

Warwickshire County Council

Interim Plan For Local Government Reorganisation



This document sets out Warwickshire County Council's interim plan for local government reorganisation (LGR). It assesses the options for reform against each of the six main criteria as set out by the Minister of State for Local Government and English Devolution in his letter of 5 February 2025 to the Leaders of the six Councils in Warwickshire.

The document evaluates two options for LGR in Warwickshire:

- 1.** A single unitary council covering the whole of Warwickshire (a 'Type A' proposal under definitions in the Local Government and Public Involvement Act 2007 which is a single tier of local government covering the whole of the county concerned); *and*
- 2.** Two unitary councils; one covering North Warwickshire, Nuneaton and Bedworth and Rugby Boroughs, and one covering Warwick and Stratford Districts (a 'Type B' proposal whereby a single tier of local authority covers an area that is currently a district, or two or more districts).

Only the first of these options fully meets the Government's criteria for local government reorganisation.

Within the Interim Plan, each section includes:

- Working principles
- Assessment against the Government's criteria
- Emerging conclusions
- Next steps

Whilst The Minister has asked for areas to seek to avoid competing bids, this has not been possible in Warwickshire. Warwickshire County Council is nevertheless concerned at the waste of public resource, should two competing bids go forward to full business case development.

Should this, in the view of the Government, be the way forward, we would underline the importance of seeing through on the commitments and policies set out in the English Devolution White Paper. This is a once in a generation opportunity to improve the model of local government and Warwickshire County Council is wholly committed to seizing that opportunity.



Executive Summary

The Vision for Warwickshire

Warwickshire is a county of rich heritage and diverse communities. It has a powerful economy with established links to world class universities and is now facing a clear choice as to the future of its local governance.

Warwickshire's overall outcomes are strong, whilst long-term challenges across the county manifest in different ways in different areas. It is not a homogenous county. We know residents' top priorities to improve their places include improving high streets and town centres, access to healthcare and safety, and transport in the most rural parts of the county.

The current two-tier system of governance inevitably brings duplication, unnecessary cost and fragmented service delivery. This makes it harder for those challenges to be tackled and more difficult for partners to work together across the system to improve the quality of services and outcomes for our residents, businesses and communities. A single tier of local government will be more effective, more efficient, lower cost, simpler and more accountable.

In Warwickshire we want to go further than reorganisation of local government. We have a vision for the place that is Warwickshire; one of Total Place where partners work together to achieve the best value for the Warwickshire pound. The Warwickshire pound must go further. It must have greater spending power including in terms of social value. Our residents deserve the best from their council and LGR is a key step on the way.

We have strong strategic partnerships, with a shared vision between anchor partners working together in a whole-system approach to deliver the best return on our precious resources. We owe it to our residents to make Warwickshire the best place to live - a place where services are great quality, available and accessible to all, no matter which part of the County they live in.

Each and every public organisation, be they councils, hospitals, police or universities need to work as hard as they can to make their resources stretch to reach all. This is our raison d'être. This is why we are in public service; because together we must make that difference for our communities.



We have a clear vision for our county and residents. We are on a mission to accelerate progress on this vision and a reformed local government structure is a key step along the way. Reorganisation will give us the firmest and most efficient basis from which to make Warwickshire the best it can be.

Our vision for residents, to be enabled through LGR:

- Accelerated economic growth delivering increased prosperity for residents; creating high quality jobs and reducing the gap in average earnings in the north of the county
 - Extended healthy life expectancy with access to joined-up health and social care services, tackling the key determinants of health particularly where they are lowest
 - Increased supply and affordability of housing along with the associated infrastructure and school places, required for population growth
 - Lowering the barriers to opportunity, particularly by raising educational attainment and adult skills
 - Ensuring all children have a good start in life through reformed children's services with the emphasis on prevention and early intervention, and effective safeguarding wherever it is needed
 - Improved transport and digital connectivity, especially in rural areas
 - Meeting climate change head on through an integrated approach;
- and*
- Improved town centres and high streets, building a pride of place

We can deliver better outcomes at a lower cost by working through one tier of local government; achieving value for money, streamlined services, removal of duplication and enhanced recruitment and retention of talent, through reinvestment in the services hollowed out by austerity and demand pressures.

The embedding of preventative approaches, reduced demand and long-term cost will result in better life opportunities for the people of Warwickshire.

In Warwickshire we are committed to local government and public service reform. It is not a choice. It is a necessity. We cannot stand still, our communities need us to reshape, reform and go forward lighter, more agile and ready to make change happen.



Local Government Reorganisation

This interim plan provides an initial assessment against the Government's criteria for local government reorganisation. It considers two options; a single countywide unitary council or two unitary councils, one in the north and one in the south of the county.

It is clear that unitary government will bring benefits; greater accountability, simplified governance, greater efficiencies, improved accessibility and joined up service delivery. It is also clear, as shown in the evidence, that a single unitary authority for Warwickshire delivers the most benefits when assessed against the Government's criteria for the following reasons:

- A single countywide unitary council meets the Government's stipulation of a minimum population size. There is no evidence for Warwickshire being 'exceptional' in its differing needs and priorities across the county.
- A single unitary council delivers the best value for money. It offers materially higher net financial benefits (£82m over 5 years) than two unitary authorities (£8m over the same period) for a lower cost and much faster payback term. This will maximise the scope to protect much valued non-statutory services; particularly in light of serious financial challenges that councils face.
- Unitary local government will deliver improvements in priority outcomes for economic growth, health, education, and housing/infrastructure delivery. It will enable investment in effective, preventative service delivery and use of digital innovation and data to transform outcomes. Through the bringing together of health, social care and housing services; highways, housing and planning services to drive housing growth and infrastructure delivery; public health and leisure; combining business support and regulatory services; and the ability to leverage digital innovation, data and AI at scale.
- It avoids the damage of disaggregation of high-quality countywide functions. Disaggregation would bring risk, long-term additional cost and complexity in services including social care, education, waste, infrastructure and strategic planning, highways/transport and public health. Overall, this would make it more difficult to progress against priority outcomes.
- Any new model courts risk to financial sustainability, but such risks will be minimised with the scale of a single unitary council's balance sheet. This will avoid the financial winners and losers in a two unitary scenario.
- The strong strategic partnerships across the Coventry and Warwickshire public service geography, would be diluted and made more complicated in a two unitary model in particular with the Integrated Care System and Police.



Irrespective of the final model, it will be essential to embed effective place-based and neighbourhood working and foster civic pride in local places. A single unitary council offers the potential benefits of scale and at the same time scope, to embed place-based working and community solutions. This will be achieved through integrated neighbourhood teams and a visible council presence in communities. Underpinned by a community-powered approach, communities will be closely involved in decision-making and practical action, thereby empowering communities to lead.

Devolution

This interim plan also considers the significant opportunity for devolution, a welcomed prospect for Warwickshire which already has a Level 2 Devolution Agreement in place; enhancing regeneration, adult skills and responsibility for the UK Shared Prosperity Fund.

Warwickshire's six councils are already active non-constituent members of the West Midlands Combined Authority, and the Coventry and Warwickshire Gigapark is an important part of the West Midlands Investment Zone which will bring very significant financial benefits to the County and the West Midlands Region as a whole.

Warwickshire's functional economic geography is strong and immutably shared with Coventry. Devolution which embraces both geographies within a Coventry and Warwickshire footprint will accelerate the sub-region's strong contribution to local, regional and national growth.

Consequently, full membership of the West Midlands Combined Authority is the logical pathway to sustain the highly-prized Coventry and Warwickshire economic geography thereby driving housing delivery and addressing climate change. At the same time, it would enable Warwickshire to access the fullest suite of devolution benefits. This would require the consent of any new unitary Warwickshire Council/s, the Mayor and the Secretary of State.

Conclusion

Evidence shows that only a single unitary council can meet all the Government's criteria for local government reform. It combines the strategic scale to deliver improvements and efficiencies against priority outcomes in Warwickshire, while embedding local, place-based working to enhance community engagement and empowerment.

Too often, LGR is portrayed as a binary choice between scale, and local connections and identity. This is not the choice facing Warwickshire. As this interim plan shows, a single unitary council offers a combination of strategic scale, efficiency, and strong local connectivity.




Creating Opportunities

The county generally performs very well as a place to live, work and do business; however, for some groups of people, and some places, there are significant disparities which limit people's opportunities, aspiration and social mobility.

In 2022

6.2%

of people living in Warwickshire live in the 20% most deprived areas in England.



Warwickshire has six Lower Super Output Areas (LSOAs) in the 10% most deprived nationally, but 42 LSOAs in the 10% least deprived.

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In 2023, at Key Stage 4 there was a 35% gap in educational attainment between disadvantaged pupils and non-disadvantaged pupils.


Life expectancy at birth

is 8.3 years lower for men and 6.3 years lower for women

in the most deprived areas of Warwickshire than in the least deprived areas.




Adults and children in Year 6 in the north of the county are more likely to be overweight or obese than in the south of the county.



In 2022, residents in Stratford-on-Avon District had

£11,164


more gross disposable income than residents in Nuneaton & Bedworth Borough.




The average travel time using public transport to the nearest large employment site is significantly greater in our rural areas than in other parts of the county.



In July 2024, the percentage of premises with gigabit-capable broadband varies within Warwickshire from 91% in Nuneaton & Bedworth Borough to 61% in North Warwickshire Borough



In 2022/23, the percentage of children under-16 living in low income households varied from 10.9% in Warwick District to 21.1% in Nuneaton & Bedworth Borough.



In 2023/24, the crime rate per 1,000 population in Nuneaton & Bedworth Borough was

45% greater

than in South Warwickshire



Housing is generally less affordable in the south of the county, with a considerably higher ratio of median house prices to median workplace earnings.



In 2022/23, the percentage of household waste sent for reuse, recycling and composting varied from 35.4% in Nuneaton and Bedworth Borough to 60.0% in Stratford-on-Avon District.




Criterion 1

Seek to achieve for the whole of Warwickshire the establishment of a single tier of local government

Working principles

- **County of Warwickshire:** The future structure should cover the existing Warwickshire boundary and establish a single tier of local government across Warwickshire which meets the Government's criteria.
- **Coventry & Warwickshire footprint:** Preserving and enhancing the Coventry and Warwickshire functional economic geography and public service footprint is crucial.
- **Outcome focused:** The future structure should maximise improvement in priority outcomes for residents, businesses, communities and visitors (e.g. inclusive economic growth for all; planning, housing and infrastructure delivery; reducing health inequalities; improving opportunities for children and young people especially in their crucial early years; education and skills, tackling climate change, transport and digital connectivity); and
- **Value for money:** The future structure should maximise value for money by improving economy, efficiency and effectiveness (cost-benefit, payback and future financial sustainability across local government in Warwickshire) and look to protect and enhance much valued non-statutory services currently provided at both tiers of local government.

1a) Proposals should be for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area.

