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Ask for: Anna Taylor
Date: 19.11.25

Dear Member

SCRUTINY COMMITTEE - TUESDAY, 25 NOVEMBER 2025

I am now able to enclose, for consideration at next Tuesday, 25 November 2025 meeting of the Scrutiny Committee, the following reports that were unavailable when the agenda was printed.

Agenda Item No

C4 **25/00101 - Kent County Council Local Government Reorganisation: Strategic Business Case Submission to Government (Pages 1 - 830)**

Yours sincerely

Benjamin Watts
Deputy Chief Executive

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By: Anna Taylor, Assistant Democratic Services Manager (Scrutiny)

To: Scrutiny Committee, 25 November 2025

Subject: 25/00101 - Kent County Council Local Government Reorganisation: Strategic Business Case Submission to Government

Summary: Ahead of the final submission to Government, the Scrutiny Committee is asked to discuss and note KCC's Strategic Business Case for Local Government Reorganisation in Kent and Medway.

1. Introduction

a. KCC's Strategic Business Case for Local Government Reorganisation in Kent and Medway was presented to Cabinet on 19 November 2025. Cabinet were asked to approve the Business Case and delegate authority to the Chief Executive to take the necessary actions to submit the proposal to Government by the 28 November deadline.

b. The proposed submission can be viewed via the Cabinet agenda papers: Agenda for Cabinet on Wednesday, 19th November, 2025, 10.00 am. Final papers will be published alongside this Scrutiny Committee agenda as a supplement pending the Cabinet decision on the 19th November.

2. Recommendation

a. The Scrutiny Committee is invited to consider and make any comments on the Local Government Reorganisation submission.

3. Attached documents

To follow.

4. Background documents

Agenda for Cabinet on Wednesday, 19th November, 2025, 10.00 am

Issue details - 25/00101 - Kent County Council Local Government Reorganisation: Strategic Business Case Submission to Government

Contact Details

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KENT COUNTY COUNCIL – RECORD OF DECISION

DECISION TAKEN BY:	DECISION NO:
Cabinet	25/00101

For publication

Key decision: YES

Subject Matter / Title of Decision

Kent County Council Local Government Reorganisation: Strategic Business Case Submission to Government

Decision:

Cabinet agree to:

- APPROVE the KCC Strategic Business Case for Local Government Reorganisation in Kent and Medway;
- DELEGATE authority to the Chief Executive, in consultation with the Leader of the Council, to take the required actions to submit the finalised Strategic Business Case Submission to Government by the 28 November deadline.
- DELEGATE authority to the Chief Executive to take other necessary actions, including but not limited to negotiating and entering into contracts or other legal agreements, as required to implement the decision.

Reason(s) for decision:

Kent County Council (KCC) has the option to submit a Strategic Business Case setting out its preferred option for Local Government Reorganisation (LGR) in Kent and Medway following a statutory invite from Government on 5 February 2025.

KCC has undertaken preparatory work since the February invitation, both through a joint options appraisal (completed by KMPG on behalf of Kent Council Leaders) and through an internal options appraisal conducted by KCC. Having considered the findings of both the internal and joint options appraisals, the proposal is to submit an independent Strategic Business Case to Government for the single-unitary option covering Kent and Medway, incorporating three Area Assemblies.

One of the primary reasons KCC is proposing to support a single unitary for Kent and Medway is because it is considered to be the most financially viable option, in both the short and the long term. Modelling predicts that recurring financial benefits will be delivered quicker than they would be in the other multi-unitary options, providing greater scope for reinvestment into services for residents. Given the significant and unique challenges that Kent faces due to the county's disparities and its nationally important position as the gateway to Europe, it has also been determined that a single unitary is the most viable option for LGR in Kent and Medway as it maintains countywide scale and avoids the service delivery risks that could come with the disaggregation of key services. Finally, the

model aligns well with Government's criteria for LGR and will allow the benefits of developing a single tier of local government in Kent and Medway to be realised.

Cabinet Committee recommendations and other consultation:

The Devolution and Local Government Reorganisation Cabinet Committee considered updates on the LGR workstream in July and September 2025.

The draft proposal for KCC's Strategic Business Case was considered by the Devolution and Local Government Reorganisation Cabinet Committee on 03 November and then by County Council on 06 November. A summary of the points raised by Members during these meetings is provided below.

Concerns:

- Option 1a was not compatible with Government's current requirements for devolution. This could therefore potentially exclude Kent and Medway from accessing the funding and powers that come with being a Mayoral Strategic Authority in the future.

- Area Assemblies were not legally protected and so future administrations could disband them, leading to a loss in local decision-making.

- There would be fewer Councillors making decisions on behalf of more residents. As a result, there would be a considerable reduction in democratic representation.

- The workload for Councillors could be far too high, with Councillors unable to adequately represent residents. Some Members noted that the level of casework is often higher at district level for lower-tier services.

- In order to avoid the continued rise in service costs, there needed to be a move away from a large single authority. The LGR process was intended to be an opportunity to do something different.

- The public survey found that more respondents would rather have council services managed by a smaller council covering a more local area (although it is important to note that preferences were different for different age groups as set out in the interim Public Survey report).

Support:

- Option 1a offered the lowest transition costs and the largest future savings.

- Option 1a minimised the risks and costs of disaggregation. These costs and risks increased as the number of unitary authorities created increased.

- Multiple smaller unitary authorities were unlikely to achieve significant cost savings compared to a large single authority that could leverage economies of scale.

- Dividing Kent and Medway into smaller unitaries could exacerbate existing inequalities, notably in North and East Kent.

- Option 1a protected the existing identity of Kent.

- The public survey indicated that most respondents wanted costs to be reduced.

General comment:

- Some Members objected to the principle of LGR being imposed by Government but conceded that an option needed to be submitted and that option 1a was the best proposal under the current circumstances.

Any alternatives considered and rejected:

An internal options appraisal was conducted by KCC earlier this year to assess the relative opportunities and challenges of options for LGR in Kent and Medway that were known at the time against Government's criteria. Details of the options and the findings of the options appraisal were presented to the Cabinet Committee for Devolution and Local Government Reorganisation on 28 July 2025.

KCC then conducted a subsequent options appraisal to assess option 1a – a single unitary for Kent and Medway with three Area Assemblies in North, East and West Kent. The new proposal sought to combine the strengths of both the single unitary and three unitary options under a single model. The initial appraisal of option 1a was presented to Members of the Devolution and Local Government Reorganisation Cabinet Committee on 30 September 2025.

KCC also contributed to the joint options appraisal conducted by KPMG, which assessed options identified by Kent and Medway councils against the Government criteria, including option 1a. This is appended to the Strategic Business Case.

KCC's administration has considered the findings of all of the options appraisals presented for LGR in Kent and Medway in developing its position that option 1a is the best option for Kent and Medway.

Further information on the options appraisals carried out is provided in section 4 of the Strategic Business Case, whilst a summary of the reasons why the administration has chosen to support a single unitary option and not the other options is set out in section 7.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

None

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signed

.....
date

From:	Linden Kemkaran, Leader Amanda Beer, Chief Executive
To:	**Cabinet, 19 November 2025**
Decision No:	25/00101
Subject:	KCC's Strategic Business Case for Local Government Reorganisation in Kent and Medway
Classification:	**Unrestricted**

Summary:
This paper presents Kent County Council's Strategic Business Case for Local Government Reorganisation in Kent and Medway for Cabinet approval to submit to Government.

Recommendations:
Cabinet is asked to:

(1) APPROVE the KCC Strategic Business Case for Local Government Reorganisation in Kent and Medway;

(2) DELEGATE authority to the Chief Executive, in consultation with the Leader of the Council, to take the required actions to submit the finalised Strategic Business Case submission to Government by the 28 November deadline.

(3) DELEGATE authority to the Chief Executive to take other necessary actions, including but not limited to negotiating and entering into contracts or other legal agreements, as required to implement the decision.

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1. Background

1.1. Councils in Kent and Medway received a statutory invitation to submit proposals for Local Government Reorganisation (LGR) in a letter from the Minister of State on 5 February 2025.

1.2. Areas were required to submit their Interim Plans for LGR to Government by 21 March indicating their initial thinking and providing an opportunity to seek clarity from Government on the process.

1.3. On 15 May 2025, Kent and Medway councils received a response from Ministry of Housing, Communities and Local Government (MHCLG) to their Interim Plan submissions. This was a pro-forma response sent to all county areas, with the noticeable exception of it raising concerns about the impact of Kent's border location on services such as highways and children's social care, and a request for reorganisation proposals to set out how such impacts could be mitigated through future council structures.

1.4. The deadline by which councils in Kent and Medway are invited to submit their final proposals to Government is 28 November 2025.

1.5. Following submission, it is likely there will be a period of several months until councils receive notice of the Minister's decision on a selected option and geography. Early indications are that this will likely be between Spring/Summer 2026.

1.6. An indicative timeline setting out the next stages of the LGR process is provided for information as Appendix 1 to this report. It is important to note than the timings are subject to change at Government's discretion.

2. Options appraisal and business case development

2.1. KCC has undertaken preparatory work since receiving the statutory invitation earlier this year, both through a joint options appraisal (completed by KMPG on behalf of Kent Council Leaders) and through an internal options appraisal conducted by KCC. The findings of the internal options appraisal were presented to the Cabinet Committee for Devolution and Local Government Reorganisation in July.

2.2. Having considered the findings of both the internal and joint options appraisals, it is the KCC administration's position that it will submit an independent Strategic Business Case to Government for the single-unitary option covering Kent and Medway, supported by three Area Assemblies.

2.3. The Strategic Business Case has been developed through detailed internal analysis, independent financial modelling, and active participation in the joint Kent and Medway LGR process. The finalised Strategic Business Case is attached as Appendix 2 to this report.

2.4. Given the tight timescales, the document has been provided in Word format for the Cabinet papers publication deadline. However, the designed version will be published in advance of the meeting so that Cabinet can approve the final designed document. The content between the two versions will remain the same.

2.5. Whilst KCC has developed its business case independently, consistent commitment to the joint process has remained. In line with government expectations for councils to contribute to a shared evidence base, KCC has shared information and analysis with partner authorities, to ensure that all councils have had access to information about the likely impacts of LGR on current KCC services. Equally, KCC has considered evidence provided by other councils in shaping its proposal.

2.6. KCC will continue to be open, pro-active and transparent while working with partner authorities as the LGR process evolves.

3. Rationale for a single unitary

3.1. The administration is clear that a single unitary for Kent and Medway is the most viable financial and strategic option to address the unique challenges that the county faces. The key reasons for supporting a single unitary are set out below.

3.2. Financial viability

Given the funding pressures facing Local Authorities, financial sustainability is paramount. The ongoing delivery of sustainable services to residents depends on future authorities being financially resilient. Financial modelling undertaken by KPMG shows that, in the five unitary option the costs might never outweigh the benefits, and in the other multi-unitary options the payback period is multiple years during which time the additional financial pressures would need to be managed within the county, potentially impacting service delivery and Council Tax rates. Conversely, KCC's proposed option of a single unitary has lower transition costs, a shorter payback period and is predicted to deliver greater savings. The administration is clear that the financial disbenefits of the multi-unitary options do not represent good value for money for Kent and Medway taxpayers.

3.3. Disaggregation risks

Evidence suggests that splitting up countywide, people-based services such as social care and SEND, which represents the majority of council spend in Kent and Medway, would incur significant costs and risk disruption and reductions in service quality. Disaggregating critical services on this scale across a county as large as Kent would be incredibly challenging, both operationally and financially. Whilst shared service arrangements could be developed in an attempt to mitigate some of the risks and costs associated with disaggregation, allowing the management of key services such as social care to be retained at a county level, there are few if any successful examples of such arrangements for people-based services and they are often associated with increased cost and loss of control and accountability for the constituent authorities and reduced quality of service for residents. These types of shared service arrangements would be voluntary, which means they are often difficult to agree in the first place and there is a risk that authorities could withdraw over time, especially if one partner is disproportionately affected.

3.4. Unique geography

Kent's unique geography and border position means that maintaining countywide scale is critical. As the gateway to Europe, Kent is of strategic importance, both regionally and nationally. In order to effectively manage the border, including our UAS Children responsibilities, the strategic highway network and border infrastructure must operate countywide, with Kent and Medway working with partners to manage traffic flow and port resilience. Kent and Medway has an established track record of working with partners at a pan-county level to respond to unique challenges such as these and is a responsive and reliable partner to Government to manage issues of national importance.

3.5. As a peninsular surrounded on multiple sides by 350 miles of coastline, Kent also faces economic and social challenges. This impacts on the effective provision of public services in the area, with Kent only able to look to markets in the West for the provision of services, limiting options for procurement on the most competitive terms. It is therefore important that Kent and Medway has sufficient capacity and capability within its own borders, using its scale to shape markets and develop the skilled workforce our services rely on.

3.6. Disaprities in deprivation

There are varying levels of deprivation across Kent and Medway, with areas in Thanet and Swale for example in the top 10% of most deprived areas in the country according to the Index of Multiple Deprivation. Conversely, there are very few of these most deprived neighbourhoods in West Kent (none in some Districts). Higher levels of deprivation results in greater demand for services, limits funds that councils are able to raise through Council Tax and can create other challenges in supporting local communities. Some of the multi-unitary options group particularly deprived areas together (e.g. Thanet and Swale), leading to significant pressure on statutory services. Splitting the county through the process of LGR also risks embedding disparities between more and less deprived areas. Meanwhile, operating as a single unitary means demand pressures, income and spend can be spread across the county rather than being concentrated in individual smaller unitaries, avoiding unmanageable demand in specific localities, whilst also ensuring that resource can be targeted where it is needed most to address any disparities.

3.7. Legacy debt

The uneven distribution of debt across Kent and Medway is a key issue. West Kent districts have significantly lower levels of debt compared to other districts across the county, which means negotiations around the fair distribution of debt would likely be challenging. It also means there is a risk that smaller unitaries may inherit high levels of debt that they are unable to manage. Operating as a single unitary, meanwhile, would ensure legacy debt is manageable by spreading it across the county.

3.8. Local identity

Area Assemblies will be locally responsive and have responsibility for some place-based services. The geography of the proposed Area Assemblies in North, East and West Kent reflect sub-regional identities and are consistent with residents' travel to work, education and healthcare patterns. The geographic configurations also mirror the existing service delivery footprints of key partner agencies, allowing Area Assemblies to build on established relationships and ways of working to deliver tailored, community-based services for residents.

3.9. No timeline for devolution

At present, the government has not set out a timetable for further rounds of devolution, which means the future for Kent and Medway is unclear. The creation of a single unitary ensures that there is an appropriate strategic vehicle for the county in the absence of a Mayoral Strategic Authority. Given

the challenges outlined above, it is imperative that Kent and Medway retains countywide scale and critical mass.

4. Other options considered

4.1. An internal options appraisal was conducted by KCC earlier this year to assess the relative opportunities and challenges of options for LGR in Kent and Medway that were known at the time against Government's criteria. Details of the options and the findings of the options appraisal were presented to the Cabinet Committee for Devolution and Local Government Reorganisation on 28 July 2025.

4.2. KCC then conducted a subsequent options appraisal to assess option 1a – a single unitary for Kent and Medway with three Area Assemblies in North, East and West Kent. The new proposal sought to combine the strengths of both the single unitary and three unitary options under a single model. The initial appraisal of option 1a was presented to Members of the Devolution and Local Government Reorganisation Cabinet Committee on 30 September 2025.

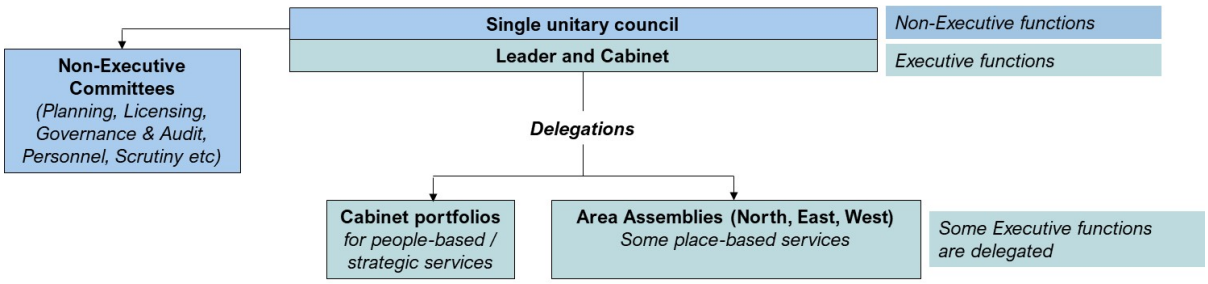
4.3. KCC also contributed to the joint options appraisal conducted by KPMG, which assessed options identified by Kent and Medway councils against the Government criteria, including option 1a. This is appended to the Strategic Business Case.

4.4. KCC's administration has considered the findings of all the options appraisals presented for LGR in Kent and Medway in developing its position that option 1a is the best option for Kent and Medway.

4.5. Further information on the options appraisals carried out is provided in section 4 of the Strategic Business Case, whilst a summary of the reasons why the administration has chosen to support a single unitary option and not the other options is set out in section 7.

5. How the single unitary would work

5.1. The proposed governance for the Kent unitary is summarised in the following diagram:



5.2. The single unitary council for Kent and Medway (the Full Council) would be the Non-Executive, strategic level decision-making body, which would set the

overall county strategy and budget. The Full Council would also oversee several statutory Non-Executive committees.

5.3. The Leader and Cabinet would take executive decisions and be responsible for critical *people-based and strategic services*, to maximise economies of scale and minimise disruption for residents and critical services and functions.

5.4. Area Assemblies would be local-level, Executive decision-making bodies. They would be committees of the unitary council that sit at area level – divided into North, East and West.

5.5. Membership of the Area Assemblies would be the councillors of the Kent and Medway unitary whose divisions are in the geographical areas that the Area Assemblies cover. The unitary council would have flexibility in how it arranges the Area Assemblies, and over time, the initial boundaries could change incrementally to reflect community/population changes.

5.6. Area Assemblies would have delegated responsibility from the Leader of the Kent unitary for some *place-based Executive functions*. The table below presents a very high-level, non-exhaustive, indicative split of how the services and functions could be arranged, with further detail set out in the draft Strategic Business Case.

Countywide *People-based* & Strategic services / functions	**Area Assemblies** Some *Place-based* services / functions
Strategic planning (Housing / Infrastructure Strategy) • Building development (Spatial Development Strategy (SDS)); Local Plan; Local Development Framework (LDF)) • Housing delivery • Minerals • Planning applications	**Housing & Planning** • Housing options service (assessing local housing needs, advice and assistance) • Building control
Transport strategy • Highways & Transport (traffic management) planning & operations • Home to School Transport & Appeals; Concessionary travel & Public & Community transport • Cycle routes • Road safety • Street lighting & furniture	**Highways maintenance** • Potholes etc.
Regulatory services & Licensing	**Community services**

• Trading standards & Consumer protection • Taxis • Alcohol • Public entertainment • Gambling	• Museums & Arts/Culture • Leisure • Markets • Libraries and Registration • Youth services • Village halls / community facilities
Public protection • Emergency Planning & County resilience	**Public protection** • Community safety, including Community Wardens

5.7. The Area Assemblies would be decision-making bodies, able to take Key Decisions, and would be responsible for delegated budget/s, strategy development and oversight of services delegated to them.

5.8. The new constitution of the Kent unitary would set out the arrangements for Area Assemblies and include protections to provide long-term stability for the model.

5.9. It is important to note that the Strategic Business Case is not expected nor intended to be a detailed operating model. Following the statutory consultation, it is inevitable that further work will need to be undertaken to refine whichever model of reorganisation is ultimately taken forward by the Minister.

6. Councillors and Community Engagement

6.1. The Local Government Boundary Commission for England (LGBCE) has advised a minimum of 30 Councillors and a maximum of 100 Councillors for new unitary authorities, and that any exceptions to this need a strong justification.

6.2. In determining the most appropriate size for the Kent unitary, it has been important to strike the right balance between ensuring effective democratic representation for the people of Kent and Medway, and ensuring that the council has a workable number of councillors to support the efficient discharge of the council's functions.

6.3. As the Kent unitary will represent a large number of people, research was undertaken to compare current unitary councils with higher ratios of people to councillors. Birmingham Council has the highest, with 11,420 people per councillor. Applying this ratio to the Kent and Medway population, this would mean 164 councillors for the Kent unitary. This is within the same range as the initial number of councillors for the Buckinghamshire unitary when it first formed (147).

6.4. However, 164 councillors could fail to strike the right balance of being a workable number for a single council. Taking the mid-point between KCC's

current ratio of 20,234 people per councillor and the Birmingham figure provides a ratio of 15,827. For the Kent and Medway population, this would give 122 councillors. This is a workable number for a large unitary, similar to the number of councillors in Somerset (110), for example.

122 councillors 15,827 people per councillor (Kent & Medway population of 1,931,684) 11,341 electors per councillor (Kent & Medway electorate of 1,383,647)

6.5. The Strategic Business case set out a range of proposals to support and empower councillors in their role, including a dedicated Member Support Unit and a simplified committee structure, enabling them to focus on strategic leadership and community advocacy.

6.6. The proposal also sets out an enhanced community engagement approach, including a dedicated Community Engagement Team and a toolkit of inclusive methods such as citizen assemblies, digital platforms, and local partnerships. Taken together, this approach aims to set out a modern and realistic way to ensure that people are engaged, involved and represented.

7. Engagement findings

7.1 Engagement with residents and stakeholders has been undertaken in the limited time available at this stage of the LGR process so that the views of people in Kent and Medway could be included in the Strategic Business Case to Government. The key points are set out below.

7.2 Respondents to the resident survey on LGR showed mixed views on the need for LGR and on preference for smaller or larger councils. People who were in favour of LGR were more likely to favour larger councils. Residents have a sense of belonging at both county and more local level. Responses showed that residents think a range of priorities are important for their council to achieve, including service quality, value for money and resident involvement. Most people felt that any changes to local government must save money in the long-term, although a minority would be prepared to pay more Council Tax for more local decision-making.

7.3 In general, stakeholders felt that, if well planned and implemented, reorganisation could strengthen local accountability, clarify governance arrangements, and improve responsiveness. Some stakeholders emphasised the need for any new model to preserve established partnership working and existing structures at a Kent and Medway level and supported a single strong voice for the county. Some raised concerns that a single unitary authority could weaken local identity and diminish democratic representation. Views on Area Assemblies were mixed with some seeing them as a safeguard for local accountability and others raising concerns about added cost and complexity.

8. Summary of Cabinet Committee and County Council discussion

8.1. In finalising the Strategic Business Case, the administration has given due consideration to the points raised by Members in both the Cabinet Committee for Devolution and Local Government Reorganisation on 03 November and at

County Council on 06 November. The key comments raised by Members are summarised below and are also included within the Proposed Record of Decision (PROD) at Appendix 3.

Concerns:

8.2. Option 1a was not compatible with Government's current requirements for devolution. This could therefore potentially exclude Kent and Medway from accessing the funding and powers that come with being a Mayoral Strategic Authority in the future.

8.3. Area Assemblies were not legally protected and so future administrations could disband them, leading to a loss in local decision-making.

8.4. There would be fewer Councillors making decisions on behalf of more residents. As a result, there would be a considerable reduction in democratic representation.

8.5. The workload for Councillors could be far too high, with Councillors unable to adequately represent residents. Some Members noted that the level of casework is often higher at district level for lower-tier services.

8.6. In order to avoid the continued rise in service costs, there needed to be a move away from a large single authority. The LGR process was intended to be an opportunity to do something different.

8.7. The public survey found that more respondents would rather have council services managed by a smaller council covering a more local area (although it is important to note that preferences were different for different age groups as set out in the Strategic Business Case and appended public survey report).

Support:

8.8. Option 1a offered the lowest transition costs and the largest future savings.

8.9. Option 1a minimised the risks and costs of disaggregation. These costs and risks increased as the number of unitary authorities created increased.

8.10. Multiple smaller unitary authorities were unlikely to achieve significant cost savings compared to a large single authority that could leverage economies of scale.

8.11. Dividing Kent and Medway into smaller unitaries could exacerbate existing inequalities, notably in North and East Kent.

8.12. Option 1a protected the existing identity of Kent.

8.13. The public survey indicated that most respondents wanted costs to be reduced.

General comment:

8.14. Some Members objected to the principle of LGR being imposed by Government but conceded that an option needed to be submitted and that option 1a was the best proposal under the current circumstances.

9. Key changes made

9.1. Some changes have been made to the Strategic Business Case since it was first presented to Members as a draft at the Devolution and LGR Cabinet Committee and at County Council. The key changes are summarised below.

9.2. The Foreword by the Leader is now complete and is included within the Strategic Business Case.

9.3. The full findings of the public and stakeholder engagement exercises are now included within section 5 of the Strategic Business Case. Where appropriate, some of the key points are also reflected in section 7: Assessment against Government Criteria, specifically in relation to criterion D, and in the Executive Summary.

9.4. As part of KCC's commitment to a shared evidence base for all LGR proposals across Kent and Medway, population and electorate figures in the Councillor numbers and support section (within section 9) have been updated so they are consistent with those used in the other Kent and Medway business cases. The figures to be used had not yet been agreed through the joint process when earlier drafts were prepared. Subsequently, the calculations on councillor numbers and costs of Basic Allowances have needed to be slightly revised to take into account the updated population and electorate figures. The revised figures are set out in section 6 of this report.

9.5. There have also been small changes in wording in various sections as the Strategic Business Case has been finalised in order to clarify points. These are semantic changes rather than content changes.

9.6. The full set of appendices have now been provided and will be attached to the Strategic Business Case when it is submitted to Government.

10. Financial implications

10.1. To support comparability of financial analysis across options, KCC commissioned KPMG, Kent and Medway's strategic partner for LGR, to provide financial modelling using data from all councils. This is an additional piece of work within the existing contract with KPMG to support the joint process at an expected cost to KCC of less than £30,000. This has ensured that the methodology used to model costs and benefits for KCC's preferred

option has been consistent with that used for the other Kent and Medway options.

10.2. KPMG's approach is based on a high-level, top-down financial model that estimates the impact of disaggregating and aggregating existing services. The model applies broad assumptions regarding potential savings in staffing, property and third-party expenditure based upon information requested by KPMG and supplied by councils across Kent and Medway. It is important to note that the model does not take account of how transition costs will be funded and does not incorporate the potential impact of the Fair Funding Review 2.0.

10.3. The table below sets out the high-level unitarisation costs for each of the different options. It compares the initial implementation costs associated with moving to a new unitary model, the ongoing disaggregation costs (i.e. the additional recurring expenditure that results from splitting up countywide services), and the net recurring annual savings that can be unlocked through reorganisation. It also compares the estimated payback period and the 10 year cumulative impact. Further detail on the financial assessment and the methodology used by KPMG is set out in the Strategic Business Case.

LGR option	Implementation costs (one off) (£m)	Reorganisation savings (gross) (£m)	1a enhancement / Disaggregation costs (£m)*	Recurring annual savings (£m)	Estimated payback period (years)	10-year cumulative impact of transformation (£m)
1a	(99.4)	75.0	(6.0)	69.0	3.3	457.4
3a	(127.7)	69.4	(19.7) - (29.2)	49.7 - 40.2	5.4 - 6.7	132.1 – 226.5
4b	(130.9)	67.5	(32.9) - (48.6)	34.6 - 18.9	7.8 - 14.3	(80.6) – 76.7
4d	(135.9)	67.5	(32.9) - (48.6)	34.6 - 18.9	7.9 - 14.5	(85.6) – 71.7
5a	(139.1)	65.7	(46.0) - (68.1)	19.7 - (2.4)	14.0 – no payback	(298.1) – (77.9)

**The range demonstrates the sensitivity of changing just one of the cost assumptions in the model between 0% and 1% for disaggregation costs following collaborative discussions around different scenarios for the impact of LGR on commissioned spend across adult and children's social care. The range is not required for option 1a as there is no disaggregation of social care in this model.*

10.4. The submission of the Strategic Business Case does not require KCC to commit any financial resource. Government will first consider all of the proposals submitted by councils in the Kent and Medway area and then decide which business case will be progressed for implementation following a statutory consultation. Further Key Decisions will then be taken by KCC as necessary during the implementation phase for any specific policy proposals and service restructures, as well as for any significant savings or expenditure programmes.

11. Legal implications

11.1. Kent County Council, together with Medway Council and the 12 District and Borough Councils, were invited by the Minister of State in February to submit a request for local government reorganisation by November 28, 2025. The legislative basis for this was set out by the Government in this invitation, which can be accessed here: **Letter from MHCLG.**

11.2. It is important to note that Local Government Reorganisation is a government-led process initiated by the Secretary of State. Councils are therefore unable to stop or delay LGR. The Secretary of State can decide to take forward proposals that are submitted by areas with or without modification and will ultimately make the final decision on which business case is implemented following the statutory consultation. KCC is therefore not the decision-maker.

11.3. Following consultation, if the Secretary of State decides to proceed with one of the reorganisation proposals, then a detailed Structural Change Order dealing with the transfers of powers, property, assets, and staff, as well as any boundary and electoral changes necessary to give effect to the reorganisation, will need to be laid out in Parliament. This will also set out the timescales for implementation of the new structures as well as interim arrangements.

12. Equalities implications

12.1. An Equality Impact Assessment (EqIA) has been undertaken on the proposed decision to submit a Strategic Business Case to government to establish a single unitary authority for Kent and Medway (attached as Appendix 4). The EqIA identifies potential impacts for a number of protected characteristics under the Equality Act 2010. Key issues include potential risks to service continuity, communication challenges, and visibility of local needs within a larger strategic framework. The assessment also acknowledges potential workforce impacts.

12.2. Regarding positive impacts, the model is expected to improve consistency and equity in how services are planned, commissioned, and delivered across the county by consolidating governance and service delivery into a single authority. This is particularly relevant for groups who may currently experience variation in access or outcomes due to the fragmented nature of the two-tier system. A unified structure will help reduce postcode lotteries and ensure that residents with protected characteristics receive a more consistent standard of support regardless of where they live. Furthermore, unlike multi-unitary options, which would disaggregate key services such as adult social care, SEND, and public health, the single unitary model preserves the scale and integration needed to manage complex countywide challenges. This is particularly critical for older residents and children and young people who rely on consistent, joined-up support across service boundaries.

12.3. Further EqIAs will be undertaken as necessary for specific policy proposals, service restructures, or operational changes that emerge from the reorganisation process, ensuring that equality considerations are embedded at every stage of implementation.

13. Data Protection implications

13.1. Internal advice has been sought from the Council's Data Protection team, who have confirmed that a Data Protection Impact Assessment does not need to be conducted at this stage as no personal data has been processed as part of developing the Strategic Business Case.

13.2. Data Protection Impact Assessments will however be undertaken as necessary during the next stages of the LGR process. This will be particularly important during the transition phase, where it is highly likely that large volumes of client data will need to be migrated from KCC to the new successor authority/authorities.

14. Conclusion

14.1. The KCC administration is clear that the most viable option for LGR in Kent and Medway is a single unitary authority. The model is uniquely designed to meet the scale, complexity, and strategic importance of the county. It delivers the benefits of reorganisation while avoiding the risks of fragmentation. Critically, it is also the most financially viable option, in both the short and the long term, helping to put Kent and Medway on a firmer financial footing.

15. Next steps

15.1. Following Cabinet's approval of this Key Decision (subject to call-in), KCC's Strategic Business Case will be submitted to Government in time for the deadline of 28 November 2025.

15.2. Following submission, the Strategic Business Case will be published on KCC's website (kent.gov.uk).

Recommendations

Cabinet is asked to:

(1) APPROVE the KCC Strategic Business Case for Local Government Reorganisation in Kent and Medway;

(2) DELEGATE authority to the Chief Executive, in consultation with the Leader of the Council, to take the required actions to submit the finalised Strategic Business Case Submission to Government by the 28 November deadline.

(3) DELEGATE authority to the Chief Executive to take other necessary actions, including but not limited to negotiating and entering into contracts or other legal agreements, as required to implement the decision.

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Appendices:

Appendix 1: LGR Process Timeline
Appendix 2: KCC's Strategic Business Case for Local Government Reorganisation in Kent and Medway
Appendix 3: Proposed Record of Decision (PROD)
Appendix 4: Equality Impact Assessment

Background documents:

Papers to County Council, 06 November 2025, available at https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=113&MId=9799

Papers to Devolution and LGR Cabinet Committee, 03 November 2025, available at https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=979&MId=9846

Papers to Devolution and LGR Cabinet Committee, 30 September 2025, available at https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=979&MId=9845

Paper to Devolution and LGR Cabinet Committee, 28 July 2025, available at https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=979&MId=9870&Ver%20=4

KCC webpage for Local Government Reorganisation and devolution, containing letters to and from KCC and government and further information regarding LGR and devolution, available at https://www.kent.gov.uk/about-the-council/local-government-reorganisation-and-devolution

English Devolution White Paper, Power and partnerships: Foundations for growth, Ministry of Housing, Communities and Local Government, 16 December 2024

available at https://www.gov.uk/government/publications/english-devolution-white-paper-power-and-partnership-foundations-for-growth

English Devolution and Community Empowerment Bill, July 2025, available at https://publications.parliament.uk/pa/bills/cbill/59-01/0283/240283.pdf

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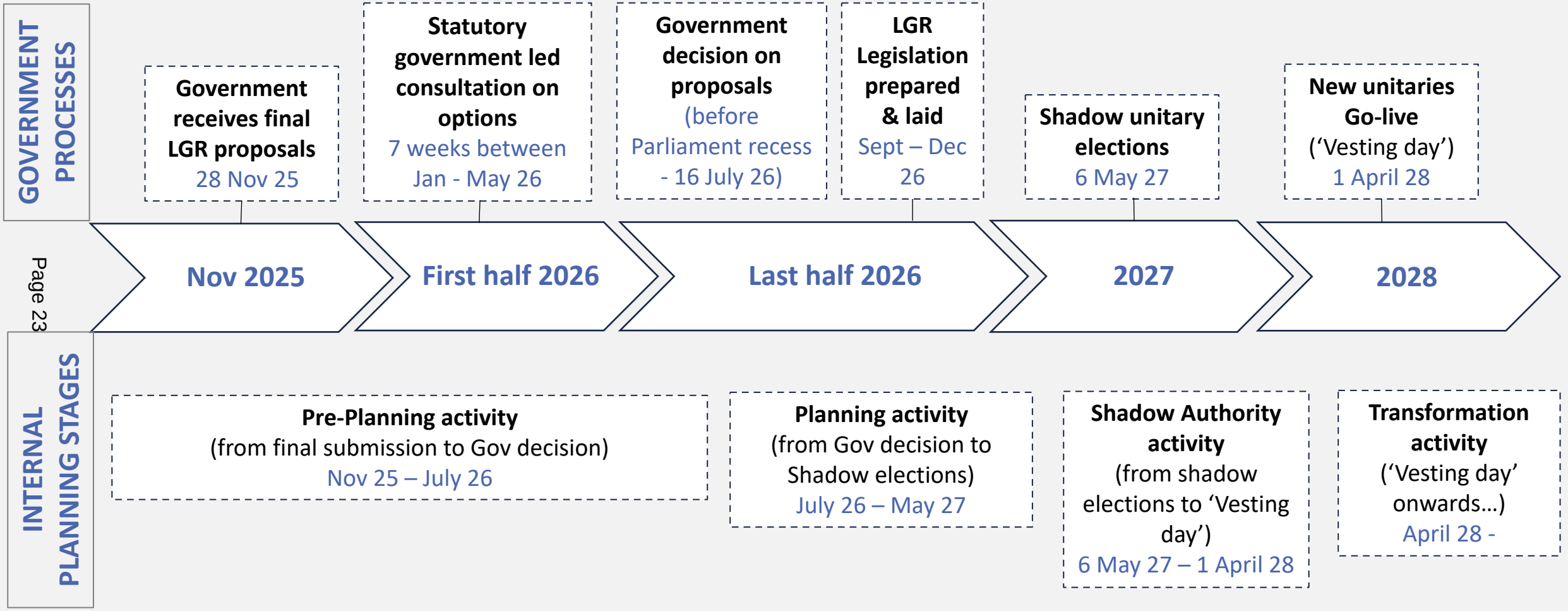
Timeline

Timings subject to change at Government's discretion



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One Kent, One Council, Our Unique County

Kent County Council's Strategic Business Case for Local Government Reorganisation in Kent and Medway

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Foreword

As Leader of Kent County Council, I am proud to present our Strategic Business Case for Local Government Reorganisation (LGR) in Kent and Medway.

