Table 47: Rough sleeping snapshot by area, estimate of people sleeping rough per 100,000<sup>47</sup>

| 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  |

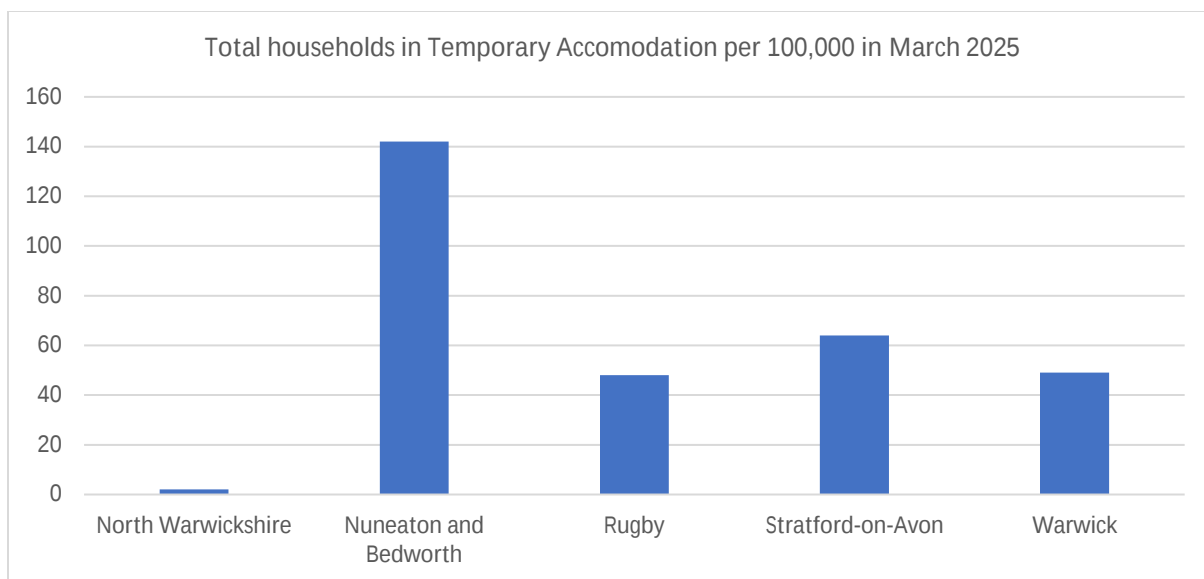
In a snapshot in March 2025, as shown in the graph below, data shows high levels of households requiring temporary accommodation in Nuneaton and Bedworth, providing temporary accommodation to 142 households at this time. Warwick, Stratford-on-Avon and Rugby all experienced similar demand for temporary 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).<sup>48</sup>

<sup>46</sup> [Households by deprivation dimensions - Office for National Statistics](#)

<sup>47</sup> [Rough sleeping snapshot in England](#)

<sup>48</sup> [Tables on homelessness - GOV.UK](#)



#### *Proposed Future Model*

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.

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.
- 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.

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.

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 <sup>49</sup>.

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.

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,

<sup>49</sup> [A councillor's guide to leading the homelessness sector](#)

smaller, more localised models might support a face to face and place-based approach to homelessness services which are often dealing with vulnerable people.

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.

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

Data on the current approach is provided under criteria 1 above.

### Future model

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.

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.

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.

The South unitary can address rural transport concerns and also enable tailored transport strategies for tourism and heritage management.

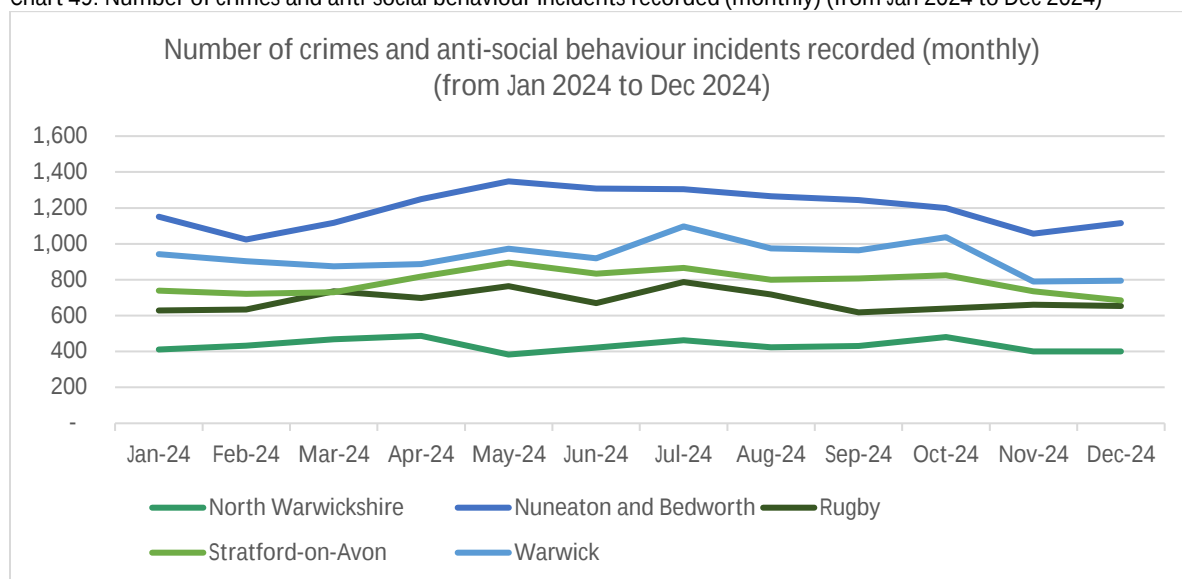
There are a number of more administrative functions that could be operated at a county level under a shared service arrangement, such as blue badge applications and driver training courses.