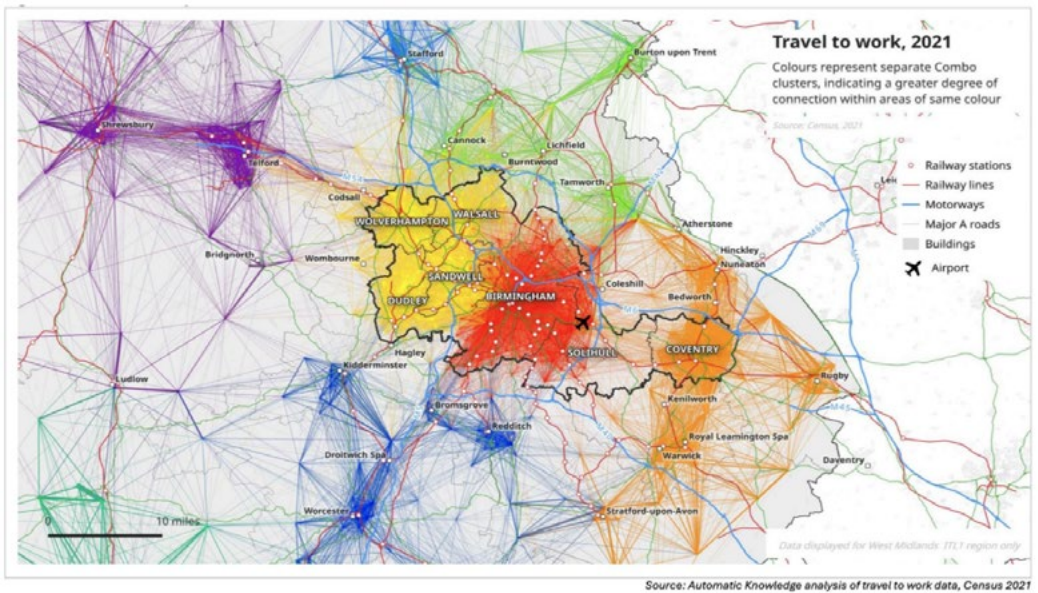
A single tier of local government would cover the whole county of Warwickshire.

Sensible economic area

Over three quarters of residents living in Coventry and Warwickshire also work in the area. A recent West Midlands Combined Authority (WMCA) study showed very clear evidence of the strength and importance of the Coventry and Warwickshire sub-regional economic geography.

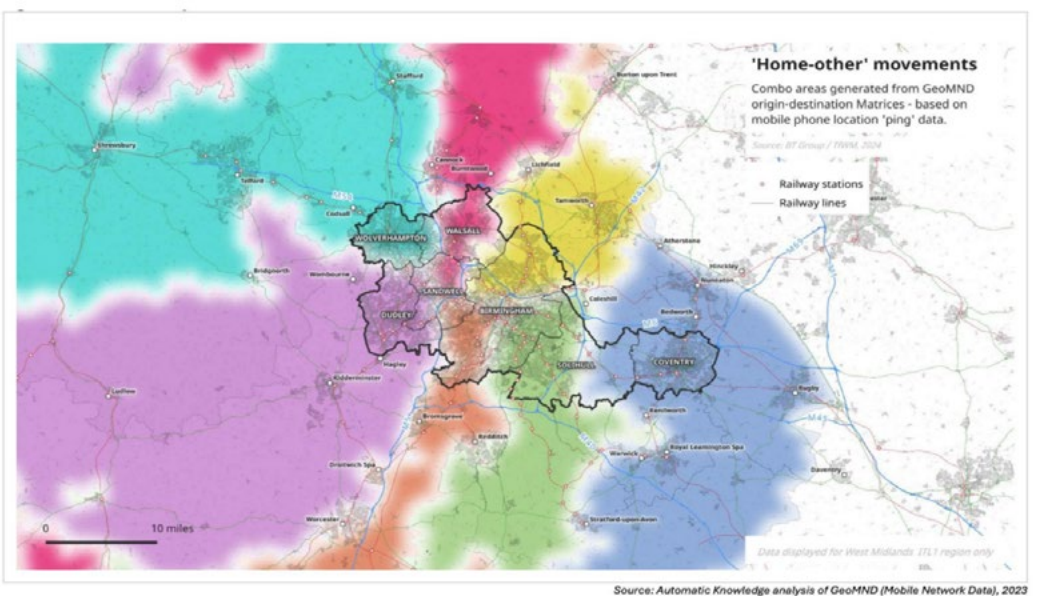


Coventry and Warwickshire have a strong functional economic relationship, covering travel for leisure, housing market areas, business supply chains and networks, and travel to work patterns – around 80% of residents live and work within this area, shown in the graphs below. Given this clear functional economic geography, it is the relationship with Coventry that has the most meaning and impact for Warwickshire.



ONS has released data on consumer card spending from 2023, presenting a map of where residents predominantly undertake spending activity based on their home location. Again, this reinforces the importance of the Coventry and Warwickshire footprint.

Similar patterns are revealed by mobile phone generated data, which show where users are travelling to and from, indicating duration of dwell time for individual journeys for e.g. retail, leisure and recreation activities.



Appropriate tax base which does not create an undue advantage or disadvantage for one part of the area

Financial impacts vary according to the governance model. Pooling financial, demand and differential tax base risks could create advantage or disadvantage.

A northern unitary involving North Warwickshire, Nuneaton and Bedworth and Rugby Boroughs would represent 52% of the population but would have only 46% of the council tax base. This is of major significance given that 21 out of the 22 LSOAs in the 10% most deprived in England are within in these boroughs. Modelling reflects significantly higher demand and expenditure in the northern unitary for adult social care, children’s social care and SEND (see section 3).

However, the position is more complex because of very different profiles of funding sources and council balance sheet strengths. In a two unitary model, each new council would have very different financial risk profiles and financial resilience challenges, with issues of scale likely to affect financial sustainability. More in-depth quantification of this risk will be undertaken in preparation of the full business case.

The distribution of major funding sources in single and two unitary scenarios is modelled in the table below.

	Single unitary funding	North unitary funding	South unitary funding
Business rates income	19%	25%	12%
Council tax	63%	55%	71%
Grant funding	18%	19%	16%

This analysis shows the extent to which a south unitary council would rely on council tax to fund services. With the likelihood of government funding reform this would present future risk to grant funding streams with the aim of transferring resources to more deprived areas along with Council Tax equalisation.

A northern council would be significantly more exposed to a business rates reset, with correspondingly higher grant income than a southern unitary.



There are clear balance sheet and capital financing risks which could affect financial sustainability, and which require further investigation. Headline indicators against key metrics are set out in the table below, with RAG ratings (green = <25%, amber = 25-50%, red >50%), suggesting risk in Warwick and Nuneaton and Bedworth.

	North Warks	Nuneaton & Bedworth	Rugby	Stratford-on-Avon	Warwick	Warks CC
External borrowing as % of fixed assets at March 2024	21%	15%	28%	0%	37%	19%
Internal borrowing as % of useable reserves at March 2024	50%	105%	14%	26%	90%	0%
Debt servicing as % of 2024/25 council tax requirement	36%	15%	45%	9%	66%	6%

There are also varying degrees of reliance on fees and charges income. Income for district level services is £60 per head in a north unitary and £99 per head in a south unitary - two thirds higher – which creates financial stability risk in an economic downturn (parking, tourism, planning).

A single unitary would also be exposed to the business rates reset (£46m of 7% of revenue funding) and funding reform. However, more balanced funding sources would help spread financial risk. On all currently available measures of demand, demographics, funding sources and cost allocation, a single unitary offers a more balanced profile and blend. This underlines the risk associated with disaggregation of major strategic services.

The scale of a larger council would enable financial and funding risks to be more readily managed through the resilience of a larger balance sheet and through the higher financial benefits of reorganisation. This would better protect the future financial sustainability of local government despite the significant challenges it faces.

Significant differences in the balance sheets and borrowings of the existing district and borough councils would have a more material impact under a two unitary model, as reflected in the abandoned merger proposals by Warwick and Stratford Districts in 2022.



1b) Proposals should be for a sensible geography which will help to increase housing supply and meet local needs

Across Warwickshire, annual National Planning Policy Framework (NPPF) targets have increased by 69%, which calls for a step-change in housing delivery. A more effective, quicker planning system is required by bringing together local planning and highways planning functions which currently sit at different tiers. This presents a major opportunity to simplify, streamline and speed up planning, consolidating five local plans and developing common processes and a single team making the best use of staff resource. All six councils currently experience challenges with their respective planning functions, particularly around staff capacity, recruitment and retention.

Reorganisation would enable either one or two local plans, rather than five, which would be a positive in the context of a regional Spatial Development Strategy. Moving to an integrated planning function would increase capacity and resilience whilst maintaining local footprints for planning activity and decision-making. This would have a greater impact in a single unitary due to workforce capacity challenges and avoiding the risks of disaggregating highways services.

Whilst currently not a housing authority, WCC has established its own Warwickshire Property and Development Group (WPDG). This is a wholly owned, award-winning WCC company which exists to deliver new housing and commercial space and has a pipeline of 2,200 new homes with 1,200 to be delivered in the next five years. To contextualise this, WPDG will deliver roughly 6% of the annual NPPF targets for Warwickshire over the next five years.

WPDG has the potential to increase its impact by accelerating housing supply and providing a pipeline of social/affordable housing for the Housing Revenue Account tailored to local need and aligned to local targets. It would also support the new council/s to regenerate and increase financial resilience through well-targeted asset disposals and better management of leased rent rolls.

However, were it necessary to split WPDG shareholdings, the company's scale, reach and clarity of purpose would be affected, which could impact council bottom-line resourcing. There are two other council housing companies owned by District/Borough councils – Milverton Homes and Caldecott Homes - which have different models to WPDG.

The existing Warwickshire councils have different approaches to housing and Housing Revenue Accounts. Some councils are large landlords in



their own right, while others are not. Local government reform brings a real opportunity to streamline and speed up the planning process, increase the pace of housing delivery, including affordable housing, enhanced customer service and synergies across related functions.

Under a single tier of local government, housing functions will operate at greater scale with closer synergy with the delivery of adult social care services in turn delivering improved outcomes for residents.

The opportunity to merge the five district and borough housing teams would deliver efficiencies and, with careful remodelling, provide a better service to tenants against a backdrop of currently variable performance across the county.

1c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement

Warwickshire has strong performance overall. However, there are long-term challenges across the county, which manifest differently in different areas. We know residents' top priorities to improve their places include improving high streets and town centres, access to healthcare and safety, and transport in the most rural parts of the county.

A new unitary model will need to address these key challenges facing Warwickshire, summarised in our [2025 State of Warwickshire report](#).

There is a clear opportunity to combine related strategies and develop a much clearer approach to addressing these key challenges with partners across the whole county. For example, more effectively bringing together countywide strategies like adult social care and public health with local strategies such as leisure, housing and Local Plans.

Priority outcomes for Warwickshire residents, businesses and communities are set out on page 4.