Let me be clear from the outset: this administration is of the firm view that LGR is a distraction – one that has been forced upon local authorities at a time when our focus should be on delivering for our residents, not restructuring ourselves.

However, it is Government policy to pursue LGR. Given that reality, it is our responsibility to ensure that any reorganisation delivers the maximum possible benefit for the people of Kent. We will do everything we can to ensure that the process does not weaken our county, needlessly fragment our services, or compromise our ability to respond to the complex and nationally significant issues we face. Instead, we will use it as an opportunity to strengthen Kent and Medway's future.

Kent is not just another county. As the UK's gateway to Europe, Kent bears unique pressures from our ports and Channel Tunnel on the strategic highway network. Traffic control, freight resilience and incident management cannot be carved up between multiple councils and still be expected to provide the resilience necessary to support the arteries to the UK economy at Dover and the Channel Tunnel.

The added pressure from Unaccompanied Asylum-Seeking Children, the number of which we do not expect to decrease under the current government, placed into the care of Kent is only managed through the capacity and resilience inherent in delivery at scale provided by whole county.

The ideological myth in LGR – that disaggregating county services into smaller unitary councils will provide better and cheaper services – does not stand up to scrutiny when faced with Kent's geographic, social and economic diversity. In a county with deep disparities, especially between the coastal East and more affluent West, fragmenting complex, high-risk services such as children's and adults' social care and Special Educational Needs and Disabilities (SEND), will only drive greater inconsistency, service risk and higher costs.

This is not only KCC's view. The County Councils Network (CCN) and Newton's October 2025 report on the risks of disaggregating people-based services is a stark warning. It shows that breaking up county councils into smaller unitaries could lead to worse services, higher costs, and staffing shortages. It highlights the danger of concentrating high-cost services in smaller authorities that lack the scale and resilience to manage them. It confirms what we already know: fragmentation is a threat to the sustainability and quality of key services.

Our geography, our economy, and our communities demand a solution that protects the county from these risks and reflects our scale and significance. That solution is a single unitary authority for Kent and Medway – the Kent Council.

A new type of council. One that delivers the benefits of scale, provides strategic leadership for the whole county for the benefit of all Kent and Medway residents, and is relentlessly focused

on delivering greater value, better outcomes and a return to common sense. It will deliver the highest financial savings, the lowest transition costs, and the fastest payback period.

But a single council for Kent and Medway is not centralisation for its own sake. Our proposal preserves countywide strategic leadership while remaining locally rooted and here to represent and serve our residents. Innovative design and devolved decision-making through three new Area Assemblies will ensure that locally focused services are delivered in ways that best meet the needs of our unique communities.

A new, modern engagement approach will hardwire participation into the authority's decision-making, with practical tools from citizens' assemblies to Leader's Question Time, ensuring seldom-heard voices are heard.

It is a solution that works for place and for people. By aligning longer-term investment, planning and infrastructure decisions over the whole functional economic area of Kent and Medway, we can deliver growth in the right places while ensuring that our coastal and rural communities are not left behind. One council means one approach to growth, one capital pipeline, and one strong leadership voice with Government and investors.

Most importantly, the Kent Council will deliver better outcomes for people. With the real financial benefits delivered quickly, there will be money to invest in joined up and preventive social care and community services, breaking the cycle of short-termism that has crippled Kent for too long.

It will be a council that works for Kent and Medway – now and into the future.

Reform Kent is pro-enterprise, pro-prevention, and careful with public money. This proposal takes that spirit and builds a council that is simpler and more responsive for residents, supports stronger and resilient services and delivers better value for taxpayers.

One Kent. One Council. Our Unique County.

Linden Kemkaran, Leader
Kent County Council
November 2025

Executive Summary

- Kent and Medway: An area of national significance
- KCC's Strategic Business Case for Local Government Reorganisation
- A unique county needs a unique solution: the Kent Council
- What the people of Kent and Medway and our key stakeholders think
- The most financially sustainable option for Kent and Medway
- Right for Kent and Medway and a strong fit for Government
- The Kent Council – effective, efficient and fit for the future

Kent and Medway: An area of national significance

Kent and Medway is a region of scale, complexity, and consequence. As the UK's gateway to Europe, our geography is unique – bordering the capital and the continent, with the Port of Dover and the Channel Tunnel forming critical arteries for national trade and security. Our 1.9 million residents live across a diverse landscape of coastal towns, rural communities, and urban centres, with no single dominant city. This polycentric structure brings both opportunity and challenge.

Our economy is broad and resilient, generating £44 billion Gross Value Added (GVA) annually, with strengths in logistics, life sciences, construction, and creative industries. Yet, we face stark disparities, particularly in East and North Kent, where deprivation, housing pressures, and health inequalities are most acute. These challenges are compounded by border-related pressures, including the arrival of Unaccompanied Asylum-Seeking Children and pressure on local road networks. Kent and Medway bears the brunt, but these are national issues that impact the country's economy and resilience.

In the face of this complexity, Kent and Medway has a strong track record of partnership working. Our coterminous arrangements with key partners including Kent Police and NHS Kent and Medway, and many well-established pan-Kent and Medway partnerships, such as Kent and Medway Economic Partnership, provide a solid foundation for integrated public service delivery. These partnerships are built on trust, scale, and shared purpose and they exist at a Kent and Medway level because that is what works best here.

Our 1.9 million residents live across a diverse landscape of coastal towns, rural communities, and urban centres

Dover

QE2 bridge

KCC's Strategic Business Case for Local Government Reorganisation

This Strategic Business Case sets out Kent County Council's (KCC) proposal for Local Government Reorganisation (LGR) in Kent and Medway – a single unitary with three Area Assemblies, balancing scale and capacity with local responsiveness. It has been developed through detailed internal analysis, independent financial modelling, and active participation in the joint Kent and Medway process. While KCC has developed this case independently, we remain committed to collaboration and transparency with our partner councils.

Our approach is rooted in a vision for better outcomes through financially sustainable, community-rooted, and digitally enabled public services. We support the design principles agreed across Kent and Medway – resident-centric, integrated, data-driven, financially resilient, and future-focused. However, our route to achieving these outcomes is distinct. For KCC, the overriding priority is the long-term financial resilience of local government in Kent and Medway. Our strategic outlook as the largest council in the area, responsible for 73% of all council spending and with statutory responsibilities to support some of the most vulnerable people in our communities means we cannot allow LGR to risk creating councils that will fail in their duties to Kent and Medway residents.

Our approach is rooted in a vision for better outcomes through financially sustainable, community-rooted, and digitally enabled public services

A unique county needs a unique solution: the Kent Council

Kent and Medway's geography and position make it one of the most complex and strategically significant areas in the country. Its border location, combined with deep disparities in deprivation between East and West, creates uneven demand and financial pressures that require coordinated, county-wide responses. The peninsular geography limits market options and workforce mobility, reinforcing the need for scale, resilience, and strategic coherence in service delivery.

The current county-wide model enables Kent and Medway to manage these challenges effectively. It provides the critical mass needed to maximise economies of scale, maintain service capacity, and deliver consistent outcomes. This structure not only benefits local communities but also supports national interests – Kent and Medway are a reliable partner to Government in managing issues of national importance.

Disaggregating the county into multiple unitary authorities would severely compromise this strategic capacity. It would fragment services, risking 'postcode lotteries' for residents and deterioration of service quality, particularly in high-risk areas such as social care and Special Educational Needs and Disabilities (SEND). Increased costs would come from duplicating senior roles and back-office costs and reduced purchasing power. This would be to the detriment of the entire county, but for some areas it is an existential threat.

On top of managing the majority of the county's highest and most costly needs for council services, a smaller unitary in East Kent would be quickly overwhelmed by the statutory responsibility and financial burden of safeguarding Unaccompanied Asylum-Seeking Children. The loss of scale would make it harder to absorb demand shocks and maintain service quality for all children and families. Infrastructure management would also suffer. Kent's strategic road network cannot be effectively overseen in isolated pockets. Protocols like Operation Brock require county-wide coordination to prevent gridlock and maintain national connectivity. Fragmentation would make such coordination impractical, risking disruption not just locally but nationally.

There is no realistic way to mitigate these disadvantages. Shared service arrangements for people-based services like social care are unlikely to withstand the pressures of Kent and Medway's complexity and tend to result in poorer outcomes and higher costs. Crucially, there is currently no timeline for establishing a Strategic Authority, meaning disaggregation would dismantle the only existing structure capable of maintaining county-wide cohesion.

In short, breaking up Kent and Medway would not only weaken local service delivery, it would undermine the county's ability to respond to national challenges, destabilise critical response arrangements, and erode the strategic resilience that currently benefits the whole country.

KCC is clear: the most viable option for LGR in Kent and Medway is a single unitary authority – the Kent Council. This model is uniquely designed to meet the scale, complexity, and strategic importance of our county. It delivers the benefits of reorganisation while avoiding the risks of fragmentation.

The Kent Council will:

- ✓ Avoid the substantial risks of disaggregation of key services and loss of scale that are unsustainable given the unique challenges Kent faces – avoiding disruption that could have both a local and national impact.
- ✓ Maximise the financial savings available through the process of LGR in both the short- and long-term, putting the entire area on a firmer financial footing and quickly reinvesting into services.
- ✓ Keep Kent and Medway together, respecting our area's strong identity, protecting well-established partnerships and tried and tested service delivery arrangements.
- ✓ Provide high-quality and effective services, benefiting from a critical mass of capability and capacity across the area and ensuring a consistent service for everyone who needs support.
- ✓ Speak up for Kent and Medway with one powerful and cohesive voice.
- ✓ Shape the future growth of our county in a coordinated and strategic way, aiming for a high quality of life for all.
- ✓ Accelerate and invest in Public Service Reform, transforming how public services work for people and places.
- ✓ Through Area Assemblies, provide local responsiveness, flexibility and innovation in community services, working with local partners and people.
- ✓ Embed an enhanced community engagement approach that suits modern life and that is focused on tackling problems rather than servicing layers of governance.
- ✓ Have fewer, empowered and well-supported councillors with a meaningful role and influence, streamlining local democracy and improving accountability.
- ✓ Avoid the costly and bureaucratic addition of another layer of local government through a Mayoral Strategic Authority – the Kent Council would provide the strategic capacity for the devolution of powers and funding that Government is seeking, capitalising on Kent and Medway's existing scale and experience.
- ✓ Ensure a smooth transition, with minimal change and disruption to residents and minimal cost.

What the people of Kent and Medway and our key stakeholders think

KCC believes that any discussion about the future of local government in Kent and Medway must include the voice of our residents and the key stakeholders that work in and know the area best. Between the hurried Government process for LGR, a new administration for KCC, and the time taken to work with other councils in the joint process, time to engage with people at this stage has been short. However, this has been a priority for KCC and an intensive period of engagement has been undertaken so that the views and preferences of our residents and key partners can be included in this Strategic Business Case. We are grateful to the 2685 people who completed our online survey, and the many partners who took the time to tell us their views. The most important considerations for people in Kent and Medway about the future of local government and LGR are:

1. **Cost efficiency and financial sustainability** – Residents and stakeholders expect LGR to deliver a more cost-effective system. 91% of respondents of the resident survey said it is **particularly** important to them that their council achieves good value for money for the taxpayer, while 64% agreed that any changes to local government in Kent must save money in the long-term compared to how things are run now. Reducing duplication, improving procurement, and ensuring fair distribution of resources are seen as essential to achieving long-term financial sustainability.

64% agreed that any changes to local government in Kent must save money in the long-term compared to how things are run now

2. **Service quality and integration** – There is a strong desire for high-quality, well-coordinated services to support strategic planning and improved outcomes, particularly in key services such as health, social care, education and transport. 95% of respondents to the resident survey said it is **particularly** important to them that their council delivers high-quality services.
3. **Clarity and simplicity of governance** – Stakeholders expressed a desire for clearer, more streamlined local government structures. Simplifying service responsibilities was seen as a way to reduce confusion, improve transparency, and enhance accountability for communities.
4. **Preserving community identity and connections** – Maintaining Kent's historic identity and respecting local ties is a shared priority. Residents value their sense of belonging at local and county levels, and stakeholders emphasise the need for any new model to reflect the diversity of communities. Stakeholders also emphasised the need for any new model to preserve established partnership working and existing structures at a Kent and Medway level, particularly those that support business, skills and growth.
5. **Local representation and democratic engagement** – Ensuring councils remain responsive to local needs is critical. Residents want their voices heard in decision-making, 94% of respondents to the resident survey said it is **particularly** important to them that their council enables them to have a say in decisions that affect them. Stakeholders stress the importance of robust engagement and locally grounded structures to preserve accountability.

95% of respondents to the resident survey said it is particularly important to them that their council delivers high-quality services

The most financially sustainable option for Kent and Medway

Local authorities in Kent and Medway face significant financial challenges, particularly in adult social care, children's services, and SEND. These pressures are unevenly distributed, with higher demand in East and North Kent.

A single unitary will cost less and deliver greater savings more quickly. A single unitary:

- Avoids the costs and risks of disaggregating key countywide services which could add up to £68 million per year in other options.
- Delivers the highest net recurring benefit of £69 million per year, cumulative £457 million after 10 years which is more than double the highest predicted cumulative saving for any of the multi-unitary options.
- The difference in cumulative benefit between a single unitary and the three-unitary option equates to between £340 to £478 on band D council tax over a ten-year period (and even more for other options).
- Incurs the lowest transition costs – £99 million compared to up to £139 million for other options.
- Delivers the fastest payback period – 3.3 years compared to up to 14 years (or potentially never) in other options.

A single unitary is fairer and sustainable for the whole county. A single unitary:

- Avoids concentrating unsustainable financial pressures on individual unitaries, particularly in East Kent. Spend per head on adult social care could vary by nearly £200 between individual unitaries, for example.
- A single rate of council tax across the county and a wide tax base, evening out disparities in revenue raising potential.
- Assuming average harmonisation, most households in a single unitary would pay less council tax than if they were resident in one of the multi-unitary options.
- Avoids unitaries inheriting uneven distributions of legacy debt, which currently varies hugely from £0 to £2,134 per head in different parts of the county.

The following table provides comparison of key financial information across the options being considered for Kent and Medway.

*The range demonstrates the sensitivity of changing just one of the cost assumptions in the model between 0% and 1% for disaggregation costs following collaborative discussions around different scenarios for the impact of LGR on commissioned spend across adult and children's social care. The range is not required for 1a as there is no disaggregation of social care.

** Recurring savings = gross reorganisation savings minus disaggregation costs.

The single unitary is the clear financial choice – sustainable, fair and quickly unlocks maximum savings to reinvest into services for Kent and Medway residents.

LGR option	Implementation costs (one off) (£m)	Reorganisation savings (gross) (£m)	1a enhancement/ Disaggregation costs (£m)*	Recurring annual savings (£m)**	Estimated payback period (years)	10-year cumulative impact of transformation (£m)
1a	(99.4)	75.0	(6.0)	69.0	3.3	457.4
3a	(127.7)	69.4	(19.7) – (29.2)	49.7 – 40.2	5.4 – 6.7	132.1 – 226.5
4b	(130.9)	67.5	(32.9) – (48.6)	34.6 – 18.9	7.8 – 14.3	(80.6) – 76.7
4d	(135.9)	67.5	(32.9) – (48.6)	34.6 – 18.9	7.9 – 14.5	(85.6) – 71.7
5a	(139.1)	65.7	(46.0) – (68.1)	19.7 – (2.4)	14.0 – no payback	(298.1) – (77.9)

Right for Kent and Medway and a strong fit for Government

Kent Council is a strong fit for the government's criteria for Local Government Reorganisation. It meets all requirements for scale and efficiency, protecting service quality and enhancing engagement with our communities.

Criterion	Single Unitary	Multiple Unitaries
Establishing a single tier	Meets all requirements; maximises scale and equity	Creates disparities in tax yield, service quality, and financial resilience
Efficiency and resilience	Highest savings, lowest costs, fastest payback	High transition costs, low savings, long or no payback
High-quality services	Maintains scale and consistency; avoids fragmentation	Risks to safeguarding, social care, and SEND services
Local consensus	Delivers value for money and fairness; respects local identity	Reinforces East/West divide; adds complexity and variation
Supports devolution	Devolution-ready; avoids need for MSA	Adds cost; undermines strategic coherence
Community engagement	Enhanced community engagement approach and Area Assemblies	Smaller scale but limited capacity for engagement

The Kent Council – effective, efficient and fit for the future

Better for people

The Kent Council will use its scale and capacity to maximise the opportunities from LGR, giving Kent and Medway residents a council that delivers value for money, services that work for them and building communities that thrive. It will deliver better services for people by integrating public services around individuals and communities, enabling a shift from reactive crisis management to proactive prevention. With a single strategic authority, services such as social care, housing, education, and public health can be designed and delivered holistically, reducing duplication and ensuring residents receive the right support at the right time. The council's scale will allow for more effective commissioning, stronger partnerships with the NHS and Police, and better use of data and digital tools to anticipate needs and personalise services. This integration will improve outcomes, reduce long-term costs, and ensure that vulnerable residents are not lost in a fragmented system.

With a single strategic authority, services such as social care, housing, education, and public health can be designed and delivered holistically, reducing duplication and ensuring residents receive the right support at the right time

Better for places

For places, the Kent Council will provide the strategic capacity to plan and invest in infrastructure, housing, and economic development at the scale required to meet the county's complex and growing needs. A single council will enable coordinated spatial planning, ensuring that housing growth is sustainable and supported by the necessary transport, health, and education infrastructure. It will also strengthen Kent's voice with government and investors, attracting funding and shaping policies that reflect the county's priorities. By aligning economic development, skills, and planning strategies, the Kent Council will support thriving local economies and ensure that all communities – urban, rural, and coastal – benefit from growth and investment.

By consolidating services and governance into a single authority, the Kent Council will unlock the ability to plan and deliver visible, everyday services more effectively. From cleaner streets and better-maintained parks to more responsive local highways and accessible leisure facilities, the council will be able to reinvest savings into the services that matter most to people's daily lives. This will not only improve quality of life but also restore public confidence in local government by demonstrating clear, tangible value for money.

While the scale of the Kent Council would be an inherent advantage, it is also critical that a large unitary authority remains in touch with and responsive to the diverse needs of Kent and Medway's communities and ensure that people feel represented and heard. We have therefore designed the model for the Kent Council to acknowledge and mitigate these risks, thinking beyond traditional ways of working in local government where this will allow the Kent Council to best serve its residents.

From cleaner streets and better-maintained parks to more responsive local highways and accessible leisure facilities, the council will be able to reinvest savings into the services that matter most to people's daily lives

Local leadership, local decisions

The creation of three Area Assemblies in North, East, and West Kent will ensure that the Kent Council remains closely connected to the communities it serves. These Assemblies will be empowered to make decisions on how community services are run, enabling a more tailored and responsive approach that reflects the distinct identities, needs, and priorities of local areas. Aligned with natural patterns of travel, healthcare, and policing, and mirroring existing service delivery footprints, the Area Assemblies will provide a practical and democratic mechanism for local voices to influence service design and delivery. By embedding decision-making at a more local level for community services, the Kent Council will combine the benefits of strategic scale with the agility and insight needed to respond effectively to community concerns and aspirations.

Engagement and local democracy that works for people

The Kent Council will invest in a modern, practical approach to community engagement that prioritises real problem-solving over unnecessary layers of governance. Rather than replicating costly and bureaucratic structures, the council will embed engagement into the way it works – through a Strategic Engagement Framework, a dedicated Community Engagement Team, and a toolkit of inclusive methods such as citizen assemblies, digital platforms, and local partnerships. This approach will ensure that residents are not only heard but actively involved in shaping services that reflect their needs and priorities. By working with trusted local networks, including town and parish councils and the voluntary sector, the Kent Council will build strong, responsive relationships with communities, ensuring that engagement is meaningful and suits the way people want to interact with their council.

Assemblies will be empowered to make decisions on how community services are run, enabling a more tailored and responsive approach that reflects the distinct identities, needs, and priorities of local areas

Tenterden Folk Festival

Streamlined governance will be achieved by reducing the number of councillors from 658 across Kent and Medway's current councils to a proposed 122, delivering over £2.3 million in annual savings on basic member allowances compared to now. This reduction strikes a careful balance – ensuring the Kent Council remains a workable size while maintaining strong democratic representation. Councillors will be supported by a dedicated Member Support Unit and a simplified committee structure, enabling them to focus on strategic leadership and community advocacy. Along with the enhanced approach to community engagement, the Kent Council offers a modern and realistic way to ensure that people are genuinely and meaningfully engaged, involved and represented.

A smooth transition

A single unitary model offers the most straightforward and least disruptive path to reorganisation, avoiding the complexity and cost of disaggregating services across multiple new authorities. By building on existing capacity and infrastructure, this approach enables a smoother transition with minimal impact on residents and frontline services. KCC is committed to working with the other councils in Kent and Medway and with Government to plan and implement the new arrangements, ensuring services remain safe, legal, and effective from day one. At the same time, this model creates the strongest foundation for long-term transformation – unlocking opportunities to modernise services, improve outcomes, and deliver better value for money across the whole area.

Kent and Medway stands at a crossroads. The opportunity for Local Government Reorganisation must not be wasted on models that fragment services, entrench inequality, and increase costs. The Kent Council offers a bold, practical, and financially responsible solution – one that reflects the scale, identity, and strategic importance of our county. It will deliver better services, stronger communities, and a more resilient future for all our residents.

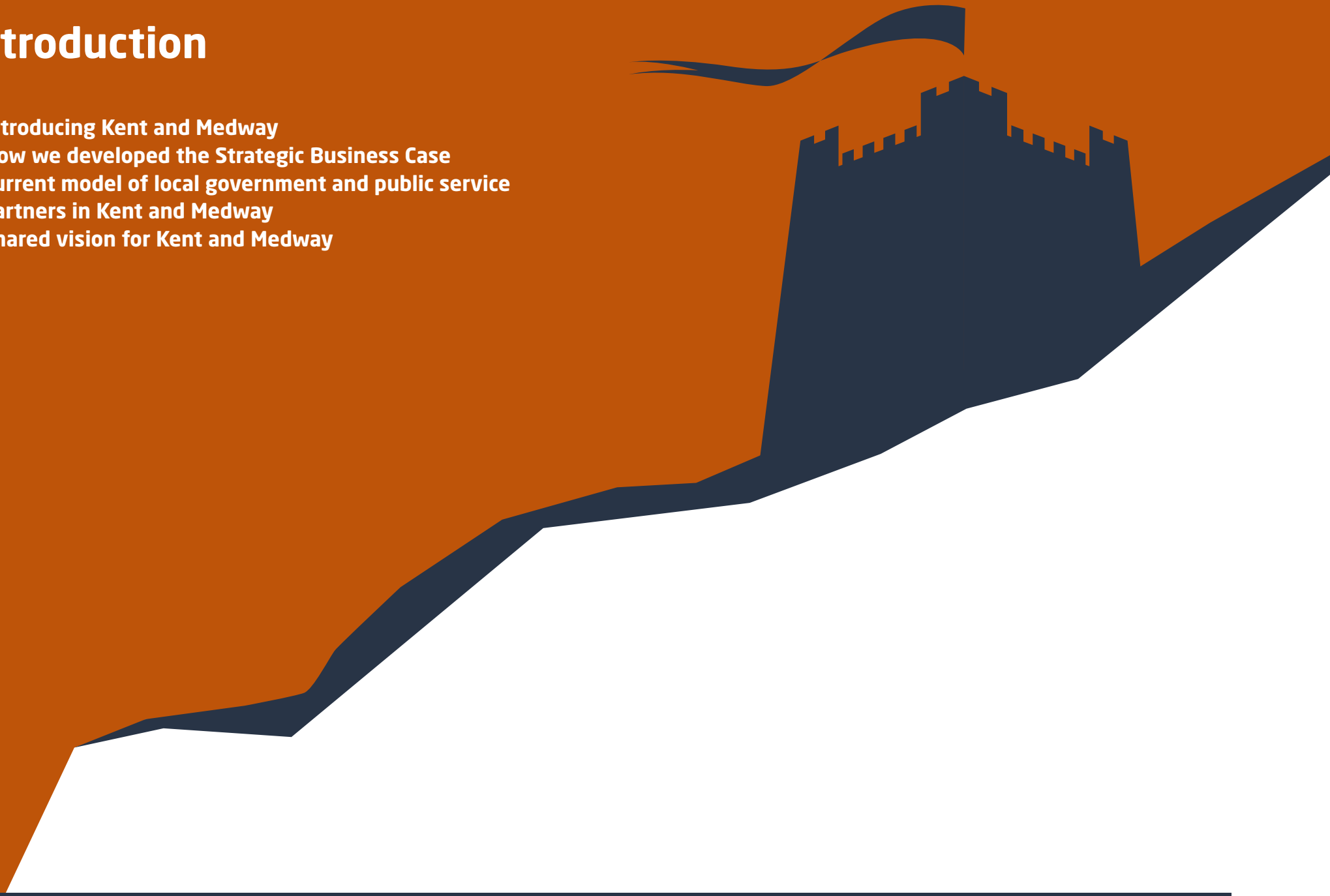
One Kent. One Council.
Our Unique County.

Part One

Introducing Kent and Medway and our approach to LGR

Introduction

- Introducing Kent and Medway
- How we developed the Strategic Business Case
- Current model of local government and public service partners in Kent and Medway
- Shared vision for Kent and Medway

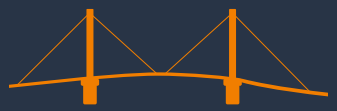


Kent and Medway

A population of circa 1.9 million people and 350 miles of coastline

Medway has a proud cultural and maritime heritage. Chatham Dockyard preserves a link to 400 years of history and today supports tourism and the local economy.

East Kent has a thriving art and creative scene, showcased by the Turner Contemporary art gallery, driving coastal regeneration.



The Dartford Crossing is a vital transport link supporting UK trade and travel.

Kent and Medway's rich history spans centuries, with landmarks like Leeds Castle showcasing its medieval heritage.

Kent and Medway is a powerhouse for science and technology innovation, including Discovery Park, a leading UK science park.

West Kent benefits from fast London connections, vibrant towns, and strong entrepreneurship.

Kent, the Garden of England, is famous for stunning countryside and world-class food and farming innovation.

Kent is the UK's gateway to Europe. The Port of Dover and Channel Tunnel handled over 11 million passenger crossings and 3.5 million freight crossings in 2024.

Introducing Kent and Medway

Kent and Medway is a large, diverse region strategically placed between the UK's gateway to continental Europe and London. Covering around 1,400 square miles and 13 local authority areas, it includes large urban centres, coastal towns, market towns, and wide rural spaces. Its unique geography, natural assets, and international connections shape how people live, work, and travel. Around 1.9 million people live in Kent and Medway across 760,000 households, and both the population and housing stock are growing. Kent and Medway's identity is shaped by its role as the main gateway to Europe, through the Port of Dover and the Channel Tunnel, and by its spread of towns and communities rather than a single dominant city.

Population and demography

Population growth has been strong over the past 20 years (about 7% in the last decade and 18% over 20 years), with household growth following a similar trend. The age profile is changing as the baby-boom generation ages, but Kent and Medway still have a slightly higher proportion of children than both the South East and England averages, showing its strong appeal to families. Population and housing growth is expected to continue over the coming decades, increasing demand for housing, infrastructure, and public services.

Around 1.9 million people live in Kent and Medway across 760,000 households

Medway

A polycentric, connected economic geography

Kent and Medway is made up of many centres. Medway is the largest urban area, but no single area dominates. North Kent has seen major regeneration along the Thames Estuary. East Kent includes Dover, the UK's biggest passenger port, a university cluster in Canterbury, and a string of coastal towns with growing creative economies, plus Ashford as a major growth centre. West Kent has a higher share of jobs, thanks to its dynamic, service-based economy. This economic geography creates complex travel patterns, both within Kent and into neighbouring areas such as London, making reliable transport systems crucial to the economy and residents' quality of life. Between the towns, there's a diverse rural economy, including some of England's most productive farmland and important environmental sites.

Economic scale and structure

Kent and Medway's economy is significant, generating about £44 billion GVA a year. It's broad-based, with wholesale and retail, health and care, business services, construction, and hospitality sectors providing significant employment. Construction is especially strong and highly productive. Alongside everyday sectors, there are high-potential clusters across Kent: life sciences at Discovery Park and our universities, creative and digital industries, and food production and agritech. Most businesses are small or medium-sized, which brings economic resilience and entrepreneurship, but also highlights the need to support firms to invest in new technologies to improve skills and boost productivity. Employment has grown strongly but job density is still below the national average, partly due to people commuting out of Kent. Unemployment is low, but economic inactivity has risen in some coastal and estuary communities since the pandemic. Productivity is about 94% of the UK average, with West Kent performing above and East Kent below the national benchmark. These differences reflect variations in sectors, skills, transport, and housing.

Skills and productivity

Qualification levels have improved, with fewer people having no formal qualifications and more reaching NVQ4 and above. Still, there's a gap at higher levels compared to the UK average, especially in some coastal and estuary areas. This limits access to better jobs and makes it harder for businesses to recruit for growth roles. Partnerships between employers, colleges, and universities have strengthened, including through the Local Skills Improvement Plan. The focus now is on widening participation, raising attainment, and linking skills to Kent's strengths in life sciences, creative-digital, and agritech, as well as boosting innovation in small businesses.

Alongside everyday sectors, there are high-potential clusters across Kent: life sciences at Discovery Park and our universities, creative and digital industries, and food production and agritech

Sandwich

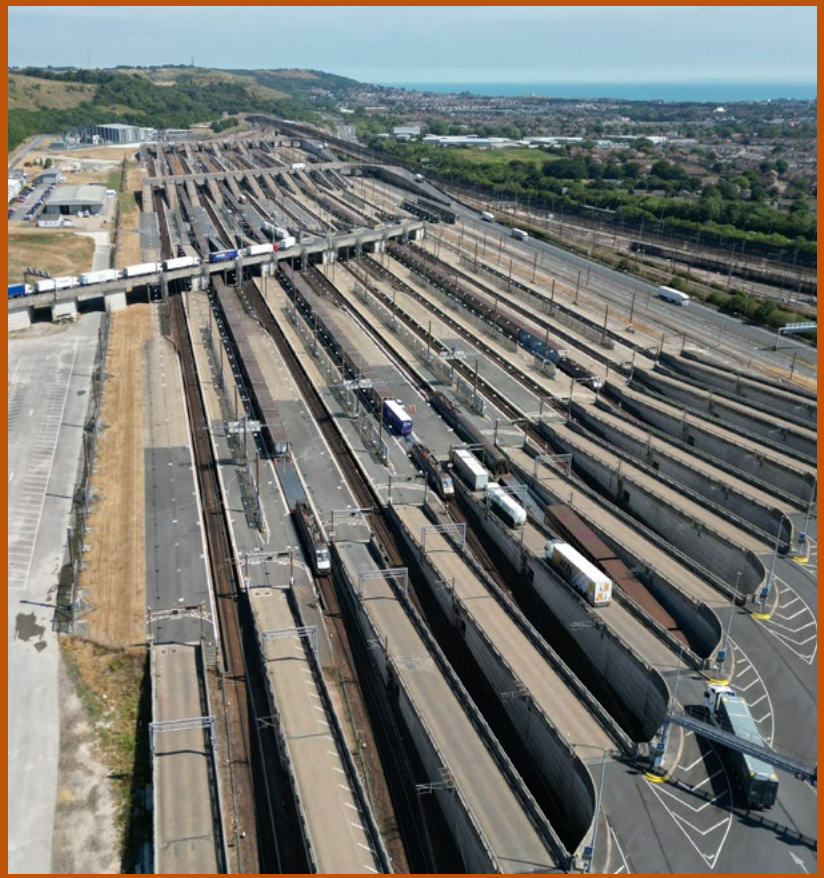
Gateway to Europe: Dover, Eurotunnel, and the Strategic Corridor

The Port of Dover and the Channel Tunnel are the UK's main short-straits crossings for passengers and freight, vital for national supply chains and exports. They support a large local transport and logistics industry. However, when there is disruption at the border, due to poor weather, industrial action or sheer demand at peak holiday season, disruption and congestion on Kent's roads and local networks is significant. Traffic management on the M20 and nearby routes, in the form of Operation Brock, can disrupt local journeys, public transport, and access to services, and affect town centres across the M20 corridor. Whilst the impact of border disruption has national implications, the solution is managed locally, through strong coordination between Kent partners to keep borders flowing and transport network resilient.

Infrastructure and digital connectivity

The last decade has seen major investment in transport: better junctions, town-centre links, active travel schemes, and rail improvements, including High Speed One, which has transformed access across much of Kent. But gaps remain: transport improvements need to keep up with growth, bus networks and active travel need strengthening, and we need to get full benefits from international rail at Ashford and Ebbsfleet, plus improve resilience on short-straits corridors during disruptions. Digital infrastructure has improved a lot, with superfast and gigabit coverage growing quickly, but rural and outlying areas still lag and need more attention to ensure everyone is connected.

The Port of Dover and the Channel Tunnel are the UK's main short-straits crossings for passengers and freight, vital for national supply chains and exports



Folkestone

Spatial disparities and inclusion

County-wide averages hide big differences. Disadvantage is concentrated in coastal East Kent and parts of North Kent and can be seen in neighbourhoods in most larger towns. These areas face lower skills, poorer health, weaker access to good jobs, older and poorer-quality housing, and limited transport options. Productivity and pay are lower, economic inactivity, including due to ill-health, is higher, and outcomes for children and young people are more fragile. As of June 2025, more than 3,300 children were living in temporary accommodation in Kent and Medway. Fuel poverty affects about 10% of households in many areas, increasing health risks. The need for an inclusive approach which links skills, health, housing renewal, transport, town-centre investment, and employer engagement is necessary to change long-term prospects, especially in many coastal communities.

Housing supply

Housing supply has improved but is still below targets. From 2018 to 2023, new homes averaged about 7,277 per year, which is still 24% below Local Plan requirements (about 9,528 per year). This shortfall has limited affordable housing and increased pressure on prices. Affordable homes have made up about 23–24% of new builds recently, but that's still well below what's needed (over 5,000 affordable homes per year). Limited supply, high prices and rents, and housing allowance rates that haven't kept up have driven homelessness and increased spending on temporary accommodation. Housing quality affects health and wellbeing, with many homes not meeting decent standards and some having serious hazards, especially in the private rented sector.

Health, housing, and wider determinants

There are strong links between housing and health: damp and mould worsen respiratory problems, cold homes increase falls and winter deaths, and climate change brings risks from overheating and flooding. Temporary and insecure housing can harm children's development, wellbeing, and education. The Kent and Medway Integrated Care system recognises the importance of housing in prevention, recovery, and discharge, and the need to align health, housing, and care to reduce pressure on acute services. As the population ages, there will be more need for specialist and accessible homes and community support to help people live independently.

From 2018 to 2023, new homes averaged about 7,277 per year, which is still 24% below Local Plan requirements

Ebbsfleet

Key future trends for Kent and Medway

Looking ahead, these trends are expected to shape Kent and Medway's economy, communities, and service needs over the next decade:

- **An ageing population and changing demographics:** The population will continue to grow and age, increasing demand for health, social care and specialist housing. Prevention, independence and accessibility in mainstream homes will become more important.

- **Growing social and spatial inequalities:** Without targeted action, disparities between coastal and estuary communities risk deepening, with implications for health, skills, employment and fiscal pressures across public services.