## 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 2025–29<sup>50</sup>.

Chart 49: Number of crimes and anti-social behaviour incidents recorded (monthly) (from Jan 2024 to Dec 2024)<sup>51</sup>



<sup>50</sup> [Warwickshire Police and Crime Plan 2025-29](#)

<sup>51</sup> [LG Inform: Number of crimes and anti-social behaviour incidents recorded in an area \(monthly\)](#)

#### *Proposed Future Model*

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.

This model can build on existing successful models such as the Community Warden Service in Warwick District.

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 individuals. Their partnership working across statutory and voluntary agencies enhances their ability to signpost, refer, and protect those at risk.

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.

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.

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

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.

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))<sup>52</sup>

| 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))<sup>53</sup>

| 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%                                                                                                  |

<sup>52</sup> [ONS - Local Indicators](#)

<sup>53</sup> [ONS - Local Indicators](#)

|                  |       |       |       |       |
|------------------|-------|-------|-------|-------|
| National Average | 60.0% | 80.3% | 70.7% | 78.0% |
|------------------|-------|-------|-------|-------|

#### *Proposed Future Model*

A two unitary model could retain a shared service or partnership arrangement for Education services, or it could choose to disaggregate services.

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.

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.

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.

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*

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)<sup>35</sup> compared to the average in England, suggesting relatively good access to primary care.

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*

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.

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.

This targeted approach leads to more effective and impactful public health outcomes across the county.

### **Waste and Recycling**

#### *Current approach*

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. <sup>54</sup>

| 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

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 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.

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.

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

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.

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.

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:

| Option 1:<br>Single Unitary | Option 2:<br>Two-Unitary |
|-----------------------------|--------------------------|
| Second Place                | First Place              |

<sup>54</sup> [Warwickshire Waste Partnership: Waste Management Performance Data 2022 - 2023](#)

## 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

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### Summary

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.

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.

### Local identity and local views

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

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.

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.

In total, 2,002 individuals completed the questionnaire. Responses were received from across Warwickshire.

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

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

- 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*

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*

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*

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*

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*

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*

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.

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.

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.

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.

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.

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.

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

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.

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.

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.

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*

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.

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.

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*

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.

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*

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.

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.

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*

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*

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.

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.

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

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.

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.

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.

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.

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

| Option 1: Single Unitary | Option 2: Two-Unitary |
|--------------------------|-----------------------|
| 2 <sup>nd</sup> Place    | 1 <sup>st</sup> Place |

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.

## Criteria 5: New Unitary Structures Must Support Devolution Arrangements

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### Summary

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.

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

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.

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.

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.

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.

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.

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*

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.

Reforming Warwickshire into two-unitary authorities, reflecting the distinct characteristics of the north and south, 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.

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.

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*

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.

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*

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.

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.

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.

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.

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 <sup>nd</sup> Place    | 1 <sup>st</sup> Place |

## Criteria 6: New Unitary Structures Should Enable Stronger Community Engagement and Deliver Genuine Opportunity for Neighbourhood Empowerment

### Summary

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.

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

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.

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*

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.

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.

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.

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.

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

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.

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*

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.

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*

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.

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

This approach values the contribution of parishes where they exist, while recognising that different arrangements are needed in unparished areas.

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

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

Both councils will operate on a Leader and Cabinet model, providing clear leadership and accountability.

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                   |

Currently, at district and borough level there are on average 2,244 electors per councillor, while at county level the average is 7,875.

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 around 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. In proposing council size, we have considered the LGBCE's three tests: strategic leadership, accountability and community leadership.

### *Conclusion*

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*

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.

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*

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.

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.

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*

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.

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.

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.

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.

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.

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

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.

A single county-wide authority could inadvertently create a more centralised and bureaucratic system, where local concerns might be overshadowed by broader strategic priorities.

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.