To accelerate delivery on these outcomes a new local government structure needs to be fit-for-purpose and provide better value for money than the duplication, cost and complexity of the current two-tier system. A streamlined single tier of local government will deliver simpler, more accessible and better services through integration, benefits of scale, and clear accountability regarding who is responsible for what. Value for money will improve in the following areas:



- **Economy** – doing things more cost-effectively through commercial benefits of scale and the ability to simplify, rationalise and streamline the current variations in services, contracts and organisational infrastructure, duplication of senior management, support functions, property, ICT and democratic costs.
- **Efficiency** – delivering productivity gains from reduced duplication, overhead costs, use of digital and data at scale to enhance customer service and reduce costs, and clearer accountability; and
- **Effectiveness** – achieving greater impact on people’s lives through a focus on prevention and upstream working; this will harness the synergies of integrated services (for example adult social care and housing, public health and leisure, planning and housing functions, waste services, and economy/business/skills) and effective place-based working, reducing long-term costs by tackling failure demand and getting things right first time; and being more effective by developing and optimising our workforce, thereby addressing challenges in both capacity and capability.

For residents, businesses and communities, a single unitary council will deliver:

- A common approach wherever they live or work, for example, recycling, waste collection and disposal, planning and leisure.
- The right support in one place, with a single point of access and no need to call different councils or be passed between them.
- Improved support for vulnerable people through joined-up health, social care and housing services.
- A common approach to benefits and council tax collection.
- A single local plan over a larger geographical footprint with one council responsible for planning, school places, infrastructure, leisure requirements and economic growth. This would offer greater flexibility and leverage to ensure development is in the right place whilst also making it easier to coordinate the ‘ask’ and secure investment from housing developers to pay for roads, schools, public open space, sports facilities and other vital infrastructure. All of which will ultimately make Warwickshire a better place to build homes and commercial premises.



- Joined-up services to business – on growth, regulatory services (such as trading standards, environmental health, fire safety and licensing), skills and investment; and
- Enhanced accountability, with councillors responsible for all local government services and for championing their place.

The evidence of costs/ benefits and local engagement are covered in other criteria.

1d) Proposals should describe clearly the single tier local government structures it is putting forward for the whole of the area, and explain how, if implemented, these are expected to achieve the outcomes described.

Depending on the model, the proposal would deliver these outcomes in the following ways with the evidence pointing to stronger benefits from a single unitary authority:

Outcome	How the proposal will deliver outcomes
<p>Accelerated economic growth delivering increased prosperity for residents; creating high quality jobs and reducing the gap in average earnings in the north of the county</p>	<ul style="list-style-type: none"> • Strategic influence over Coventry and Warwickshire economy, supported by enhanced devolution to the county. • Working with sufficient scale and reach to attract new businesses, support others to grow and ensure the right jobs and skills are available. • Control of all of the levers of growth so that residents benefit, e.g, by reducing the gap in average gross disposable household income between Stratford District and Nuneaton and Bedworth.
<p>Extended healthy life expectancy with access to joined-up health and social care services, tackling the key determinants of health particularly where they are lowest</p>	<ul style="list-style-type: none"> • Aligning public health, leisure, housing and adult social care will enable more innovative and systemic approaches to reversing recent decreases in healthy life expectancy. • Targeting priority places to tackle the determinants of health in a more effective, integrated way. • Effective place-based working, budgeting and resource allocation to join-up and enhance access to health and care services



Increased supply and affordability of housing along with the associated infrastructure and school places; required for population growth.

- Aligning all levers of planning and infrastructure delivery in a single organisation.
- Creating a single local plan and holistic view of land supply, in the context of a regional spatial development strategy.
- Ability to engage with developers across whole supply chain to accelerate housing growth and streamline S106 process.
- Ability to extend the impact of WPDG on housing and infrastructure delivery, including affordable housing.

Lowering the barriers to opportunity, particularly by raising educational attainment and adult skills, especially where it is lower.

- Combining the current councils will simplify delivery of outcomes relating to educational attainment, children services and adult skills provision.
- Aligning planning, education, business support, adult skills and inward investment.

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

- Having housing and children's services in one place would allow a more holistic approach to tackling homelessness and children in temporary accommodation, and a more effective care leaver experience through housing, revenues and benefits and leisure.
- Having all the levers to reduce child poverty in the same place would enhance the delivery of the new Families First Pathfinder model and join-up support to children and families especially during the crucial first five years.

Improving transport and digital connectivity, especially in rural areas.

- Combining transport, infrastructure and planning will support more rapid improvement of transport and digital links



Meeting climate change head on through an integrated approach. • Currently six councils share responsibility for climate change, meaning the delivery of this cross-cutting, long-term outcome is fragmented and complex, with varying approaches across the county.

- Aligning these levers will enable faster progress.
- Ability to lead Local Area Energy Plan and adopt consistent climate standards in planning and waste management.

Improved town centres and high streets, building a pride of place.

- One council combining all the levers of planning, regeneration and economic growth will maximise the opportunity to transform our high streets strategically and systematically.
- Place-based and community powered ways of working will allow residents and stakeholders to shape and drive the revival of our high streets.
- The expanded scope and role of WPDG and wider asset base of a single council would support accelerated town centre regeneration.

Improved economy, efficiency and effectiveness

- Financial benefits highest for single unitary with duplication minimised.
- Maximum purchasing power and market influence to minimise costs.
- Scale benefits also offer most scope for innovation and digital technology.
- Prevention is fundamental to achieving value for money and financial sustainability.

Emerging conclusions - seek to achieve for the whole of Warwickshire the establishment of a single tier of local government

Sustaining the Coventry and Warwickshire functional economic geography is critical to future economic growth for the area.



Preserving the existing Warwickshire boundary and public service footprint would best serve Warwickshire in terms of economic growth, health and social care and community safety.

Initial analysis, which will be developed further during the next phase, suggests financial viability risks could impact both a northern and southern unitary, due to their very different profiles of need, deprivation, tax base and income sources. The differential council taxbase would leave both unitaries exposed to financial resilience and sustainability risks for different reasons.

Reorganisation presents significant opportunity to increase and speed up local housing delivery and the meeting of need. A single unitary council affords greater impact through a single integrated planning team able to streamline process and maximise limited capacity; a more strategic approach through single local plan, a single voice for developers, and avoiding disaggregation of the countywide property and development company.

There are clear priority outcomes to address in Warwickshire. Enhanced delivery would be facilitated by the bringing together of services currently provided at different tiers, into a more integrated system. An increased focus on prevention and integrated neighbourhood services and the additional capacity and reduced duplication from unitarisation would accelerate progress and improve accountability.

Next steps

1. Further analysis and modelling of the financial sustainability and resourcing of the new model, and relative risks associated with creation of one or two unitary councils.
2. Engage businesses and representative groups to shape opportunities for the new structure to drive economic growth across Warwickshire.
3. Engage developer representatives to yield greatest opportunities and priorities for local government reform, particularly to speed up housing and infrastructure delivery.
4. Assess more detailed options for WPDG and other council owned housing companies and estimate the potential impact on recurrent revenue contributions built into Warwickshire County Council's base budget.
5. Undertake further work to better understand commercial risks and risks associated with differential reliance on fees and charges.



Criterion 2

Be the right size to achieve efficiencies, improve capacity and withstand financial shocks (population of 500,000 or more)

Working principles

- **Scale and impact:** The existing two-tier system offers neither the scale nor strategic reach required to attract the right level of investment for Warwickshire to realise its future ambitions.
- **Investing in Warwickshire:** A new unitary model must be able to articulate a single, clear offer to central government, partners and businesses to attract the right level of long-term investment. This will be essential in driving county-wide sustainable, longer-term economic growth.
- **Whole place solutions:** A new model should have the scale and capacity to develop a whole place approach and accelerate new housing, employment and deliver zonal planning policies, breaking down some of the complexities that currently exist.
- **Removing duplication and inefficiency:** A new model should address duplication in service delivery, with residents currently lacking a single point of customer service to access their local services. This is expensive, wasteful and means it is difficult to leverage better contractual arrangements. Services overlap and lack streamlined methods of join up which is time consuming for residents and businesses to navigate.
- **Tracking benefits:** Local government reform does not guarantee delivery of benefits. Developing a robust benefits realisation framework to ensure residents, businesses and communities experience genuine improvements will be central to our approach.

2a and 2b) As a guiding principle, new councils should aim for a population of 500,000 or more. There may be certain scenarios in which this 500,000 figure does not make sense for an area, including on devolution, and this rationale should be set out in a proposal

Warwickshire's current population is c620,000. There are no obvious reasons or indications that the 500,000 minimum population figure would not make sense for Warwickshire. No exceptional circumstances have been identified to justify the costs or opportunity costs of disaggregation.



Different places in Warwickshire have varied characteristics and needs, as is the same with most county profiles. Any new unitary model would need to tailor the approach and offer to meet differing local need and priorities across their geography. These issues are well evidenced in the [State of Warwickshire](#) report, and [data sets](#) supporting the [Countywide Approach to Levelling Up](#).

Embedding place-based working can ensure that service delivery is tailored to different local needs and priorities across the county, while maintaining the necessary scale to maximise financial benefits.

Currently, the debate around LGR tends to contrast scale, with local reach and connectivity. It is not a binary choice between these things. Any new local government structure must be organised to deliver both scale and localism to be optimal. Recent case studies, for example North Yorkshire Council, have demonstrated how this combination of scale and local connectivity can be delivered.

Additionally, by maximising the net financial benefits available through LGR, a single unitary will have the greatest scope to preserve and enhance much valued local non-statutory services currently provided at both tiers of council. Two less financially resilient councils, with lower LGR savings and higher implementation and disaggregation costs, would face significant pressure to reduce such services.

A number of county areas that have split into smaller unitaries have experienced significant financial challenges with several already in receipt of exceptional financial support. This has been less common in areas that have moved to a single unitary model.

2c) Efficiencies should be identified to help improve councils' finances and make sure that council taxpayers are getting the best possible value for their money

All six Warwickshire Councils face financial challenges to varying degrees. In 2025/26, there is a countywide cumulative savings target of £30.1m, which rises to £97.8m by 2028/29 (removing short-term use of reserves to balance budgets). The key risks are:



- Demand and cost pressures particularly in adult social care, children and families, special educational needs and disabilities (SEND), home to school transport, homelessness/temporary accommodation, and national policy changes relating to all these areas.
- The Dedicated Schools Grant High Needs Block (SEND) deficit is forecast to stand at a cumulative £84.7m at the end of March 2025, rising to around £150m by March 2026.
- Local government funding reform due to take effect in the Comprehensive Spending Review from April 2026, including the delayed Business Rates reset.
- Funding infrastructure arising from population growth, with linked considerations around borrowing capacity and debt.

The total revenue spend across the six Warwickshire authorities was £1.656bn in 2023/24, the last year for which published, standardised data is available. See table: *Local revenue and spending 2023/24*. The two largest elements of spend are employee costs and third party spend.

In terms of how the £1.656bn is funded, £1.025bn (62%) is income specific to the services being delivered, whether in the form of sales, fees and charges or government grants. Only £631m (38%) is general income where there is greater choice at a local level as to how the income is used.