- **Education and skills:** Persistent higher-level skills gaps compared to national averages constrain productivity growth. Expanding employer-led pathways, technical education and adult upskilling aligned to growth sectors will be critical.

- **Housing demand, affordability and condition:** Continued population growth and household formation will sustain demand pressures. Accelerating plan-led delivery, with the necessary social and physical infrastructure, to broaden the affordability and tenure mix, and tackling non-decent stock and energy efficiency will be required.

- **Digitalisation of the economy and public services:** Technology adoption will continue across sectors, changing skills requirements whilst supporting new ways to access a wider range of services and changing how services are delivered, raising the dependency on universal digital connectivity.

- **Border pressures and highways resilience:** The short-straights crossing will continue to impact Kent's strategic roads especially when there is disruption, requiring resilient, coordinated multi-agency response in the short-term, but requires long-term strategic investment to improve capacity and resilience.

How we developed the Strategic Business Case

Purpose

In February 2025, councils in Kent and Medway received a statutory invitation from government to submit proposals for Local Government Reorganisation (LGR) by 28 November 2025. In preparation to meet the government deadline, reorganisation models for Kent and Medway were evaluated and appraised against published government criteria, supported by detailed financial and service modelling. Kent County Council (KCC) has considered options independently and as part of a joint Kent and Medway process led by Kent Council Leaders. This business case presents the rationale for KCC's preferred model, built upon detailed analysis of shared evidence.

Commitment to the joint approach

While KCC has developed this business case independently, consistent commitment to the joint process has remained. In line with government expectations for councils to contribute to a shared evidence base, KCC has pro-actively shared information and analysis with partner authorities, to ensure all councils have access to information about the likely impacts of LGR on current KCC services. Equally, KCC has considered evidence provided by other councils in shaping this proposal.

To support comparability of financial analysis across options, KCC commissioned KPMG, Kent and Medway's strategic partner for LGR, to develop the financial case using data from all councils. This ensures that the methodology used to model costs and benefits for KCC's preferred option is consistent with that used for the other Kent and Medway options.

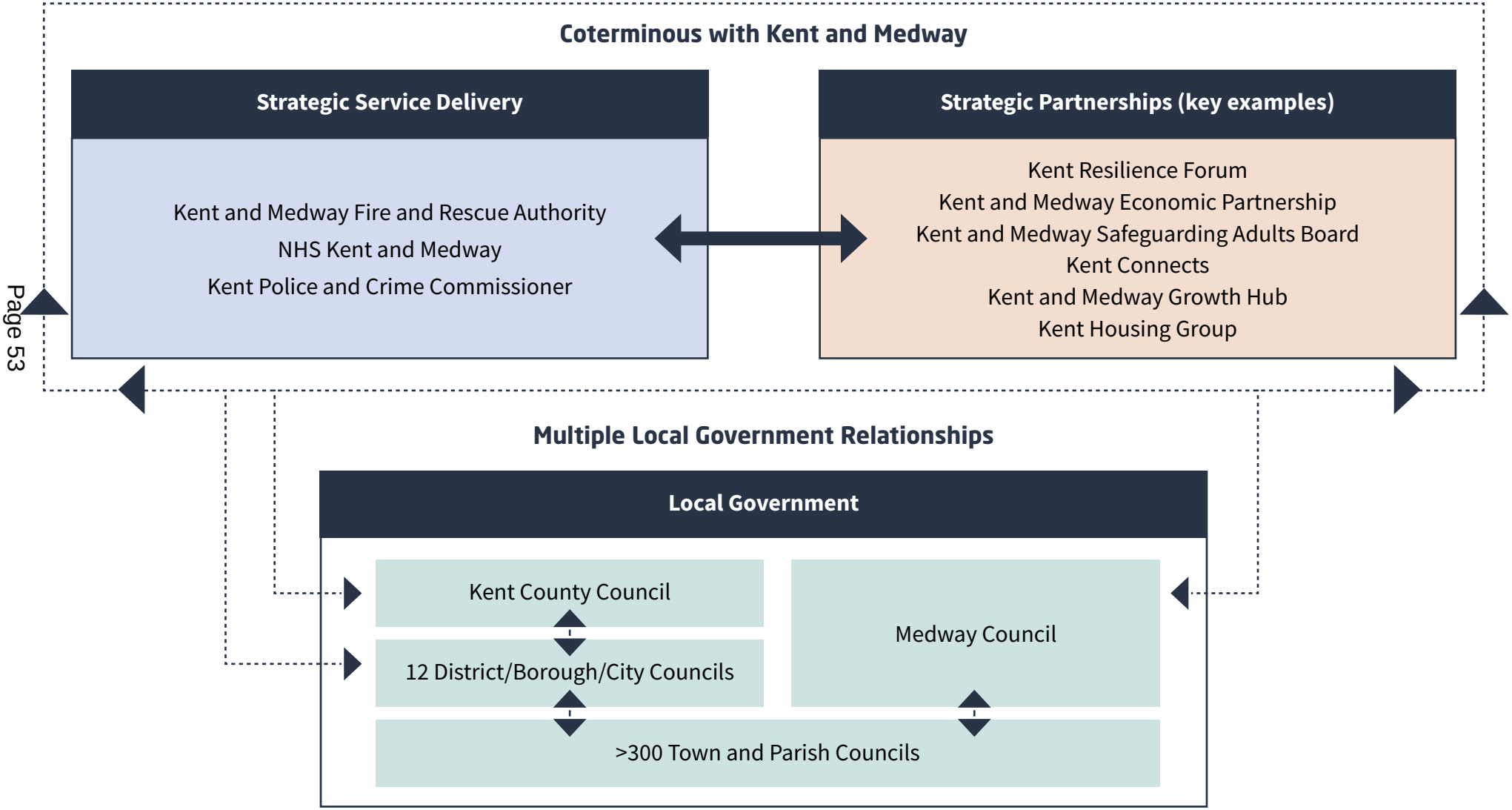
KCC will continue to be open, pro-active and transparent while working with partner authorities as we navigate LGR for Kent and Medway.

Challenging timelines

In addition to ambitious government timelines for the submission of LGR proposals, KCC's timescales were constrained further by the need to respond to significant change during the proposal development period. Not least, the KCC elections in May 2025 which marked a major political shift for the county, ending almost 30 years of Conservative control. Induction of a new administration, establishment of a new leadership and formation of governance structures has significantly impacted timelines. While contributing to the joint LGR work for Kent and Medway, KCC simultaneously supported a new administration in understanding the opportunities and challenges presented by LGR for KCC services and residents.

Running a joint LGR proposal development process across Kent and Medway has been complex given the nature and number of stakeholders involved. Complexity was compounded and timelines impacted by the submission of additional proposals from individual Kent and Medway councils at a late stage in the process. KCC's continued commitment to the joint process meant that the decision to proceed with the development of a business case independently was not made until the outcome of the joint options appraisal had been presented and fully considered by KCC Members.

Current model of local government and public service partners in Kent and Medway



The geographical area of Kent is governed through a two-tier local authority structure. KCC operates as an upper-tier authority, delivering countywide services such as social care, highways, and public health. Beneath this, twelve district, borough, and city councils function as lower-tier authorities, responsible for more localised services including housing, planning, and waste collection. Medway Council, a unitary authority, delivers both upper- and lower-tier functions within its boundaries.

Key statutory bodies responsible for delivering Police, Fire and Rescue, and NHS services operate coterminously across Kent and Medway. These organisations are well-established and play a vital role in the effective delivery of public services throughout the county. Recognising the benefits of aligning with the Kent and Medway footprint, many additional strategic partnerships have adopted the same geographical remit. This alignment strengthens collaborative strategy development, enables more integrated and efficient service delivery, makes most effective use of resources and enhances Kent and Medway's collective national voice. Prominent partnerships operating across the Kent and Medway area include the Kent and Medway Economic Partnership, Kent Housing Group, the Kent and Medway Safeguarding Adults Board, the Kent Estates Partnership and the Kent and Medway Civilian-Military Partnership Board, which is the only one in the UK combining a county council and a unitary.

Key statutory bodies responsible for delivering Police, Fire and Rescue, and NHS services operate coterminously across Kent and Medway

Case study: Kent and Medway Economic Partnership

Both the previous and the current Government recognise that local and national government can play their most effective role in boosting economic growth when working across an identifiable functional economic area. For many years, this has been robustly proven across multiple sectors to be the Kent and Medway footprint.

Kent and Medway Economic Partnership (KMEP) has existed in various incarnations since 2009. It was established by KCC as a strategic cross-county approach to economic growth between local government and business long before such structures were mandated in the form of Local Enterprise Partnerships (LEPs) by the government in 2011. Previously part of the South East LEP, KMEP now functions as the area's Local Growth Board after the dissolution of LEPs in 2024, having endured and adapted itself to successive governments' models for locally led growth.

KMEP is led by a board comprising local authorities, business representatives, the further and higher education sectors, and is always chaired by a representative from the private sector. The partnership has overseen and facilitated numerous growth initiatives over the years, such as reviewing and prioritising projects for the Government's Local Growth Fund and Growing Places Fund to achieve maximum local economic impact. It has also provided a coherent public-private sector voice to champion the county's growth, for example supporting the Lower Thames Crossing and the campaign to bring back international rail to the county.

In terms of current and future impact, KMEP is responsible for the Kent and Medway Economic Framework, which sets an ambitious

direction for the county's economic growth agenda across business, skills, infrastructure, investment and place. Supporting this, KMEP oversees partnerships and strategies to address skills gaps, employment support and health-economy initiatives across the county. It is also establishing the Kent and Medway Innovation Partnership to connect businesses with academia and local government, boosting the county's research and development sector.

All of this has long established the partnership as a trusted and open body with which the county's businesses, public sector and Government can confidently engage to drive forward projects to propel the county's prosperity and jobs creation. This trust is further enhanced by KMEP's long-established **Business Advisory Board**, which provides essential economic intelligence to the partnership, acting as both consultative forum and dissemination network across Kent and Medway's private sector.

Case study: The Kent Estates Partnership

This strategic partnership was established in 2015 to support the One Public Estate programme, bringing together public sector partners and other stakeholders from across Kent and Medway. Partners include all District Councils, KCC, Medway Council, NHS Kent and Medway, Kent Fire and Rescue Service, Kent Police, Secamb, University of Kent at Canterbury and Parish Councils via Kent Association of Local Councils. The Partnership finds opportunities to share space ideas, service redesign and promote growth through the development and use of public sector land. To date its work has secured over £17 million across 17 projects to kick start development and housing. It has also led a nationally recognised innovation programme that has seen 10 council offices and 3 NHS sites make accommodation available to enable staff across the public sector to access accommodation throughout the county.

Shared vision for Kent and Medway

In collaboration with Kent and Medway councils, a shared vision and supporting design principles have been developed.

Our shared vision for Kent is:

Better outcomes for Kent residents through financially sustainable and accountable local public services delivered in partnership with communities.

Our ambition for Kent's future is bold and resident-focused. We will deliver local government that is financially resilient, community-rooted, and digitally enabled, delivering services that are simpler, smarter, and more joined up.

Over the next five years, our shared aspiration for Kent is to:

- Build trusted, transparent relationships with residents through open communication and active engagement.
- Provide seamless, resident-first experience with easy, secure access to services.
- Deliver place-based, people-centred services, focused on early intervention, prevention, and improving life chances.
- Strengthen local identity and maintain a deep sense of place and belonging.
- Use data and technology smartly to personalise support, anticipate needs, and improve outcomes.
- Work in strong partnership with health, education, police, and community organisations to meet residents' needs.
- Build community resilience to social, economic, and environmental challenges through inclusive, forward-thinking services.

At the heart of this vision is a commitment to residents, staff, and place, balancing ambition with stability, innovation with identity, and change with care.

Design Principles

To achieve our shared vision for Kent, a set of guiding principles have been agreed by its Leaders. While decisions on the detailed design and delivery models of future council(s) will be a matter for the future leadership team(s), these principles provide a blueprint for future council design.

Service and resident centric

- Design services around resident needs with a "resident-first" mindset.
- Maintain strong community identity and local accountability.
- Ensure equity in service access and outcomes across Kent.

Integrated and collaborative

- Enable seamless, joined-up service delivery across public services.
- Build on existing partnerships and promote shared responsibility and budgets and co-locate where appropriate.
- Embed co-location and community-based service design.

Data-driven and digitally enabled

- Invest in modern digital infrastructure which allows our service delivery and enabling activity to be joined up, and automated where appropriate.
- Leverage data and AI to support early intervention, improve decision-making, and target resources effectively.
- Ensure transparency and open data to build trust and inform priorities.

Financially resilient and efficient

- Adopt place-based financial planning and maximise asset efficiency.
- Create efficient systems with flexible resource allocation based on demand.
- Secure long-term funding and manage transition costs carefully.

Empowered and future focused workforce

- Retain and support skilled staff through predictable roles and strong leadership.
- Break down silos with collaborative problem-solving structures.
- Modernise terms and conditions for a more agile, attractive public service offer.

Clear, consistent and bold leadership

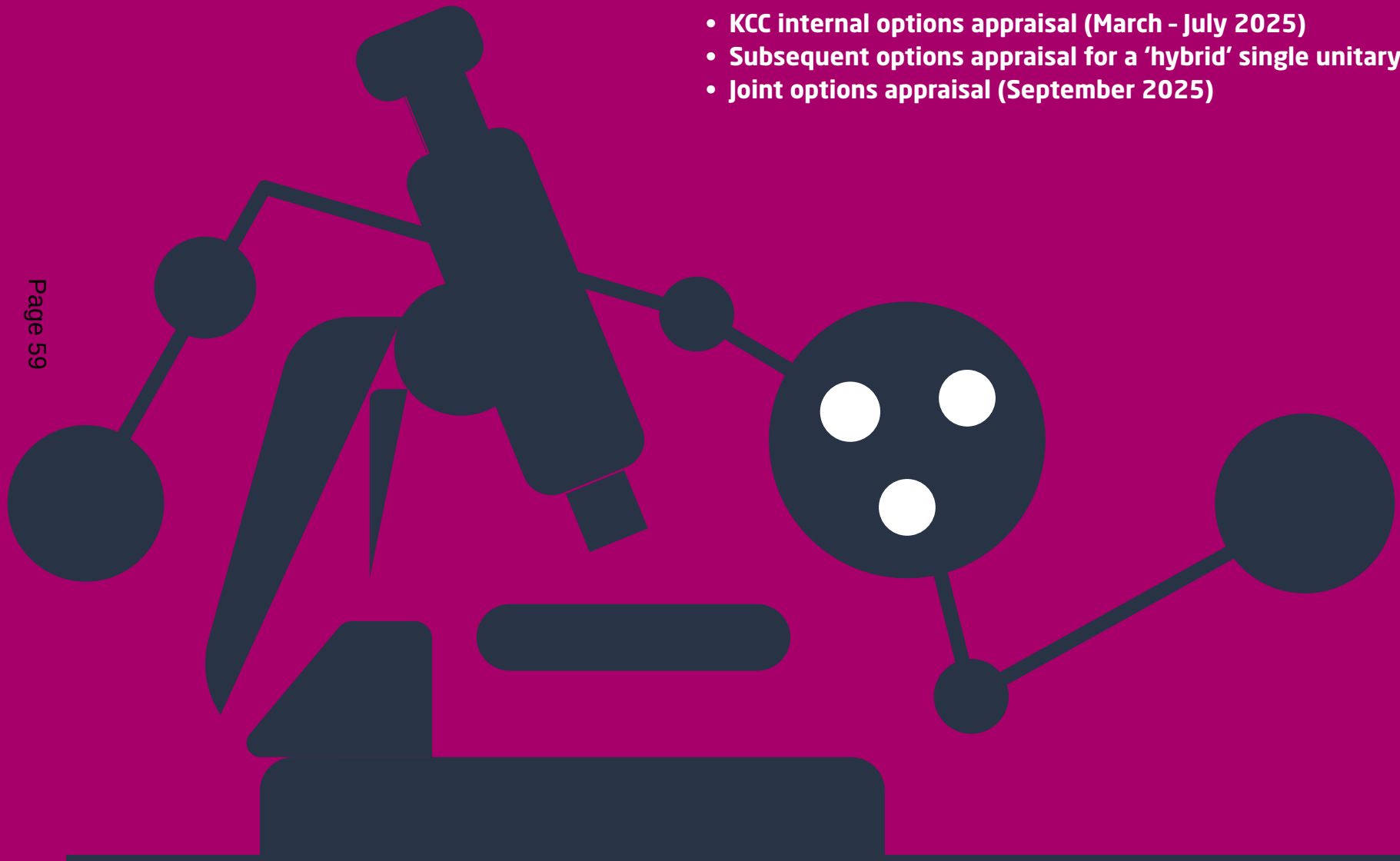
- Be brave, honest, and aspirational in setting direction and expectations.
- Deliver a clear, shared vision and values, internally and externally.
- Ensure messages on devolution, change, and local ambition are well understood.

While KCC supports the shared vision and design principles, there is a divergence in views regarding the most effective route to achieve them. KCC is responsible for 73% of local government spending in Kent and Medway. Our scale and experience provide a countywide perspective – particularly in recognising that financial sustainability must be a core principle of any future governance model. Like councils across the country, those in Kent and Medway are facing mounting financial pressures, especially in high-cost areas such as Adult Social Care, Special Educational Needs and Disabilities (SEND), Children's Services, and housing. For this reason, the financial resilience of local government in Kent and Medway and the value for money provided for our residents is fundamental to our position on LGR.

Options Appraisals

This section sets out the findings of both KCC's internal options appraisal, which was shared with all Kent and Medway councils to support business case development, and the joint options appraisal which was completed by KPMG on behalf of Kent Council Leaders.

- **KCC internal options appraisal (March – July 2025)**
- **Subsequent options appraisal for a 'hybrid' single unitary (August 2025)**
- **Joint options appraisal (September 2025)**



KCC internal options appraisal (March – July 2025)

Purpose

Following local government elections in May 2025, and the formation of a new administration at KCC, it was essential that newly elected Members fully understood the opportunities and challenges presented by LGR for Kent and Medway. In line with Government guidance to adopt an options appraisal approach when assessing potential models, KCC undertook an internal appraisal to support the new administration in shaping its position on LGR. This appraisal evaluated the relative merits and risks of each option against the Government's criteria and principles for reorganisation. The findings from this initial assessment were subsequently presented to elected Members for their consideration.

Options considered

Initially, six different options of unitarisation were considered as part of the options appraisal:

- **Option 1b**: single unitary covering Kent and Medway
- **Option 2a:** two unitaries (East and West Kent)
- **Option 3a:** three unitaries (North, East and West Kent)
- **Option 4a:** four unitaries (North, East, South and West Kent)
- **Option 4b:** four unitaries (North, East, Mid and West Kent – *with Folkestone and Hythe in Mid Kent)
- **Option 4c:** four unitaries (North, East, Mid and West Kent – *with Maidstone in Mid Kent)

Please note that we have used the same numbering of options as the other Kent and Medway councils to ensure consistency and ease of comparison between business cases. A map of each option is provided later on in this section.

Options 3a, 4a, 4b and 4c were identified through the joint Kent Council Leaders' discussions and information on these options was submitted to Government by some councils alongside the Interim Plan in March 2025. These were therefore included because they were the options that were known to have been identified within Kent and Medway at that point. Options 1b and 2a were also included by KCC with the aim of ensuring that the internal options appraisal provided a broad range of options to help Members reach an informed position. Importantly, each option covers the existing Kent and Medway area and the different geographic configurations are contiguous with existing district and borough boundaries.

Approach

A combination of qualitative and quantitative data was used to support the initial options appraisal against the government criteria, drawing upon both internal and independent analysis to ensure multiple viewpoints were considered and to avoid any potential biases. The table to the right shows which pieces of evidence were used to score each individual government criterion.

	Government criteria	Evidence used
A	A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government	Option profiles, financial assessment and housing delivery analysis
B	Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks	Option profiles, financial and transformation assessments
C	Unitary structures must prioritise the delivery of high-quality and sustainable public services to citizens	Transformation assessment and financial assessment on disaggregation
D	Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views	Engagement and democracy and local identity assessments
E	New unitary structures must support devolution arrangements	Devolution assessment
F	New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment	Democracy and local identity assessment

Financial assessment

This incorporated analysis by KCC's Finance division and externally commissioned modelling from Newton and PwC. It considered council tax yield and the distribution of spend on key KCC services in the potential new unitaries, council tax harmonisation and levels of debt and reserves. The assessment also considered the findings of the County Councils Network (CCN)/Newton report on the disaggregation impacts on people-based services. Initial financial modelling from PwC provided overall additional operational costs and benefits and initial transition costs arising from new unitary scenarios.

Engagement assessment

This assessment pulled together findings from relevant consultations in Kent including annual Budget consultations and consultations on service changes, as well as national evidence, to provide a 'proxy' engagement position to support the internal options appraisal as far as possible. A direct public engagement exercise was then undertaken later in the process as part of developing the business case to gather feedback from residents and key stakeholders (a summary of the findings is provided in the section 'Engagement with Kent residents and stakeholders').

Democracy and local identity assessment

This assessment provided evidence for criteria around the importance of local identity, culture and heritage in developing proposals for new unitary geographies. It considered travel to work, education and hospital flows to identify the natural travel patterns of Kent and Medway residents. It also considered the potential ratios of councillors to residents in the unitaries for the options included compared to Boundary Commission guidance, as well as opportunities for community engagement and neighbourhood empowerment.

Transformation assessment

This assessment considered the opportunities and disbenefits that each option could have in realising the potential for transformation, whilst also looking at the potential for wider public service reform with partners.

Devolution policy assessment

This assessment considered the extent to which each option would support devolution and how effectively the unitary councils in each option could operate with a Mayoral Strategic Authority at a later time.

Additional pieces of analysis

In order to ensure evidence was available to cover all parts of the Government criteria, some additional evidence and analysis was collated. Options profiles with population and demographic information were developed to provide an overview of the proposed unitary areas in each option and some of the disparities between them. Analysis on housing growth was conducted based on previous housing delivery and predicted growth to identify any challenges in delivering housing that the unitaries considered might face.

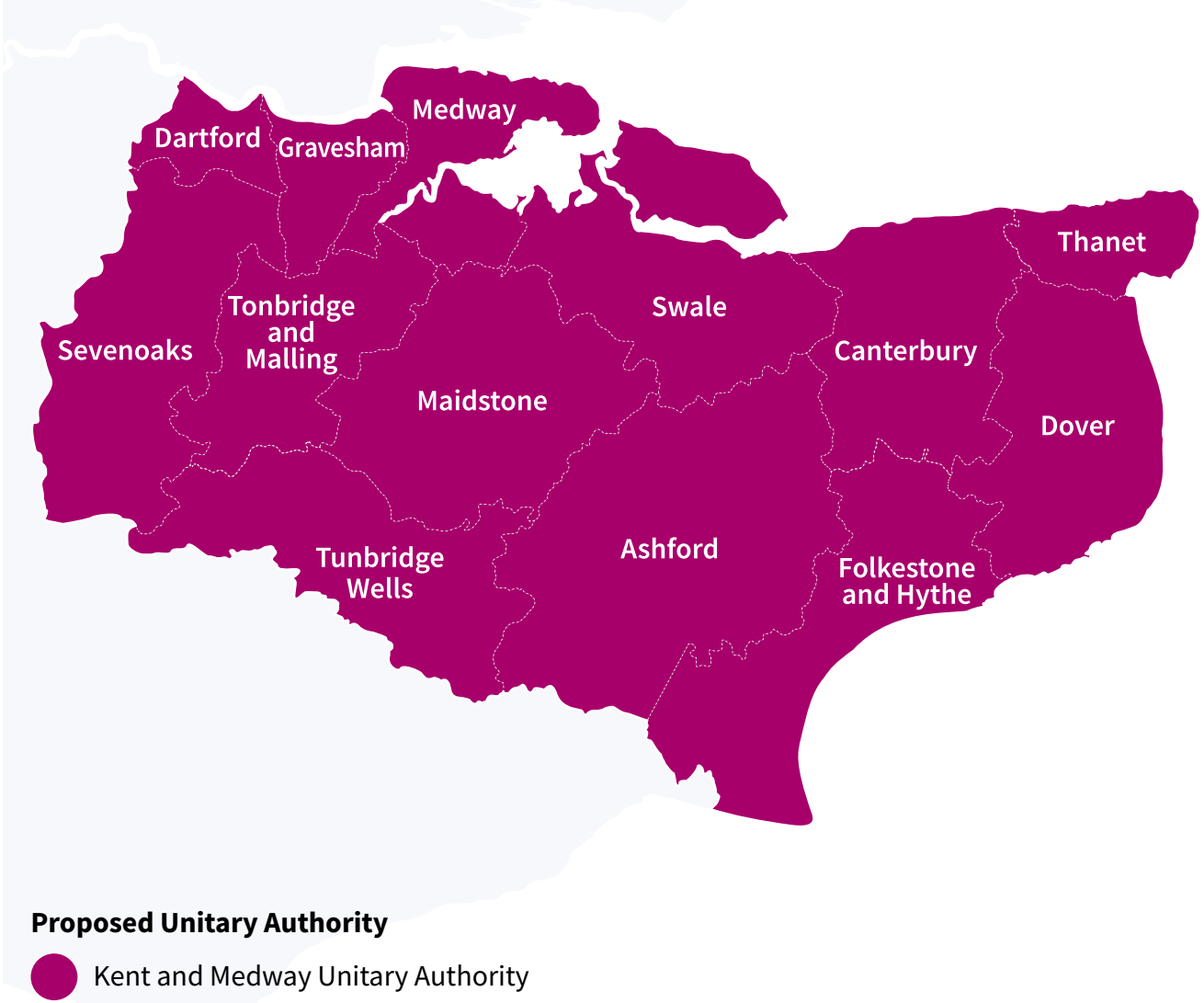
Each individual assessment report has been appended to this business case (collated in Appendix 1) so that they can be viewed in their entirety. Similarly, all data sources have been provided as appendices for transparency and ease of reference.

Scoring and rationale

The assessment reports outlined above were used to score each option against the Government's criteria, along with a set of sub-criteria based on Government's description. Each criterion was judged equally as the Government has been clear weighting will not be applied when considering LGR proposals. Following completion of the options appraisal, a critical friend review was provided by officers who had not been involved in developing the evidence base or options appraisal, to ensure that the process was as robust, balanced and logical as possible based on the evidence available. The detailed scoring table is provided in Appendix 1a.

The outcome of the initial options appraisal is presented below. Please note the information has been significantly summarised and a more detailed explanation can be found in the rationale document (Appendix 1b), which sets out the reasons why each option scored the way it did, drawing on the relevant evidence from the evidence base.

Option 1b - single unitary covering Kent and Medway

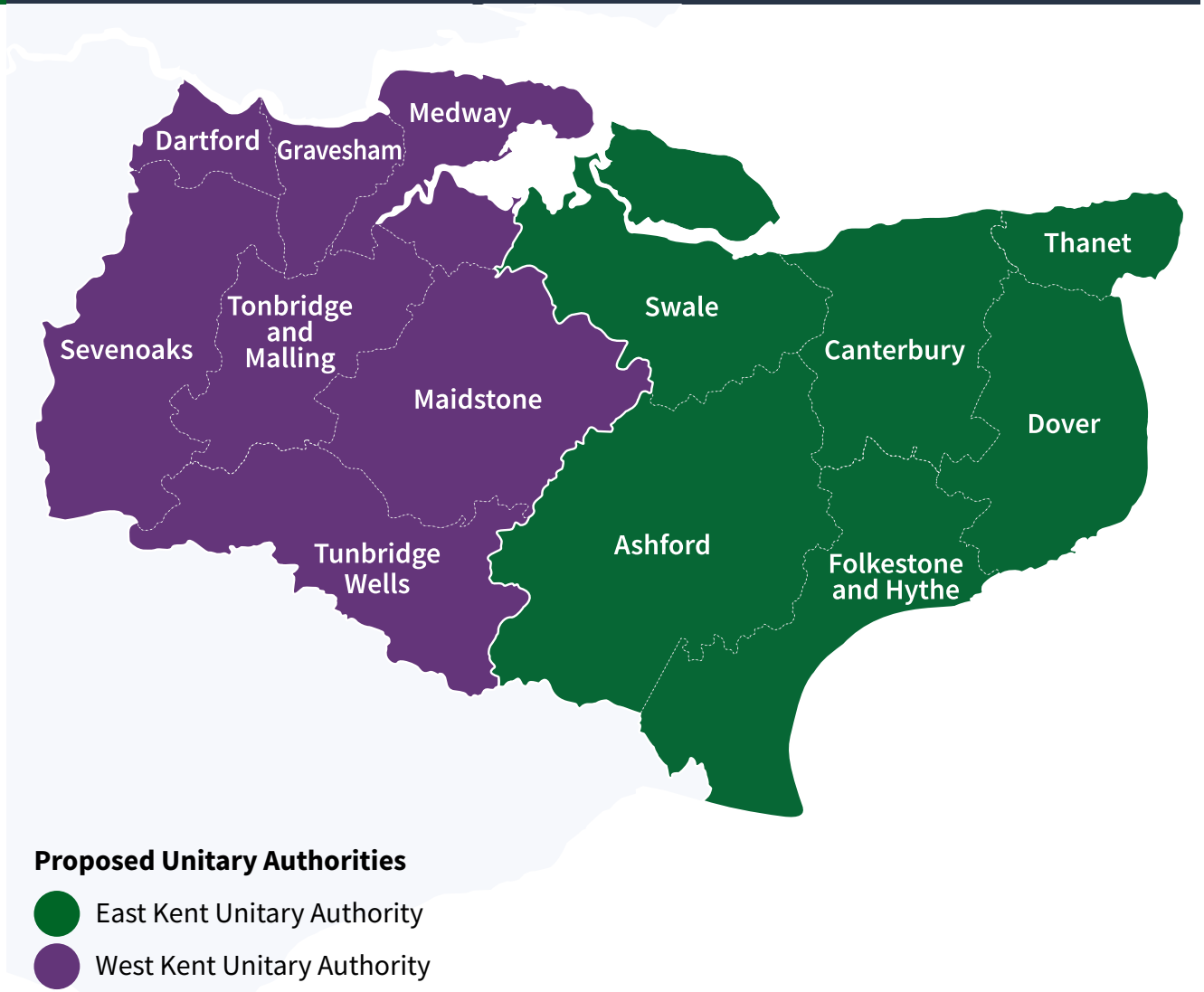


Proposed Unitary Authority

Kent and Medway Unitary Authority

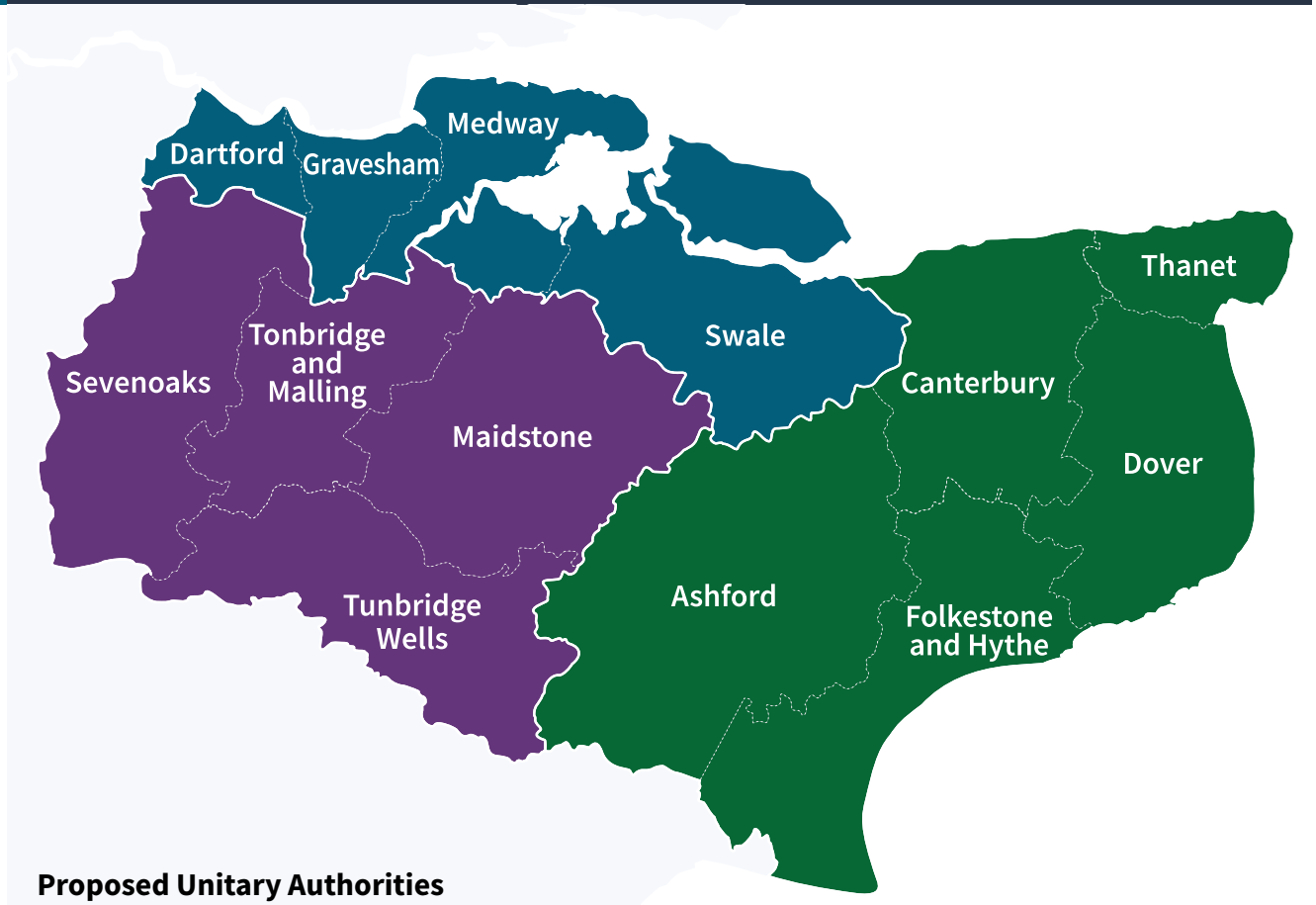
- A single unitary authority for Kent and Medway offered the most financially viable model – delivering the highest net recurring benefit (£49.4m/year), lowest transition costs (£23.2m), and fastest payback (under one year), while avoiding disaggregation costs and risks.
- This model provides the scale and resources needed to deliver high-quality public services, support invest-to-save initiatives, and manage legacy debt strategically across the county.
- Despite its strengths, due to size the model may struggle to reflect local identities or meet specific community needs, exceeds recommended councillor-to-elector ratios, and cannot support devolution arrangements due to lack of neighbouring partners.

Option 2a - two unitaries (East and West Kent)



- This is the most financially viable multi-unitary option, offering a net recurring benefit of £16.5m, transition costs of £25.8m, and a payback period of 3.8 years, with the most balanced debt distribution.
- This model combines the capacity for large-scale transformation with the ability to tailor services locally, though East Kent would bear disproportionate responsibilities for border infrastructure, UASC, and coastal regeneration.
- Population disparity (23%) and higher per-resident spend in East Kent raises concerns about fairness, while the model risks creating a West vs East dynamic and may reinforce perceptions of imbalance between affluent and deprived areas.