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.

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

| Option 1:<br>Single Unitary | Option 2:<br>Two-Unitary |
|-----------------------------|--------------------------|
| 2 <sup>nd</sup> Place       | 1 <sup>st</sup> Place    |

## Implementation

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

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.

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

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.

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.

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 structures<sup>55</sup>.

The below diagram illustrates the expected timeline for implementation.



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.

<sup>55</sup> District Council's Network (DCN) – Briefing on Governance during LGR Transition and in new Unitary Councils, September 2025

## Implementation Considerations

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.

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.

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

This work stream would establish the management team and structure required under the new authorities.

### Services

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.

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

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.

Further work is required to review and consolidate systems, software and online portals to remove duplication and align.

### People

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

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

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.

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

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.

Time will be needed to map wards into systems to enable elections to take place in May 2027.

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.

Finally, this workstream could focus on setting up new Town and Parish Councils in Nuneaton and Bedworth, if decided upon.

#### *Culture*

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*

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.

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.

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*

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.

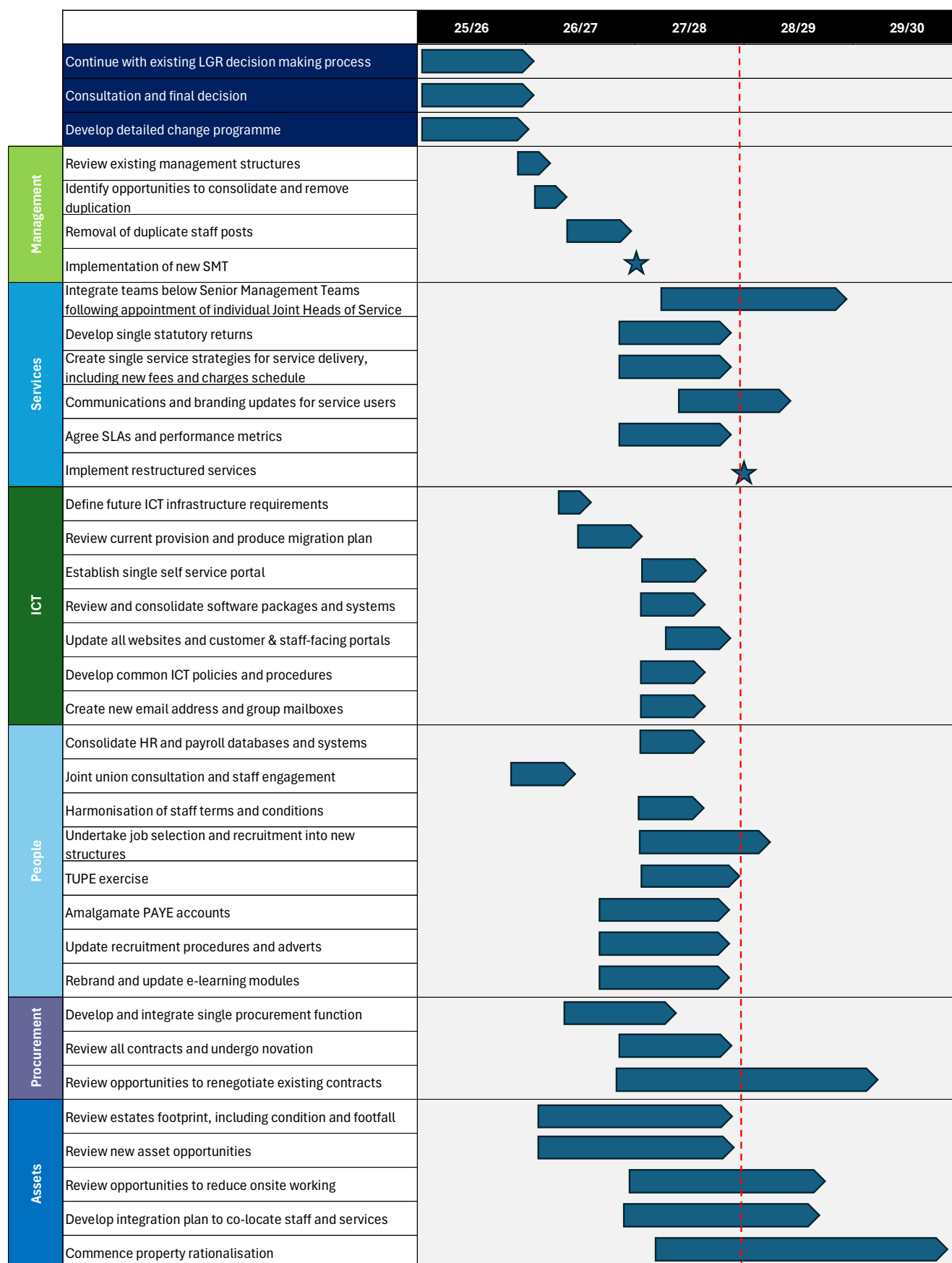
#### *Communications*

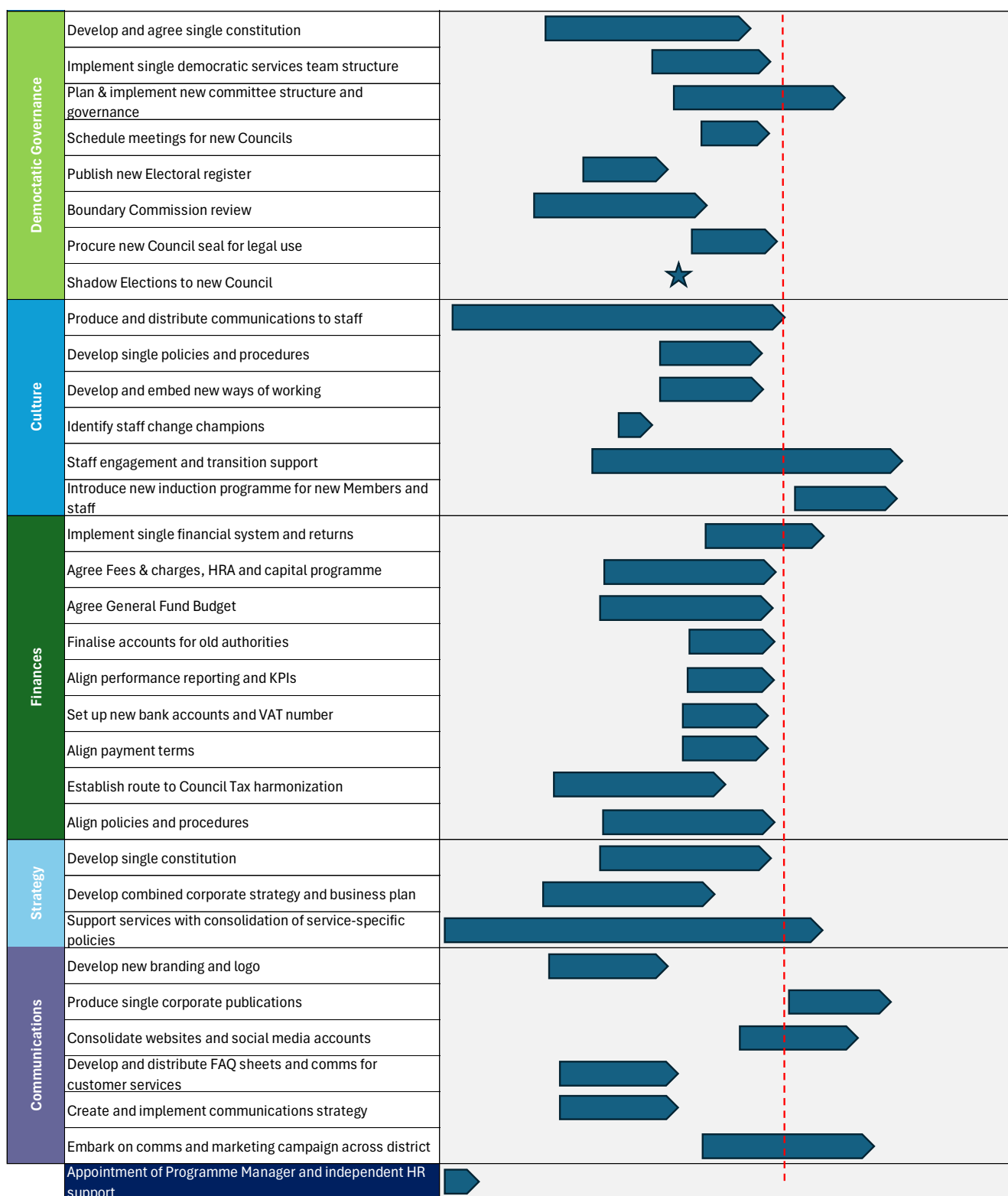
A significant work stream, this will focus on ensuring there is a plan for all stages of the implementation, appropriate for all audiences, to make sure everyone is well informed at the same time. This will include engagement with Members, Staff and the public to discuss the impacts of integration, timescales and what to expect once the new authorities are established.

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.

## Implementation planning

The diagram below indicates a potential implementation plan for the preferred option outlined in this business case.





### Social Care implementation

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.

The following conditions must be met:

#### *Statutory Compliance*

- 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).

#### *Safety of Service Delivery*

- Services must continue without interruption through the transition (no gaps in provision for vulnerable children/adults).
- Safeguarding arrangements must remain robust:
  - o Local Safeguarding Partnerships (for children) and Safeguarding Adults Boards must still function effectively.
  - o Clear escalation and accountability for risk and protection
  - o Workforce, data, and systems must remain aligned so statutory timescales and thresholds are met (e.g. assessments, reviews, casework).
  - o The DfE and DHSC require formal assurance before approving restructuring/devolution orders.