Local revenue and spending 2023/24

	North Warwickshire £k	Nuneaton & Bedworth £k	Rugby £k	Stratford- on-Avon £k	Warwick £k	Warwickshire CC £k	Total £k
Spending							
Employees	9,713	14,940	17,539	10,633	19,871	331,424	404,120
Third party costs of running services	12,157	19,119	25,244	33,663	41,807	949,366	1,081,356
Other current spend (primarily housing benefits)	9,397	23,974	13,814	21,466	23,037	- 1,290	90,398
Non-current spend (primarily capital financing)	210	3,299	3,039	956	7,428	26,016	40,948
Net contribution to reserves	4,268	1,525	6,388	9,439	-	17,838	39,458
Total spending	35,745	62,857	66,024	76,157	92,143	1,323,354	1,656,280
Financing							
Sales, fees and charges and other income	-£9,998	-£19,935	-£25,039	-£23,841	-£36,531	-£393,870	-£509,214
Service specific grant income	-£10,181	-£26,464	-£15,740	-£26,123	-£25,009	-£412,179	-£515,696
Non-current income (primarily capital financing)	-£1,794	-£2,321	-£4,335	-£4,933	-£8,339	-£36,585	-£58,307
Use of reserves	-£142	£0	£0	£0	-£3,035	-£29,262	-£32,439
Business rate and general government grant	-£7,381	-£4,016	-£11,993	-£7,555	-£6,867	-£88,602	-£126,414
Council Tax income	-£6,249	-£10,121	-£8,917	-£13,705	-£12,362	-£362,856	-£414,210
Total financing	-£35,745	-£62,857	-£66,024	-£76,157	-£92,143	-£1,323,354	-£1,656,280



Local revenue and spending 2023/24

	North Warwickshire £k	Nuneaton & Bedworth £k	Rugby £k	Stratford- on-Avon £k	Warwick £k	Warwickshire CC £k	Total £k
Spending							
Employees	27%	24%	27%	14%	22%	25%	24%
Third party costs of running services	34%	30%	38%	44%	45%	72%	65%
Other current spend (primarily housing benefits)	26%	38%	21%	28%	25%	0%	5%
Non-current spend (primarily capital financing)	1%	5%	5%	1%	8%	2%	2%
Net contribution to reserves	12%	2%	10%	12%	0%	1%	2%
Total spending	100%	100%	100%	100%	100%	100%	100%

Financing							
Sales, fees and charges and other income	28%	32%	38%	31%	40%	30%	31%
Service specific grant income	28%	42%	24%	34%	27%	31%	31%
Non-current income (primarily capital financing)	5%	4%	7%	6%	9%	3%	4%
Use of reserves	0%	0%	0%	0%	3%	2%	2%
Business rate and general government grant	21%	6%	18%	10%	7%	7%	8%
Council Tax income	17%	16%	14%	18%	13%	27%	25%
Total financing	100%	100%	100%	100%	100%	100%	100%



Early analysis shows varied levels of expenditure for various services across the district and borough councils. Levels of debt and borrowing also differ significantly. While county service costs generally benchmark well against national comparators, there are clear opportunities to reduce duplicated support service costs across the six councils and to reduce costs where there is overlap or potential synergy between services currently provided at different tiers.

For example:

- Streamlined, integrated planning functions and zonal planning policies delivering housing targets and major infrastructure quickly and at scale.
- Integration of connected services e.g. social care with housing to improve the quality of people's lives.
- Consolidated support service functions with the scale to maximise the use of data, new technology and innovation, and address risks of workforce capacity and capability most effectively.
- Single access points for one-stop customer service, and opportunities for more joined-up, preventative services drawing on predictive analytics.
- Streamlining of contracts for areas such as household waste and recycling, leisure, grounds maintenance, housing, ICT systems and HR payroll systems.
- Increased operational scale which enables financial benefits to be realised through economies of scale; and
- Reductions in property costs and more effective management of supply chains for contracting and procurement. Maintaining scale and purchasing power avoids disruption of current, effective market management for highest cost services, with large scale commissioning arrangements delivered across the Coventry and Warwickshire footprint.



Approximate costs and benefits of the two models, based on updated estimates

The figures below provide independent estimates of the relative costs, benefits and payback of one and two unitaries. We have modelled an indicative breakdown of these net financial benefits – staffing, third-party spend, property/estates and councillor allowances/elections.

These figures are derived from a national report commissioned by the County Councils Network which updates earlier work on scale requirements for local government reorganisation. This demonstrates that a scale of at least 500,000 population is required to generate significant savings from unitarisation to reinvest in services, showing the significant additional disaggregation costs in a scenario of smaller unitaries with an average population of 300,000.

Key metrics (£m)	Single unitary	Two unitaries	Difference
Total annual benefit	21.2	17.4	3.8
One-off transition costs	- 18.3	-25.0	- 6.7
Annual disaggregation cost	NA	-9.9	-9.9
One-year impact of disaggregation	NA	- 19.5	-19.5
Net benefit after 5 years	82.3	7.8	74.5
Recurring benefit after 5 years	21.2	7.4	13.8
Payback period (years)	1.1	3.9	2.8

Evidence from new unitary councils' performance data suggests that the estimated £21.2m recurrent net financial benefits of a single unitary are realistic, if not conservative, for a county the size of Warwickshire. North Yorkshire Council, established in April 2023, reports that LGR has enabled delivery of more than £40 million in savings by March 2026.

A two-unitary scenario offers significantly lower benefits due to the additional costs of disaggregation and service provision across two councils; the requirement for additional overheads such as two sets of senior management, heads of service and support services and the cost of additional governance structures – all of which increase cost and reduce economies of scale.



We have conducted an investment appraisal of the two options, looking at the discounted cashflows over the medium-term using our weighted average cost of capital. This shows a very significant difference in the net present value of each option both in the short and long-term. This underlines the more favourable return from a one unitary scenario.

Net present value(£m)	5 years (£m)	10 years (£m)
Single unitary	73.4	280.3
Two unitaries	7.2	79.8

Value for money benefits are significantly lower for two unitaries as a result of disaggregation of county council services such as education, children’s and families and adult social care.

The following impacts of a two unitary scenario are likely:

- Increased cost through loss of market influence and scale, duplication of management and loss of existing partnership working across health and care systems. The quality and capacity of commissioning could be impacted, increasing costs and instability in care markets.
- Risk of creating two new councils which have different levels of financial resilience and sustainability. Further work is needed to understand how budgets and funding would split between the two unitaries but the loss of scale, and likely equalisation of government grants would be a material risk.
- The SEND deficit is likely to create financial sustainability risk for any configuration of new councils, but two unitaries would have weaker balance sheets to manage this risk. Early modelling suggests a disparity in how this would be allocated between the two councils.
- Increased competition for workforce by increasing demand for roles in an employment market that is already struggling to fulfil demand nationally, potentially causing long-term disruption for recruitment and retention. Resource, experience and knowledge of individuals could be unequally distributed between the two authorities or lost to Warwickshire.
- Increased complexity of service delivery for social care functions, and risk of disruption to critical services and safeguarding arrangements.
- Greater difficulty maintaining important local services, often non-statutory, without the maximum financial benefits from reorganisation.



The “WCC 2020 Case for Change” modelled two further, more transformational scenarios. Additional benefits from such transformation were significantly higher, and implementation costs lower, for a single unitary compared with two. This suggests further, longer-term savings are achievable above the base case that has been modelled previously.

Further work will be needed on council tax harmonisation, in terms of the level, timescales and impact of these decisions on revenue levels. We have assessed the gap to be harmonised against six other recent local government reorganisations. This analysis shows that the Warwickshire ‘gap’ is at, or around the average.

Development of a clear benefits realisation framework will be a key priority for the final business case. This will ensure transparency and accountability to residents and stakeholders for achieving the financial and service benefits of local government reform in Warwickshire.

2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.

For a single unitary model, our latest working estimate of the one-off transition costs is around £18m, generating estimated annual net financial benefits of c£21.2m leading to a payback period of one year and a net financial benefit of over £82m after five years.

In a two unitary model, the one-off transition costs total c£25m, generating estimated annual net financial benefits of c£7m leading to a payback period of four years and a net financial benefit after five years of c£8m.

Whilst the funding source for reorganisation is not yet clear, were councils expected to self-fund, we would expect this to be achieved through use of reserves. This is more affordable for the lower costs of a single unitary.

Flexible use of capital receipts would be the contingency option and a mechanism to fund longer-term, more fundamental transformation savings subject to business case. This would increase borrowing costs in the short-term but would be offset through the generation of significant savings.

The additional implementation costs of two unitaries would limit the potential scale of transformation and make it more likely the new councils would need to rely more heavily on flexible use of capital receipts to fund transition costs.



Emerging conclusions - be the right size to achieve efficiencies, improve capacity and withstand financial shocks

The evidence shows that a single unitary council for Warwickshire is the only option which meets the Government's minimum population requirement of 500,000. There is currently no evidence to justify Warwickshire being viewed as 'exceptional'. Both one or two unitary councils would need to tailor services to the different needs, profiles and priorities of different parts of Warwickshire.

The evidence shows a single unitary council delivers a materially higher level of net financial benefits, for a lower implementation cost, and with a faster payback period.

There are significant additional costs, opportunity costs, delivery and financial risks of disaggregating major services currently provided on a countywide basis, risking quality and continuity of service for the most vulnerable residents. This runs the risk of creating two legacy authorities bearing significant risk in terms of financial sustainability and resilience from the outset, thereby diminishing the scope to improve services and outcomes.

There is a very strong and clear value for money case for a single unitary. This avoids the duplication and complexity of having more than one council in an area with populations too small to generate the scale benefits that accrue with populations above 500,000.

Significant financial pressures and risks will impact on any future local government structure. A single unitary would be able to spread risk across a stronger balance sheet and benefit from significantly higher financial savings from its scale.

Estimated transition costs are 28% lower for a single unitary council and are therefore more affordable and of a scale which current levels of reserves could support.



Next steps

Work is to commence to produce full analysis of costs, efficiencies and savings in each of the two models which will include:

1. Further modelling and testing of assumptions about financial savings and implementation costs.
2. Developing a more granular understanding of different service delivery models across the county, and opportunities to redesign services and harmonise policies, service offers and delivery methods.
3. Building a consolidated picture of central support services, delivery models, staffing and costs to more fully understand opportunities to rationalise and streamline provision.
4. Identifying medium and longer-term contractual commitments for externalised service delivery.
5. Calculation of any workforce implications from the estimated reduction in employee costs under both scenarios.
6. Gaining a more detailed understanding of risk to current income levels.
7. A full balance sheet analysis, and assessment of the legacy reserves position, to understand financial resilience and risks, across both scenarios, including specific investigation of balance sheet issues identified during the initial phase of work.
8. Undertake additional work to understand the strength and reliability of reported legacy financial positions especially given the extent of disclaimed audit opinions at the lower tier.
9. Detailed development of scenarios and options for council tax harmonisation.
10. Develop a clear benefits realisation framework and clear metrics to include in the final business case to ensure transparency, grip and accountability for delivering genuine improvements for residents, businesses and communities.