Option 3a - three unitaries (North, East and West Kent)

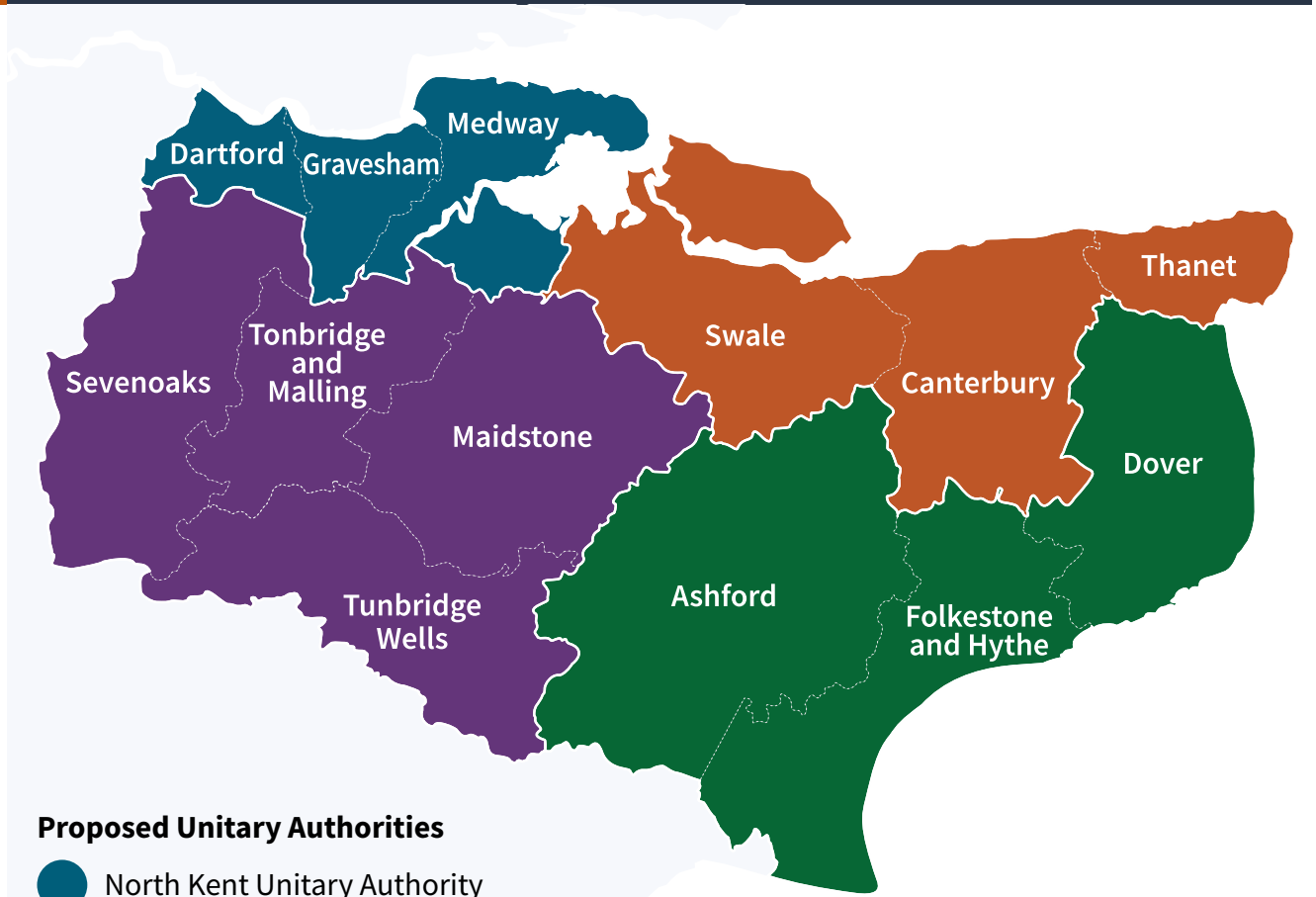


Proposed Unitary Authorities

- North Kent Unitary Authority
- East Kent Unitary Authority
- West Kent Unitary Authority

- Modelling estimates initial transition costs of £42.6m, an annual net recurring benefit of £9.3m and a relatively lengthy payback period of 8.2 years. The estimated total additional costs for people-based services following disaggregation is £14.9m.
- This option best meets Government population guidelines, with the most evenly split authorities (20% disparity), and supports devolution through well-aligned functional economic areas suitable for a Mayoral Strategic Authority.
- The proposed boundaries reflect local identities and existing service patterns, but East Kent would inherit higher adult social care legacy costs and debt levels, raising concerns about equitable resource distribution.

Option 4a – four unitaries (North, East, South and West Kent)

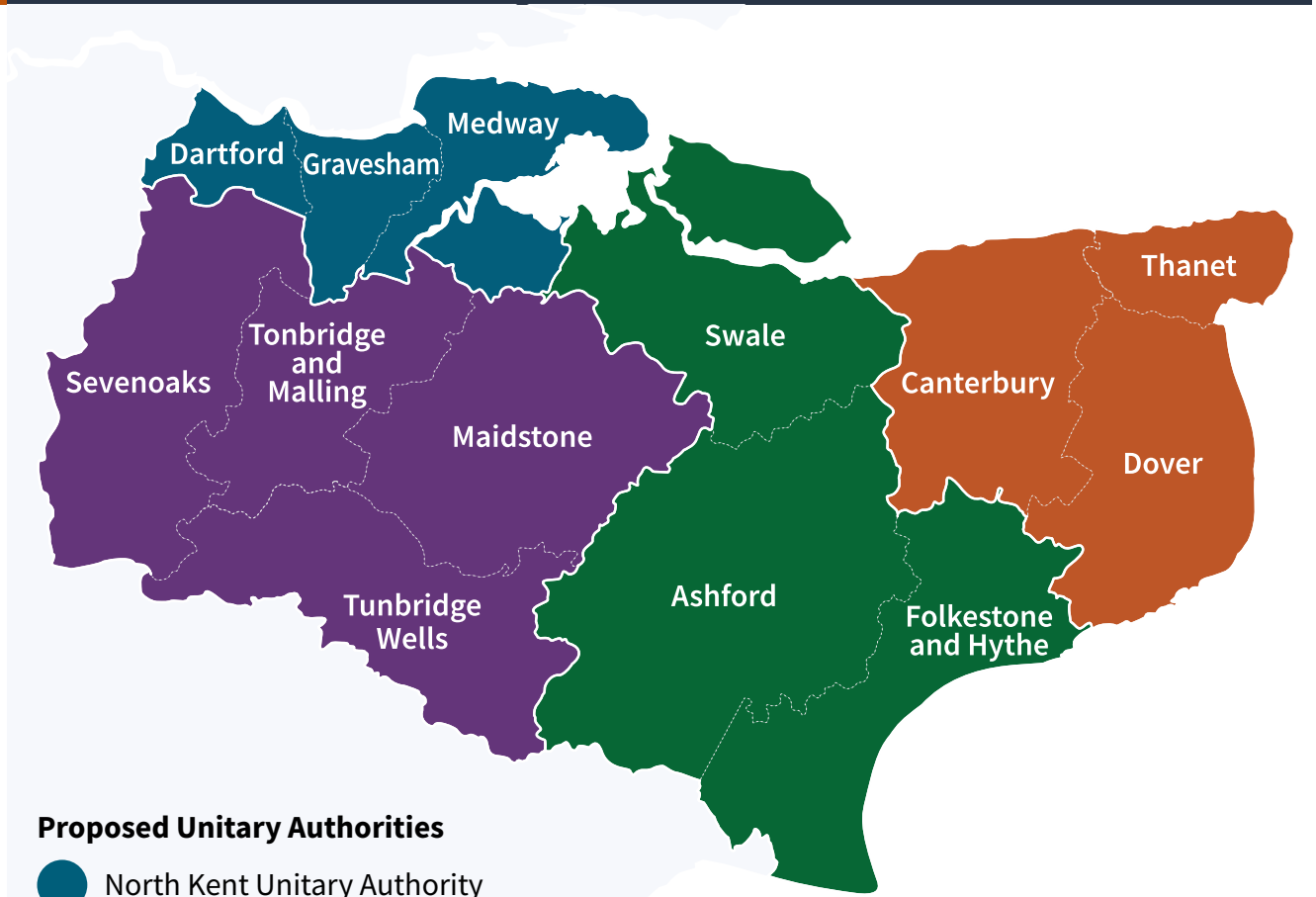


Proposed Unitary Authorities

- North Kent Unitary Authority
- East Kent Unitary Authority
- South Kent Unitary Authority
- West Kent Unitary Authority

- The model incurs the highest transition costs (£54.7m) and results in a recurring net annual loss of £5.4m, with no payback period – i.e. the initial costs would never be paid back. Disaggregation adds £22.7m in costs for people-based services, concentrating high statutory spend in South and East Kent.
- All four proposed unitaries fall within the Government's 300k–800k population range, but show a 34% disparity between the smallest (South Kent) and largest (West Kent). This contributes to the model having the least equitable council tax distribution, with South Kent receiving £173m less than West Kent.
- This option carries the greatest risk of service disruption, diluted expertise, and market destabilisation. While it offers increased local responsiveness, it also separates key infrastructure (e.g. Manston Arrivals Centre from other border infrastructure) and introduces governance complexity.

Option 4b - four unitaries (North, East, Mid and West Kent)

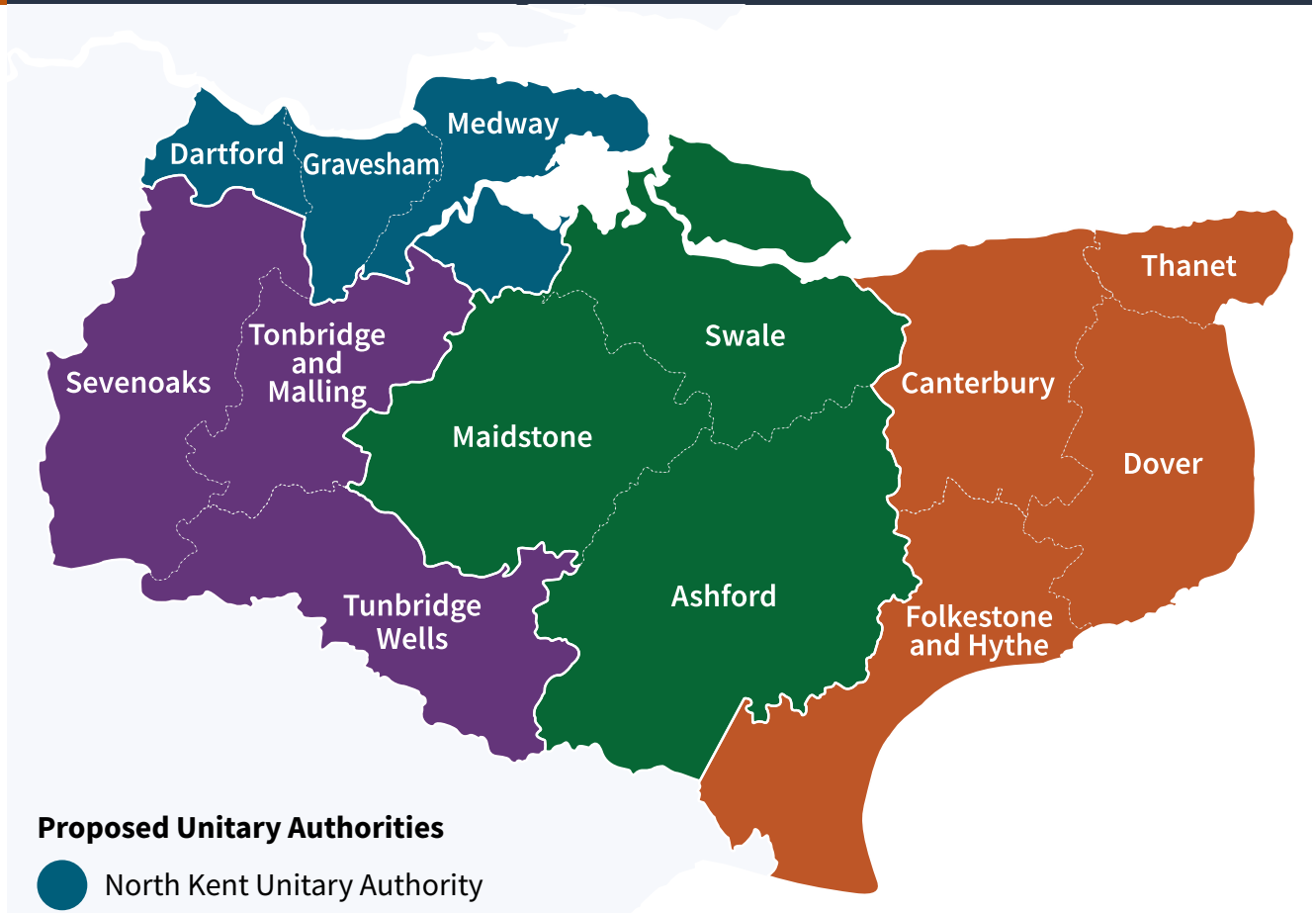


Proposed Unitary Authorities

- North Kent Unitary Authority
- East Kent Unitary Authority
- Mid Kent Unitary Authority
- West Kent Unitary Authority

- Like other four-unitary models, 4b offers no net financial benefit, incurs high transition costs, and lacks a payback period. This option creates a 27% population gap between the largest (West Kent) and smallest (South Kent) unitaries. It also results in unequal debt distribution.
- Disaggregating services adds £20.8m in costs for people-based services. Although unlike option 4a, separating high-cost areas (e.g. Folkestone and Hythe from Dover and Thanet from Swale) helps spread the highest cost areas for adult and children's social care.
- The model misaligns with existing service boundaries and local identities, separates key border infrastructure, and risks inhibiting public service reform. While it improves councillor ratios and local responsiveness, it introduces complexity and fragmentation.

Option 4c – four unitaries (North, East, Mid and West Kent)



Proposed Unitary Authorities

- North Kent Unitary Authority
- East Kent Unitary Authority
- Mid Kent Unitary Authority
- West Kent Unitary Authority

- Like the other four-unitary models, this option offers no net benefit, incurs high transition costs, and has no payback period. Disaggregation adds an estimated £19m in additional costs for people-based services.
- This option creates a 29% population gap between the smallest (West Kent) and largest (East Kent) unitaries – the second highest among all options. It also results in the greatest disparity of debt and creates the most affluent version of a West Kent unitary while concentrating deprivation and high social care spend in East Kent, with a £670 vs £928 per-resident spend disparity.
- The model misaligns with existing service boundaries and local identities, separates key border infrastructure, and risks inhibiting public service reform. However, it supports increased local responsiveness and aligns well with recommended councillor-to-resident ratios.

Outcome of internal options appraisal – development of a new model

The findings of the initial options appraisal were presented to elected Members for consideration. It was clear that a single unitary option was the most viable for Kent and Medway in terms of financial sustainability, debt management, demand management and economies of scale compared to all other model options. Crucially, it was also the only model that mitigated the substantial risks and costs associated with disaggregation. A detailed assessment of implications for Kent and Medway when considered alongside the county's unique position and associated challenges can be found in the section 'The geographic and spatial reality of Kent'.

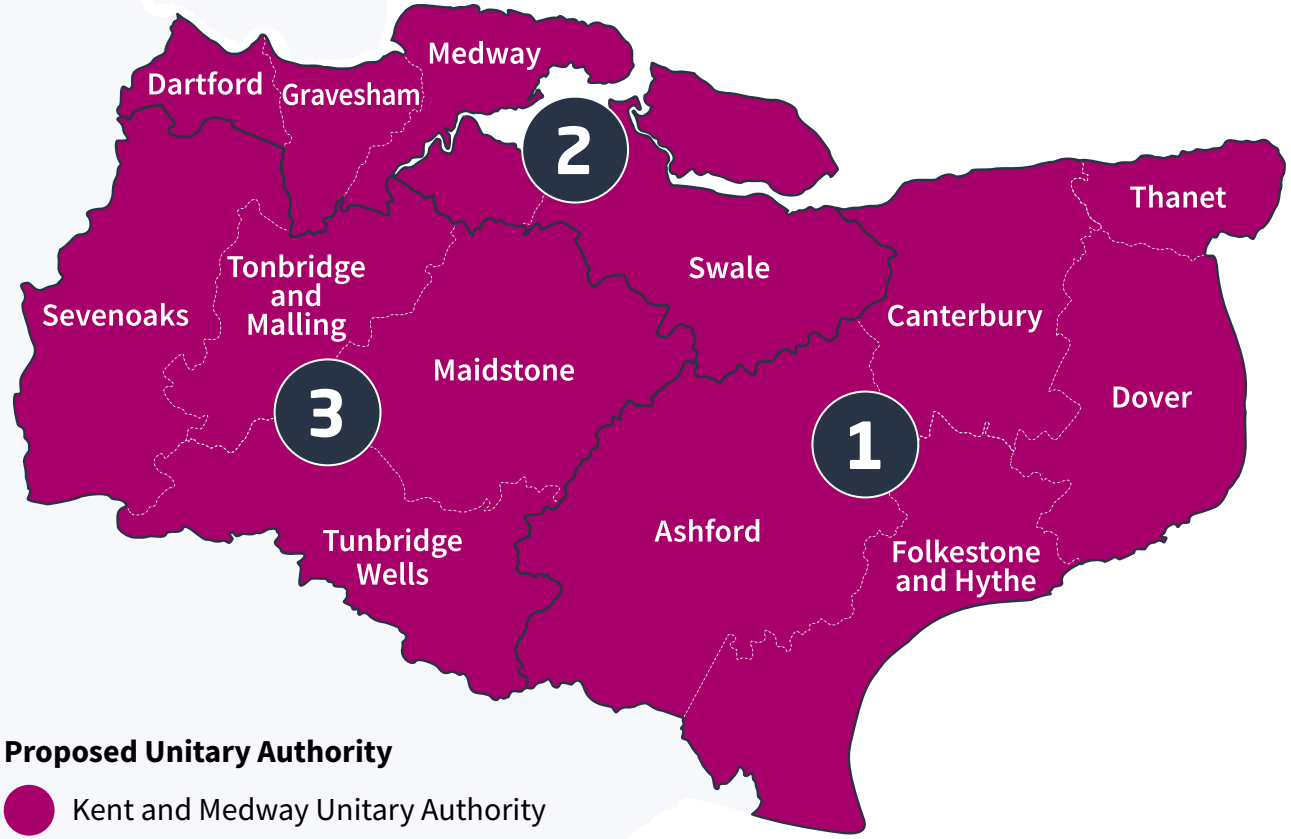
However, it was also accepted that the model presented limitations around enabling community engagement and ability to reflect local identity (which were particular strengths of the three-unitary option). In recognition of this, a new model was proposed: **the creation of a single unitary for Kent and Medway, with three Area Assemblies in North, East and West Kent.**

Subsequent options appraisal for a 'hybrid' single unitary (August 2025)

To assess the viability of this new proposed option, KCC conducted a separate options appraisal using the same methodology and assumptions that were applied to the other options in the initial options appraisal. As with the other options considered and as set out by government, the six criteria were weighted equally. The outcome of this initial assessment is summarised on the following page, with more detail provided in Appendix 1k.

It was clear that a single unitary option was the most viable for Kent and Medway in terms of financial sustainability, debt management, demand management and economies of scale compared to all other model options

Option 1a - single unitary covering Kent and Medway with three Area Assemblies



Proposed Unitary Authority

- Kent and Medway Unitary Authority
- 1 East Kent Area Assembly
- 2 North Kent Area Assembly
- 3 West Kent Area Assembly

- This model is likely to offer lower transition costs, higher net benefits, and a shorter payback period than the multi-unitary options. It also avoids £16.2m in annual disaggregation costs by keeping social care and SEND services countywide, and spreads legacy debt evenly across Kent and Medway.
- A single unitary paired with Area Assemblies balances strategic capacity with local responsiveness. Assemblies in North, East, and West Kent reflect travel, education, and healthcare patterns, supporting local identity without fragmenting services or infrastructure.
- Despite its strengths, this model does not support devolution arrangements due to its single-authority footprint and could require significantly more elected Members than recommended by the LGBCE.

Joint options appraisal (September 2025)

Ten potential options were raised at the start of the joint options appraisal process, but Kent Council Leaders jointly agreed to rule out three options, leaving seven remaining in scope for the options appraisal:

- **Option 1a:** single unitary covering Kent and Medway with three Area Assemblies in North, East and West Kent
- **Option 3a:** three unitaries in North, East and West Kent
- **Option 4a:** four unitaries in North, East, South and West Kent
- **Option 4b:** four unitaries in North, East, Mid and West Kent (*with Folkestone and Hythe in Mid Kent)
- **Option 4c:** four unitaries in North, East, Mid and West Kent (*with Maidstone in Mid Kent)
- **Option 4d:** four unitaries in North, East, Mid and West Kent (with boundary changes)
- **Option 5a:** five unitaries in North, East, Mid, South and West Kent (with boundary changes)

Approach

Working with council partners, KPMG assessed each proposed option against the government's criteria, using a scoring matrix of High, Medium and Low. With direct reference to the government criteria and linked guidance, 14 evaluation criteria were defined for options to be assessed against. For each evaluation criteria, a series of metrics were identified, with a statement of "what good looks like" agreed as well as a definition of 'High', 'Medium' and 'Low'. All options were then scored against all metrics with average results for each criterion presented in an overall dashboard (see Appendix 2).

Scoring and rationale

Although different methodologies were used for scoring, the overall findings of both options appraisals (KCC's and the joint one) were broadly similar. To avoid duplication, the remainder of this section does not individually assess how each option scored in the joint options appraisal; rather, it summarises where the two options appraisals agree, and where they differ.

Similarities:

- The joint options appraisal noted that an advantage of option 1a is that it 'retains the economic area of Kent and maximises the existing tax base for allocation across Area Assemblies'.
- It identified, as KCC's did, that the 'biggest driver of additional transition complexity and cost are the number of unitary authorities being proposed'. It also concluded that option 1a had the most potential to 'deliver efficiencies through larger economies of scale'.
- Option 1a scored highly in the joint options appraisal for delivering sustainable public services, as a single unitary could 'potentially avoid service fragmentation entirely by maintaining a single top-tier authority. It ensures continuity of service delivery, simplifies governance, and reduces transition risk'.
- The joint appraisal acknowledged, as KCC's did, that option 1a 'minimises ongoing costs of disaggregation through a single approach to people services' (Adult Social Care, Children's Social Care and SEND). It also anticipated 'lower implementation costs due to lower levels of disaggregation'.
- Similar to KCC's conclusion, the joint appraisal acknowledged that option 1a helps manage legacy debt by pooling 'reserves and assets in a single unitary to be allocated across Kent and Medway'.
- It similarly recognised that option 1a 'aligns with existing NHS Kent and Medway ICB boundaries and the footprint of many partners, including Kent Police', potentially aiding public service reform.
- The joint appraisal identified, as KCC's did, significant challenges for option 1a around 'addressing local concerns with either a very low member: elector ratio or a very large number of members'.
- Regarding devolution, the joint appraisal agreed with KCC's assessment that option 1a provides only 'one constituent member which would therefore require an exception from Government to secure a devolution deal'.

Differences:

- The joint options appraisal scored local identity lower than KCC's options appraisal did because of the 'size and scale of the single unitary', although it did acknowledge that the structure does 'represent the historic boundaries of Kent'. It argued that 'whilst Area Assemblies might help retain some place-based connection, concerns were raised about dilution of local voices'.
- Regarding community engagement, the joint appraisal scored option 1a lower than KCC did, stating it was 'to be determined how Area Assemblies would engage with and empower communities'. It argued that with a large population, there would be a 'risk that community engagement and empowerment would be lost through operating too remotely from residents and partners'.

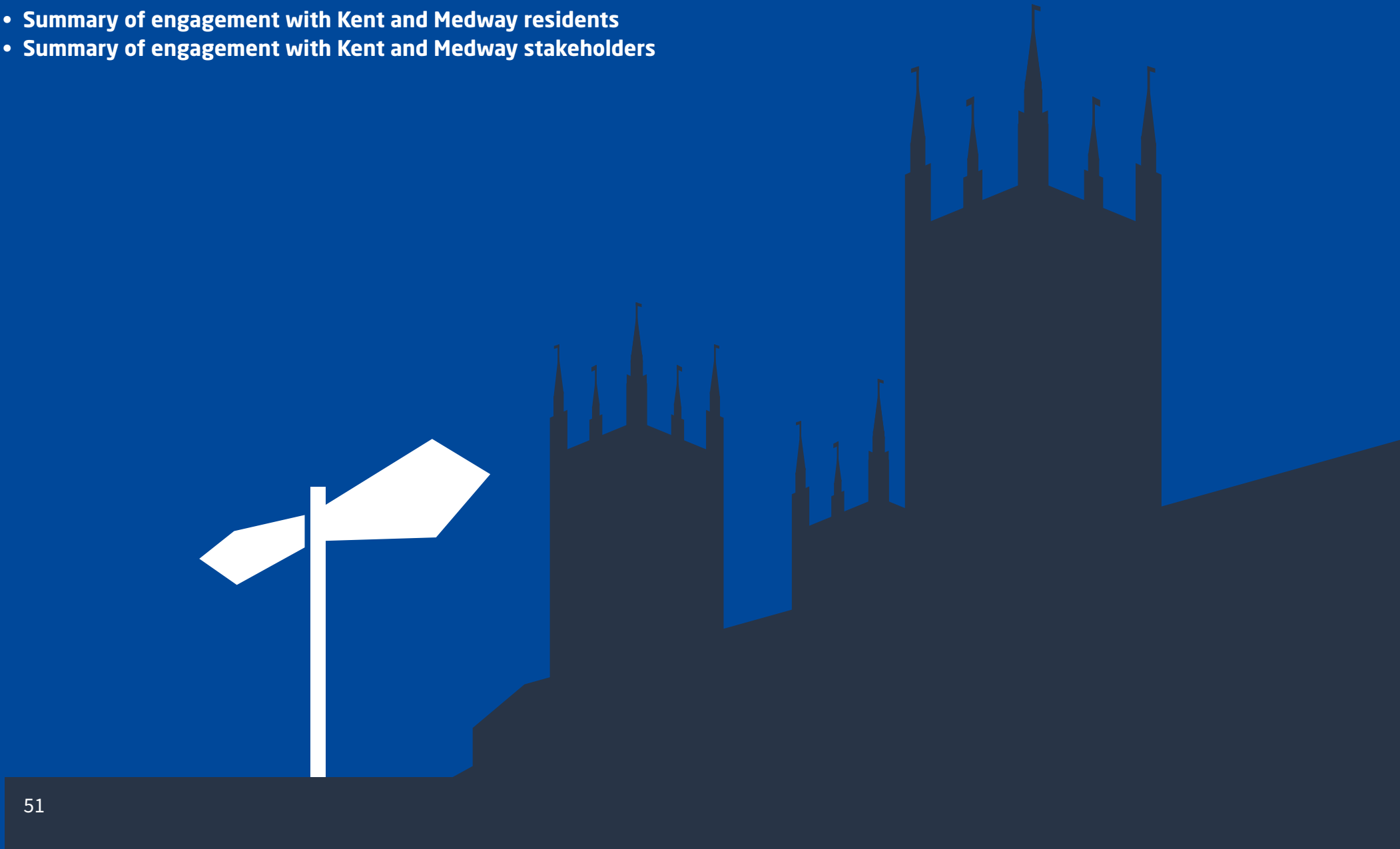
However, KCC's administration concluded that these issues could be sufficiently managed through design of the model option, especially given the enhanced capacity that the single unitary would have to invest in community engagement.

The joint appraisal also considered two further options that KCC did not model in the internal options appraisal – options 4d and 5a. Both of these options introduce boundary changes, extremely complex in the case of 4d, which makes it very difficult to provide an accurate data-based assessment of the viability of these two options. It is important that any future model for local government in Kent and Medway is respectful of established natural communities and existing service delivery arrangements – both options 4d and 5a cut across these boundaries. Options 4d and 5a are also not compatible with the KCC administration's position that financial sustainability is paramount, with modelling undertaken by KPMG showing that both options would carry the same inherent financial risks as the other four unitary options, but with added costs for boundary changes. Option 5a would also incur additional disaggregation costs by creating an extra unitary.

Critically, nothing material within the joint options appraisal contradicted KCC's initial assessment or changed the view of KCC's administration that a single unitary is the right solution for Kent and Medway.

Engagement with Kent and Medway residents and stakeholders

- **Summary of engagement with Kent and Medway residents**
- **Summary of engagement with Kent and Medway stakeholders**



Summary of engagement with Kent and Medway residents

KCC conducted a resident survey to gather views on LGR in Kent and Medway. Although time has been limited to engage during this stage of the process due to the contained timeline we are working to, it is important that the views and priorities of local people are included in this Strategic Business Case to support Government decision-making.

The survey was open from 30th September to 26th October 2025 and received 2,685 responses from across Kent and Medway. It was distributed via online platforms (Snap Surveys), council communications, and social media, with printed copies available on request. While self-selecting in nature, the survey captured a broad range of views and priorities. Importantly, residents were not asked to choose between specific reorganisation options, but rather to share their general views on LGR and their priorities for local government in the future.

The full resident survey report is available at Appendix 3a. Key findings from the survey are summarised in this section.

Opinions on LGR and council size

There are mixed opinions in relation to whether people think that local government in Kent needs major reorganisation or not. Similarly, there is not a clear strong preference for whether people would prefer a smaller, more local council or a larger, potentially more cost-efficient council. However, there are differences by age group, with under 35s favouring a larger council, assuming this comes with economies of scale, and those over 56 typically favouring a smaller council. Those aged 36-55 had balanced preferences.

Furthermore, for those supporting the idea of a major reorganisation, there is a strong preference for 'council services managed by a larger council covering a bigger area, but potentially at a lower cost than a smaller council' (58% preferring larger vs 34% preferring smaller). The opposite is true for those who would prefer to retain the existing councils (18% preferring larger vs 73% preferring smaller). For those who are unsure about reorganisation, a similar proportion said they would prefer a larger council as a smaller one.

Belonging and inter-district connections

The data indicates that the majority of people have a strong sense of belonging at all geographical levels within Kent (local village/ town/city; district/borough; Kent as a whole). Option 3a preserves 60% of strong inter-district connections that residents feel, whereas option 4b preserves 46%. By definition, option 1a preserves 100% of inter-district connections at the unitary level and 60% at the area assembly level. It is not possible to model inter-district connections for option 4d and option 5a due to the boundary changes involved.

What residents want

What people describe as being particularly important for their council to achieve covers a broad range of priorities which could be in competition with each other – quality, value-for-money, local representation and resident involvement all received over 90% agreement. This indicates that any successful future model would need to carefully balance each of these factors. The balance that residents desire may also be different for different council services; however, this survey is not able to provide further insight on this.

Views on cost implications

If LGR is to happen, the cost implications are very important to people. 64% of respondents agreed that any changes to local government in Kent must save money in the long-term compared to how things are run now, only 14% disagreed with this. There is a clear expectation that whatever option is taken forward must result in a system that costs less than continuing with the current one. However, within this context of a significant majority wanting a cheaper system overall, some would be prepared to pay more council tax if it resulted in decisions being made more locally than in another option. The 56+ age group had a slight preference for this, and the other two age groups were more strongly opposed.

The balance that residents desire may also be different for different council services

Summary of engagement with Kent and Medway stakeholders

The aim of this engagement was to gather feedback on the proposed single unitary model so this could be included in the Strategic Business Case. Over 160 stakeholders from a broad range of organisations including MPs, business representatives, health, education, police, and the voluntary, community, and social enterprise sector (VCSE) were invited to share their views.

As part of the information gathering process, stakeholders were asked to consider questions around the potential benefits of a single unitary authority across Kent and Medway, the implications for their organisations, any concerns they might have, and how an Area Assembly model could support their operational delivery and ambitions. Feedback was collected via email submissions and in-person conversations, coordinated by KCC staff on behalf of the Leader.

The full stakeholder engagement report is available at Appendix 3b. Key findings from the engagement are summarised below.

Improved consistency and co-ordination

Many respondents recognised the potential benefits of a county-wide approach to strategic services such as housing, infrastructure, planning, and education. It was felt that a unified structure could support more consistent policy, stronger alignment across sectors, and improved coordination with national partners.

A streamlined and simplified structure

Supporters of the proposal highlighted the opportunity to reduce duplication of governance and bureaucracy. A streamlined structure was seen as a way to simplify service responsibilities, improve clarity for residents, and enhance access to council services.

Accountability and identity

Respondents noted that, if well planned and implemented, reorganisation could strengthen local accountability, clarify governance arrangements, and improve responsiveness. There was also support for a single strong voice to represent Kent's identity and geographic significance as the gateway to Europe and with stakeholders. Stakeholders emphasised the need for any new model to preserve established partnership working and existing structures at a Kent and Medway level, particularly those that support business, skills and growth. However, some stakeholders raised concerns that a single unitary authority could weaken local identity and diminish democratic representation, particularly in coastal and rural areas.

Debt and asset disparity

Concerns were raised about unequal debt levels across councils, with calls to protect debt-free authorities from inheriting unsustainable liabilities. Stakeholders also questioned asset management under a centralised authority, advocating for local control.

Area Assemblies

Views on the introduction of Area Assemblies were mixed. Some saw them as a safeguard for maintaining local accountability, provided they are well-resourced, clearly empowered, and built on existing partnerships. Others raised concerns about the risk of added complexity and cost. Many respondents emphasised the role of Town and Parish Councils and the need to empower them with adequate resources to shape their communities effectively

LGR process

Respondents had concerns about the impact of reorganisation on service delivery and highlighted risks of disruption and decision-making delays during transition, with fears that restructuring could delay key services like housing and regeneration.

Many stakeholders expressed interest in being involved in the implementation of the new unitary arrangements which is welcomed – working with stakeholders will be a key principle of our approach to a successful transition.

Part Two

The case for a single unitary

Financial assessment

- Financial assessment summary
- Approach
- Financial benefits and costs of unitarisation
- Other financial considerations

Financial assessment summary

Local authorities in the Kent and Medway area face a number of significant financial challenges, in particular the rising demand, cost and complexity of providing crucial adult social care services to a growing and ageing population with pressures on social care providers, high cost of children's social care placements, and the rapidly increasing cost of SEND services. These challenges are in the context of an uneven distribution of demand for services and deprivation across the Kent and Medway area, with higher levels of need in northern and eastern areas compared to western areas. There are also significant disparities in the distribution of service providers with higher concentration of provision in some areas compared to others. Currently KCC's scale and county-wide responsibilities mean that these challenges can be mitigated, and inequalities are lessened through the distribution of spend and resource.

A single unitary authority has lower transition costs and delivers greater savings

With LGR, there will be transition costs to set up new councils and additional costs to disaggregate county-wide services in multi-unitary models, as well as the ongoing annual costs to run these services in their new geographic areas. As is set out below, the financial modelling conducted by KPMG clearly indicates that multi-unitary models result in higher LGR transition costs and deliver lower annual savings, compared to a single unitary authority for the Kent and Medway area.

- In a single unitary authority there will be **no disaggregation costs for people-based services**.
- There will be significant **recurring annual savings of £69m**.
- A single unitary authority will **avoid substantial implementation costs** and will achieve **good economies of scale**.
- The estimated **'payback period' following transition is 3.3 years**.
- After 10 years, the single unitary model is forecast to achieve **savings of £457.4m**.

The following table provides comparison of key financial information across the options being considered for Kent and Medway.

LGR option	Implementation costs (one off) (£m)	Reorganisation savings (gross) (£m)	1a enhancement/ Disaggregation costs (£m)*	Recurring annual savings (£m)**	Estimated payback period (years)	10-year cumulative impact of transformation (£m)
1a	(99.4)	75.0	(6.0)	69.0	3.3	457.4
3a	(127.7)	69.4	(19.7) – (29.2)	49.7 – 40.2	5.4 – 6.7	132.1 – 226.5
4b	(130.9)	67.5	(32.9) – (48.6)	34.6 – 18.9	7.8 – 14.3	(80.6) – 76.7
4d	(135.9)	67.5	(32.9) – (48.6)	34.6 – 18.9	7.9 – 14.5	(85.6) – 71.7
5a	(139.1)	65.7	(46.0) – (68.1)	19.7 – (2.4)	14.0 – no payback	(298.1) – (77.9)

*The range demonstrates the sensitivity of changing just one of the cost assumptions in the model between 0% and 1% for disaggregation costs following collaborative discussions around different scenarios for the impact of LGR on commissioned spend across adult and children's social care. The range is not required for 1a as there is no disaggregation of social care.