#### *Governance and Accountability*

- 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.

#### *Financial Sustainability*

- 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).

#### *Regulation*

- 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.

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)<br>Establish integrated programme and single business case (governance, budget, scope, benefits)                                                            | DfE/DHSC requirement               |
|                               | Locality Hubs                                          | Agree vision, principles and outcomes of locality working<br>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)<br>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<br>Build draft transition plan with risk and benefit analysis, including shared/transactional services<br>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<br>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<br>Implement system and data transition (case management, BI, reporting); data migration testing<br>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)<br>Novate/renege contracts<br>"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)<br>Launch locality operating model<br>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)<br>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<br>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<br>Consolidate contracts and embed VFM approach<br>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:<br>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:<br>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:<br>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<br>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:<br>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

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.

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.

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.



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# 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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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
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# 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.

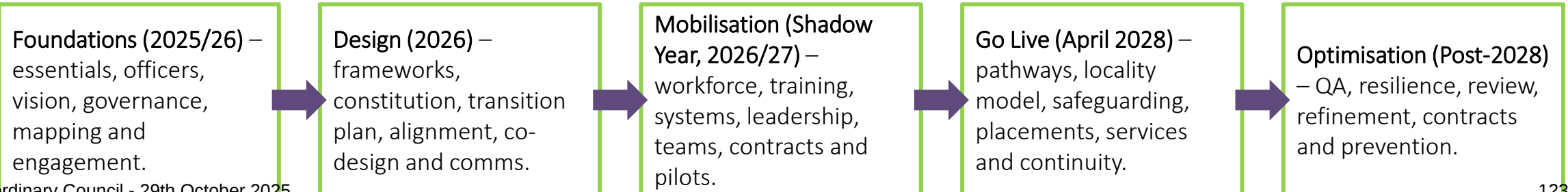
## Why Change?

- 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

## 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

| Pillars                                      | Enablers                                                                                                                                                                                                                                                                                       | Risks                                                                                                                                                                                                           |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Governance &amp; Accountability</b>       | <ul style="list-style-type: none"> <li>Appointment of DCS/DASS and statutory officers</li> <li>Safeguarding Boards operational</li> <li>“Single accountable body” principle for statutory duties</li> <li>Locality boards co-chaired with schools/health</li> </ul>                            | <ul style="list-style-type: none"> <li>Blurred accountability during disaggregation</li> <li>Inspection readiness gaps (Ofsted/CQC)</li> <li>Fractured local governance undermining trust</li> </ul>            |
| <b>Service Integration</b>                   | <ul style="list-style-type: none"> <li>Alignment with NHS “place” footprints and PCNs</li> <li>Section 75 agreements for discharge and reablement</li> <li>Family Help hubs and MACPTs co-located with partners</li> <li>Regional commissioning for high-cost placements &amp; SEND</li> </ul> | <ul style="list-style-type: none"> <li>Fragmentation between North/South unitaries</li> <li>Delays in joint commissioning with ICB</li> <li>Rural access gaps if neighbourhood delivery not in place</li> </ul> |
| <b>Workforce &amp; Skills</b>                | <ul style="list-style-type: none"> <li>Local recruitment pipelines &amp; Workforce Academy</li> <li>Standardised practice model (trauma-informed/strength-based)</li> <li>Digital tools (AI-assisted triage, automation)</li> </ul>                                                            | <ul style="list-style-type: none"> <li>Heavy reliance on agency staff</li> <li>Training gaps in mainstream schools for SEND inclusion</li> <li>Workforce instability during TUPE transition</li> </ul>          |
| <b>Finance &amp; Commissioning</b>           | <ul style="list-style-type: none"> <li>Budgets disaggregated by need not just population</li> <li>Regional frameworks for high-cost placements</li> <li>Micro-commissioning for rural &amp; hyper-local services</li> <li>Outcome-based contracts driving prevention</li> </ul>                | <ul style="list-style-type: none"> <li>£151m DSG deficit risk (SEND)</li> <li>ASC residential reliance driving high costs</li> <li>Contract novation delays; fragile rural provider market</li> </ul>           |
| <b>Data, Systems &amp; Business Insights</b> | <ul style="list-style-type: none"> <li>Dual ICT running &amp; safe case data migration</li> <li>Resident care accounts &amp; digital Local Offer</li> <li>Predictive analytics for early intervention</li> <li>Common BI dashboards across localities</li> </ul>                               | <ul style="list-style-type: none"> <li>Data loss or handling failures at transition</li> <li>Fragmented data-sharing across agencies</li> <li>Limited analytics capacity in early years</li> </ul>              |