Criterion 3

Prioritise the delivery of high quality and sustainable public services to citizens

Working principles

- **Prioritising prevention:** Prevention should underpin the design of services in a unitary Council, maximising the benefits of service integration in a single tier; residents, businesses, VCSE bodies and partners should notice an improved, more joined-up service offer bringing key value streams together removing duplication of contact centres, assessment processes and hand-offs.
- **Universal access and joined up services:** The new model should bring together access to services into a common framework with a choice of access channels; one front door, phone number and website replacing the current multitude of access points. The benefit this would give residents who must currently navigate different councils for different services would be felt immediately. Scale should allow the development of a single, integrated customer platform, building on existing digital platforms and services, creating capacity for the new council to maintain face-to-face and phone channels for those who need or prefer them.
- **Digital, data and innovative solutions:** The effective use of digital and data at large scale can underpin service delivery and facilitate preventative approaches. Effective use of data and insight will enable interventions to be targeted where they will achieve the most impact; monitor and evaluate that impact, and so improve overall value for money. Artificial Intelligence can be used to support staff decision-making and release capacity to improve productivity and cost effectiveness.
- **System wide data sharing:** The new model should embed quicker, easier data sharing with partners to support effective service design and delivery, in particular prevention and predictive analytics.
- **Public service reform:** the same principles would underpin public service reform, as well as a need to develop strong place-based approaches to support integrated neighbourhood teams and preventative approaches to service delivery.
- **Disaggregation:** proposals should minimise the risks and negative impacts of disaggregating services best delivered at scale.

3a) Proposals should show how new structures will improve local government and service delivery and should avoid unnecessary fragmentation of services.

The main opportunities to improve value for money are:

Economy - doing things at less cost

- Increased purchasing power and ability to achieve contract management savings through increased buying power and scale.
- A need for fewer councillors and senior managers; smaller support functions, fewer offices and IT systems than the current set of organisations.
- Investment in digital, data and infrastructure will be cheaper on a wider scale, saving money in the long-term.

Efficiency - doing more for the same or less

- Improved administrative, business support and other support services, maximising the benefits of digital innovation to reduce manual and time-consuming activities at scale.
- More efficient provision of central support functions.
- Rationalise services currently provided at both county and district/ borough level, such as waste, regulatory services; community safety; public realm, including highways, parks, town centres and planning where responsibilities are split across the two-tier model.

Effectiveness - doing things better

- Ultimately, early intervention and getting things right for individuals and communities at the earliest opportunity can prevent future, long-term demand and reduce costs of systemic failure. For example, savings have already been delivered by helping people live more independently, reducing delayed transfers of care.
- Reduce failure demand in customer service through a single point of access and accountability for service provision and a more holistic, joined-up service.
- Bringing together adult social care, children's social care and housing to create a holistic approach to complex issues, including homelessness, mental health, unstable accommodation and joblessness can save money in the long-term through early, life-changing intervention across the complex range of needs.



- Bringing together public health, leisure and social care to reduce demand on the health and care system by tackling the wider determinants of health, early years outcomes, and integrating the prevention offer.
- Taking a strategic approach to innovation, for example supporting priority families, and applying what works on a broader scale and in a targeted way, informed by predictive data and analytics. This will improve results and reduce costs.

A single unitary model would avoid fragmentation of services currently delivered on a county wide footprint such as social care, education, highways, the Warwickshire Pension Fund and Warwickshire Property and Development Group. It would also enable aggregation and potential economies of scale of services currently delivered at district/borough level. A single unitary model would also maximise, to the greatest extent possible, the opportunity to combine and streamline delivery of aligned services that are currently delivered by both tiers of government.

A single unitary model would support continuity of delivery, avoid duplication and interruption of critical changes such as the Families First for Children pathfinder, the Resourcing to Risk operating model in Fire, pension reform, housing delivery at scale through WPDG, and development of integrated health and social care services across the ICS footprint.

Two unitaries would join up services across two geographies, providing some efficiencies in delivery through synergies between services currently provided over two tiers. In each case this effort would be duplicated and there would be a risk of fragmentation of approaches currently provided on a county footprint as well as disruption to current public service delivery partnerships and footprints. There would also be negative consequences of disruption, duplication, additional cost and loss of scale from disaggregating major service areas currently provided successfully on a countywide footprint.

To avoid disaggregation, Trust models for specific services have been established in other areas which have moved forward with a two unitary model. Whilst remaining an option, Trust models lose the benefit of service delivery synergies, risk creating a fragmented delivery model and reduce direct control over the new councils' highest cost services. In addition, there can be a greater risk to financial and organisational resilience of non-statutory services and shared service arrangements.

Recent efforts to create a South Warwickshire 'super-district' council did not progress. The reasons for this, as set out in a recent 'Lessons learned' report, remain relevant factors in considering a two unitary model for Warwickshire.



3b) Opportunities to deliver public service reform should be identified, including where they will lead to better value for money.

There are public service reform opportunities to embed prevention, delivering efficiencies through more joined up service delivery and earlier intervention. Such approaches reduce future, long-term demand, build stronger communities and reduce long-term cost to public services. As well as benefits in procurement and commissioning saving money, scale provides a powerful lever to maximise the Warwickshire pound through local supply chains and social value.

Community power and engagement, in line with our Community Powered Warwickshire approach, should underpin the approach to public service reform under the new structure. With the district and borough councils, we have developed such approaches through the Creating Opportunities programme, including four pilots in some of the most deprived Lower Super Output Areas in the county. Working in this way would be simplified and enhanced by having a single tier of local government and greater opportunities to work in partnership including across the health and care and community safety systems.

Integrated neighbourhood services, underpinned by predictive data analytics and digital/AI models, can support a more solutions-focused approach to supporting people. Joining up local authority and partner services is critical to improving outcomes and reducing long-term costs. Adopting the principles of Total Place, and aligning a collective approach to public funds with priority outcomes and a long-term vision for the county, should embed preventative approaches and amplify impact and outcomes across public services. At the same time, innovative approaches to delivering key outcomes and robust evaluation should help identify and scale-up what works.

In the next stage of work, we will investigate further the community solutions model used in Barking and Dagenham which we believe offers a radically different public service reform model which could help ensure creation of a single unitary council is built on sophisticated data analytics to embed a preventative approach to delivering services.

A single unitary offers an aligned service footprint with Warwickshire Police, Warwickshire Fire and Rescue Service, Social Care and Public Health and the Integrated Care System. This would be the case with two unitaries, whilst delivery and partnership working would be unnecessarily complex and the opportunity for public service reform would be more challenging across the system.



Investment in digital, data and infrastructure is more cost effective on a wider scale, saving money in the long-term and maximising the scope for digital transformation and innovation both within the new council/s and with partners. This would facilitate decision-making, support digital applications, use of productivity tools to make best use of valuable staff time, and use of technology to automate tasks currently undertaken by staff, transforming the workforce and saving significant cost and time.

Benefits are likely to be higher in a single unitary scenario, and up-front costs reduced. There would of course, also be scope for collaboration between two unitaries on digital transformation to reduce cost and duplicated effort.

There are opportunities to rationalise service delivery in areas such as waste collection and disposal, recycling, planning, housing & rent management, council tax collection, parking management and enforcement, and to use technology to make those operations significantly more efficient, effective and economical.

The current model involves significant failure demand in customer service through it being unclear to residents as to which council to contact, confusion about who is responsible for what, and a fragmented delivery system. Unitary local government should deliver a single point of access for residents, accountability for service provision and a more holistic, joined-up service.

3c) Consideration should be given to the impacts for crucial services such as social care, children’s services, SEND and homelessness, and for wider public services including for public safety.

The process of disaggregating adult and children’s social care functions in a two unitary model is likely to add a layer of complexity to service delivery and increase the risk of disruption to critical services and safeguarding arrangements.

Disaggregation is also likely to disrupt performance trajectories which in most areas are positive, especially Children’s Services which moved from ‘requires improvement’ in 2017 to ‘good’ in 2022 and is now a trailblazing national pathfinder for the Families First for Children reforms. Children’s Services now provides support to other local authority children’s services’ improvement journeys. Splitting this service into two would be a significant risk best avoided.

The majority of adult social care costs are in commissioning services to support residents. Disaggregation introduces additional parties into the



social care system. Whilst competition between purchasers can be healthy, it can also create instability in care markets and impact on the capacity and quality of commissioning, as well as lead to increases in price where supply is constrained. Warwickshire County Council's adult social care costs are relatively well controlled as a result of effective market management and oversight over many years. Loss of scale and influence over the market would impede the ability of successor councils to maintain such competitive pricing. There would also be costs of disaggregating Public Health services, and Warwickshire is arguably too small to separate this important service.

Initial modelling of the allocation of placement costs in children's social care, adult social care and SEND, showing higher demand and cost in the north, likely to lead to a higher indicative allocation of the cumulative SEND deficit. The additional costs of delivering disaggregated services in these areas would compound the risks to service continuity, quality and sustainability in a two unitary model.

Warwickshire is not a homogenous county. Service need is significantly varied across the County, and this is particularly evident in social care and SEND. Whilst a single unitary council would ensure the distribution of resource according to need, this would not be possible in a model of two unitary councils, where the resource base would be outstripped by demand. The following analysis evidences this risk.

Addressing inequalities in demand and funding

Modelling of the costs of adult social care, children's social care and SEND across two unitaries shows that 57% of associated costs are generated in the north, 43% in the south. Unit costs are higher in the south. However, population growth estimates show demand and costs in the south will catch up by 2040. Comparing that to modelling of how funding streams would be spread across the two (under current funding arrangements) shows that 53% of resources would go to the north and 47% to the south, creating a clear difference between need/cost and resources in the north.

Equally significant, modelling of the cumulative Dedicated Schools Grant High Needs Block (SEND) deficit using the National Funding Formula shows that approximately 60% would go to the north and 40% to the south. All of this suggests a two unitary model would create greater disparities between resourcing, tax base and spend, creating significant risk to service delivery, continuity and sustainability for the most vulnerable residents. The scale of a single unitary council is the most equitable and effective way to meet all needs across the whole county.



Factor	Warwickshire	North	South
% population 65+	21%	19%	22%
% population <18	20%	21%	19%
Total spend on placements / %	£319m / 100%	£184m / 58%	£134m (42%)
Average cost/total population	£515	£570	£454
% total population engaging with service *	2.5%	2.8%	2.18%
Prevalence of Working Age Adult provision	0.67%	0.71%	0.63%
Prevalence of Older Adult provision	3.19%	3.58%	2.81%
Prevalence of u18 population safeguarding	1.43%	1.61%	1.2%
Prevalence of u18 population children in care	0.59%	0.66%	0.5%
Prevalence of SEND (U25 population)	3.73%	4.23%	3.16%

Disaggregating relationships with schools and duplicating central education functions would be expensive, risk damaging service levels and introduce unnecessary complexity between the two new councils. It would also disrupt ongoing change through the DfE's Delivering Better Value programme where Warwickshire County Council has invested significantly in SEND provision and is on a positive trajectory in terms of outcomes which are good for children with SEND in the County. There are very significant financial pressures, however, with a large, unsustainable and growing High Needs Block deficit. Disaggregation would mean this being apportioned to two new councils with weaker balance sheets to manage the financial risks. This could present real risk to quality of provision and outcomes.