** Recurring savings = gross reorganisation savings minus disaggregation costs.

A single unitary authority is financially sustainable and fairest for the entire county

As well as having higher transition costs and lower savings potential, multi-unitary models would lead to significant financial disparities between councils. New local authorities in East and North Kent areas could inherit unsustainable financial challenges due to a combination of high levels of need, limited revenue raising potential and large debts.

- In a single unitary authority, there would be a **single rate of council tax** for the entire area. Whereas, in a multi-unitary model, some residents would have to pay more.

- In a single unitary authority, **council tax would be raised from across the entire area** and distributed where needed. Whereas in multi-unitary models the West Kent unitary authority would have much greater revenue raising potential compared to unitary authorities in northern and eastern areas.
- **The level of debt currently held by councils in Kent and Medway is unequal**, with low levels of debt in Western areas and higher levels in northern and eastern areas. In any of the multi-unitary options, these debts could be concentrated in smaller councils which could prove very challenging for them to service.
- **The levels of reserves currently held by councils are also unequal**, with higher levels of reserves in western areas. Low levels of reserves could impact the ability of new unitary authorities to pay the implementation costs of LGR and to service inherited debts.
- **The costs of people-based services are unevenly distributed, with particularly high costs for adult's social care and children's social care in northern and eastern areas.** In a multi unitary model these costs would be concentrated in smaller councils which could prove unsustainable.
- As well as being unevenly distributed, **the overall costs for people-based services would be higher in a multi-unitary model**. Modelling by Newton estimated that annual costs for people-based services in a single unitary model would be £16.2m lower than the baseline, whereas the costs in a four unitary model would be £20.8 higher, **a difference of £37m**.

A single unitary authority is viable, efficient and fair – it is the responsible choice

A single unitary authority is the most financially resilient option and provides the greatest value for money for the residents of Kent and Medway. While there will still be spending challenges, a single unitary authority will ensure that no area in Kent and Medway is at a financial disadvantage or receives lower quality services, compared to other areas following reorganisation.

- It is **the most efficient** as it avoids duplication of roles and services and ensures a consistent standard of delivery across the whole area.
- Even allowing for enhanced investment in community engagement and the proposed Area Assembly model (explained further in Part Three of this Strategic Business Case), the running costs are lower than in any of the multi-unitary options. The single unitary model therefore **strikes a balance between being reflective and responsive to local communities and strengthening financial resilience**.
- A single unitary authority benefits from being able to **raise revenue from across the entire area** and is **the fairest for council taxpayers** as there will be a single rate of council tax.
- **Inherited debt and the ability to service the debt will be distributed across the entire area rather than concentrated in smaller councils.**
- Demand for people-based services will be met by revenue and resources drawn from the entire area, ensuring that **no part of the county faces unsustainable spending pressure to deliver vital services**.

Approach

As part of KCC's commitment to joint working with the other 13 councils in the area, KCC has contributed to the development of a shared evidence base, including for the financial sustainability analysis. The evidence presented in the 'Financial benefits and costs of unitarisation' section is from this work carried out by KPMG and is part of the shared evidence base, meaning that it has been carried out on a like-for-like basis and is directly comparable to other business cases.

Collaborative working on finance across Kent councils

All fourteen S151 Officers are members of the long-standing Kent Finance Officer Group (KFOG) and for LGR have been responsible for the following key activities:

- Developing working relationships and shared understanding of finances, which will be a key enabler of successful LGR.
- Informing a shared financial baseline.
- Reviewing and collectively updating assumptions behind a base case model for inclusion in proposals to Government.

Approach to modelling the financial impact of LGR

Appendix 3c provides more detailed description of assumptions, approach and results of the financial modelling.

All finance officers across the 14 Kent councils have collaboratively reviewed and informed the financial modelling to provide a single financial assessment of models for inclusion in proposals to Government.

The financial model aims to:

- Quantify the financial impact of the evaluated reorganisation options.
- Compare options on a like-for-like basis, considering savings, costs, and payback.

The financial model estimates savings, disaggregation costs and implementation costs calculated with reference to a series of benchmarked LGR business cases, the characteristics of the options being put forward and the characteristics of local government in Kent.

Whilst being fully supportive of the long-term benefits of LGR, all Kent Finance officers agree that LGR does not in itself provide the solution to the scale of the financial challenge faced. The model does not consider the impact of local government Fair Funding review and the Business Rate reset.

The Kent Finance Officer Group (KFOG) have collectively agreed on the following position on the analysis carried out:

- LGR, whilst generally expected to be positive for local government finances in the long term, will not solve the cost, demand and associated funding challenges currently being faced. The scope of the financial modelling considers purely the impact of reorganisation, all other things being equal.
- The work carried out at this stage is not a full bottom-up exercise of the financial impact of LGR. Assumptions are based on the past LGR business cases produced to support other areas which have been through the LGR submission process in recent years.

- Due to the size and number of councils in Kent, there is not a fully comparable example of a recent programme to confidently benchmark against. Due to the level of complexity, payback periods in Kent may therefore be longer than some other reorganisations.
- The speed of delivery and level of savings post vesting day of the new councils will largely be determined by decisions already made by the predecessor authorities and those taken by the new authorities. These include decisions in relation to contractual obligations, borrowing, transformation and wider public service reform.
- The financial modelling does not take account of how transition costs will be funded.
- The assumptions in the model have not been tested against actual outturn data for any of the previous local government reorganisation programmes.
- Given the context above, the modelling should not be seen as a set of targets that new authorities may be held to account for, as setting the post-vesting day budget will be the responsibility of the new authorities.

This financial case for the single unitary model includes further analysis by Newton and by KCC Finance Officers relating to disaggregation of people-based services. It also includes analysis by KCC Finance Officers on council tax harmonisation, debt, reserves and value of investments based on publicly available data. This is in the section 'Other financial considerations'. In this section, options 4d and 5a have not been modelled. For the Newton analysis, this is because the work was carried out before these options were proposed, and for the internal KCC analysis this is because these options include boundary changes.

Financial benefits and costs of unitarisation

KPMG's financial model is made up of three calculators –

- Implementation costs – estimates the one-off transition costs associated with moving to a new unitary model.
- Disaggregation costs – estimates the additional recurring expenditure that results from moving to a new unitary model.
- Reorganisation savings – estimates the annual high-level savings potential from efficiencies that can be unlocked through reorganisation (e.g. workforce, governance, systems etc.)

The following table provides comparison of key financial information across the options being considered for Kent and Medway.

LGR option	Implementation costs (one off) (£m)	Reorganisation savings (gross) (£m)	1a enhancement/ Disaggregation costs (£m)*	Recurring annual savings (£m)**	Estimated payback period (years)	10-year cumulative impact of transformation (£m)
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4d	(135.9)	67.5	(32.9) – (48.6)	34.6 – 18.9	7.9 – 14.5	(85.6) – 71.7
5a	(139.1)	65.7	(46.0) – (68.1)	19.7 – (2.4)	14.0 – no payback	(298.1) – (77.9)

*The range demonstrates the sensitivity of changing just one of the cost assumptions in the model between 0% and 1% for disaggregation costs following collaborative discussions around different scenarios for the impact of LGR on commissioned spend across adult and children's social care. The range is not required for 1a as there is no disaggregation of social care.

** Recurring savings = gross reorganisation savings minus disaggregation costs.

Implementation costs

The estimated one-off implementation costs for transitioning to the single unitary model are **£99.4m**. This is substantially lower than the implementation costs for any of the multi-unitary models, which have been estimated between **£127.7m** for the three unitary model and **£139.1m** for the five unitary model. The costs associated with implementing the single unitary model are broken down in the table opposite.

One off implementation costs for the single unitary model

Category	Description	Mid Case (£000)
Workforce restructuring and integration	Costs associated with delivering TUPE and salary harmonisation processes. Compensation paid to employees as a result of any redundancies and pension strain. **Note:** no decisions have been made regarding the size of the future workforce and the potential need for redundancies. A significant proportion of staff reductions could be delivered through staff naturally leaving the organisations.	41,194
Workforce – Development	Additional costs to upskill and reskill employees to adapt to new roles and responsibilities.	4,478
Transition – Team	Implementation programme team including Legal, Contract Negotiation, Project and Programme Management, and specialist support.	12,873
Transition – Culture and Communications	Costs to develop communications, branding, training, and public information in relation to new authorities. This should inform the public, stakeholders, and employees of proposed changes and address concerns.	3,582
Transition – Processes	Work required to harmonise processes and facilitate effective service transition. This includes specific constitutional changes and developments, democratic transition, and new policies and procedures.	8,731
Consolidation – Systems	Alignment of systems and digital infrastructure, including merging systems, data migration, commonality of cyber security, and training for new systems.	6,269
Consolidation – Estates and Facilities	Reconfiguration of buildings, costs of disposal, and termination fees on leases.	5,731
Contingency	Additional 20% contingency to allow for prudence in estimates.	16,572
	Total	**£99,429**

Source – KPMG analysis for shared evidence base, agreed by KFOG

The single unitary model avoids some of the major costs associated with implementation that would occur in a multi-unitary model. This includes avoiding costs associating with disaggregating current KCC systems compared to the other models and an assumed £3m implementation cost per additional unitary authority.

Implementation costs in the single unitary model are phased over a shorter period of time compared to the multi-unitary models, with most costs incurred within three years, as set out in the table opposite. This is because the transition process will be materially different in that it will be a centralisation programme rather than a disaggregation programme. This means that payback will be achieved sooner, resulting in greater savings at the 10-year mark.

Implementation costs phasing for single unitary model

Category	Shadow year – 27/28	Year 1 – 28/29	Year 2 – 29/30	Year 3 – 30/31	Year 4 – 31/32
Workforce restructuring and integration	5%	15%	40%	40%	–
Workforce – Development	10%	50%	40%	–	–
Transition – Team	25%	40%	30%	5%	–
Transition – Culture and Communications	20%	50%	30%	–	–
Transition – Processes	5%	25%	40%	30%	–
Consolidation – Systems	5%	25%	40%	30%	–
Consolidation – Estates and Facilities	–	5%	25%	30%	40%
Contingency	10%	30%	30%	30%	–

Source – KPMG analysis for shared evidence base, agreed by KFOG

1a enhancement/disaggregation costs

In the single unitary model, there is no disaggregation of people-based services. In comparison to the multi-unitary models this produces a major recurring saving. The estimated recurring costs of £6.0m in the single unitary model relate to the costs to run the three Area Assemblies, and the place-based services which they will have responsibility for, and the enhanced community engagement function as set out in the table opposite. These costs are not phased as they are assumed to be incurred from day 1.

The costs for the Area Assemblies were estimated using the methodology for disaggregation which was jointly agreed to by the 14 councils, with data provided by KCC. The same modelling assumptions and cost categories were used as the other LGR options, including management, IT, and commissioned spend.

While these are not strictly disaggregation costs as they will still be run by a single unitary authority, they are an extra recurring cost which will be incurred due to the structures of the single unitary authority. They have therefore been included alongside the disaggregation calculation for comparison and transparency.

Enhancement costs for the single unitary model

Category	Description	Mid Case (£000)
Cost of community navigators	As part of the additional community engagement team it is expected there will be 27 additional community navigators. These are expected to be KCC grade 10 posts.	1,100
Cost of supervisors	Also, as part of the additional community engagement team, there will also be three additional supervisors at KCC grade 12.	164
Enhanced contact centre	To support the 1 unitary, the existing contact centre will be enhanced. This is currently a contracted and it is assumed that the scope of the contract will be extended.	1,000
Enhanced consultation team	Also to support the 1 unitary, the consultation team will also be enhanced by adding 3 additional FTE to the existing team of 4.	221
Area Assemblies	Additional costs associated with Area Assemblies – relating to highways maintenance, economic development, family hubs, community services, environmental management and community safety.	3,509
	Total	**£6,024**

Source – KPMG analysis for shared evidence base, agreed by KFOG

As well as ensuring the continuity of critical services, maintaining people-based services at the county-wide level has clear financial benefits. This will guarantee the financial sustainability of these services, particularly in light of geographic disparities in demand for services (as is detailed under 'Other financial considerations').

While there is an additional cost to run the Area Assemblies and place-based services in our model, as well as the enhanced community engagement function, these costs are immaterial in comparison to the substantial disaggregation costs that the multi-unitary models will incur. The single unitary model therefore strikes a balance between being reflective and responsive to local communities and strengthening financial resilience.

The single unitary model therefore strikes a balance between being reflective and responsive to local communities and strengthening financial resilience

Reorganisation savings

The estimated recurrent savings that would be achieved for the single unitary model is **£75.0m**. These savings are higher than would be achieved in any of the multi-unitary models. This is because a single unitary would achieve maximum economies of scale, whereas with each additional unitary authority the potential savings are eroded. A detailed breakdown of the savings for the single unitary model is included in the table opposite.

Reorganisation savings for the single unitary model

Category	Description	Mid Case (£000)
Optimising Leadership	Reviewing the number of managerial roles to eliminate duplication and enhance operational efficiency, by merging similar responsibilities into fewer and more impactful positions.	10,838
Right Sizing the Organisation	Determining the right size of the organisation, proportionate to the services that are being delivered, offset by the costs of new technology and upskilling individuals. Reducing overall workforce through role consolidation and automation.	20,843
Consolidating Corporate Services	Consolidating back-office functions, such as Human Resources (HR), Finance and Information Technology (IT) to streamline operations, enhance efficiencies and unlock savings.	8,337
Procurement and 3rd Party Spend	Centralising procurement to determine resultant costs/savings through relative purchasing power and renegotiating terms with suppliers. Where appropriate, consolidating similar contracts for service delivery, presents an opportunity to renegotiate terms and achieve economies of scale with suppliers.	12,506
Service Contract Consolidation	Understanding current and joint service arrangements between Councils, and what savings (or costs) may be incurred on consolidation. Determining the optimum sourcing arrangements for contracts that are either currently outsourced or could be outsourced. This will need to consider both financial and operational efficiency and will consider existing arrangements with third parties.	10,421

Category	Description	Mid Case (£000)
Proportionate Democratic Services	Reviewing the costs of democratic services (elections, committee support, etc.) to be proportionate to the new authority. Reducing the number of councillors and governance costs (e.g. committees, elections).	2,918
Improved Digital and IT Systems	Implementing unified digital platforms, automating repetitive tasks, streamlining workflows, and eliminating manual processes, can lead to significant time and cost savings. Unified platforms and systems rationalisation reduce licensing, support, and admin overheads.	5,002
Asset and Property Optimisation	Reviewing property portfolio to ensure alignment with the council's overall objectives and community needs.	7,503
Customer Engagement	Enhancing customer contact facilities, determining the needs of citizens in the new authority and developing a proportionate customer contact centre, where appropriate including self-service through digital channels, to improve customer engagement, satisfaction and drive operational efficiencies and cost savings.	2,501
Consolidating Fleets and Optimising Routes	Exploring consolidation of fleets and any route efficiencies, to reduce costs and minimise environmental impact. Reducing fleet size and improving vehicle routing to lower transport costs.	2,501
Contingency	10% contingency included to allow prudence in estimates.	-8,337
	Total	**£75,035**

Source – KPMG analysis for shared evidence base, agreed by KFOG

As with implementation costs, the phasing of these savings is delivered over a shorter period than in the multi-unitary models, mostly within three years as set out below, meaning that the full benefit of reorganisation will be realised sooner.

Reorganisation savings phasing for the single unitary model

Category	Year 1 – 28/29	Year 2 – 29/30	Year 3 – 30/31	Year 4 – 31/32	Year 5 – 32/33
Optimising Leadership	10%	40%	40%	10%	–
Right Sizing the Organisation	10%	40%	40%	10%	–
Consolidating Corporate Services	10%	40%	40%	10%	–
Procurement and 3rd Party Spend	10%	20%	30%	20%	20%
Service Contract Consolidation	10%	20%	30%	20%	20%
Proportionate Democratic Services	80%	20%	–	–	–
Improved Digital and IT Systems	5%	30%	30%	30%	5%
Asset and Property Optimisation	10%	15%	25%	25%	25%
Customer Engagement	20%	40%	40%	–	–
Consolidating Fleets and Optimising Routes	–	20%	45%	35%	–
Contingency	15%	30%	30%	20%	5%

Source – KPMG analysis for shared evidence base, agreed by KFOG

Net recurring annual saving, payback period and 10-year cumulative impact

The net recurring saving, once all implementation costs and savings have been phased in, for the single unitary model is **£69m per year**. This is a greater recurrent saving than would be made in any of the multi-unitary models with estimates ranging from £49.7m saving in option 3a to a potential additional cost of £2.4m in option 5a.

In the single unitary authority, the estimated payback period, allowing for phased costs and savings, is **3.3 years**. This is far quicker than any of the multi-unitary options, in particular options 4b and 4d which could take over 14 years to payback, and option 5a which may never achieve payback.

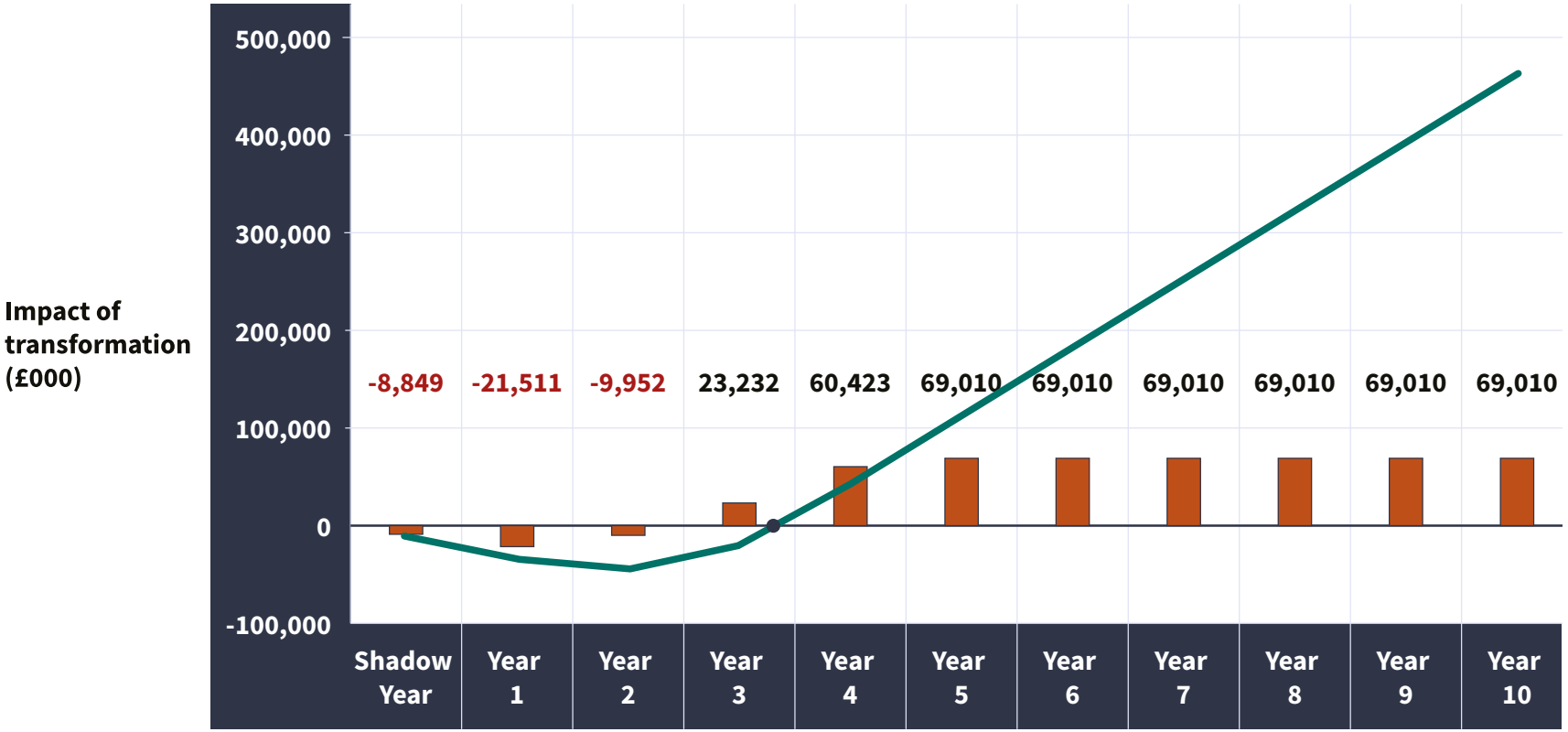
For option 1a, the 10-year cumulative impact of transformation is a saving of **£457.4m** which is more than double the highest estimated saving for the multi-unitary options even at the higher end of the range (option 3a). The 1a impact is broken down over the 10-year period in the following table and graph.

10 year impact for the single unitary model

(£000s)	Shadow 27/28	Year 1 28/29	Year 2 29/30	Year 3 30/31	Year 4 31/32	Year 5 32/33	Year 6 33/34	Year 7 34/35	Year 8 35/36	Year 9 36/37	Year 10 37/38
Implementation costs	-8,849	-24,366	-35,609	-28,312	-2,293	0	0	0	0	0	0
1a enhancement costs	0	-6,024	-6,024	-6,024	-6,024	-6,024	-6,024	-6,024	-6,024	-6,024	-6,024
Reorganisation savings	0	8,879	31,681	57,568	68,740	75,035	75,035	75,035	75,035	75,035	75,035
Annual net savings	-8,849	-21,511	-9,952	23,232	60,423	69,010	69,010	69,010	69,010	69,010	69,010
											Cumulative impact of transformation after 10 years £457,405

Source – KPMG analysis for shared evidence base, agreed by KFOG

Cumulative Impact of LGR and Breakeven Point - Option 1a



The difference in cumulative benefit between a single unitary and the multi-unitary options on band D council tax over a ten-year period is:

3a – between £340 and £478
4b – between £560 and £791
4d – between £567 and £799
5a – between £787 and £1,111

Total Annual Net (Costs)/Savings

Total Cumulative Net (Costs)/Savings

Source – KPMG analysis for shared evidence base, agreed by KFOG

Other financial considerations

For the following analysis conducted by Newton and by KCC Finance Officers, options 4d and 5a have not been included as part of the comparison. For the Newton analysis, this is because the analysis was conducted prior to these options being proposed. For the analysis conducted internally by KCC, this is because the boundaries for these options do not align with existing district boundaries.

The analysis is based on actual results for the most recent financial year for which they are available, using publicly available data sets or data submitted by the 14 councils for the shared evidence base. The data for budget gap and reserves included in the financial analysis for the shared work (included as Appendix 3c) is based on forecasted figures for 28/29, submitted by the 14 councils. It can be difficult to accurately forecast these metrics so far in advance, particularly due to the unknown impacts of Fair Funding Review 2.0 and future budget decisions. KCC is of the view that using actual figures provides a more accurate and consistent measure upon which to compare and assess the financial sustainability of the different LGR options. For this reason, these forecasted metrics have not been included in this section of the business case, but they are provided in the appendix.

When calculating 'per head of population' measures, the KCC internal analysis used **mid-2023 projections of population per district**.

Council tax harmonisation

Council tax harmonisation is the process of aligning council tax rates across different areas when multiple councils merge into a single unitary authority. Under our proposal for a single unitary authority this process would apply to all 14 councils in the Kent and Medway area, meaning that there would be a single rate of council tax covering the entire area. This is in contrast to the current situation or to any of the multi-unitary models, in which there would be multiple council tax rates across the area, with some residents paying more than others depending on where they live.

Council tax harmonisation is a legal requirement for new unitary authorities and they must set a uniform level of council tax by year 8 of their existence. The approach to council tax harmonisation will be a decision for the new unitary authority. They may choose to harmonise in year 1 or gradually, by incrementally increasing and decreasing rates in different areas towards a uniform level. They will also need to decide the rate at which they harmonise to, whether that be to the lowest predecessor rate, or at an average point between the different predecessor rates. A gradual approach would mean smaller changes in council tax rates for residents in some local areas, but it would also mean there would be a period in which there are different rates of council tax in different areas within the single unitary authority and depending on the approach taken could lead to lower council tax yields compared to harmonising in year 1.

The table opposite sets out the current band D council tax rates for the 14 councils and their taxbase for 25/26. In two-tier areas the rates are combined to give an overall amount. In the Kent and Medway area the highest band D rate is in Folkestone and Hythe at £1,966 and the lowest is in Medway which is £1,834 – a difference of £162.

Band D Council tax rates and taxbase 2025/26

Council	25/26 band D Charge	25/26 Combined band D Charge	25/26 Taxbase (net band D equivalent dwellings)
Kent CC	£1,691.19	-	(587,921.91)
Medway UA	£1,834.27	-	£92,100.20
Ashford	£193.58	£1,884.77	£49,332.00
Canterbury	£247.05	£1,938.24	£55,053.98
Dartford	£188.64	£1,879.83	£41,702.34
Dover	£220.77	£1,911.96	£42,119.72
Folkestone and Hythe	£304.81	£1,996.00	£41,413.64
Gravesham	£237.96	£1,929.15	£35,442.89
Maidstone	£301.68	£1,992.87	£68,085.50
Sevenoaks	£251.01	£1,942.20	£53,008.33
Swale	£206.64	£1,897.83	£50,518.20
Thanet	£271.05	£1,962.24	£48,260.89
Tonbridge and Malling	£245.30	£1,936.49	£53,849.82
Tunbridge Wells	£211.20	£1,902.39	£49,134.60
		Total	**680,022.11**

Source – MHCLG Council Tax Statistics (published annually)

In the single unitary model, the harmonised band D tax rate at a weighted average level would be £1,919.86. This is lower than the weighted average band D rates in most of the other unitary authorities in the multi-unitary models, where rates range from £1,865.37 to £1,947.49. At these rates, most households in a single unitary model would pay less council tax than if they were resident in one of the multi-unitary models. As explained previously, the approach to harmonisation will be a decision for the new unitary authorities and these figures are for illustrative purposes. For the modelling set out in the table opposite we have assumed that council tax would be harmonised in year 1.

Weighted average band D council tax rates, per proposed unitary authority

	1a – Single unitary	3a – three unitaries	4b – four unitaries
Kent and Medway	£1,919.86	-	-
North	-	£1,872.83	£1,865.37
East	-	£1,937.42	£1,938.59
Mid	-	-	£1,922.05
West	-	£1,947.49	£1,947.49

Source – Modelling by KCC Finance Officers

The table below forecasts the overall tax yields for new unitary authorities if harmonising at these levels in year 1, and for comparison also sets out the council tax yield per head of population. In the multi-unitary models, when harmonising at an average point, there is a disparity in the amount of council tax raised per resident between the West Kent unitary authority and the other authorities, with West Kent having greater revenue raising potential. This reflects the higher property values in the districts which would make up the West Kent unitary authority.

Council tax yield if set at weighted average in year 1, per proposed unitary authority

1a - Single unitary

	Total council tax yield	Council tax yield per head
Kent and Medway	£1,305.6m	£688

3a - three unitaries

	Total council tax yield	Council tax yield per head
North	£411.6m	£613
East	£457.6m	£685
West	£436.4m	£783

4b - four unitaries

	Total council tax yield	Council tax yield per head
North	£315.7m	£613
East	£281.9m	£673
Mid	£271.5m	£670
West	£436.4m	£783

Source – Modelling by KCC Finance Officers

Debt

Following unitarisation, in any of the multi-unitary models KCC's debt would need to be apportioned to the new unitary authorities and the debt of the other 13 councils will be inherited by the successor authorities. As a share of the total debt in the 14 councils, KCC hold a large proportion at 41%. How the KCC debt is apportioned and the servicing of debt will be decisions for the new unitary authorities. This would be a complicated and likely contentious process, particularly as KCC's debt would need to be distributed across the new authorities.

As the following tables demonstrate, the level of debt across Kent and Medway is unequal, with low levels of debt in western areas and higher levels in northern and eastern areas. This means that the creation of multiple unitary authorities would likely result in two authorities inheriting a potentially unsustainable level of debt from the outset of their existence.

Whereas in a single unitary authority for Kent and Medway, all of the debt of the 14 predecessor councils would be inherited by the new unitary authority meaning there would be no area-based disparity in the amount of debt. Additionally, the ability to raise revenue from across the entire area would mean the single unitary authority would likely have greater capability to service the debts in comparison to some of councils in the multi-unitary models.

The figures set out in the following tables are based on published information about total borrowing as of the end of the 2024/25 financial year. These figures include General Fund debt only and do not include Housing Revenue Account debt.

General Fund debt

	Debt (£000s)	Debt per head
Kent CC	716,039	£445
Medway UA	442,468	£1,543
Ashford	95,375	£690
Canterbury	120,358	£753
Dartford	0	£0
Dover	102,600	£865
Folkestone and Hythe	53,000	£477
Gravesham	101,955	£946
Maidstone	65,000	£353
Sevenoaks	13,934	£115
Swale	13,000	£83
Thanet	6,622	£47
Tonbridge and Malling	0	£0
Tunbridge Wells	0	£0
Total	**1,730,351**	**£912**

Source – General Fund debt – submitted to KPMG October 2025

The table below shows the levels of debt that the new unitary authorities would inherit if KCC's debt was apportioned based on population share across the 12 districts. Please note, this is for illustrative purposes only. The process for apportioning KCC's debt would be negotiated and decided upon by the new unitary authorities.

Inherited debt based on population share, per proposed unitary authority

1a - Single unitary

	Total inherited (£000s)	Debt per head
Kent and Medway	1,739,531	£912

3a - three unitaries

	Total inherited (£000s)	Debt per head
North	728,325	£1,085
East	675,108	£1,010
West	326,918	£586

4b - four unitaries

	Total inherited (£000s)	Debt per head
North	646,003	£1,254
East	415,885	£993
Mid	341,545	£843
West	326,918	£586

Source – Modelling by KCC Finance Officers

Exceptional financial support

In the financial year 2025/26 Medway Council agreed capitalisation support of £18.5m under the Government's Exceptional Financial Support. This means that costs which would normally be classified under revenue expenditure can be reclassified as capital expenditure, which can then be funded through borrowing or by selling assets. This allows Medway Council to set a legally balanced budget.

Through LGR an agreement would need to be found to manage responsibility for servicing the debt and taking action to put the whole area on a firmer financial footing. This will require a proportion of total revenue and in the context of reorganisation and disaggregation of county wide services, the relative scale of the challenge becomes greater. A large single unitary authority will be in a better position to absorb the debt and will avoid the complexities and costs of disaggregation, ensuring that the council is financially resilient.

Reserves

It is likely that reserves will be utilised (at least partly) to fund the transition costs of reorganisation. As with debt, in a multi-unitary scenario KCC's reserves would need to be apportioned to the new unitary authorities and the debt from the other 13 councils would be inherited by the successor authorities. The 2024/25 reserves for each of the 14 councils is set out in the table opposite.

Council reserves

	Net Revenue Reserves (excl. schools and DSG) (£000s)	Net Revenue Reserves (excl. schools and DSG) per head
Kent CC	334,176	£208
Medway UA	37,519	£131
Ashford	36,516	£264
Canterbury	35,714	£223
Dartford	81,341	£674
Dover	45,990	£388
Folkestone and Hythe	20,555	£185
Gravesham	19,324	£179
Maidstone	45,428	£247
Sevenoaks	25,887	£213
Swale	20,313	£130
Thanet	10,204	£73
Tonbridge and Malling	39,374	£291
Tunbridge Wells	20,880	£178
Total	**773,221**	**£408**

Source – Provisional 2024-25 Revenue Outturn (RO – published annually)

The table below shows the amount of reserves that the new unitary authorities would inherit if KCC's reserves were apportioned based on population share. Please note, this is for illustrative purposes only. The process for apportioning KCC's reserves would be negotiated and decided upon by the new unitary authorities.

Inherited reserves based on population share, per proposed unitary authority

1a - Single unitary

	Total inherited (£000s)	Reserves per head
Kent and Medway	773,221	£408

3a - three unitaries

	Total inherited (£000s)	Reserves per head
North	238,257	£355
East	287,661	£430
West	247,304	£443

4b - four unitaries

	Total inherited (£000s)	Reserves per head
North	185,591	£360
East	178,857	£427
Mid	161,469	£399
West	247,304	£443

Source – Modelling by KCC Finance Officers

On this basis, in the multi-unitary options, western areas would inherit higher levels of reserves per head of population than other areas. When considering this alongside significantly lower inherited debt, a West Kent unitary authority would likely be in a stronger position to finance reorganisation and be more financially resilient compared to other parts of the county.

Assets

As well as through council tax and reserves, another way in which new unitary authorities could choose to service debt is through income generated from assets. The following tables set out the value of the cash investments held by the 14 councils in Kent and Medway as of the end of 2024/25, and the amount that new unitary authorities would inherit in the different scenarios, if investments were apportioned based on population share. Please note, this is for illustrative purposes only. How these investments are apportioned will be for the new unitary authorities to decide. Also note that physical assets have not been included in this analysis.

Value and type of investments held by councils in Kent and Medway (£000s)

	Total value	Banks	Debt Management Account	Money Markets	External Funds	Other	Local Authority Loans	Value per head
Kent CC	**481,566**	11,713	27,890	187,769	126,749	127,445	0	£299
Medway UA	**53,734**	14,143	0	39,591	0	0	0	£187
Ashford	**36,398**	0	0	17,398	19,000	0	0	£263
Canterbury	**12,624**	267	0	12,357	0	0	0	£79
Dartford	**183,169**	614	0	56,059	112,42	14,069	0	£1,518
Dover	**57,087**	111	0	7,885	49,091	0	0	£481
Folkestone and Hythe	**18,590**	180	0	18,410	0	0	0	£167
Gravesham	**28,048**	0	0	3,927	14,121	0	10,000	£260
Maidstone	**33,985**	175	0	8,810	0	0	25,000	£185
Sevenoaks	**17,852**	604	0	5,700	5,164	6,384	0	£147
Swale	**11,032**	122	0	10,910	0	0	0	£71
Thanet	**35,392**	2,386	0	31,006	2,000	0	0	£252
Tonbridge and Malling	**53,965**	6,050	0	16,524	4,250	27,141	0	£399
Tunbridge Wells	**47,000**	25,00	7,000	0	0	0	15,000	£402
Total	**1,070,442**	**61,365**	**34,890**	**416,346**	**332,802**	**175,039**	**50,000**	**£564**

Source – MHCLG Borrowing and investments live table (published quarterly)

KCC own close to half of the total value of investments held by the 14 councils (45%) in Kent and Medway. This is a higher ratio than the amount of debt that KCC holds (31%), so how this is apportioned in a multi-unitary model will be even more significant than how debt is apportioned in such a scenario. As with the apportioning of debt, this could be a complicated and contentious process which would be avoided in the single unitary model.

It is notable that the value of Dartford's investments is significantly higher than other district councils in Kent and Medway. This has an impact on the value of investments which would be inherited by the new unitary authorities in the multi-unitary models. In option 3a, it evens out the value of investments between the unitary authorities as there is little disparity, but in option 4b the impact is that the North Kent unitary authority would inherit a notably larger share of the value of investments, and the Mid Kent unitary authority would have a relatively low share of the value of investments.

Inherited value of investments based on population share, per proposed unitary authority

1a - Single unitary

	Value of investments (£000s)	Value per head
Kent and Medway	1,070,442	£564

3a - three unitaries

	Value of investments (£000s)	Value per head
North	390,921	£582
East	359,939	£539
West	319,582	£573

4b - four unitaries

	Value of investments (£000s)	Value per head
North	333,268	£647
East	230,401	£550
Mid	187,192	£462
West	319,582	£573

Source – Modelling by KCC Finance Officers

Net revenue

The table opposite sets out net revenue figures compiled by KPMG as part of the shared evidence for 2025/26 for the 14 councils in Kent and Medway. KCC's net revenue of £1.7bn is 73% of the combined total of the 14 councils. This clearly demonstrates the size of KCC, both in absolute terms, and when compared to the other 13 councils.