# Day 1 Priority: To Be Safe and Legal

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                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• 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).</li><li>• Duties to safeguard and promote welfare of children, and to meet eligible needs of adults, must remain clear and enforceable.</li><li>• The “single accountable body” principle applies: there must be a clear legal entity responsible for delivering each statutory function (no gaps or duplication).</li></ul> | <ul style="list-style-type: none"><li>• Services must continue without interruption through the transition (no gaps in provision for vulnerable children/adults).</li><li>• Safeguarding arrangements must remain robust:<ul style="list-style-type: none"><li>• Local Safeguarding Partnerships (for children) and Safeguarding Adults Boards must still function effectively.</li><li>• Clear escalation and accountability for risk and protection.</li></ul></li><li>• Workforce, data, and systems must remain aligned so statutory timescales and thresholds are met (e.g. assessments, reviews, casework).</li><li>• The DfE and DHSC require formal assurance before approving restructuring/devolution orders.</li></ul> | <ul style="list-style-type: none"><li>• 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).</li><li>• Decision-making and financial accountability must not be blurred when services are split or shared.</li></ul> | <ul style="list-style-type: none"><li>• Budgets for adult and children’s social care must be ring-fenced or transparently allocated so that statutory duties can be met.</li><li>• Risk-sharing mechanisms must be in place if pooled or delegated budgets are used (e.g. in Combined Authority or joint commissioning models).</li></ul> | <ul style="list-style-type: none"><li>• Ofsted and the Care Quality Commission (CQC) expect councils to demonstrate “safe and legal” operation when disaggregating/reaggregating services.</li><li>• The DfE and DHSC require formal assurance before approving restructuring/devolution orders.</li></ul> |

## 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?

Extraordinary Council - 29th October 2025

## 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.

## 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

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.