In either model, homelessness services would be provided at a greater scale than currently, which would bring synergies and efficiencies and opportunities for integration with Public Health, Welfare Services, Revenue and Benefits, and Social Care.



In terms of community safety, there would be benefits of LGR through integration of district and county community safety functions. These would need effective locality approaches in any model, but strategic partnership working would be most effective at a countywide level given existing structures and the relatively small size of both Warwickshire Police and Warwickshire Fire and Rescue Service. There are disaggregation risks for Warwickshire Fire and Rescue Service in a two unitary scenario which would likely result in the creation of a Combined Fire and Rescue Authority. This would carry an increased overhead and complexity of delivery at a time of significant local reform to fire service delivery through implementation of the Warwickshire countywide Resourcing to Risk model.

Warwickshire's highways benefit from economies of scale in major contracts, and consistently score strongly in national surveys, ranked second nationally in the February 2025 National Highways and Transport (NHT) Public Satisfaction Survey for highway maintenance. The disaggregation of these services would be expected to increase costs. Increased overheads would reduce the net resource available to invest in our highways.

Finally, there are specific disaggregation risks in terms of housing delivery related to the Warwickshire Property and Development Group, the Warwickshire Investment Fund and Warwickshire Pension Fund.

It is important to consider the impact of two unitaries on the ability of either or both to avoid some of the more controversial savings in non-statutory services, and also on the ability to deliver existing programmed County Council savings given the increased costs arising from disaggregation. The County Council must deliver £79m new savings by 2029/30, which assumes no additional costs due to disaggregation. There is a real risk that disaggregation would undermine some of these savings plans and create an in-built pressure for the new councils from the outset, worsening their respective starting positions.

Emerging conclusions - Prioritise the delivery of high quality and sustainable public services to citizens

There are significant risks of disaggregating major countywide services, not only Adult and Children's Social Care and Education but also Highways, Home to School Transport and the Warwickshire Pension Fund. There are particular risks of disrupting high quality service delivery in Warwickshire's Children's services (which are a national pathfinder rated 'good' by Ofsted), adult social care services and the education system including SEND.

Some of the benefits of unitarisation, such as an integrated waste service, would be relatively more challenging to deliver in a two unitary scenario,



and would likely reduce service improvements and efficiencies along with contracting disbenefits.

Quality of service would be affected by the financial position of the new structure, and there are greater risks to much valued non-statutory services with two smaller new unitaries with lower financial savings and weaker balance sheets to absorb risk.

Public service reform benefits will accrue in either scenario, particularly synergies from bringing together services currently provided by different tiers. However, there would be additional complexity, cost and variation from doing so across two unitaries rather than one. Existing partnership arrangements across the Coventry and Warwickshire public service geography, particularly with the ICS and Police, would be complicated by splitting current countywide services into two and best supported through a single unitary council.

Irrespective of the final model, it will be essential to embed effective place-based working and neighbourhood working in localities. Integrated teams, effective use of data, predictive analytics and digital will allow greater targeting of services and embed a preventative approach.

Next steps

1. Further consideration of national analysis of the estimated costs of disaggregating County Council services in a two-unitary solution for adult and children's social care and education costs.
2. Detailed analysis to allocate service costs to two unitaries and estimate the allocation of funding between the two councils.
3. Work to commence using supporting data and forecasting to produce full analysis of the impacts of both models on service planning, delivery and partnerships.
4. With Warwickshire District and Borough Councils, create a workstream looking at digital and data systems, strategies and initiatives across Warwickshire councils, and identify opportunities to rationalise and transform through data and digital innovation.
5. Engage with stakeholders to identify a vision of public service reform in Warwickshire through rationalised and integrated service delivery models that maximise prevention, working to Total Place principles, and improve long-term priority outcomes.
6. Identify procurement/contract management opportunities for major savings through scale, for example licences, consolidation of reusable components in the ICT architecture, and develop an early ICT systems roadmap for the new council/s.



Criterion 4

Demonstrate how councils have sought to work together in coming to a view that meets local needs and is informed by local views

Working principles

- **Work with all local authorities:** engagement with Districts, Boroughs, Town and Parish Councils will underpin development of proposals.
- **Engage all key stakeholders:** engagement with wider stakeholders will underpin development of proposals, particularly Coventry and Warwickshire Anchor Alliance partners, the VCSE sector and community groups, and business.
- **Collaborate on solutions:** getting the right balance between a collaborative approach and clarity to move as quickly as possible to developing a firm business case for a specific proposition.
- **Represent local identities:** Our engagement approach will reflect the diversity of Warwickshire's places, and the culture and identity of the county and places within it.

4a) It is for councils to decide how best to engage locally in a meaningful and constructive way and this engagement activity should be evidenced in your proposal

Meeting the needs of residents must be at the heart of local government reform in Warwickshire.

Whilst it has not been possible to engage directly with all stakeholders ahead of the submission of the interim plan, this will be a key element of the next phase between April and final submission in November.

A regular meeting of the County, Borough and District Council Leader and Chief Executives has been established, and there has been initial dialogue with over 120 representatives of Town and Parish councils and parish meetings. Initial discussions have taken place with business groups, key strategic partners, public service providers and wider stakeholders. Senior county council officers have commenced engagement with trade unions, recognising the potential impacts on staff.

Chief Executives have also met with representatives from MHCLG to share our approach and inform the proposals and Interim Plan content, and will continue to do so in a collaborative and constructive way in the interests of residents, businesses and communities.



4b) Proposals should consider issues of local identity and cultural and historic importance.

Warwickshire sits in the heart of England and has a rich and diverse history with globally recognised sites and assets in all District and Boroughs. Warwickshire has an impressive cultural history as the County of Shakespeare, George Eliot and a rich industrial heritage. With a recognised county brand – people know Warwickshire, its literature, sporting prowess as the birthplace of rugby and a hotbed of cricket, its canals, rivers and castles, thriving towns and superb connectivity.

Warwickshire's communities, services, businesses, and residents have consistently stepped forward over recent years, as witnessed during the Covid-19 pandemic and more recently opening their homes and offering support, sanctuary, and friendship to those fleeing conflict. By fostering inclusive and welcoming communities we create an environment where those who call Warwickshire home can thrive and make valuable contributions to our diverse society.

Recognition and respect for the County's cultural, historic and local identities will be critical to successful local government reform in Warwickshire. The locality approach is set out in more detail under Criterion 5.

4c) Proposals should include evidence of local engagement, an explanation of the views that have been put forward and how concerns will be addressed

To date local engagement has focused on the development of the interim plan and engagement with local councils (Districts, Boroughs and Town and Parish). Initial stakeholder engagement conversations have also taken place.

At this stage, these have been open conversations helping to shape our initial thinking. Within the Town and Parish councils there are varying levels of appetite for further devolution of powers and resources but a genuine openness for further discussion about what might be possible, workable and beneficial in different parts of the county, including areas not yet parished. Further engagement sessions with the town and parish sector will continue to shape the final submission.

A web page has been created to provide factual information on LGR and Devolution and shared across Warwickshire councils. Warwickshire County Council has a standing representative residents' panel, the 'Voice of Warwickshire', which will be used to shape the final proposals, alongside a programme of wider public and stakeholder engagement



including specific thematic engagement with business groups, the voluntary and community sector and developers. We have plans to engage with business through the Coventry and Warwickshire Chamber of Commerce and the Federation of Small Businesses.

The County Council met for an Extraordinary Meeting LGR Debate on 18th February with invitations extended to all District and Borough Leaders. Unanimous agreement resolved to submit a proposal to the Minister.

Emerging conclusions - how councils have sought to work together in coming to a view that meets local needs and is informed by local views

Councils in Warwickshire are developing alternative, competing proposals. As outlined elsewhere, all councils are engaged and working collaboratively.

Next steps

1. Engagement with local councils (district and borough and Town and Parish) will continue.
2. A full stakeholder engagement plan is in development and will be live from April 2025 to seek views, and build understanding of, the options and evidence base.
3. Engagement will take place with relevant stakeholders to shape full proposals. This will include local MPs, stakeholders, Voice of Warwickshire residents' panel, town and parish councils, residents, business groups, developers and community groups.
4. There are plans for continuing engagement with Council staff and Trade Unions.
5. Shared opportunities for engagement will be explored with the District and Borough Councils.



Criterion 5

Support devolution arrangements

Working principles

- **Coventry & Warwickshire:** Warwickshire should seek a strategic authority which preserves the fundamental importance of the Coventry and Warwickshire functional economic geography and public service delivery footprint.
- **Credible County:** One strategic authority should cover the whole of Warwickshire, in line with the Government's principle of 'alignment' between devolution and public sector boundaries.
- **Ambition for further devolution:** Reflecting a high ambition for devolution of both powers and resources, Warwickshire will seek the most ambitious level of devolution available, in line with priorities agreed by Warwickshire County Council's Member Working Group on devolution and key priority outcomes set out in this interim plan.
- **Alignment of agendas:** There must be a connection between the identity of Warwickshire and the Strategic Authority, and sufficient proximity for residents to engage with the Strategic Authority and hold it to account.

5a) Early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area and effective governance and decision-making arrangements

Both models would reduce significantly the number of Councillors. Residents will have clarity about representation and accountability for all local government services and time will be saved in terms of handling and re-routing queries for a different council.

A move to a single unitary authority would likely result in a range of 80 - 120 councillors, a significant reduction from the current 257 council seats across the County. This is based on average ratios from other areas that have moved to a single unitary council and would be subject to the outcome of a Boundary Commission Review

Based on current population figures and ratios from areas which have moved to a two unitary model, a South Warwickshire unitary authority would likely have 48-62 councillors and a North Warwickshire unitary authority, 52-66 councillors.



However, these are working assumptions, and any democratic changes would be made following a Full Business Case and an independent Boundary Commission review.

In the event that a Boundary Commission Review were not concluded in time for elections, councillor numbers for the shadow authority arrangements and/or the new council(s) would be developed with Government.

5b) Proposals will need to consider and set out for areas where there is already a Combined Authority (CA) or a Combined County Authority (CCA) established or a decision has been taken by Government to work with the area to establish one, how that institution and its governance arrangements will need to change to continue to function effectively; and set out clearly (where applicable) whether this proposal is supported by the CA/CCA / Mayor.

See below.

5c) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.

Warwickshire alone does not meet the minimum population size set by government of 1.5m for a strategic authority.

Whilst Warwickshire shares a border with six other counties and the WMCA area (Coventry, Solihull and Birmingham), the only strategic authority in the region is the West Midlands Combined Authority (WMCA) which is an Established Mayoral Strategic Authority.

The WMCA was formed in 2016 on the footprint of the three [then] Local Enterprise Partnerships (LEP) – Birmingham and Solihull, the Black Country and Coventry & Warwickshire.