Net revenue

	Net Revenue (£000s)	Net Revenue per head	Net revenue per head – combined
Kent CC	1,698,857	£1,055	-
Medway UA	346,727	£1,209	-
Ashford	26,710	£193	£1,248
Canterbury	23,580	£147	£1,202
Dartford	29,009	£240	£1,295
Dover	28,274	£238	£1,293
Folkestone and Hythe	22,886	£206	£1,261
Gravesham	17,943	£167	£1,222
Maidstone	28,323	£154	£1,209
Sevenoaks	21,978	£181	£1,236
Swale	30,335	£195	£1,250
Thanet	21,979	£157	£1,212
Tonbridge and Malling	22,521	£167	£1,222
Tunbridge Wells	17,909	£153	£1,208
Total	**2,337,031**		**£1,232**

Source – 25/26 revenue figures submitted to KPMG for shared evidence base

The table below sets out the inherited net revenue for the unitary authorities in the different proposed options, based on apportioning KCC's revenue by share of population. There is relatively little disparity between the unitary councils in any of the options.

Net revenue based on population share, per proposed unitary authority

1a - Single unitary

	Net revenue (£000s)	Net revenue per head
Kent and Medway	2,337,031	£1,232

3a - three unitaries

	Net revenue (£000s)	Net revenue per head
North	829,491	£1,236
East	828,447	£1,240
West	679,093	£1,218

4b - four unitaries

	Net revenue (£000s)	Net revenue per head
North	634,685	£1,232
East	515,856	£1,231
Mid	627,828	£1,252
West	679,093	£1,218

Source – Modelling by KCC Finance Officers

Disaggregation and demand on services

KCC commissioned Newton to conduct an analysis to forecast the costs of disaggregating people-based services, specifically for – Adult Social Care, Children's Social Care and services for children with SEND. Their approach was based on a hybrid model including both disproportionately inherited costs on day one (using a general model designed to allow comparisons between proposed scenarios rather than detailed financial analysis) as well as additional future costs. This work was conducted in May 2025, using up to date data provided by KCC. It is separate to the work carried out by KPMG for the shared evidence base. The report is provided at Appendix 3d.

The results of this analysis clearly point to the single unitary option being the most advantageous for people-based services, from a cost perspective. Of all the scenarios modelled, the single unitary was the only one in which there would not be a significant cost of disaggregating these services, in fact, it was found to have a cost saving of £16.2m in the first year against the baseline spend in 2025. **Whereas in option 3a there would be an additional cost of £14.9m in the first year, and in option 4b there would be an additional cost of £20.8m. In the single unitary model, this equates to a saving on these services of £31m compared to the three unitary model and £37m compared to the four unitary model.**

Change in spend on people-based services from baseline in 2025

	1a – Single unitary	3a – three unitaries	4b – four unitaries
Spend in year 1	£1.48bn	£1.51bn	£1.52bn
Change from baseline	-£16.17m	+£14.87m	+£20.83m

Source – Newton analysis of disaggregation costs for people-based services

As well as resulting in lower costs overall, the single unitary has the advantage of being able to spread the costs and manage demand across the entire Kent and Medway area. Demand for people-based services in Kent and Medway is unevenly distributed across the area, with particularly high demand in eastern and northern areas. As set out in the following tables, there are higher costs per resident for people-based services in the East, Mid and North unitary authorities compared to the West unitary authority. This would potentially put these new unitary authorities under unsustainable pressure to meet the costs of these services, particularly as they also have lower revenue raising potential and higher debts than a West unitary authority would have.

For comparability, the results have been shown as an amount per head of population.

Cost per resident for people-based services, per proposed unitary authority

	1a – Single unitary	3a – three unitaries	4b – four unitaries
Kent and Medway	£759	-	-
North	-	£729	£730
East	-	£885	£894
Mid	-	-	£829
West	-	£693	£693

Source – Newton analysis of disaggregation costs for people-based services

Cost per resident for Adult Social Care, per proposed unitary authority

	1a – Single unitary	3a – three unitaries	4b – four unitaries
Kent and Medway	£419	-	-
North	-	£353	£356
East	-	£533	£530
Mid	-	-	£472
West	-	£401	£401

Source – Newton analysis of disaggregation costs for people-based services

Cost per resident for Children's Social Care, per proposed unitary authority

	1a – Single unitary	3a – three unitaries	4b – four unitaries
Kent and Medway	£118	-	-
North	-	£136	£138
East	-	£131	£137
Mid	-	-	£129
West	-	£91	£91

Source – Newton analysis of disaggregation costs for people-based services

Cost per resident for SEND, per proposed unitary authority

	1a – Single unitary	3a – three unitaries	4b – four unitaries
Kent and Medway	£222	-	-
North	-	£241	£236
East	-	£220	£227
Mid	-	-	£227
West	-	£200	£200

Source – Newton analysis of disaggregation costs for people-based services

Additionally, KCC Finance Officers conducted internal analysis of the 'legacy' costs for Adult Social Care and Children's Social Care which would be inherited by the proposed new unitary authorities from KCC and Medway. The analysis was based on allocating KCC's forecast/actual net spend for 2024/25 according to the geographical area where costs are incurred with the result percentages applied to relevant spending identified for social care in Kent's Revenue Outturn (RO) 2024/25, and the same costs included in Medway's Revenue Outturn return have also been added in. This ensures consistency across Kent and Medway. This is not a precise measure of Ordinary Residence as would apply to Adult Social Care but does give a good indication of where costs would be incurred.

The results showed the same pattern as Newton's analysis with higher spend in northern and eastern areas for these services, compared to the West. There are two main reasons which explain the uneven distribution of costs for people-based services. Firstly, there is a high cost per resident of Adult Social Care in Folkestone and Hythe and in Dover districts due to the high proportion of the County's care placements for vulnerable adults in these districts. And secondly, because the costs for Children's Social Services correlate with levels of deprivation, with particularly high costs per resident in Thanet, Swale, and Folkestone and Hythe districts.

Legacy costs per resident for Adult Social Care, per proposed unitary authority

	1a – Single unitary	3a – three unitaries	4b – four unitaries
Kent and Medway	£430	-	-
North	-	£349	£343
East	-	£539	£523
Mid	-	-	£491
West	-	£395	£395

Source – Modelling by KCC Finance Officers, based on 24/25 net spend

Legacy costs per resident for Children's Social Care, per proposed unitary authority

	1a – Single unitary	3a – three unitaries	4b – four unitaries
Kent and Medway	£181	-	-
North	-	£230	£229
East	-	£197	£198
Mid	-	-	£210
West	-	£102	£102

Source – Modelling by KCC Finance Officers, based on 24/25 net spend

Fair Funding review 2.0

The points set out in this section clearly indicate financial disparities in all the proposed multi-unitary models. A West Kent unitary authority would inherit a more sustainable level of debt to reserves, higher revenue raising potential, and lower costs per resident for people-based services than the other unitary authorities. While new unitary authorities which cover other parts of the county will likely face significant spending pressures to deliver statutory services.

Current Government policy is to review and update the formula to determine funding allocations for local authorities. One of the aims is for funding to more closely match levels of relative needs and resources taking account of differential costs of delivering services and the revenue raising abilities of local authorities. This should result in areas with high levels of need and limited spending power receiving more funding.

Currently, the full impacts of the Fair Funding Review 2.0 are unknown, but it is unlikely that changes in funding levels that occur will fully mitigate financial disparities between new unitary authorities that would be created in a multi-unitary model.

Assessment against government criteria

KCC's preferred option of a single unitary is a good fit for the criteria on which Government will assess LGR proposals.

Criterion A:

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

More detail is available throughout the business case including in the section **'The geographical and spatial reality of Kent and Medway'** and section **'Better outcomes for people and place'**.

Arguments for a single unitary in Kent and Medway

- ✓ A single unitary would be the most effective way to ensure that the taxbase is appropriate for the area and there is no undue advantage for one part of the county over another.
- ✓ A single unitary ensures that resources, demand, and financial pressures are balanced across the whole area, preventing unsustainable burdens on specific localities.
- ✓ It maintains Kent and Medway as a coherent economic and administrative area, supporting both local and national interests. This approach enables coordinated responses to complex challenges including the management of national borders in East Kent.
- ✓ This model maximises the benefits of scale and builds upon the coterminosity of existing strategic partnerships, strengthening the role of the council as convenor for all communities.
- ✓ A single unitary would maximise the available area over which to manage housing demand, helping to overcome spatial constraints and removing authority boundaries that can hamper housing delivery.

Arguments against multiple unitaries in Kent and Medway

- ✘ Internal KCC analysis shows that, at the average rate of harmonisation, there would be disparities in tax yield per head of population, with West Kent able to raise more council tax due to higher property values. This could further entrench existing socio-economic disparities between the West and other areas.
- ✘ Modelling of multiple unitary options suggests that there will be significant disparities between unitaries in the cost of social care and SEND, which is exacerbated in some options by the location of major adult's residential social care providers and concentrations of deprivation in proposed unitaries.
- ✘ The multi-unitary options would likely face more challenges in housing delivery compared to other options due to the introduction of multiple local authority boundaries.
- ✘ Fragmentation would undermine the ability to manage complex countywide and nationally significant challenges e.g. management of Unaccompanied Asylum-Seeking Children arriving at the border and create disparities in service quality, financial resilience and sustainability.

Criterion B:

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

More detail is available in the section **'Financial Assessment'**.

Arguments for a single unitary in Kent and Medway

- ✓ A single unitary is the most financially viable option. It delivers the highest net recurring benefit (£69m), the lowest transition costs (£99m), and has the shortest payback period at just over three years. Operating as a single unitary would generate efficiency savings, financial resilience and would deliver better value for money for the Kent taxpayer.
- ✓ There would be no disaggregation costs for critical countywide services such as social care and SEND, avoiding millions of pounds of additional ongoing cost each year compared to the multi-unitary models. There are also savings from aggregating these services across Kent and Medway – saving an estimated £16.2m per year to provide these services (CCN/Newton people-based services report).
- ✓ The Area Assemblies will enable a balance of efficiencies against the need for local responsiveness for place-based services which make sense to be delivered locally.
- ✓ A single unitary is best placed to deliver strategic transformation through unified governance and economies of scale. It would be able to support large-scale invest-to-save projects and would have the capacity to implement strategic, countywide transformation initiatives, whilst Area Assemblies would be able to facilitate more localised transformation programmes that are tailored to the individual needs of communities.
- ✓ It offers the most fair and manageable solution to managing the county's debt as all debt and reserves would be evenly distributed.
- ✓ Operating at scale allows for efficient use of resources, greater resilience to shocks, and the flexibility to adapt to challenges in the operating environment to ensure long term sustainability.

Arguments against multiple unitaries in Kent and Medway

- ✘ Multiple unitaries score relatively poorly when considering efficiency and value for money, with lower net recurring benefits, high transition costs and payback periods of between over 5 and over 14 years (or potentially never).
- ✘ Multiple unitaries have high disaggregation costs – between £20 million to £68 million per year.
- ✘ Multiple unitaries results in uneven debt distribution, with West Kent inheriting significantly lower levels of debt compared to North and East Kent.
- ✘ Opportunities for transformation could be significantly limited with multiple unitaries, especially those that would create smaller authorities and those with greater financial pressures. The smaller scale of each authority would reduce financial resilience and the ability to absorb upfront costs associated with invest-to-save projects. It would also be harder to deliver consistent transformation across the county as different unitaries would have varying levels of service demand and financial capacity.
- ✘ High disaggregation and transition costs would constrain limited resources for small unitaries, whilst the fragmentation of services would increase the risk of duplication and inefficiencies.
- ✘ Smaller unitaries would have reduced resilience, and limited capacity to absorb demand surges and make it harder to deliver consistent quality and value for money.

B

Criterion C:

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

More detail is available throughout the business case including in the section **'The geographical and spatial reality of Kent and Medway'** and the section **'Better outcomes for people and place'**.

Arguments for a single unitary in Kent and Medway

- ✓ Avoids the risks and costs associated with disaggregating critical, countywide services such as social care, SEND and safeguarding. Modelling shows that the probability of an authority achieving a good or outstanding Ofsted rating for children's services reduces as the size of the authority shrinks. Equally, for adult social care, CQC quality reporting data indicates an increased likelihood of a good CQC rating for larger local authorities.
- ✓ Provides the necessary scale and capacity to manage Kent's nationally-significant border issues while meeting Kent and Medway needs.
- ✓ This option creates fully balanced service demand levels for both adult and children's social care through continued countywide management.
- ✓ A single unitary would benefit from increased purchasing power, greater capacity and more market influence, allowing it to shape more resilient and responsive markets.
- ✓ A single unitary promotes consistency of service offer and quality. Strategic oversight at Kent and Medway level will help eliminate 'postcode lotteries' and will support consistency in service offer and quality.
- ✓ With increased resources and funding, a single unitary would be able to invest more heavily in specialist roles, targeted training and advanced technologies, enabling the development of expertise across key service areas.
- ✓ A single unitary would have the necessary funding, expertise, infrastructure and data to deliver successful prevention initiatives, whilst also having the necessary capacity and strategic oversight to be able to develop strategies linked to prevention.
- ✓ A single unitary, supported by three Area Assemblies, would be able to deliver high-quality services by balancing strategic capacity with local responsiveness. The single unitary would have the necessary financial capacity to be able to deliver sustainable social care services whilst the Area Assemblies would be able to focus on the delivery of place-based services for local residents.

- ✓ The geography of the Area Assemblies aligns well with the service delivery footprints of partner agencies, therefore providing opportunities for public service reform. For example, community safety partnerships could work in partnership with the police to tackle antisocial behaviour and crime and disorder. Area Assemblies are well aligned to work with partners to address the wider determinants of health.
- ✓ This option would ensure that Kent and Medway retains a strong, unified voice when working with partners in other public sector services (e.g. the NHS and the Police) and with Government, particularly on Kent-based issues which impact critical services – such as issues relating to the border with the EU.

Arguments against multiple unitaries in Kent and Medway

- ✗ Multiple unitaries would have serious implications for service delivery particularly where new boundaries cut across key partners such as the NHS, Police and economic partnerships. Multi unitary options would break established geographies of service delivery, making public service reform more difficult and complex, and undermining the integrated approaches that have been built up over decades.
- ✗ The impact of disaggregation on critical services such as social care, safeguarding and SEND would be profound. Disaggregation would lead to the fragmentation of well-established and performing services, with less capacity for central functions like quality assurance, whilst also leading to the duplication of systems and infrastructure. This would not only increase costs but also risk service instability and poorer outcomes for vulnerable residents.
- ✗ Smaller authorities would have reduced buying power and limited ability to shape provider markets, making it harder to absorb cost surges or withstand market volatility. The county's peninsular geography already limits market options and workforce mobility, especially in coastal areas. Fragmentation would further weaken the ability to recruit and retain skilled staff, particularly in high-need areas, and would make it harder to offer attractive career pathways or maintain specialist expertise. The result could be higher service delivery costs, less resilience to demand shocks, and a narrowing of focus to statutory crisis services at the expense of prevention and visible community services.
- ✗ Splitting Kent into multiple unitaries would fragment established countywide systems that manage border challenges, such as Operation Brock and reception centres for Unaccompanied Asylum-Seeking Children. This could overload East Kent with disproportionate pressures, undermine the resilience of national supply chains, and create confusion for government and partners who currently rely on a single, coordinated point of contact.

Criterion D:

Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views.

More detail is available in the section **'Engagement with Kent and Medway residents and stakeholders'**.

Arguments for a single unitary in Kent and Medway

- ✓ KCC has demonstrated its commitment to working with other local councils through continued engagement in the joint Kent and Medway LGR process – sharing evidence, aligning financial modelling, and engaging transparently with partner councils to develop an approach that best meets the needs of Kent and Medway communities.
- ✓ 64% of residents agreed that any changes to local government in Kent must save money in the long-term compared to how things are run now. The single unitary scores highest for efficiency and value for money. Other options are more costly and these costs would likely be borne by the Kent taxpayer.
- ✓ Many residents feel a strong attachment to Kent – 59% of respondents in the resident survey expressed a fairly or very strong sense of belonging at the county level. Residents and stakeholders emphasised the importance of having effective leadership and a combined voice for the region. The single unitary model would best preserve the unique historic identity of the county, build on existing strategic partnerships and provide a unified voice for Kent and Medway.
- ✓ Equally, residents and stakeholders told us it was important that local identity and accountability is maintained. The establishment of three Area Assemblies (North, East and West) is reflective of local identity and the way people live (i.e. it is consistent with travel to work, education and hospital flows).
- ✓ Area Assemblies and the enhanced community engagement approach set out can counter any perception of remoteness and provide local decision making on visible services.
- ✓ Stakeholders and residents showed support for more efficient, clear and streamlined services. A single unitary model would reduce duplication, increase consistency and make it easier for residents to understand who is responsible for services.

Arguments against multiple unitaries in Kent and Medway

- ✘ Residents placed a high value on achieving good value for money from their council – 91% of respondents to the resident survey agreed or strongly agreed that it is particularly important their council "achieves good value for money for the taxpayer". The increased disaggregation and transition costs associated with the creation of multiple unitaries would impact financial viability and value for money with increased costs passed on to residents which many would not support.
- ✘ There would be discrepancies in council tax charges, which some residents might consider to be unfair.
- ✘ The creation of multiple unitaries would lead to service fragmentation and reduced capacity for strategic planning, something stakeholders expressed concerns about.
- ✘ The introduction of multiple unitaries might mean residents are charged to use services/assets across local authority boundaries, which is again unlikely to be welcomed by residents.
- ✘ Stakeholders see value in more consistent, streamlined partnership working across Kent and Medway. In a multi-unitary model partnership working would be more complex than a single unitary model, especially where partners may have to work with councils across their existing service delivery boundaries.

Criterion E:

New unitary structures must support devolution arrangements.

More detail is available in the section **'Devolution'**.

Arguments for a single unitary in Kent and Medway

- ✓ A single unitary would provide the strategic capacity for the devolution of responsibilities and funding that Government is seeking to embed.
- ✓ Kent and Medway is already operating at the appropriate scale and has proven experience to deliver the functions and powers included in the Devolution Framework.
- ✓ Existing partnerships with the NHS, Police, and business groups are already countywide and would be undermined by fragmentation. A single unitary would build on these, not break them up.
- ✓ A single unitary would provide the strategic leadership, convening power, and delivery capacity that Government wants to see for devolution, without adding another layer of governance and cost.
- ✓ The single unitary would have the capacity and collective voice to advocate on behalf of the whole Kent and Medway area and to lobby Government on important regional issues.

Arguments against multiple unitaries in Kent and Medway

- ✘ Adding an additional layer of governance through a Mayoral Combined Authority for Kent and Medway will add cost and delivery complexity.
- ✘ A Mayor for Kent and Medway could spend a disproportionate amount of time and resource attempting to facilitate the management of border pressures on the East Kent unitary with Government.
- ✘ Multiple unitaries may be more focused on local priorities, rather than contributing to the delivery of strategic ambitions as part of devolution. They may not have the necessary financial resilience and organisational capacity to deliver on MSA priorities.

Criterion F:

New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

More detail is available in the section **'Effective and efficient governance and engagement'**.

Arguments for a single unitary in Kent and Medway

- ✓ The single unitary would have the capacity and resources to create an enhanced model of community engagement and be able to operate closer to communities and support place-based decision making through the Area Assemblies for those services where this makes sense.
- ✓ The single unitary will build on existing successful community-based models (e.g. Community Wardens), to ensure countywide services are locally responsive and respond to needs of residents and partners.
- ✓ This approach combines the benefits of scale with strong local connections, ensuring that engagement is consistent, inclusive and effective across the county.

Arguments against multiple unitaries in Kent and Medway

- ✘ Whilst smaller unitaries would operate closer to communities, it is likely that they would lack the necessary resource capacity to run effective community engagement and to address the local issues that are raised through these mechanisms.

The geographic and spatial reality of Kent and Medway

- Kent's unique geography creates nationally-significant challenges
- Disaggregation removes scale and creates unsustainable financial and service demand
- The impacts of disaggregation cannot be effectively mitigated
- There are opportunities for efficiencies and scope for enhanced service delivery through single tier structure
- A single Kent and Medway council is the most viable financial and strategic option

In coming to a decision on the best option for LGR in Kent and Medway, the reality of the county's geography and position in the country cannot be overlooked. LGR risks dismantling decades of well-established and effective countywide service delivery and response arrangements, which would bring significant costs and risks to Kent and Medway and ripple out across the country. In coming to its preferred option, KCC's administration has developed the following rationale which sets out why it believes that a single unitary is the most viable option in the context in which Kent and Medway operates.

- Kent's geography creates nationally-significant challenges
- These challenges have been managed by operating at scale
- Disaggregation removes scale and creates unsustainable financial and service demand
- The impacts of this disaggregation cannot be effectively mitigated
- There are opportunities for efficiencies and scope for enhanced service delivery through single tier structure
- **A single Kent and Medway council is the most viable financial and strategic option**

Kent's unique geography creates nationally-significant challenges

Gateway to Europe

Kent's geographical location places it at the forefront of the UK's interface with continental Europe. The county serves as the primary entry corridor for both passenger and freight traffic. In 2024, the Port of Dover and Channel Tunnel handled over 11 million passenger crossings and 3.5 million freight vehicles, and these volumes are increasing every year. The Channel Tunnel alone handles a quarter of UK-continental trade, the Port of Dover is the UK's busiest international ferry port and a quarter of all food imports from the EU pass through the Short Straits crossings.

This makes our highways network an integral part of the nation's transport system and we manage some of the busiest roads in the country. When there is disruption or higher volume at the borders, either due to unexpected events or regular peaks such as school holidays, effective traffic management is essential to avoid parts of the county coming to a standstill, which has a cost to the Kent and Medway economy and impacts day-to-day life for our residents.

Our position also brings the international humanitarian crisis of Unaccompanied Asylum-Seeking children (UAS children) to Kent's shores through small boat crossings and the border points. As the High Court Judgement in 2023 confirmed, Kent County Council is under statutory duty to accommodate all UAS children who arrive in the area until they are appropriately assessed and transfer arrangements made. In 2024/25, KCC accommodated 2685 UAS children as Looked after Children, and over 10,000 in total since 2016. Children arrive spontaneously and often in large numbers – on a single day in July 2025, 70 UAS children arrived into Kent. Due to delays in the National Transfer Scheme and also in processing asylum claims, Kent is too frequently shouldering the burden of supporting UAS children and care leavers for too long with insufficient funding.

The impact on public services and the wider economy and community of Kent and Medway of these unique pressures is substantial. However, the impacts do not stop at the Kent and Medway border – what happens in Kent has a direct impact on the rest of the country. If border pressures are managed well, passenger and freight journeys flow effectively, securing critical UK supply chains, enabling international trade and underpinning the

country's economy. If they are not managed well, wider transport networks quickly become congested, the economy suffers and risks to border resilience and safeguarding of vulnerable people are heightened. People across the country notice what happens at Kent's borders and this impacts perceptions of national security and prosperity.

In Kent and Medway's feedback letter to the Interim Plan submissions for LGR in March 2025, MHCLG has acknowledged the unique considerations for LGR in the area due to Kent's border position. This has been a central factor in determining KCC's position on LGR.

Disparities in deprivation

Kent and Medway's unique position between London and the coast has shaped the significant diversity of places within the county, from urban centres in the North neighbouring London, more affluent commuter towns and rural areas in the West and coastal communities in the East.

This diversity drives one of the most significant and pervasive disparities seen within the county – the wide variation in levels of deprivation. Of the local areas (Local Super Output Areas) in Kent that are in the top 10% most deprived in the country according to the Index of Multiple Deprivation, 53% of them are found in Thanet and Swale. Conversely, there are very few of these most deprived neighbourhoods in West Kent (none in some Districts).

Higher levels of deprivation result in greater demand for services, limit funds that councils are able to raise through council tax and can create other challenges in supporting local communities. In Kent, financial modelling shows a distinct East/West split, with the west of the county experiencing lower service demand, higher council tax income and lower debt levels. KCC's internal modelling of the impacts of separating countywide services into multiple unitaries has highlighted the areas where spend on services is concentrated, which is primarily in the East and to a lesser extent in the north of the county. In adult social care, spend is significantly higher in Folkestone and Hythe and Dover, due to the location of major providers of residential care for adults in those areas. In children's social care, spend is greatest in the areas of greatest deprivation, particularly Thanet and Swale. Splitting the county through the process of LGR risks embedding disparities between more and less deprived areas, which will be most pronounced in the difference between East and West Kent.

Peninsular county

As a peninsular surrounded on multiple sides by 350 miles of coastline, Kent faces economic and social challenges. This impacts on the effective provision of public services in the area – Kent can only look to markets to the West for the provision of services, limiting options for procurement on the most competitive terms. It is also one of the causes of persistent and systemic recruitment and retention challenges in the county, particularly in coastal areas. There are thousands of vacancies in the adult social care sector alone across Kent and Medway. The area's proximity to London means that it is difficult to compete with the attractive salaries offered just a short distance into the capital. It is therefore important that Kent and Medway has sufficient capacity and capability within its own borders, using its scale to shape markets and develop the skilled workforce our services rely on.

Disparities across Kent

Kent is a county of stark contrasts, with significant disparities in deprivation, health, financial resilience, and service demand particularly between East and West Kent. East Kent faces higher levels of deprivation, greater health and care needs, and more acute financial pressures, while West Kent is generally more affluent and financially resilient, although there are pockets of deprivation across the county. Any local government reorganisation must be designed to address and reduce these inequalities, ensuring that reforms improve outcomes for all communities, rather than risk deepening existing disparities.

Kent is a county of stark contrasts, with significant disparities in deprivation, health, financial resilience, and service demand

Education Attainment

West Kent has a higher proportion of residents with Level 4 qualifications or higher.

Diversity

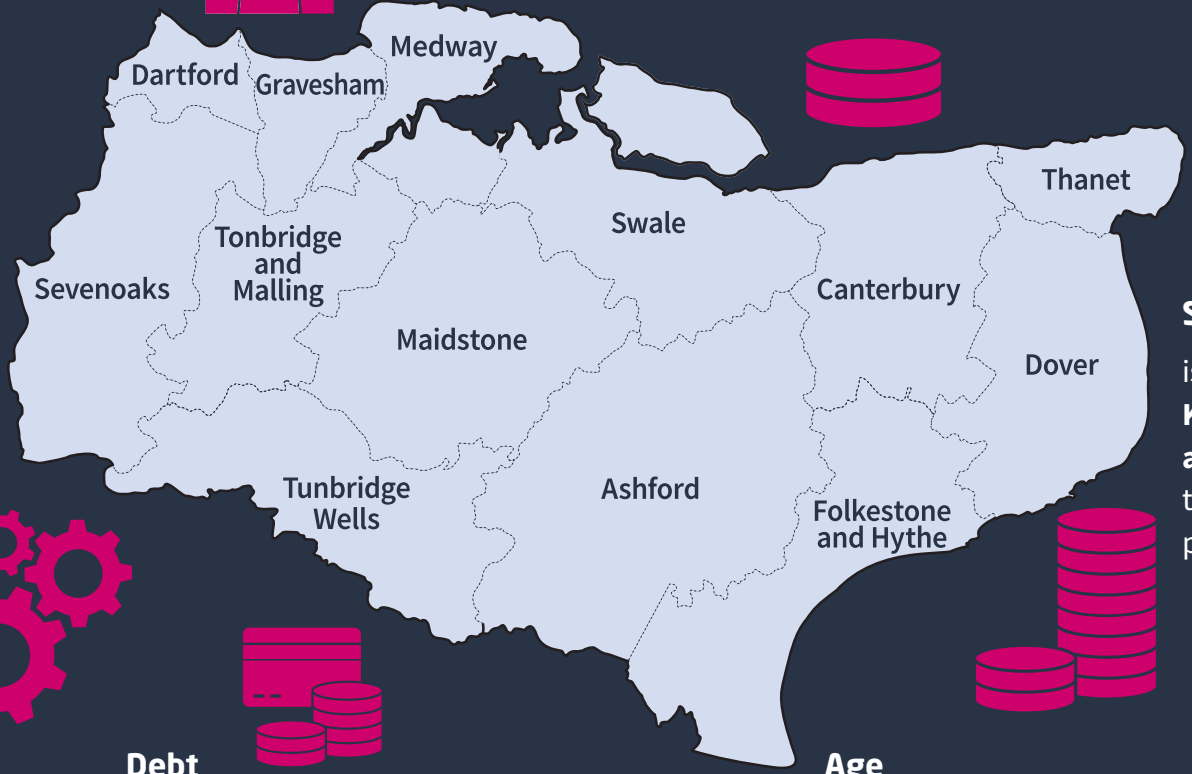
North Kent has greater religious and ethnic diversity than other parts of Kent.

Deprivation

Over half (53%) of Kent and **Medway's** most deprived neighbourhoods (top 10% nationally) are in **Thanet and Swale (East Kent)**.

Children Social Care demand

Thanet and Swale have the highest demand and spend on children's social care, correlating with deprivation levels.



Productivity

West Kent performs above the national benchmark, while **East Kent** falls below. Economic inactivity is higher in **East Kent**, especially in coastal and estuary communities.

Spend on Adult Social Care

is significantly higher in **East Kent**, especially in **Folkestone and Hythe** and **Dover** due to the high proportion of care placements in these districts.

Council Tax Yield

West Kent has greater revenue raising potential than the rest of Kent due to higher property values and affluence.

Debt

West Kent has lower levels of debt than other parts of Kent. **Tunbridge Wells** and **Tonbridge and Malling** do not have any debt, while **Medway** has £1,543 of debt per head and **Dover** £865 per head.

Age

The average age in **Kent and Medway** is 41, with 20% of the population over 65. In **East Kent** populations are older (average age 44-45, 25% over 65) while **North Kent** is younger (average age 37, 13% over 65).

These challenges have been managed by operating at scale

Across all of the challenges that Kent and Medway's geography brings, the county's scale has allowed pressures to be managed and local and national risks to be largely mitigated. As the largest county council in the country, our countywide services provide capacity and flexibility so they can balance disparities and unique concentrations of demand across our large geography. This provides financial resilience and supports the provision of high-quality service provision, as resources can be targeted to meet needs in different geographical areas. For example, KCC plays a strategic role in the management and allocation of school places and the associated infrastructure which requires careful coordination and planning across all stages of education. Capital funding from the DFE is currently allocated by KCC based on highest need rather than geographic location across the county. Kent has a large and diverse family of schools and established infrastructure in place to support the 300 plus maintained schools for which it is responsible, a high proportion of which are small primary schools serving small rural communities. These schools currently benefit from access to KCC's aggregated buying powers and specialist expertise to ensure the safety of children across the county.

As a large county council, we have been able to invest capacity in corporate functions that support our services to manage demand, such as infrastructure, analytics and transformation. We also benefit from reduced employer overheads through centralised functions such as payroll and Occupational Health.

Kent's scale and its critical mass of capability and capacity is the reason it has been an effective and reliable partner to Government in managing the national border issues that fall to our area, as the following case studies show.

Case study: Strategic Resilience Team

KCC Highways and Transportation has set up a Strategic Resilience Team (SRT) to manage the impacts of changes at the UK-French border. This has included EU Exit leading to additional checks for freight, border closures due to COVID-19, the introduction of the EU Entry Exit System (EES) and forthcoming European Travel Information and Authorisation System (ETIAS) with the SRT's involvement primarily around the impact on Kent's road network (including the Strategic Road Network). The SRT also takes a lead role in the Kent and Medway Resilience Forum (KMRF), co-ordinating the implementation of traffic management measures (Operation Brock) when there is planned/unplanned disruption at the ports.

KCC is the lead authority because of the strategic approach that can be taken – the SRT can make a strategic decision without bias to any one area of Kent, given the impacts are countywide but variable by area. Decisions on when to implement traffic management protocols are also based on demand data from the port operators. This data is shared with KCC because it is a trusted partner and a single entity, meaning commercial sensitivity can be more confidently maintained.

Given the strategic and national importance of keeping trade flowing between the UK and Europe, this issue is best managed at a countywide level to ensure unbiased decisions can be made to minimise any disruption to trade whilst keeping Kent moving.

Case study: Delivering national projects

KCC has played a critical role in delivering major national projects, including the construction of the Sevington Inland Border Facility for the Department for Transport, Border Control Posts at Sevington and Whitfield for Defra, and the readiness of Manston Airport as a contingency lorry holding site in the event of a no-deal Brexit.

KCC has a long-standing track record of delivering multi-million-pound capital projects across transport, infrastructure, and resilience. Its scale, supply chain access, and established frameworks allow it to respond quickly to urgent national requirements. KCC's ability to act decisively and at scale has been key to delivering critical infrastructure on time. Strong relationships with partners such as National Highways and central government departments further enhance its ability to lead and coordinate complex, cross-agency delivery.

Case study: Unaccompanied Asylum-Seeking Children

KCC operates a countywide network of Reception Centres that play a vital role in safeguarding Unaccompanied Asylum-Seeking children arriving through national border points in Kent. These centres are part of the Reception and Safe Care Service (RaSCS), which provides immediate care and assessment before children are transferred under the National Transfer Scheme (NTS).

KCC's scale enables it to manage this complex infrastructure effectively. Reception Centres are strategically located across the county, allowing for rapid response and flexible deployment of resources. The council's ability to coordinate across district boundaries ensures continuity of care and avoids fragmentation in service delivery.

Specialist teams – including social workers, Independent Reviewing Officers, and Practice Development Officers – are embedded within this system to ensure each child's needs are properly assessed and met. These roles require advanced skills and are difficult to recruit and retain, particularly in high-demand areas like East Kent. KCC's countywide reach supports workforce stability and service resilience.

KCC's scale and infrastructure enable it to manage spontaneous, high-volume arrivals, and despite delays and funding gaps in the NTS, KCC has worked closely with the Home Office to develop a workable solution.

KCC's county-led delivery has ensured we can flexibly respond to national pressures effectively and continue to safeguard vulnerable children.

It is also an advantage under the current arrangements that all of the infrastructure that exists in the county to manage the movement of goods and people across the border (including Eurotunnel, Port of Dover, Sevington Inland Border Facility and Manston Arrivals and Processing Centre) and the Reception Centres for UAS children are within KCC's area, meaning that Government has a single point of contact in local government to work with on border issues. Some of the facilities are however spread across district boundaries, which could complicate the response if multiple unitaries are created.

Underpinning our effective response is the county's strong and well-established partnership arrangements at a Kent and Medway level. The Kent and Medway Resilience Forum allows for a coordinated response between key partners including Police and Fire and Rescue to implement traffic management measures when there is planned or unplanned disruption at the Channel Ports. Previous sections of this Strategic Business Case set out Kent and Medway's partnerships around the economy, housing and other areas. The challenges that face our county have forged stronger and closer working across the Kent and Medway area, which have capitalised on the coterminosity of the majority of public services on a Kent and Medway footprint. Through these partnerships and because of the scale of Kent and Medway as a place, we are able to ensure that the needs of the area are heard by government departments and our public sector partners.

Government has a single point of contact in local government to work with on border issues

Channel Tunnel

Disaggregation removes scale and creates unsustainable financial and service demand

The greatest risk of LGR for Kent and Medway is the loss of scale and capacity that splitting the county up will bring and the resulting financial and service demand pressures that would fall to individual unitary councils. The councils in Kent and Medway have a responsibility to ensure that any LGR proposal put forward works for the entire area and does not leave some parts of the county with unsustainable cost and demand pressures.

As the Financial Assessment has set out, modelling shows that the costs of disaggregation of key services in Kent are significant and would challenge the financial sustainability of the new unitaries from day one, with up to £68 million per year of estimated additional costs from disaggregation (option 5a). Separate modelling in the Financial Assessment by KCC and Newton shows that due to the disparities in demand and spend for social care and SEND services, there is also a risk of concentrating the highest cost areas into individual unitaries, posing significant risks to their financial sustainability that would not be mitigated by funding. This is more pronounced in some of the options being considered for Kent and Medway, but will be an unavoidable consequence of LGR for the east of the county in any option that creates multiple unitaries. Unequal levels of debt and reserves will also add to an unsustainable financial position for some areas of the county.