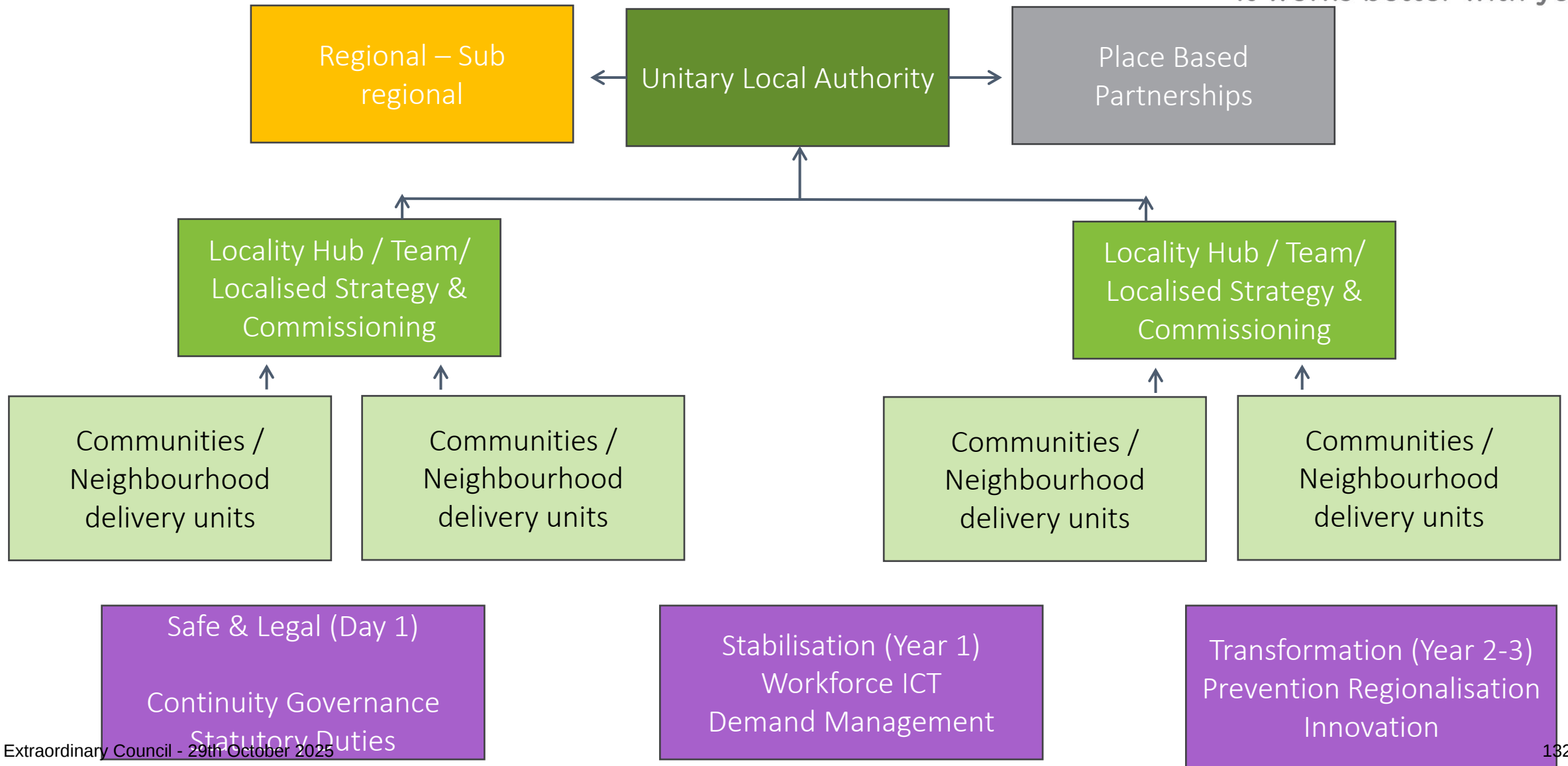
4

## 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



## 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.

## 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.

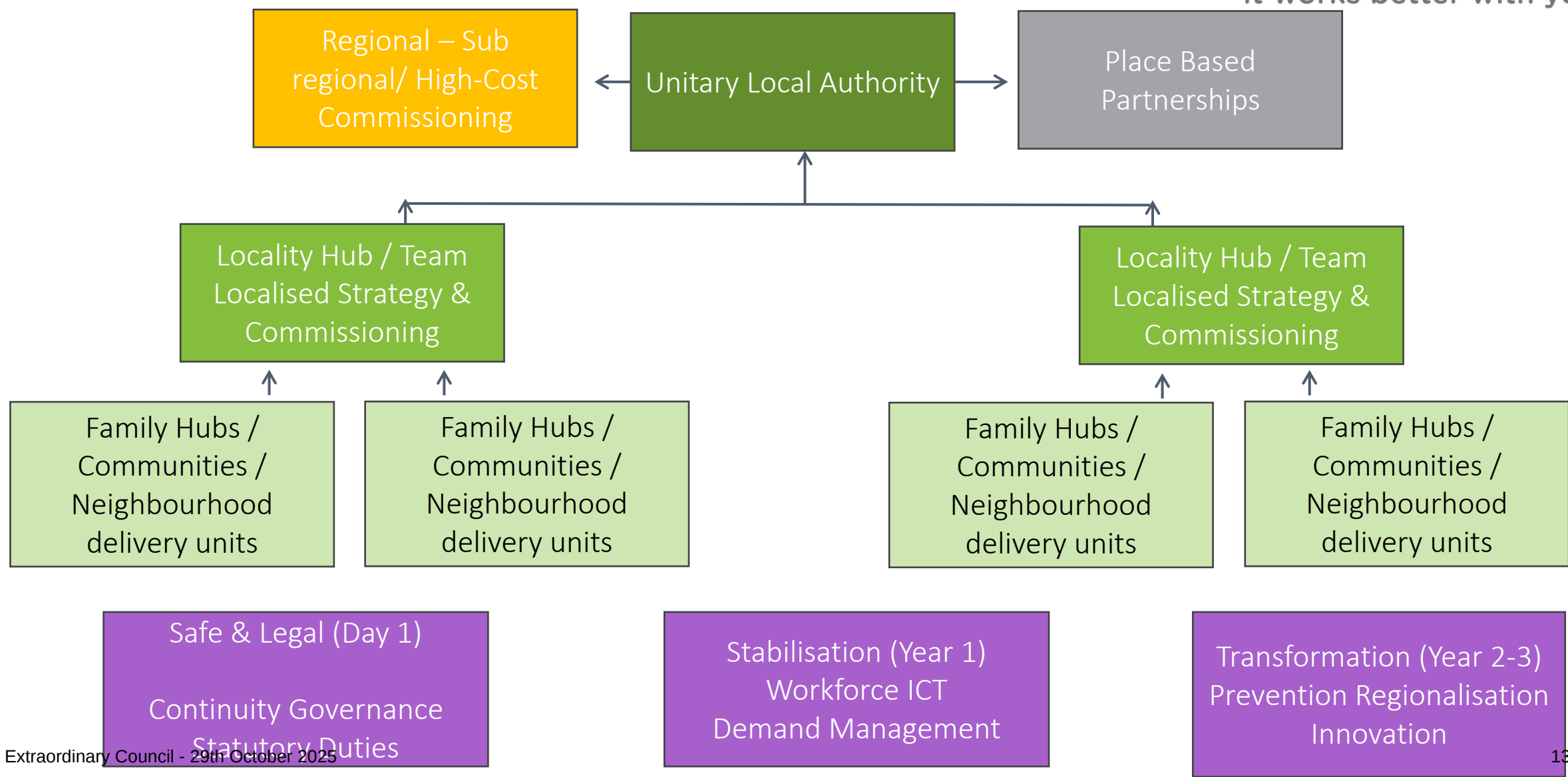
## Prevention & Community Partnerships

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



## 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 <b>family network/kinship exploration</b> from day one. Leeds runs <b>23–25 “clusters”</b> pooling school & partner funding for early help—useful for design of your hub partnership and devolved spend. | <a href="#">EVALUATION OF THE EARLY HELP SERVICES PROVIDED AS A PART OF THE CLUSTER COLLABORATIVE IN LEEDS</a>                                                       |
| 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.)                                                                                                    | <a href="#">The implementation of family hubs: Emerging strategies for success   Local Government Association</a>                                                    |
| 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 href="#">A Guide to Family Safeguarding</a>                                                                                                                       |
| Family Hubs                                               | Locality-wide umbrella for 0–19/25 SEND. Surrey's family hub approach and recent <b>LGA/Coram case studies</b> are practical playbooks for space, staffing and commissioning models.                                                                                                                                                               | <a href="#">Annex 4.3 - Developing Family Hubs Paper.pdf</a>                                                                                                         |
| 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.                                                                            | <a href="#">Impact of 'Enhanced' Intermediate Care Integrating Acute, Primary and Community Care and the Voluntary Sector in Torbay and South Devon, UK - PubMed</a> |
| Adaptations & Care Tech                                   | Embedded OT and home independence cell; Wigan's digital ASC case study shows workforce support & care-tech mainstreaming in local teams.                                                                                                                                                                                                           | <a href="#">Wigan Council: a whole system approach to digital in its adult social care service   Local Government Association</a>                                    |
| Carers                                                    | Visible “carer offer” in hub; Essex's All-Age Carers redesign is a good template for navigation + offer + digital support.                                                                                                                                                                                                                         | <a href="#">Essex County Council: unpaid carers support redesign   Local Government Association</a>                                                                  |

## 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).                                                                                                                                               | <a href="#">Children's social care market interventions advisory group - GOV.UK</a>                                    |
| Sufficiency Programmes (Children) | Regional pipeline of in-house homes, IFA/fostering campaigns, and secure/step-down capacity; proto-RCC functions where established. (Live examples: <b>West Midlands</b> , <b>White Rose/Yorkshire &amp; Humber</b> , <b>North East ADCS</b> regional sufficiency collaboration, and <b>Pan-London</b> programmes.) | <a href="#">COV - West Midlands Children's Regional Residential Care Framework (2025) - Find a Tender</a>              |
| 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., <b>Pan-London nursing homes AQP</b> ).                                                                                                                                  | <a href="#">Pan-London Nursing Homes AQP - Contract introduction for providers - Care England</a>                      |