All six Warwickshire local authorities are non-constituent members of the WMCA. Coventry City Council is a full constituent member of the WMCA and is not seeking to leave the WMCA to form another arrangement. It is also our understanding that legislation and Government policy prevents the dismantling/fragmentation of existing Established Mayoral Strategic Authorities.

Warwickshire councils are actively engaged in the work of the WMCA, and whenever possible, ensure our strategic approaches align and interface with each other. With Coventry being a full member of the WMCA and also the other half of the Coventry and Warwickshire economic footprint, it is essential that this alignment continues.



There are many examples of Warwickshire working hand in hand with the WMCA. Warwick District is the location of the Coventry & Warwickshire Gigapark which is a key part of the West Midlands Investment Zone, and will bring significant financial benefits to Warwickshire (£5.5 billion private sector investment, 30,000 new jobs by 2034, £1.5bn business rates retention over 25 years and significant benefits specific to Warwick District Council from business rates retention, and a share of £160m Government investment).

Consequently, full membership of the West Midlands Combined Authority would be the logical option in terms of maintaining the critical Coventry and Warwickshire economic geography, driving housing delivery and addressing climate change. It is noteworthy that the strength of Warwickshire's economic performance is a strong underpinning feature of West Midlands economic performance. In addition, full-constituent membership of the WMCA would unlock trailblazing devolution for Warwickshire residents whilst also bring the strength of Warwickshire's economy to residents of the West Midlands. It is recognised that any admission to the WMCA would require consent of the new Warwickshire Council/s, the Mayor and the Secretary of State.

Surrounding Warwickshire, other Strategic Authority alliances are emerging. None of these would appear to offer the synergies and economic strategic alignment right for Warwickshire. Under a single unitary model, the County would be able to offer considerable economic benefit, influence and scale to a Strategic Authority, and more easily build on existing strategic partnerships and relationships.

d) Proposals should ensure there are sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities.

Given Warwickshire's size it should be possible to join a Strategic Authority which meets Government criteria and ensures sensible population size ratios. This would be the case if full membership of WMCA was the final direction, with timelines aligning and the next WMCA mayoral elections scheduled for 2028.



Emerging conclusions - support devolution arrangements

Further work is needed to identify a way forward for the next stage of devolution for Warwickshire which already enjoys a foundational non-mayoral devolution agreement.

Full constituent membership of the West Midlands Combined Authority would require consent of the new Warwickshire Council/s, the Mayor and the Secretary of State. Warwickshire County Council has not yet had any discussion with the Mayor or the WMCA. Should MHCLG indicate support for opening such discussions then this would be addressed.

Alternatively, there are a number of potential strategic authority configurations with various neighbouring authorities, none of which have obvious synergies and each of which would create challenges due to geographical size, including accountability, identity and the challenge of a legitimate mayor over such a geography.

Next steps

1. Continue to assess the devolution and strategic authority options for Warwickshire and produce a more detailed options appraisal.
2. Engage with regional partners and stakeholders, including the Mayor of the WMCA, to explore strategic authority options for Warwickshire.
3. Engage with MHCLG on the strategic authority options for Warwickshire in the context of a single unitary and a two unitary model and the implications in terms of timeframes and process.

Criterion 6

Enable stronger community engagement and neighbourhood empowerment

Working principles

- **Strategic scale with local connection and accountability:** the new structure should balance strategic services, scale and influence with local, place-based working and proximity, with clear democratic and scrutiny processes which should facilitate local planning, decision-making and scrutiny.
- **Building community power, civic pride and capacity:** the new operating model should drive community powered working by involving communities in decision-making, working alongside communities to take practical action, and enabling communities to lead. Flexible arrangements should allow Town and Parish Councils and local community groups to take on responsibility for assets and services, and ensure local civic pride is embedded in the new structures. Investing in communities to build capacity and social fabric must be central to new ways of working.
- **Place-based working:** wherever possible, service delivery should reflect the overarching place footprints to be further defined and aligned to wider partnership models. Combining the local proximity of the existing lower tier councils alongside strategic scale, to allow fully joined-up thinking about need, local priorities and impact through a more preventative model.
- **Joined-up neighbourhood teams and services with a visible council presence in communities:** council, partner and community services should be delivered through locally based and integrated teams, focused on prevention. Existing council assets, including libraries and local offices could act as the main neighbourhood access point to council services and support; locality teams should act as the glue in their local area, working across services and partners to support place-based working to meet different local needs and priorities.
- **Data, resources and impact:** strong locality data and evidence, including local resident and business views, should underpin clear locality plans, resource allocation and evaluation.
- **Council culture:** community-powered, place-based working at the core of future organisational culture, values and behaviours.

6a. Proposals will need to explain plans to make sure that communities are engaged

At the Council meeting of 18th February 2025, County Councillors emphasised the critical importance of engaging with communities on local government reform and considering any proposals from the perspective of residents and service users.

Warwickshire has a rich combination of very different places and communities, with different needs, characteristics and priorities. Robust and meaningful engagement with residents' needs should be at the forefront of the design and delivery of any new unitary structure(s) for Warwickshire, building on existing mechanisms to flex countywide services to different local needs.

The ambition is to place communities at the forefront and heart of the new unitary structure(s), creating the conditions and opportunities for people and places to flourish in resilient and self-reliant communities.

Flexible, scalable arrangements should underpin the new model, with strategic countywide service delivery underpinned by working at place. Locality-based working on a footprint of local population is possible under both a single and two unitary model, and size of footprint will need to be configured and optimised.

A standing representative residents' panel, the 'Voice of Warwickshire', already exists and could evolve to combine countywide feedback with more tailored local engagement.

A key opportunity presented by a single, larger council will be balancing strategic reach, scale and influence with a flexible model to work at place level. Modelling of options for place-based arrangements will be developed following further engagement but is likely to combine:

- **Countywide activity:** activity best delivered at a countywide level, for example social care commissioning.
- **Place-based activity:** activity that can be delivered across a larger footprint within the county; this could be place-based working over the three places within the Integrated Care System (Warwickshire North, Warwickshire South and Rugby); and
- **Neighbourhood working:** smaller units through which to explore data, priorities and issues with communities, and pulling together integrated neighbourhood teams to deliver services where this is appropriate.

As part of that exercise, working closely with partners and stakeholders, a major opportunity is the ability to develop community networks and associated community boards on a local, community footprint aligning as far as possible with ward, health and community safety partnership geographies.

There are opportunities to align and devolve resources to places and localities, which could involve:

- Increased pooling of budgets at place across the Integrated Care System and potentially beyond, as integrated neighbourhood working matures.
- Pooling existing councillor and community grants from across councils into a new community grant system aligned to new community boards. This could also expand and embed existing community-powered grant schemes such as the Social Fabric Fund and Green Shoots Community Climate Change Fund, giving local communities more control of resources.
- Expanding LSOA pilots, developed as part of the countywide approach to Creating Opportunities, within future place, community and neighbourhood ways of working.

There is a significant opportunity to utilise the full public asset base to provide visibility and access to services locally. Town Halls, libraries and office buildings could provide space for partners and VCSE groups to develop innovative services to support prevention and improve outcomes, with a particular focus on cross-cutting issues like worklessness and skills, welfare, debt and homelessness, children outside school, parenting, children's health, and mental health. Clearly, such co-location opportunities would benefit the wider public purse.

6b. Where there are already arrangements in place it should be explained how these will enable strong community engagement.

There is strong potential to build on and enhance Warwickshire's vibrant Voluntary and Community Sector and Community Powered Warwickshire approach. Developed with New Local and partners, community power offers huge potential as a foundation of a new operating model, ways of working and organisational culture.

The County Council's Creating Opportunities Programme and Community Powered Warwickshire approach (see below) are testing new models of public sector reform. Initiatives such as the £1m Green Shoots Community



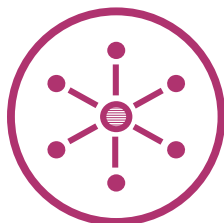
Climate Change Fund, the £2.5m Social Fabric Fund (investing in the 22 most deprived LSOAs in the County), and the Social Impact Fund which invested in communities most affected by Covid-19, have all shown the impact of giving communities resources to progress their key priorities and build social infrastructure, targeting the places with the highest need of support.

Community Powered Warwickshire approach



Involve communities in decision making

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



Work alongside communities to take practical action

- listen to communities' ideas for practical changes that can improve their lives
- work with communities to put their ideas into action, involving communities in the process
- be honest, take risks and learn by doing



Enable communities to lead

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

Currently, all Warwickshire councils organise services on local place footprints. By definition, the district and borough councils have excellent community reach and connections. Bringing these strengths together into a single council at a local place level offers the opportunity to reform public service delivery in Warwickshire by combining strategic scale and efficiencies with genuine place-based and locality working.

We have achieved much through our Creating Opportunities programme working with the district and borough councils and partners but believe we could go further and faster with all of the levers of change within a single tier of local government.



Locally, there is a major opportunity to grow localism by devolving resources, powers and decision-making to Town and Parish Councils where there is the will, capacity and capability to do so. This will enhance the connection between very local and countywide decisions. There is scope to extend the coverage and role of Town and Parish Councils across the whole County geography. This will enable offering a flexible menu of options for Town and Parish Councils who want to take on responsibility for local services, budgets and assets. We would review and refresh the Parish Council Charter to reflect such new arrangements.

Next steps

1. Working with partners and stakeholders, undertake an options appraisal working at place level to enhance public service reform.
2. Work with partners and stakeholders to fully scope the options for place-based arrangements including formal governance structures such as place committees and planning committees and also local community networks/boards.
3. Work with Warwickshire Association of Local Councils and Town and Parish Councils to scope double devolution options for willing Town and Parish Councils. Schedule regular extended meetings of the County Council's existing Town and Parish Reference Group, to discuss local government reorganisation and devolution to ensure parish voices are heard and help shape the final submission.
4. Explore options for, and timing of, a community governance review, to include working with partners to develop specific plans and options for extending Town and Parish Councils to cover the entire geography.
5. Develop proposals to maximise financial resources available to support place-based and locality working, for example place-based budget opportunities, particularly through discussions with the Integrated Care Board, Town and Parish Councils and VCSE groups.



How we will develop the proposals

This section responds to the areas that the Interim Pan should include as set out in the letter from Government dated 5th February 2025.

a) Barriers and challenges

Whilst there are no identified barriers to local government reorganisation in Warwickshire, there are a number of potential challenges and risks during the development stage that will have to be managed with considered mitigations in place. In terms of barriers, we would highlight three:

1. In the absence of clarity about what is considered 'exceptional', development of competing bids is likely to consume significant time, energy and cost, potentially leading to conflict and a lack of shared focus on the dividend from local government reorganisation.
2. Should national reform not address the SEND deficits issue by resetting the system on a sustainable basis and making good deficits generated locally as a result of national policy, a new unitary or unitaries will start from a very difficult financial position.
3. Funding reform and the business rates reset, if not undertaken based on robust evidence and assessment of need, could destabilise the finances of new unitaries and impact, or in some cases undermine, business cases for them.