Along with the financial costs, there are significant risks to service delivery from disaggregating countywide services:

Commissioning

Splitting large countywide contracts for critical services such as domiciliary and residential care, waste disposal and for support functions such as IT systems into smaller contracts will weaken the ability for councils to benefit from economies of scale and bulk purchasing power. Different requirements from different neighbouring authorities will make it more complex, and therefore more expensive, for the local market to provide the services that councils need. Central capacity to drive high standards in commissioning and contract management will be reduced, and the ability and influence of the councils to shape markets will be weakened. These disbenefits are greater in Kent and Medway where our market options are limited by our peninsula geography. Disaggregation would also dismantle the joint commissioning arrangements that KCC and Medway Council have established with NHS Kent and Medway in areas such as hospital discharge and children's mental health, create a more complex landscape for future joint arrangements and put unitaries in a less favourable position to agree shared funding arrangements.

Service quality and consistency

Disaggregation would remove the countywide support functions and arrangements that maintain high service quality. Performance, quality assurance, management information, technology and transformation functions would need to be duplicated across the unitaries, reducing their capacity to drive high standards. This is on top of the duplication of the back-office functions that keep our services running – finance, HR, IT, property and many more.

Disaggregation would also introduce disparities in the service offer and processes for referral, assessment and provision of services across the county.

Case study: One Front Door for children's services referrals

KCC's children's services is proud to be rated 'Outstanding' by Ofsted. A key component is Kent's single countywide Front Door, which provides timely triage of referrals to children's services, consistent decision making and appropriate response to child protection enquiries. In addition, the Out of Hours service provides a robust response to urgent safeguarding enquires for both children and adults across Kent and Medway.

Putting in place a countywide approach has been a key component of our children's services journey from Ofsted Improvement Notice to Outstanding, ensuring that there is no wrong door for referrals and thresholds are applied consistently across the county. Due to its scale, the Front Door benefits from stable staffing, strong management oversight, and a robust learning culture. Innovations such as the "no name consultation" offer for professionals and a new telephony system have improved accessibility and responsiveness for professionals and the public. Countywide delivery also supports strategic partnerships such as with Kent Police, health providers, and education ensuring shared training, improved referral quality, and coordinated safeguarding responses.

The Front Door and Out of Hours services have demonstrated measurable improvements in referral quality, timeliness of decision-making, and multi-agency engagement.

Case study: Commissioning Speech, Language and Communication Needs services

KCC has transformed its approach to commissioning therapy services for children with Special Educational Needs and Disabilities (SEND), replacing fragmented, locally-driven arrangements with a strategic, county-wide model.

Historically, therapy services, particularly for speech, language and communication needs, were accessed through three different NHS providers, which resulted in unequal access and a 'postcode lottery' for families.

Following a comprehensive commissioning review in 2022 which identified geographical gaps and unclear accountability, KCC and the NHS adopted the Balanced System® framework and aligned their commissioning strategies. From October 2025, a county-wide offer is in place: Physiotherapy and Occupational Therapy are now delivered directly by KCC, while Speech and Language Therapy is provided by a single NHS provider across the whole of Kent and Medway.

This unified model replaces fragmented arrangements with a consistent, equitable service offer, ensuring that all eligible children, regardless of location, have access to high-quality therapy provision. It eliminates duplication, strengthens governance, and improves accountability. By commissioning at scale, KCC has created a coherent and inclusive framework that supports better outcomes, delivers value for money, and improved experience for Kent families.

Safeguarding

Multiagency safeguarding arrangements work on a countywide basis and new arrangements would need to be made with individual unitaries. This will cause disruption to referral processes, data sharing and shared learning from case reviews. Ofsted has praised the countywide response that allows children at risk of harm to receive tailored outreach and responsive support. Arrangements in adult social care around Deprivation of Liberties and the Mental Capacity Act will need to be sustained to ensure the safe and legal care of very vulnerable people.

Case study: Kent and Medway Safeguarding Adults Board

The Kent and Medway Safeguarding Adults Board brings together four strategic partners and over 30 relevant organisations. It plays a vital role in co-ordinating efforts to prevent abuse and neglect, raise awareness, and promote individual wellbeing. Its unified structure across Kent and Medway enables consistent safeguarding practice and shared accountability, while still allowing for localised planning and responsiveness. Recent examples include the development of a countywide Multi-Agency Risk Management Framework and a shared threshold tool for safeguarding concerns. Countywide delivery helps ensure that no individual is missed or underserved due to fragmented services, differing local boundaries, or unclear lines of accountability.

Resilience

The scale of countywide services provides inherent resilience to withstand shocks such as emergencies or market failure, minimising impact on people who rely on our services. This enhanced resilience also allows services to cope with peaks in demand, flexing and reprioritising as needed. Without this capacity, smaller unitaries could be overwhelmed – for example it might only take a small number of children with very complex support needs to provide real threat to a smaller unitary's budget.

Workforce

In an already challenging environment in which to recruit and retain the staff with the skills and experience needed to deliver our services, disaggregation would introduce competition between the unitaries as employers. This is likely to have most impact in the East of Kent where workforce shortages in key roles such as social workers, carers and Occupational Therapists are already a challenge, and where there is greatest need. Disaggregation will reduce the capacity and influence of councils to work with education and skills providers to grow the talent that is needed, and will make it harder to offer attractive career pathways to retain staff. Workforce disaggregation will mean that leadership and specialist roles across countywide services need to be duplicated, which may not be possible from the existing countywide pool of staff.

Disaggregation risks undermine care for the vulnerable - County Councils Network

Our analysis of disaggregation impacts is in line with the report by the County Councils Network (CCN) and Newton in October 2025 on people-based services. It warns that breaking up county councils into smaller unitary authorities could severely damage the quality and sustainability of people-based services, particularly social care. The proposed reorganisation risks a "triple whammy" of worse services, higher costs, and staffing shortages, with modelling showing that councils serving populations below 500,000 could face up to £270 million in additional annual care costs and require up to 1,100 new senior roles, which may be impossible to fill. Smaller councils are also more likely to experience extreme concentrations of care demand, threatening financial viability and service quality. The report urges government to avoid fragmentation – "Put simply, reorganisation plans could make or break care services unless the government gets these reforms right." – Cllr Matthew Hicks, Chair of the County Councils Network.

Along with inheriting disproportionate demand and financial pressures due to Kent's disparities, a unitary council covering the East Kent area would bear the burdens of Kent's border pressures. It would inherit the statutory responsibility for accommodating all UAS children and for traffic management in response to border changes, as well as pressure on other services such as Trading Standards for port testing. It is not feasible for a unitary council of the scale suggested by Government through LGR to manage this alone and they would very likely lack the financial resilience and specialist expertise to cope with the demand and cost pressures. Especially given the delays and underfunding of the current arrangements for UAS children and Care Leavers who were UAS children, a smaller authority would have insufficient resource to manage the demand. Even at KCC's scale, experience and capability of managing the incoming UAS children demand, the safe level has previously been breached. It is also impractical for small unitaries to manage traffic issues related to the border in isolation.

Moreover, what is needed going forward is a permanent workable solution to the issues that the border brings. Disaggregation risks not only disrupting the carefully managed solutions that mitigate the worst of the impacts now, but also setting Kent and Medway back in working with Government on a proper long-term solution that reduces the detriments to our area's economy and quality of life, and the wider risks to the country.

The impacts of disaggregation cannot be effectively mitigated

Once the strength and scale of countywide services and arrangements has been split up, there is no readily available method to effectively mitigate the disbenefits and risks of this.

Firstly, as Kent and Medway was not included on the Devolution Priority Programme (DPP) and there is no current timeline in place for future rounds of devolution, Kent and Medway cannot be confident that a Strategic Authority will be in place in the short or medium-term. This means that the area must plan on the basis that LGR will happen in Kent and Medway with no concurrent development of a strategic cross-county vehicle. As set out, it is not viable to manage Kent's unique challenges without strategic, county-level oversight and coordination, and this would have local and national risks.

Secondly, it is the position of KCC, informed by service experts across the council and learning from other areas, that disaggregation of demand-led, people-based services such as social care and SEND cannot be mitigated by shared service arrangements. In theory, these structures could allow the management of key services to be retained at a county level and mitigate the costs and impacts of splitting service provision into separate unitaries. In practice, there are no successful examples of such shared services arrangements for social care, and they are often associated with increased cost and loss of control and accountability for the constituent authorities and reduced quality of service. While this would be a challenge in any area, given the disproportionate demand and cost pressures that the east of the county would face through disaggregation, it seems highly unlikely that any voluntary shared arrangement would be robust enough to keep all the unitaries involved over the long-term, if such an arrangement could even be agreed in the first place. The energy and resource needed to establish and manage shared services arrangements within the county is a distraction to the opposing national policy direction for shared working over a larger regional footprint, including Regional Adoption Agencies and the consolidation of Integrated Care Boards.

There are opportunities for efficiencies and scope for enhanced service delivery through single tier structure

KCC's administration is of the view that LGR is a distraction that has been forced upon local authorities when they need to be focusing on delivering for their residents. However, given that it is Government's policy to pursue LGR, it is in the best interests of Kent residents that we ensure the process delivers the maximum benefits for our area. As the Financial Assessment has shown, there are clear opportunities for financial efficiencies through consolidating Kent and Medway's 14 authorities into a single unitary. Given the existential financial threats to local government and particularly to some of Kent and Medway's councils, this opportunity cannot be allowed to pass by. Unrestricted from the burdensome ongoing costs of disaggregating major services and with the lowest possible transition costs, the Kent unitary would be able to quickly reinvest maximum savings into services so the people of Kent and Medway see the benefits as soon as possible.

Creating a single tier can provide a more coordinated, streamlined and accountable local government. It opens opportunities to drive up service quality and restore faith that councils are providing good value for money and delivering for their residents. It can enhance the ability of councils to act as place-shapers and local leaders, creating stronger communities and better quality of life. The primary end goal of LGR is to facilitate Public Service Reform, finding new ways to meet the needs of our residents and communities, integrating support around real life and taking a preventative approach because it is better for people and a more efficient way to manage public resources. A single unitary would maximise the scale, capacity and capability to accelerate this, using the opportunity to tackle some of the long-standing challenges that Kent and Medway is facing and creating a stronger and more prosperous county. The section 'Better outcomes for people and place' sets out the priorities that a single council for Kent and Medway could get started on reforming straight away, working with partners and communities.

A single Kent and Medway council is the most viable financial and strategic option

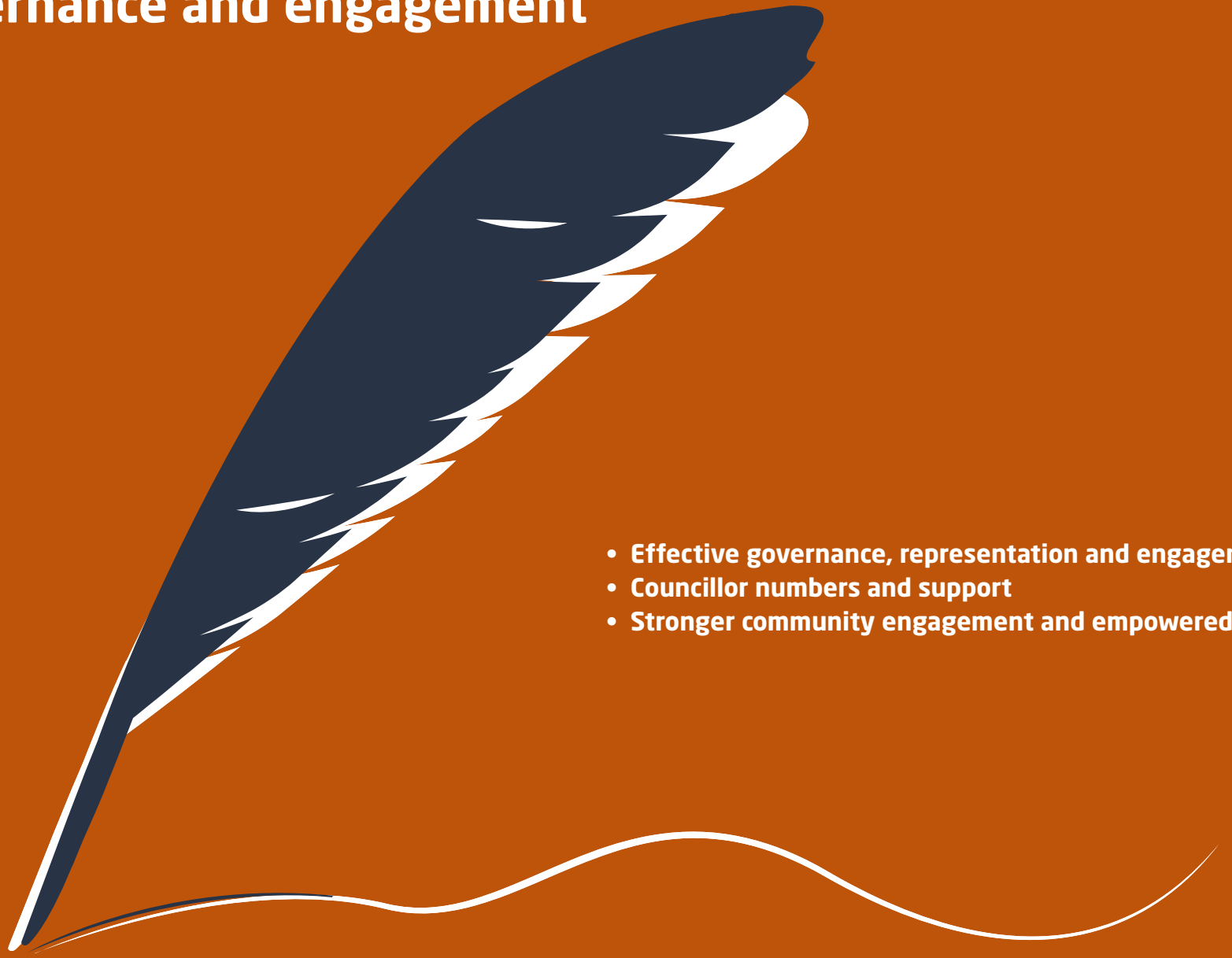
Having considered all of the evidence, both internally, jointly with our partners and considering the national context in which we operate, KCC is clear that the most viable option for LGR in Kent and Medway is through a single unitary – the Kent Council. We are a unique place, and we need a unique solution. The rest of this Strategic Business Case will set out not only how this option would avoid the alarming risks and costs of splitting our county, but would be a positive force for change, seizing this once in a generation opportunity to create local government in Kent and Medway that works now and into the future.

Seizing this once in a generation opportunity to create local government in Kent and Medway that works now and into the future

Part Three

The new Kent Council

Effective and efficient governance and engagement



- Effective governance, representation and engagement
- Councillor numbers and support
- Stronger community engagement and empowered communities

This proposal is for a single unitary authority covering the Kent and Medway area – the Kent Council. The proposed model replaces the current two-tier structure in Kent and the current unitary in Medway.

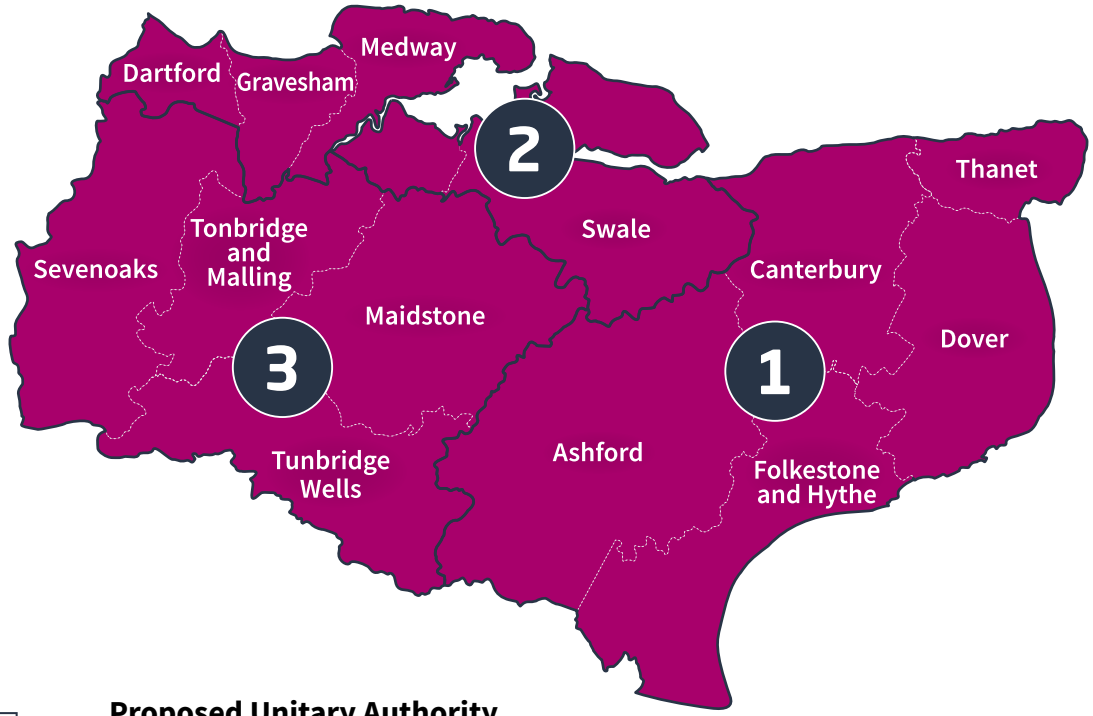
The reasons why KCC considers this to be the most viable option for LGR in Kent and Medway have been made clear. However, in considering and developing the option, we fully recognise the potential risks of a large unitary authority being too remote and not responsive enough to meet the diverse needs of Kent and Medway's communities or ensure that people feel represented and heard. We have therefore designed the model for the Kent Council to acknowledge and mitigate these risks, thinking beyond traditional ways of working in local government where this will allow the Kent Council to best serve its residents.

The Kent Council will include three Area Assemblies covering North, East and West Kent and comprised of the unitary councillors for those areas. They will be empowered to make decisions on community services in a way that suits the needs and circumstances of the local area.

Aims to combine the strengths of the 3UA and 1UA option under a single model:

- A single unitary for Kent and Medway would set the council's budget and strategy including for spatial development and would be responsible for decision-making and delivery of people-based services – e.g. Social Care and SEND.
- Three 'Area Assemblies' would sit underneath the single unitary – these would be responsible for decision-making and delivery of place-based services.

Option 1a - single unitary covering Kent and Medway with three Area Assemblies



Proposed Unitary Authority

- Kent and Medway Unitary Authority
- 1 East Kent Area Assembly
- 2 North Kent Area Assembly
- 3 West Kent Area Assembly

This section of the Strategic Business Case sets out how the Kent Council would work and later sections set out the outcomes it would deliver.

Effective governance, representation and engagement

Our starting point in designing the Kent unitary model has been to look at the functions of the council. The responsibilities of Local Government are separated into Non-Executive and Executive functions, both of which have differing arrangements for delegations. The Kent Council model will maintain the distinction between the two.

Non-Executive

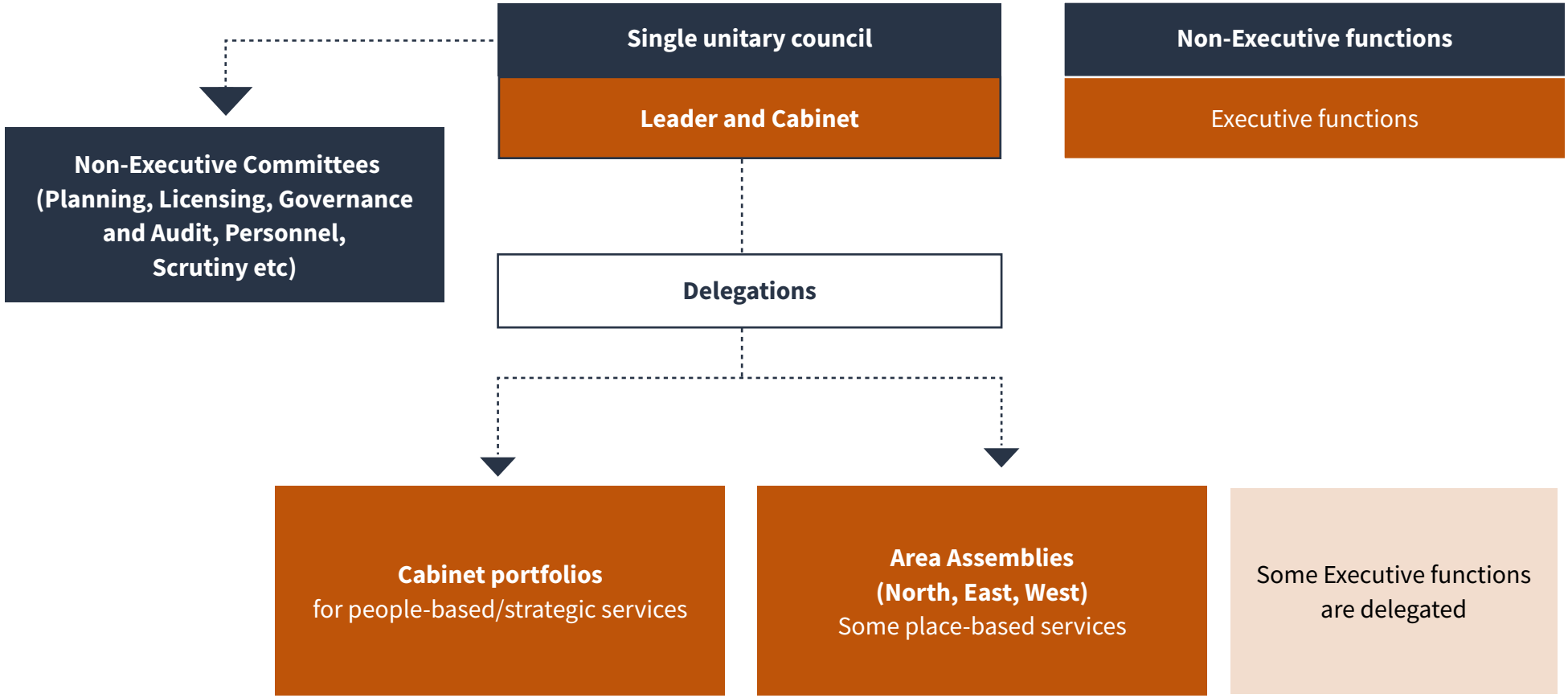
'Non-Executive' functions are powers and duties that are the responsibility of the Full Council. The power to exercise these is either reserved to Full Council or delegated by them to committees or officers.

- For example, reserved powers include:
  - Agreeing county strategy, Policy Framework and budget
  - Oversight of delegations that are statutory including Town and Country Planning and development and highways
  - Regulatory, and statutory, functions including planning, licensing, transport appeals, standards, personnel, governance and audit and pensions.

Executive

- **The Leader is responsible for the exercise of all Executive functions.** The Leader may arrange for these functions to be discharged by Cabinet Members, through their Cabinet Portfolios, or Senior officers. Executive decisions are taken in accordance with, and to implement, the Budget and Policy Framework.
- Under the **Local Government Act 2000** a Council Leader, may also delegate Executive council functions to:
  - A committee of the Executive
  - An Area Committee
- **The Local Authorities (Functions and Responsibilities) (England) Regulations 2000** also specifies which functions are and are not the responsibility of the Executive.

The proposed governance for the Kent Council is summarised in the following diagram.



A single unitary council to maximise economies and minimise disruption

The single unitary council for Kent and Medway (the Full Council) would be the Non-Executive, strategic level decision-making body, which would set the overall county strategy and budget. The Full Council would also oversee several statutory Non-Executive committees.

The Leader and Cabinet would take executive decisions and be responsible for critical people-based and strategic services, to maximise economies of scale and minimise disruption for residents and critical services and functions. Cabinet Portfolios would be set for these countywide service areas.

County scale, local delivery

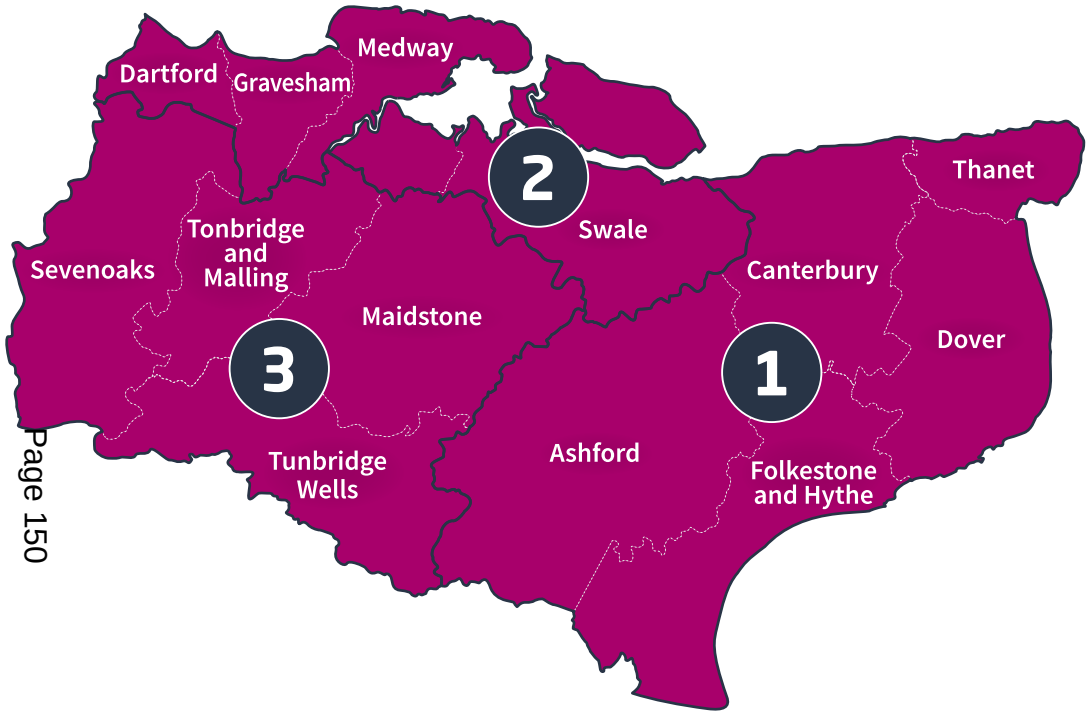
While the new council would operate at a countywide scale to ensure strategic oversight, resilience, and efficiency, local responsiveness would remain central to service delivery. Building on Kent County Council's proven model, the new council would continue to tailor services to local needs through area-based teams and embedded staff, enabling flexible, place-based delivery supported by countywide infrastructure. This approach reflects existing practice in services such as district-based children's social work teams, adult social care community and neighbourhood teams and SEND provision, which are already delivered at a place-based level to reflect the needs of different communities. Operational delivery would, by default, follow the North, East, and West groupings of the Area Assemblies, ensuring alignment and simplicity while maintaining locally grounded service provision across Kent and Medway.

Locally responsive Area Assemblies

Area Assemblies would be local-level, Executive decision-making bodies. They would be committees of the unitary council that sit at area level – divided into North, East and West.

- North: Dartford, Gravesham, Medway and Swale, with a population of 663,111.
- East: Ashford, Canterbury, Dover, Folkestone and Hythe and Thanet, with a population of 661,559.
- West: Maidstone, Tonbridge and Malling, Tunbridge Wells and Sevenoaks, with a population of 551,223.

Option 1a - single unitary covering Kent and Medway with three Area Assemblies



Proposed Unitary Authority

- Kent and Medway Unitary Authority
- 1 East Kent Area Assembly
- 2 North Kent Area Assembly
- 3 West Kent Area Assembly

Membership of the Area Assemblies would be the councillors of the Kent Council whose divisions are in the geographical areas that the Area Assemblies cover. Area Assembly Chairs would be selected by the Full Council.

The Kent Council would have flexibility in how it arranges the Area Assemblies, and over time, the initial boundaries could change incrementally to reflect community/population changes. For example, through large-scale housing development.

Area Assemblies would have delegated responsibility from the Kent Council Leader for some place-based Executive functions.

The services delegated to Area Assemblies could operate as Community Services Directorates with individual Community Services Strategies. Having a place-based approach would allow flexibility about how services are provided in different parts of Kent and Medway, so they can best meet the needs and views of local communities.

The Assemblies would be decision-making bodies, able to take Key Decisions, and would be responsible for delegated budget/s, strategy development and oversight of services delegated to them. Key Decisions would be discharged/signed by the Chair of the respective Area Assembly. In cases of no agreement, the ultimate decision would be taken by the Council Leader.

The new constitution of the Kent Council would set out the arrangements for Area Assemblies and include protections to provide long-term stability for the model.

The Area Assemblies would be rooted in the local areas that they serve. Their proposed geographical boundaries are therefore based on KCC's assessment of local identities and how people live their lives. This information is provided in detail in the Democracy and Local Identity assessment that KCC conducted to support its initial options appraisal (Appendix 1e). A north/east/west split was found to be the best way to bring together the existing building blocks of the districts in natural groupings. North Kent is characterised by the Thames Estuary, proximity to London, greater religious and ethnic diversity and strong maritime and cultural heritage. There are close connections between Medway and Swale. West Kent has affluent commuter towns and rural villages, with an entrepreneurial service-based economy and strength in agriculture. East Kent is home to Kent's coastal communities, with key sectors including creativity, life sciences and logistics. There are clear connections and shared identity across the main towns in the East Kent area. Analysis of travel to work, school and hospitals follows the same north/west/east patterns.

The Area Assemblies also mirror existing service delivery footprints, with most countywide council services currently delivered across East, North and West Kent. Importantly, the boundaries align well with the service delivery arrangements for key partners including the NHS Health and Care Partnerships (reflecting the close working between the Dartford, Gravesham and Swanley HCP and the Medway and Swale HCP in the North), and the three Kent Police Command Units (maps showing service delivery geographies are provided in Appendix 1j). While economies of scale, resilience and capacity for transformation are better served by keeping statutory people-based services at the countywide level, practical opportunities for integration and prevention also exist at operational level, aligning services in localities and neighbourhoods. Many of the foundations of wellbeing and prosperity, such as the wider determinants of health and community safety and cohesion, can be more easily and quickly influenced at that level, bringing opportunities to prevent the escalation of needs and improving quality of life. By aligning the Area Assemblies with our key partners' operational teams, Area Assemblies will be empowered to work with partners to design and deliver local transformation projects to support wider Public Service Reform.

Case Study: Local responsiveness - Community Wardens

The Community Warden service was established over 20 years ago, working with partners such as Kent Police and Kent Fire and Rescue to address local crime and disorder. This service provides a locally responsive support within our communities in recognition that the geography of Kent is vast and local intelligence and presence is important to communities.

Photo by Stuart Ellesmere

The wardens' trusted, community-based presence is highly valued not just by the public but also by partner agencies who rely on wardens' local knowledge and relationships, especially when engaging with residents who may be reluctant to speak with police or social services. This local trust had led to the expansion of their role to support KCC's responsibilities under the Care Act 2014, particularly in promoting wellbeing and preventing care needs.

Public consultation has shown strong support for maintaining a community-based model with wardens across Kent's communities. This ensures local knowledge, strong links with Community Safety Units (CSUs) and community groups, and the ability to respond quickly in crises. Wardens receive core training which also enables them to flexibly support county-wide needs during crises such as extreme weather, flooding, and emergencies like water outages.

Operating across a large scale geography allows for cross-boundary working and sharing of best practice; during the pandemic, wardens played a vital role in identifying local needs early, supporting isolated residents, and co-ordinating with Community Hubs, charities, and councils to deliver food, medicine, and hardship support. Their knowledge allowed parish councils and community groups to be supported at the neighbourhood level, whilst warden teams coordinated with district councils, and the service was supported and directed centrally from the County Council.

More recently, Parish Councils have begun sponsoring wardens to secure their presence locally. This model allows the service to grow despite financial pressures, with Parishes preferring the benefits of a centrally managed, well-trained and well-connected team that can effectively engage both locally and with wider services.

The Wardens service is an example of the County Council already operating at scale and at the local level, through established local networks, recognising the importance of having trusted advocates within our communities and the invaluable knowledge they can provide to our services and partners.

A streamlined and effective committee structure

The Kent Council would have statutory committees for non-executive functions. The current County Council has 11 statutory committees. In summary, these are:

1. **Governance and Audit**
2. **Pension Fund**
3. **Personnel**
4. **Planning Applications**
5. **Regulation**
6. **Standards**
7. **Scrutiny**
8. **Health Overview and Scrutiny (HOSC)**
9. **Selection and Member Services**
10. **Electoral and Boundary Review**
11. **Kent Flood Risk and Water Management**

The Kent Council would also include the addition of a Licensing Committee. Licensing is a significant statutory responsibility of District/Borough Councils.

The Kent Council could also choose to merge some statutory committees' functions. For example, the authority could operate a single Planning and Regulation Committee as some councils already do. However, this would be limited as certain committees (Scrutiny Committee, HOSC, Governance and Audit, Electoral and Boundary Review, Personnel, Selection and Member Services, Pension Fund, or Standards) are not enabled to merge.

The Council may also choose to arrange their committees so they are aligned with Area Assemblies' geographies. For example, area-based Planning Committees.

As well as the obvious and significant overall reduction in committees from moving from 14 councils to one, the Kent Council model offers an opportunity to reduce the number of non-statutory committees, such as the County Council's Cabinet Committees for specific service areas, that exist under current arrangements. This would help streamline governance and support councillors to focus on critical issues and their role as community champions. A Budget and Performance committee would be retained by the Executive, to ensure capacity for oversight and decision-making on these key issues.

To facilitate the Area Assemblies' role in supporting locality and neighbourhood-based Public Service Reform existing committees such as Health and Wellbeing Board, Kent and Medway NHS Joint Overview and Scrutiny Committee, Police and Crime Panel and Community Safety Partnership could be delegated to Area Assemblies to empower them to work with partners.

How responsibilities for services and functions could be arranged

The table below presents a very high-level, non-exhaustive, indicative split for the services and functions that would sit at a countywide level and those that would be delegated to the Area Assemblies.

Countywide People-based and Strategic services/functions	**Area Assemblies** Some Place-based services/functions
Corporate services and council strategy • County Strategy (Strategic Statement), Policy Framework and budget Advocating for Kent • Governance (Democratic services etc.) • Standards; Personnel; Governance and Audit; Pensions • Corporate support services and infrastructure	**Delegated budget/s and strategy development**
Revenue and Benefits • Council Tax benefit and collection • Housing Benefit administration • Property searches and Land charges • Car parks • Business Rates collection (National non-domestic rate)	
Strategic planning (Housing/Infrastructure Strategy) • Building development (Spatial Development Strategy (SDS)); Local Plan; Local Development Framework (LDF)) • Housing delivery • Minerals • Planning applications • Heritage (Conservation/listed buildings)	**Housing support** • Housing options service (assessing local housing needs, advice and assistance) • Building control

Countywide People-based and Strategic services/functions	**Area Assemblies** Some Place-based services/functions
Social Care (Adult's and Children's) **and Safeguarding**	
Transport strategy • Highways and transport (traffic management) planning and operations • Home to school transport and appeals; concessionary travel and public and community transport • Cycle routes • Road safety • Street lighting and furniture	**Highways maintenance** • Potholes etc.
Economic Development strategy • Growth Plan • Skills	**Place-based Economic Development** • Local economy support and development • Tourism • Supported Employment
Education/Children • Schools including infrastructure and school improvement • Early years and childcare • SEND strategy and specialist support	**Education/Children** • Family Hubs
Regulatory services and Licensing • Trading standards and consumer protection • Taxis • Alcohol • Public entertainment • Gambling	**Community services** • Museums and Arts/Culture • Leisure • Markets • Libraries and Registration • Youth service • Village halls/community facilities

Countywide People-based and Strategic services/functions	**Area Assemblies** Some Place-based services/functions
Environment • Maintenance of public rights of way • Coastal protection and watercourses (drainage)	**Environment** • Country parks and countryside management • Protecting and enhancing the environment • Grounds maintenance (parks and open spaces) • Cemeteries and crematoria • Street naming
Waste management • Waste recycling and collection/disposal	**Environmental Health** • Pollution control and air quality • Private sector housing standards • Food hygiene and health and safety • Street-scene (graffiti, litter etc.) • Street cleaning and fly-tipping
Public Health strategy (via Director of Public Health)	**Public Health delivery**
Public protection • Emergency planning and county resilience	**Public protection** • Community safety, including Community Wardens
Elections and Electoral registration	
Archives	

Councillor numbers and support

Population figures in this section are taken from **ONS mid-2024 population estimates**. Electorate figures are from 2025 (provided by Kent and Medway councils). The same figures have been used across all LGR proposals being developed in Kent and Medway to ensure consistency and comparability.