| 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).                                                                                                                                                                        | <a href="#">NHS England » Specialised commissioning 2024/25 – next steps with delegation to integrated care boards</a> |

# 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

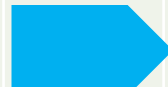
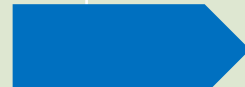
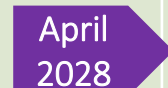
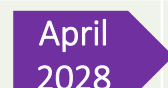
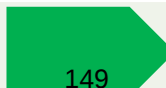
| Phase                            | Level of Delivery                                      | Key Actions                                                                                                                                                                                       | Source/Requirement                 |
|----------------------------------|--------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| Phase 1 Foundations<br>(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)<br>Establish integrated programme and single business case (governance, budget, scope, benefits)                                                            | DfE/DHSC requirement               |
|                                  | Locality (200-300k population hubs)                    | Agree vision, principles and outcomes of locality working<br>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)<br>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<br>Build draft transition plan with risk and benefit analysis, including shared/transactional services<br>Align with MTFP, SEND and social care reforms | LGR statutory process              |
|                                  | Locality (200-300k population hubs)                    | Co-design operating model for family hubs & reablement                                                                                                                                            | Family Help reforms                |
|                                  | Community / Neighbourhood (30-50k PCNs, schools, VCSE) | Pilot micro-commissioning with VCSE<br>Communication plan – staff, members, families, partners                                                                                                    | Good practice                      |

# Project Plan Overview

| 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<br>Implement system and data transition (case management, BI, reporting); data migration testing<br>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)<br>Novate/renegotiate contracts<br>"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)<br>Launch locality operating model<br>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)<br>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<br>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<br>Consolidate contracts and embed VFM approach<br>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

Full implementation plan Gantt chart available in Appendix

| Phases                   | Key Actions                                                                                                                           | 2025                                                                                | 2026                                                                                | 2027 | 2028                                                                                  | 2029-30                                                                               |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| Phase 1:<br>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:<br>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:<br>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<br>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:<br>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 core system 2025 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

- 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

## 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

- 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.

## 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.

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## 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.