Risk	Mitigation
<p>Stakeholder support: There are many potential interested parties and sensitivities regarding proposals for the future. If these stakeholders are not effectively informed and engaged, any new council/s may lack support and ambition.</p>	<p>We have a strong commitment to wide engagement across our communities, workforce, partners and other stakeholders throughout the process. We will establish a detailed communications strategy to keep all stakeholders informed and involved in the next phase of developing a full proposal.</p>
<p>Effective leadership: Clear leadership and communication will be required across the six councils, minimising uncertainty as far as possible and ensuring stakeholders and colleagues are informed, engaged and retain confidence in councils' ability to maintain day-to-day service delivery.</p>	<p>Through the Leaders and Chief Executives Group we will ensure open and transparent communication, and co-ordinate engagement activity as far as possible with both stakeholders and staff.</p>
<p>Service continuity: The existing authorities deliver many vital services, often to vulnerable people. Minimising disruption during this uncertain time will be critical to prevent the disruption of effective delivery of services and protect public confidence in the new council/s.</p>	<p>Our emerging proposal is based around maximising service continuity and minimising disruption by proposing a model which does not disaggregate existing countywide services especially for the most vulnerable. Regardless of the eventual decision, we will maintain a central focus on maintaining high-quality service delivery during the period before Government makes its final decision.</p>



<p>Complexity and pace of change: There is a relatively short period of time between submission of this interim plan and submission of final proposals, and beyond that to potential vesting day in 2028. If there is a lack of preparation or ineffective programme management, there may be an increase in time, costs and the risk of service disruption.</p>	<p>Our interim plan shows that we have clear foundations for us to accelerate into transition and transformation as soon as a decision has been made. We would establish robust programme management arrangements, informed by our existing capabilities and capacity, to deliver in a timely and cost-efficient manner.</p>
<p>Workforce capacity and morale: LGR will lead to significant changes for people across the existing organisations. While we believe the future offers significant opportunities, we recognise that if change is not managed effectively and the workforce not sufficiently engaged, this may damage staff morale, disrupt services and limit retention of the relevant skills and roles for the new organisation(s), particularly during the uncertain early phases before a final decision has been made</p>	<p>The workforce across all existing organisations will be engaged to inform our future arrangements from the outset. While recognising our differences, it is critical that all our people contribute to shaping the purpose, identity and culture of the new structure. While some uncertainty for staff is unavoidable, a dedicated people and culture workstream will help ensure all concerns and issues are proactively addressed.</p>

b) Options for size and boundaries

Under criterion 2 we demonstrated our early thinking on possible options for the size and boundaries for new arrangements in Warwickshire. At this stage we believe it is important to develop a proposal that is in line with our working principles for the right size and footprint of an authority as set out under criterion 1.

c) Indicative costs and future service transformation opportunities – Criterion 2

Indicative transition costs and savings opportunities are included under criterion 2. Further work will be undertaken in the next phase of work to identify any stretch transformation opportunities.



d) Early views as to the councillor numbers - Criterion 5

Our working assumptions for councillor numbers are set out under criterion 5. However, any changes in councillor numbers and/or boundaries would be made following a full business case and an independent Boundary Commission review.

e) Early views on how new structures will support devolution ambitions. – Criterion 5

Our early views on how new structures could support future devolution options for Warwickshire are set out at criterion 5. As we move forward in developing a full proposal for local government reorganisation in Warwickshire, we will remain focused on our working principles for successful devolution in Warwickshire.

f) Summary of local engagement that has been undertaken and any views - Criterion 4

A summary of local engagement that has been undertaken and plans for further engagement beyond 21 March 2025 are set out at criterion 4.

g) Indicative costs of preparing proposals and standing up an implementation team and capacity funding across the area - Criterion 2

Appendix 1 shows a high-level implementation plan beginning in March and going beyond the November deadline. To develop a full business case for the November deadline it is anticipated to cost between £250-400k excluding staff time and related costs. The expectation is that Warwickshire County Council would absorb these costs. This estimate will need further refinement before we seek approval for the resource requirement. Warwickshire County Council has identified an implementation team for developing proposals and wider enabling support that would be required internally.

h) Arrangements that have been agreed to keep all councils involved in discussions as this work moves forward

Regular meetings of the Leaders and Chief Executives of the six Warwickshire Councils have been the main vehicle for ensuring all councils are involved in the process and regularly sharing their positions, views and approaches. This has worked well, and the intention is to maintain and potentially enhance this during the next phase.

Despite there being competing proposals in development, this Council is committed to maximising transparency, engagement and communication across the local authorities in Warwickshire, and minimising duplication of activity and unnecessary expenditure.



Appendix 1

Draft Implementation Plan

Implementation Plan – to 28 November 2025

To inform the November 2025 full proposal, we will focus on the engagement and communications plan set out elsewhere in this interim plan, and implementing the next steps set out at the end of the section on each criterion.

With partners including the district and borough councils, we stand ready to work with Government to inform and support Ministerial and Parliamentary decision-making.

In the longer-term, subject to the Government's final decision about the future for local government in Warwickshire, we will mobilise a programme structure and establish clear design principles for the new council, and decision-making in the following areas:

- A Leader with Cabinet governance model.
 - A continuing authority in order to effectively transition to the new unitary.
 - Decision-making arrangements at area/community/locality level.
 - Decision-making arrangements for regulatory functions, including the establishment of local arrangements where appropriate;
- and*
- Devolving powers and resources to Town and Parish Councils.

We will create a proportionate programme team for this phase, working with district and borough council colleagues subject to their agreement. We will facilitate sharing of information between all Warwickshire councils regardless of whether competing proposals are being developed.

In preparing the Interim Plan we have not incurred expenditure with external consulting firms. In terms of transition costs during the phase until November, our working estimate is that we would need between £250k and £400k to support development of the full business case. This would comprise (with costings still to be confirmed)

- specific policy work on community engagement models and bringing decision making closer to local communities.
- further work on public service reform opportunities.
- bespoke financial advice; and
- miscellaneous professional support (e.g. property, HR, legal and governance).

This estimate will need further refinement before we seek approval for the resource requirement. The next stage of implementation planning will draw on the recent Grant Thornton report on lessons learned from recent new unitary councils and other sectoral learning.

Implementation plan once Government has decided the future structure – 2026 onwards

The implementation of unitary local government for Warwickshire is a challenging undertaking which needs careful, thoughtful delivery while retaining focus on delivering high quality services and a series of other major priorities. As stated in earlier sections, our current estimate of the total one-off implementation costs is around £18m.

We recognise that such an important and sensitive transformation process requires immense care, foresight and engagement to build consensus and momentum among all stakeholders, both those directly affected and those who have an interest. We have already begun to reflect on how we can best deliver the change. This will require use of our existing staff and their excellent capability with additional external capabilities and capacity. We will always seek to get this balance right and build as much of the new arrangement from Warwickshire's existing teams.

This will require clear identification of a Senior Responsible Officer to lead the programme. A programme team would be required, likely to comprise senior officers from the following disciplines: change, programme management, legal and democratic services, finance and commercial, human resources, ICT, policy and communications, business insight/data and property, with significant input from specific services from all six existing councils. Establishing an appropriate balance of district and borough, and county council skills and capability will be integral to effective management of the change. Transparent, open engagement and communication with staff from all six councils will underpin an effective approach to implementation to ensure colleagues feel part of the new council's creation and can help the programme team get it right.



We propose forming the new single unitary over **three phases** with **seven workstreams**.

Phase 1: Design and planning

In this phase, we would lead a period of project mobilisation with the districts, boroughs and Town and Parish councils in order to prepare the programme for success and ultimately begin the process of transformation in a structured and coordinated way, with engagement from all parties, including public sector partners, residents, business and the voluntary sector.

Phase 2: Transition management

This phase begins once the implementation team has been mobilised and the plan signed off. It involves establishing new infrastructure by implementing transition activities in areas of substantial change. By the end of the phase, key changes should be implemented in areas such as IT, finance & payroll and HR.

Phase 3: Transformation

This phase begins once the new infrastructure is in place. It's about reviewing and optimising the new infrastructure and solving any issues. By the end of this phase, all technology, people and service-related capabilities should be running smoothly.

The following seven workstreams will deliver change across the three phases

Workstream	Scope
Governance, democracy and legal	Develop constitution, standing orders governance, decision-making, legal and policy framework and arrangements for the new council and transition to it. Support Boundary Commission review to determine number of councillors. Support delivery of local elections and any shadow arrangements necessary
Finance, commercial and assets, including property	Develop the financial framework, including medium-term financial strategy and budget, approach to reserves and any outstanding liabilities, financial regulations. Set up a framework to identify, assess and manage commercial and contractual arrangements, property/assets. Develop a clear plan and framework for harmonising into a single organisation and balance sheet.



<p>Partnerships, locality working and communications</p>	<p>Responsible for designing and delivering the new model of locality and place-based working, including double devolution, community networks, community engagement model and officer support structures. Propose arrangements for bringing decision making closer to local communities.</p> <p>Review and assess partnership arrangements and design future structures for partnership and stakeholder/resident engagement during and beyond the transition to the new council.</p>
<p>People and culture</p>	<p>Responsible for planning and managing effective workforce changes, including cultural changes, implementation of new staffing structure, pay and grading arrangements, Human Resources policies, organisational development, staff communications, including pay harmonisation.</p>
<p>Customer, digital and data</p>	<p>Plan and implement changes to enhance and integrate customer service, digital, ICT and data infrastructure and architecture, including establishing a clear performance framework for the new council(s) to deliver against the priority outcomes set out in this plan.</p>
<p>Service alignment, continuity and delivery</p>	<p>Review services and assess impact, developing clear transition plans, effective partnerships and longer-term transformation plans to maintain and enhance services for resident/business/communities and customer experience through public sector reform. Identify and deliver opportunities for service join up, alignment, integration and transformation. Identify and deliver a series of one front doors for residents on a locality basis. Our expectation is that there would be a series of sub-workstreams which would be co-ordinated through the main workstream to avoid silo thinking and maximise join-up and synergy.</p>
<p>Programme management</p>	<p>An effective and sufficiently resourced programme management office would be needed to co-ordinate the other workstreams and act as the catalyst for change. This would ensure the necessary programme structures are in place and monitor successful delivery and benefits realisation, supporting the programme SRO and programme director to achieve key benefits and critical path milestones.</p>

Arrangements for keeping all councils involved as this work moves forward

Regular meetings of the Leaders and Chief Executives of the six Warwickshire Councils have been the main vehicle for ensuring all councils are involved in the process and regularly sharing their positions, views and approaches. This has worked well, and the intention is to maintain and potentially enhance this during the next phase.



Implementation roadmap

Below is an overview of our initial plan on a page for implementing a single unitary council. Note that this reflects our initial thoughts on implementation - detailed planning would follow parliamentary approval. For now, we present a snapshot of what an implementation roadmap would look like, with key activities and milestones for successful delivery of transformational change.