Currently in Kent and Medway, there are a total of 658 Councillors covering Kent County Council (81), Medway Unitary Authority (59), and 12 district councils (518). Based on a population of c.1.9 million in Kent and Medway this currently provides one councillor per 2,851 people. Based on an electorate of c.1.4 million in Kent and Medway, there is one Councillor per 2,050 electors. For additional context:

- The highest population/electorate per councillor is KCC which has 20,234 people and 14,532 electors per councillor (population 1,639,029, electorate 1,177,080)
- Medway Council has 4,960 people and 3,501 electors per councillor (population 292,655, electorate 206,567)
- The lowest is in Sevenoaks where there are 2,272 people and 1,670 electors per councillor
- The average population per councillor across England is higher than the Kent and Medway average at 3,360.

The Local Government Boundary Commission for England (LGBCE) has advised a minimum of 30 councillors and a maximum of 100 councillors for new unitary authorities, and that any exceptions to this need a strong justification.

A workable, representative and cost-efficient approach

In determining the most appropriate size for the Kent Council, it has been important to strike the right balance between ensuring effective democratic representation for the people of Kent and Medway, and ensuring that the council has a workable number of councillors to support the efficient discharge of the council's functions.

As the Kent Council will represent a large number of people, our starting point has been to look at current unitary councils with higher ratios of people to councillors. Birmingham Council has the highest, with 11,420 people per councillor. Applying this ratio to the Kent and Medway population, this would mean 164 councillors for the Kent unitary. This is within the same range as the initial number of councillors for the Buckinghamshire unitary when it first formed (147).

However, 164 councillors could fail to strike the right balance of being a workable number for a single council. Taking the mid-point between KCC's current ratio of 20,234 people per councillor and the Birmingham figure provides a ratio of 15,827. For the Kent and Medway population, this would give 122 councillors.

122 councillors

15,827 people per councillor
(Kent and Medway population of 1,931,684)

11,341 electors per councillor
(Kent and Medway electorate of 1,383,647)

122 councillors is a workable number for a large unitary, similar to the number of councillors in Somerset (110), for example.

One of Government's aims of Local Government Reorganisation is to improve outcomes through fewer politicians who are more able to focus on delivering for residents. The proposed number of councillors for the Kent Council strikes the right balance to deliver this aim, working alongside the enhanced approach to community engagement set out below to provide a range of mechanisms to ensure that people can be engaged, involved and represented. The Kent Council proposes a more realistic and modern view of the way in which people interact with their elected representatives and the communication and technology available which means that large councillor to resident ratios are not necessarily required to deliver efficient representation.

The proposal also delivers a significant cost saving. The total cost of basic allowances for all 658 councillors currently in Kent and Medway was £5,176,303 in 2024/25. The proposed Basic Member Allowance for the Kent Council (at the rate of £23,000 outlined below) would be £2,806,000. This would provide a considerable saving of over £2.3 million per year. Calculations are shown in Appendix 3e.

Supporting and empowering councillors

Councillors in the Kent Council will have a remit across all local government services and functions in their area. The breadth and demands of the role and the significant reduction in councillor numbers from 658 councillors currently in Kent and Medway is acknowledged.

Reflecting this, councillors in the Kent Council would be empowered and supported to have a meaningful role in the functioning of local government democracy. They will represent their local residents, act as leaders in their communities, and set and oversee policy for the running of council services. As a streamlined and efficient council, the Kent Unitary would put in place the following arrangements to ensure that councillors can fulfil their role and serve their communities:

Member support unit – this team would apply a triage approach to all enquiries received by councillors to ensure that they are directed to the right service, thereby reducing the time taken to address the matter directly by the service in question and only involving the councillor where this is needed, providing them with manageable caseloads.

Streamlined governance – the rationalised committee structure and streamlined governance processes proposed mean that 122 councillors is sufficient to ensure that the council's business can be discharged without adding more than is necessary to councillor workloads. Each councillor would sit on no more than three to four committees. This would include sitting on the Kent Council, their respective Area Assembly (a councillor will only sit on one Area Assembly) and either one or two other council committees.

An enhanced single contact point for residents – adopting a 'tell us once' approach, a mechanism would be created that provides a simple and single route for residents to contact the council when they have a query, complaint or need to access a service – this portal would take full advantage of digital and AI technology and use appropriate channels so that such queries and issues can be processed and directed to the relevant service rather than increasing councillor caseloads with what should be straightforward transactions.

An enhanced Community Engagement team – this would provide a bedrock of support for how the council, through its services and councillors, would comprehensively engage Kent and Medway's residents and their communities, as set out in the Community Engagement section below.

Enhanced Allowance – the extent of responsibilities and constituency sizes for councillors of the single unitary council would be reflected in a proposed enhanced Basic Member Allowance of £23,000 per annum. This has been provisionally calculated by combining KCC's current allowance with the mean Basic Member Allowance across Kent's District and Borough Councils.

Stronger community engagement and empowered communities

LGR presents an opportunity to enhance how local government in Kent and Medway engages with residents by shifting from traditional 'top-down' models to more place-based and participatory approaches. However, in order to achieve this, community engagement must become an integral part of the culture for the Kent Council.

The focus though, would be on creating the conditions for meaningful engagement throughout the activity the Kent Council undertakes, not creating expensive and bureaucratic structures for community engagement. The Kent Council would not create unnecessary forums and layers of governance, but instead use existing forums and governance such as Town and Parish Councils, strengthening their role in community engagement and intelligence gathering and ensuring that strategic and meaningful engagement is embedded as an approach in how the council operates. By adopting this streamlined model, the authority would avoid the cost and complexity of a vast neighbourhood area board structure, which would not be feasible for a large unitary authority, instead delivering targeted engagement while maintaining strong local connections.

Enhancing our community engagement

The Kent Council would introduce a Strategic Engagement Framework setting out clear principles that define how the authority engages with communities and partners. It would provide a consistent set of expectations for residents and stakeholders, whilst also equipping staff with a practical toolkit of engagement methods to support inclusive, effective, and responsive practice.

Community engagement would be a core strategic function embedded in the authority's decision-making processes. From the earliest stages, the Kent Council would actively involve the communities it serves, ensuring their voices shape the policies, services, and outcomes that affect their lives.

Principles for Community Engagement

The principles presented are illustrative and intended as a starting point for discussion. The final Framework would be developed by the Kent Council collaboratively with residents and partner organisations, ensuring it reflects their shared values and a joint commitment to meaningful engagement.

Co-design and Early Involvement

- Engaging communities from the beginning when shaping the vision, priorities and service models of the new authority.
- Using the toolkit of engagement methods, such as citizen's assemblies, formal consultation and Leader's Question Time to ensure diverse voices are heard.
- Co-producing proposals with residents and partners so their voices are heard.

Inclusive and Accessible Engagement

- Community engagement must reach all residents of Kent, including those from under-represented and seldom-heard groups.
- Staff must consider multiple forms of engagement techniques and channels to ensure all residents are empowered to participate in feedback and service design, considering issues such as digital exclusion or language barriers.
- Balancing digital engagement methods with in-person consultation and co-design.

Productive Partnerships

- Collaborate with partners including the Town and Parish Councils and the Voluntary and Community Sector to build on their knowledge and expertise of the local communities.
- Develop and build stronger community networks with those organisations to embed collaboration into service design and delivery.

Place-Based Engagement

- Consider the specific needs of the communities and neighbourhoods in the county to ensure that local initiatives are reflective of the communities they would serve.
- Engage with residents through the channels they already know and trust, such as town and parish councils, local associations, and partnerships, rather than introducing new, unfamiliar or duplicative structures for communication.

Transparent and Open Communication

- Build strong mechanisms for feedback to demonstrate to partners and residents how their views have helped to shape council decision making.
- Communication would be clear and consistent across the authority.

Learning and Development

- Staff would be supported and trained to understand the importance and benefits of engagement and how it can support their work and relationships with residents and partners.
- Create a culture within the authority for staff to learn from each other and share insights within the Council and across partners on best practice to ensure continuous and effective engagement.
- Provide information to residents on how they can be involved in their local communities and Council decision making.

Town and Parish Councils

Although Parish and Town Councils are independent institutions and not a substitute for meaningful community engagement by local authorities, they remain an integral part of many local communities. The Kent Council would be committed to working in partnership with Parish and Town councils to embed community engagement by building on their local knowledge, networks, and trusted relationships. Recognising the vital role that they play in providing hyper-local insight and community engagement, the Kent Council can build on the existing relationship with Kent Association of Local Councils (KALC) and increase support to it to support effective Parish and Town Councils. This is in recognition of the rurality of Kent and how important local Town and Parish Councils are to reflecting the needs of very diverse communities across a large geography.

Community Governance Reviews (CGR)

Several of Kent's district and borough councils – Ashford, Maidstone, Tonbridge and Malling, Thanet, and Tunbridge Wells – are currently conducting Community Governance Reviews and formal consultations in 2025 (partly in preparation for LGR) to determine the potential establishment of new Town or Parish councils, particularly in unparished areas such as Tonbridge, Margate, and Royal Tunbridge Wells.

It should not be assumed that communities will want a Town or Parish council. Canterbury City Council's 2024 review decided against forming a Whitstable Town Council due to lack of public support and concerns about extra costs and governance. Similarly, Medway's 2017-18 review found a Rochester Town Council unviable, as residents felt current community networks were sufficient, and feared increased bureaucracy, duplication, and higher taxes without clear benefits.

In areas of Kent that remain unparished or without town councils following unitarisation and the community governance reviews mentioned above, the Kent Council would work with residents and local community groups to determine how they wish to be represented and how they prefer to engage with public services.

Productive Partnerships

A core principle of the proposed Strategic Engagement Framework would be a pledge from the Kent Council to work in productive partnership.

The Kent Council would work to build meaningful and equal relationships with the voluntary, community, and social enterprise (VCSE) sector and other key stakeholders. This approach goes beyond tokenistic involvement: partners would be engaged as valued equals, with their expertise, insights, and experience directly shaping decisions and service delivery. The Kent Council would foster open dialogue, shared goals, and mutual accountability to ensure collaboration is genuine, impactful, and rooted in trust.

It is recognised that while the VCSE sector plays an essential role in engaging residents and delivering services, its capacity is often limited, and the sector itself is diverse and sometimes fragmented. Existing forums provide a strategic voice, but it is important to acknowledge and respond to this complexity.

Currently, the VCSE sector must navigate different partnership arrangements across Kent County Council, Medway Council, and the 12 district and borough councils. The creation of a single unitary authority offers a unique opportunity: VCSE organisations would have one strategic partner at the local government level, enabling greater consistency and clarity. The addition of a dedicated Community Engagement Team and a robust, authority-wide Strategic Engagement Framework would also create new opportunities for localised engagement, ensuring that all communities and partners can contribute meaningfully to shaping services and outcomes.

An enhanced Community Engagement Team

This approach would be supported by the creation of an enhanced Community Engagement Team. This is important not just to ensure successful transition to the new structures with minimal disruption to residents, but to pave the way for a sustainable relationship between the Kent Council and its communities in order to ensure that residents do not feel disenfranchised by the changes to local government in their areas and are empowered to share their voice, influence decisions and help shape the future of their local services.

The new Community Engagement Team would play a pivotal role in helping residents navigate and connect with the emerging Kent Council. This team would serve as a direct and responsive link between communities and the new council, ensuring that local voices are heard, needs are understood, and services are shaped around people.

In addition to leading direct engagement efforts, the team would provide guidance and support to staff across the authority on using the newly developed Community Engagement Toolkit, a flexible resource offering a menu of engagement methods tailored to different audiences and service areas. This would empower services to choose the most effective and proportionate approach to engaging residents, partners, and stakeholders.

It is proposed that the team could consist of 27 Community Navigators and three Community Engagement Managers, aligned with the structure of the three new Area Assemblies, and would be directly accountable to the Kent Council. Their remit would cover the following key areas of focus:

- The community navigators would be embedded into communities so they can solve problems in local areas and help residents and local partners navigate council services and signpost to partners.
- They would refer issues and feedback intelligence to services, including linking into the teams that would sit under the Area Assemblies to deliver place-based services.
- They would need to reach and engage hard to reach, marginalised or under-represented residents and communities, ensuring that engagement is widespread and effective across the Kent and Medway area.
- Through proactive outreach and a trusted local presence, the team would help remove barriers to participation and amplify voices that are often overlooked in traditional consultation and communication models.

Community Engagement Toolkit

By creating a complementary Community Engagement Toolkit, staff would be empowered to translate the high-level principles outlined in the Strategic Engagement Framework into meaningful and practical engagement with partners and residents. The toolkit would provide staff with clear guidance and adaptable community engagement approaches to ensure consistency across the organisation.

Digital Engagement	**Public Consultations**	**Accessible Online Committee Meetings**
Leader's Question Time	**Community Engagement Toolkit**	**Participatory Budgeting**
Citizen Advisory Boards		**Community Workshops and Focus Groups**
Volunteer and Civic Projects	**Youth Engagement**	**Cultural and Community Events**

Participation levels can vary significantly between areas, leading to unequal influence and more vocal or resourced communities may dominate discussions, marginalising quieter or under-served groups; by utilising a variety of different engagement methods, both online and in-person, the Kent Council would be better placed to engage with a larger and more diverse cohort of Kent residents.

Traditional committee formats may not appeal to younger residents, digitally engaged communities, or those with accessibility needs; the engagement approach should include multiple methods of communication and engagement to avoid excluding voices that prefer alternative engagement methods such as online platforms or pop-up informal events.

Proposed community engagement methods are outlined below. Appendix 3f sets out more detail about how these methods would work and how they have been developed learning from best practice in other areas of the country.

Digital Engagement – Utilising tools such as social media to share news and communications with Kent residents and organisations.

Public Consultations – Building on current practice used by Kent and Medway Councils, both informal and formal types of consultation should be utilised across a range of digital and non-digital channels.

Accessible Online Committee Meetings – Continuation of current practice, this allows the public to stay informed in Council business and decision making.

Leader's Question Time – Used with positive impact in other local authorities, this method would allow Kent residents to pose questions to the Leader of the Kent Council and have a timely voice on the issues that concern them the most.

Participatory Budgeting – A process where residents help decide how public funds are spent, giving communities a direct voice in local priorities and decision-making.

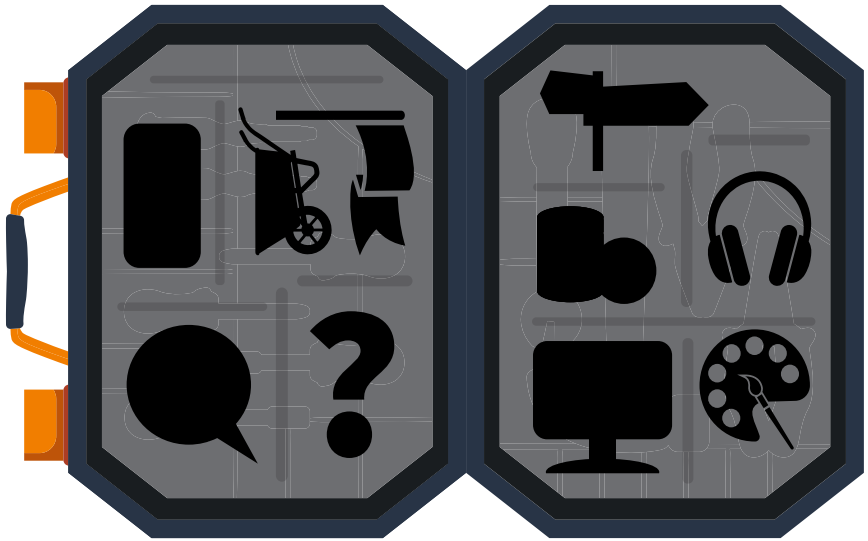
Citizen Advisory Boards – A collection of individuals selected to be representative of the wider population, meeting for the purpose of open discussion and focussed questioning to make an informed recommendation on a key topic before disbanding.

Community Workshops and Focus Groups – Building on current practice used across Kent and Medway, this method can foster dialogue, gather in-depth insights, and build trust through direct interaction with residents.

Volunteer and Civic Projects – Engage with residents whilst improving local communities together through civic action and volunteering days.

Youth Engagement – Continuation of the youth council model as well as learning from new research and methodologies.

Cultural and Community Events – Engage with residents in informal settings to celebrate shared values whilst having an opportunity to gain important views and insights.



Devolution

In submitting our proposal, we acknowledge that our preferred model for LGR does not conform to the government's current devolution policy that, to receive devolved powers, a single unitary authority and Mayoral Strategic Authority (MSA) cannot be established on the same geographical footprint. However, the government has not published a timetable for further rounds of devolution for two-tier areas, which indicates their policy ambitions for the remainder of this Parliament are unclear. In the absence of a clear timeline, and having set out the reasons why it is imperative that a strategic authority is maintained given Kent and Medway's scale, unique challenges and strategic significance, our approach provides a practical way forward.

KCC would welcome the devolution of responsibilities and budgets to an appropriate body in Kent and Medway. Given the context in which we are working, the most appropriate body is the Kent Council that would be created through this LGR proposal. In this model, there would be no need to create a separate MSA, as the Kent Council would provide the strategic capacity necessary for devolution that Government is seeking to embed across the country.

The reality is that Kent and Medway is already operating at the appropriate spatial scale. Our geography, at c.1.9 million, is in excess of the 1.5 million set by government for an MSA. We are also a single Functional Economic Area (FEA) with a unique, strategic position between the international gateways to the continent, the wider South East and London.

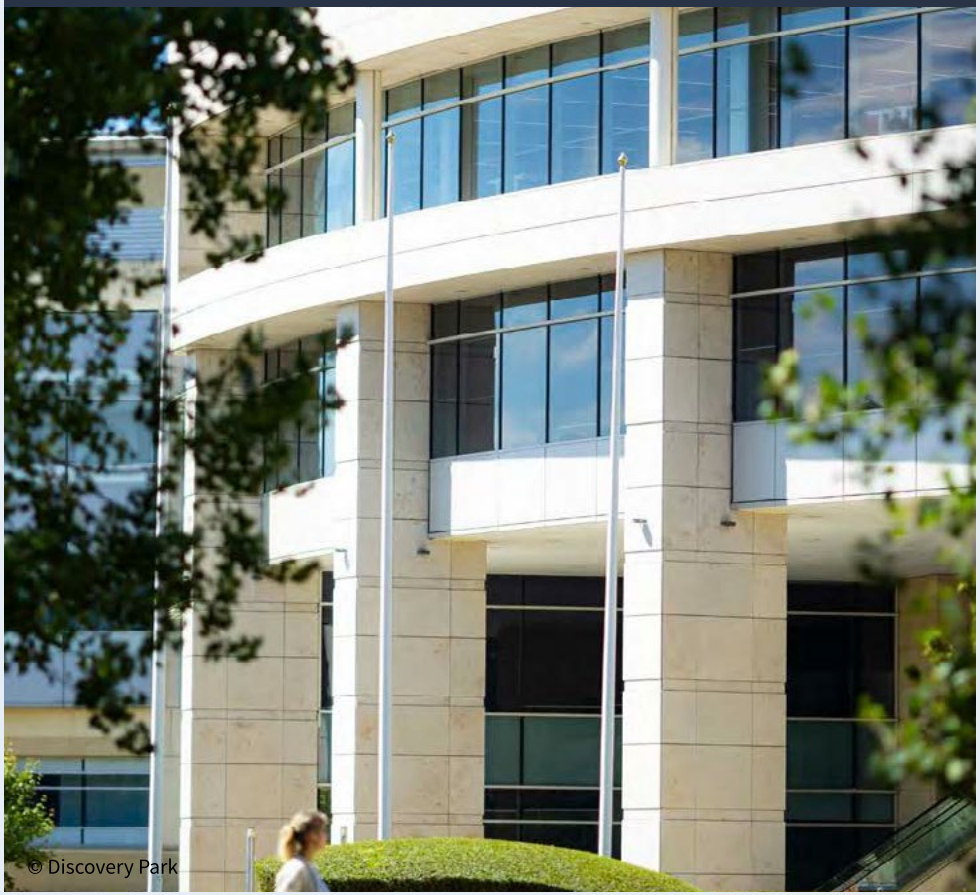
We already have a successful partnership structure and collaborate with key county-wide partners, including the NHS, Police, and business groups, which fragmenting Kent into multiple unitary authorities would negate.

Kent and Medway has consistently proved we deliver and at scale. There is nothing in the Devolution Framework that could not be delivered by the Kent Council working within the established partnerships in place. The following are examples of responsibilities in the Devolution Framework that are already being delivered in Kent and Medway:

- The Kent and Medway Economic Framework is a Local Growth Plan in all but name.
- We are preparing to deliver a Spatial Development Strategy (SDS).
- The Kent Invicta Chamber of Commerce is leading on a Kent and Medway Local Skills Improvement Plan (LSIP).
- Kent County Council leads on developing and implementing local transport strategy via the **Local Transport Plan**
- Services like the **Kent and Medway Growth Hub** and the **Kent and Medway Economic Partnership (KMEP)** and **Business Advisory Board (BAB)** provide Business Support.

Kent and Medway has a well-established track record of convening partners across public services, business, and community sectors to create solutions to complex challenges and seize opportunities for the county. Acting as a strategic body – akin to a mayoral authority – and drawing on scale, infrastructure, and well-established relationships across public services, business, and community sectors, Kent and Medway are able to deliver strategic outcomes for the county and wider region. Whether responding to economic shocks, co-ordinating complex service delivery, or unlocking investment, we have demonstrated our ability to lead with clarity, build consensus, and drive action.

Case Study: Discovery Park, Sandwich – Convening Power in Action



Discovery Park, Sandwich

Kent County Council's convening power was exemplified in its response to Pfizer's 2011 decision to close its European research and development headquarters in Sandwich, which threatened 2,400 jobs and the loss of a nationally significant science and innovation site. Chaired by the Leader of KCC, a dedicated Task Force was swiftly convened, bringing together Government, local authorities, Pfizer, and investors. This collaborative effort led to the purchase of the site by Discovery Park Limited and the launch of the £35 million Expansion East Kent scheme, unlocking investment and job creation across the region. The site has since evolved into a thriving science park, home to over 180 businesses and more than 3500 employees from across the county and beyond, anchoring itself as a vital research and development hub between London and the continent.

KCC's convening role was again critical in 2023 when Pfizer announced its exit from remaining facilities at Discovery Park. A second Task Force, led by KCC, coordinated a rapid response involving central government, local partners and industry stakeholders. This resulted in Asymchem Laboratories acquiring the site and retaining key talent (69 former Pfizer staff, with a further 200 planned), while KCC supported the creation of two pharmaceutical start-ups through the Kent and Medway Business Fund.

This case study illustrates how KCC's strategic leadership and convening power enable it to respond to challenge and unlock new opportunities for Kent – bringing together the right people, at the right time, to secure successful outcomes for the county and beyond.

A priority for the Kent Council would be to seek a bespoke relationship with central Government. Central to this would be the Kent Council being granted a fully Integrated Settlement, along the lines of those currently available to Established Mayoral Combined Authorities.

In return, the Kent Council would work in partnership with Government to accelerate our work with wider partners to design and deliver the crucial Public Service Reform (PSR) ambitions, detailed in the local government White Paper. This would help us address our distinct geographical and socio-economic challenges, mitigate the challenges and maximise the potential our unique area has.

Better outcomes for people and place

- Public Service Reform
- Better outcomes for our places
- Better outcomes for our people

Public Service Reform

It will not be possible for all future challenges facing local government to be addressed or mitigated as a result of LGR. However, Public Service Reform (PSR) must remain an end goal, to review, reset, and fundamentally change the way in which our services are delivered to residents.

The Kent Council will deliver better services for our people and our places, with the scale and authority to deliver. Through one strategic vision across Kent and Medway, it will have a strong and unified voice to advocate for residents' needs. This will ensure Kent and Medway can continue to build on the strong relationships developed with government and provide the foundations for even greater engagement and influence on the things that matter most to residents. A Kent Council will be able to effectively lobby for the needs of our county with an even greater evidence base through an enhanced, single dataset, ensuring that policy, strategy and services are effective at meeting the real needs of our unique county.

We have assessed the scale of challenge and opportunity presented by LGR to identify those areas where the Kent Council could have the greatest impact. These fall across four main themes:

1. Ensuring the sustainability and responsiveness of our services by shaping and strengthening the markets that our services rely on,
2. Focusing on prevention rather than reactive services to improve outcomes for our residents,
3. Spatial planning and infrastructure delivered at the right scale to ensure communities grow in a sustainable way,
4. Delivering value for money and unlocking greater financial capacity for community based services which improve quality of life.

However, to deliver real PSR, these themes will of course be inter-connected. Essentially, the transformation of services will be centred around improving outcomes for both people and place, with equal importance, leading to the delivery of high quality and sustainable services across a significant public service area and building a better quality of life for Kent and Medway residents.

The key levers to deliver transformation that the Kent Council will utilise include:

1. Service design transformation (co-designing with stakeholders, including service users and frontline staff to understand needs, behaviours and experiences to reimagine and improve how services are designed, from awareness to delivery to feedback).
2. Service delivery transformation (multi-faceted approaches to improve efficiency, accessibility and user satisfaction).
3. Technology and digital transformation (including using new insights from the use of data and AI).
4. Business process transformation (mapping and re-engineering workflows, adopting new digital tools to streamline operations).

Better outcomes for our places

Economic strength and creating a platform for growth

The Kent Council will support the Kent and Medway functional economic area that is already recognised by Government. A Kent Council creates clear strategic oversight and leadership of Kent as a place and to draw investment into the County, providing a strong voice to engage with Government and deliver on the Government's ambitions for growth. It will also enable one strategic plan across Kent and Medway, with one voice advocating for the needs of Kent residents and ensuring that we create sustainable communities, with the infrastructure needed to support thriving local areas.

Existing economic strategies such as the **Kent and Medway Economic Framework**, the **Get Kent and Medway Working Plan** and the emerging Local Growth Plan exist at the Kent and Medway level recognising that impactful, strategic economic development work and the local economy, operates at that scale. Strategically important programmes such as the delivery of business support through the Kent and Medway Growth Hub and sector and cluster development activity require a critical mass of businesses to function optimally.

The Kent Council will preserve the long-established, successful partnerships that exist to support investment into the County, for example through the Kent and Medway Economic Partnership, the area's Local Growth Board. The Kent and Medway economy is largely SME-based with very few large employers. The scale of one Kent Council strengthens the County's position to attract important investment and to ensure that any growth projects are underpinned by strategic understanding of the county's needs, and that one area does not have an unfair advantage.

One voice advocating for the needs of Kent residents

Margate

Kent and Medway's local distinctiveness, creativity and natural environment all contribute to the vibrancy of its visitor economy. Kent and Medway has a large tourism sector, made up of 6,000 businesses, supporting over 70,000 jobs (11% of employment in the county) that generate £4 billion in gross value added. The outstanding coastline, landscapes and internationally significant heritage assets make an important economic contribution, to tourism, leisure and quality of life but are also Kent and Medway's globally recognised 'Garden of England' brand. This brand is also what draws people to live and work in the county, bringing much needed skills, expertise and entrepreneurship into the local economy.

The Kent Council also enables skills to be embedded in wider growth strategies so that housing and infrastructure are underpinned by clear plans to develop the local workforce. Delivering programmes such as Skills Bootcamps and Connect to Work at the whole county level provides opportunity to link the supply side of the labour market with the demand through the county-wide Local Skills Improvement Plan. Services to support skills and employment will continue to be offered at the Kent and Medway level to cater for travel to work patterns across the geography and to ensure that gaps highlighted in the Local Skills Improvement Plan can be filled by a wide pool of candidates from the wider area resulting in enhanced productivity for firms and career opportunities for residents.

The existing Business Advisory Boards will be able to continue to operate at scale to support the skills agenda, whilst the sub regional partnerships that already exist at the area level, East, West and North will be enhanced by the creation of three Area Assemblies. This will allow for more specialised, localised skills provision such as manufacturing in the north of the county, to also be considered at the

The 'Garden of England' brand, draws people to live and work in the county, bringing much needed skills, expertise and entrepreneurship into the local economy

Biddenden

area level to reflect the differing local economies and to create local support for highstreets and small local firms such as retail businesses. Hyper-local tourism offerings can also be promoted at a smaller level for example around a particular town supported by a strong 'destination management' level structure across Kent and Medway which brings together the different specialisms of smaller areas into a coherent, county-wide visitor offer.

The strategic oversight of the Kent Council and the shared intelligence it will hold will greatly benefit the investment opportunities of the County as a whole and the economic health of Kent and Medway as a place.

Strategic planning and infrastructure at the right scale to deliver

The case for strategic planning is well-documented, particularly in grappling with the most significant issues facing the planning system. Whilst partnership arrangements have been in place to support a more coordinated approach and established tools such as the Countywide **Accommodation Strategy** (KCC) and the **Kent and Medway Housing Strategy**, published by the Kent Housing Group have gone some way to alleviate issues presented by the fragmentation of responsibility, in a county that is growing as rapidly as Kent and Medway, a truly integrated approach is needed to meet the significant and complex infrastructure needs of the area.

The Kent Council will greatly improve strategic infrastructure planning by providing a single, strategic point of leadership and decision-making, a single and consistent approach with developers and other partners, and a critical mass of capacity and expertise. It will also enable Government to deliver on its housing targets.

The table below shows that in the multi-unitary options, there will be at least one unitary where the data suggests there will be significant challenges to deliver against housing targets. In contrast a single unitary spreads housing growth out across a larger geographical area and allows for the better delivery of housing targets in a way that is sustainable.

It should be noted that neither option 4d or option 5a could be modelled because they do not adhere to current district boundaries on which housing targets are set and monitored.

The table shows the percentage of the new annual housing target that has been delivered on average over the last six years and the percentage of the four-year housing target that has been identified for development and has been included in the Housing Information Audit.

Table: Most Challenging Unitary Authority for housing growth delivery in Each Local Government Reorganisation Option

LGR Model	% of New Annual Target Delivered Annually (2017-2023)	% of 4 Year Housing Target Identified in Housing Information Audit
LGR Option 1a	Kent – 62%	Kent – 89%
LGR Option 3a	East Kent – 59%	West Kent – 78%
LGR Option 4b	East Kent- 52%	West Kent – 67%
Kent and Medway	Kent – 62%	Kent – 89%

However, alongside the delivery of housing targets, the Kent Council will enable the preparation of a single, statutory strategic plan. When done well, housing and the necessary infrastructure it requires shapes how people feel about the place they live and ensures communities can grow in a sustainable way. The Kent Council will establish housing and economic growth requirements in response to local needs and provide choice and opportunity across a far broader geography when determining how those needs are met, taking into account the genuine planning constraints which exist in parts of Kent and Medway. Building on the success of the Kent and Medway Infrastructure Mapping Platform (IMP), the single unitary will have a robust evidence base and platform to build its strategic plan, which will be integrated with the ambitions of our Transport and Growth plans. This platform will enable officers in the Kent Council to identify infrastructure gaps and funding opportunities, whilst enabling early and collaborative discussions on spatial development plans across the geography.

The Kent Council will also enable simplified planning processes – such as Section 106 agreements and the Community Infrastructure Levy (CIL) by consolidating authority, reducing negotiation complexity, and ensuring transparency and efficiency for developers and communities alike. It also allows for a county-wide infrastructure strategy that equitably distributes developer contributions across both high-growth and underinvested areas.

When done well, housing and the necessary infrastructure it requires, shapes how people feel about the place they live and ensures communities can grow in a sustainable way

Maidstone

Furthermore the Kent Council will have a much stronger resource base, able to attract the skills and expertise to deliver high quality housing and infrastructure plans. The alignment of policies, decision making processes and monitoring frameworks will result in a more consistent approach to planning and will make it easier to undertake a greater level of community engagement through Parish and Town Councils, in the planning process. Shared data, information, use of digital technologies and consistent design principles across the new single authority will lead to better delivery of services and associated cost savings. With the full integration of services under one governance structure it will provide optimal authority and oversight to effectively plan and deliver infrastructure that facilitates and supports more innovative service delivery models. For example the co-location of functions such as housing, infrastructure and social care will mean that we can better ensure that people-based services can meet the housing needs of their service users in the future particularly around supported accommodation (of which there is currently a shortage) but also look for opportunities to provide much needed accommodation for children in need and to make better use of Disabled Facilities Grant, all of which will have a transformative impact on people's lives.

The Kent Council will enable a future planning and infrastructure approach that balances strategic oversight with local accountability, but importantly with the resources needed to deliver.

The Kent Council will have a much stronger resource base, able to attract the skills and expertise to deliver high quality housing and infrastructure plans

Transforming our delivery

Planning at the right scale to support delivery: integrating spatial and social care accommodation sufficiency planning

Councils with adult social services responsibilities, have a duty to ensure that adults with care and support needs have access to suitable accommodation, and that there is a diverse, sustainable and high-quality range of accommodation care and support options in their areas. This requires councils to understand the current and future demand and supply for different cohorts of the population.

The Kent Council will bring together the statutory duties related to housing, including spatial planning, the production of local plans, development management, strategic housing and land allocation alongside the management of access to social housing (including supported living) and Disabled Facility Grants (DFG) which are used to make home adaptations to support independence. This will enable the Council to explore housing options across a larger geographical area and ensure provision is in the right places and well supported by jointly planned transport connections and infrastructure. Enhanced resident and partner engagement will ensure that plans are informed by the needs of local communities and that the right facilities are available. Taking this entirely joined up approach will mean that there is access to housing provision across the county to meet the diverse needs of the population. It will better support people with care needs to remain independent for as long as possible with an improved quality of life and alleviate pressure on social care and health services.

Greater financial capacity for community based services to improve quality of life

It is clear that there will be one off costs from transitioning to a new authority, whatever the model, whilst councils are also starting from a position of fiscal challenge. However, the Kent Council offers the greatest potential to drive efficiency savings by streamlining operations, reducing duplication and optimising resource allocation. Not only will this enhance service delivery, but it will ensure that taxpayer's money is utilised more effectively and can be spent on those community-based services which have the greatest impact on residents' quality of life.

With the increasing drain of people-based services on local government budgets, less resources are available to invest in universal services such as waste, highways maintenance and leisure or community services, the services that make our places communities. For most residents across Kent and Medway who do not receive social care support, this is felt as an imbalance that contributes to a negative perception of quality of life and value for money from local councils. The Kent Council will bring together those place based services which are currently split across different tiers of government, increasing accountability and freeing up resources to be able to invest in services and spaces that make a difference to people's lives whether that is local parks, green spaces, roads, town centres or public rights of way. Through the three Area Assemblies and with a greater focus on community engagement, it will better facilitate services that reflect local nuances and respond to local needs, building communities that people are proud to live in.

The Kent Council will have the flexibility to scale up or devolve down service delivery to remove inefficiencies in systems that were not designed with the resident or business at the centre. For Kent and Medway, a single unitary will also enable the gains from the Fair Funding review, to increase spend at front line delivery, as intended. Whilst the authority's greater financial resilience will not solve the issues around the financial sustainability of local government, it will create stronger foundations to manage risk.

Investing in services and spaces that make a difference to people's lives whether that is local parks, green spaces, roads, town centres or public rights of way

Transforming our delivery

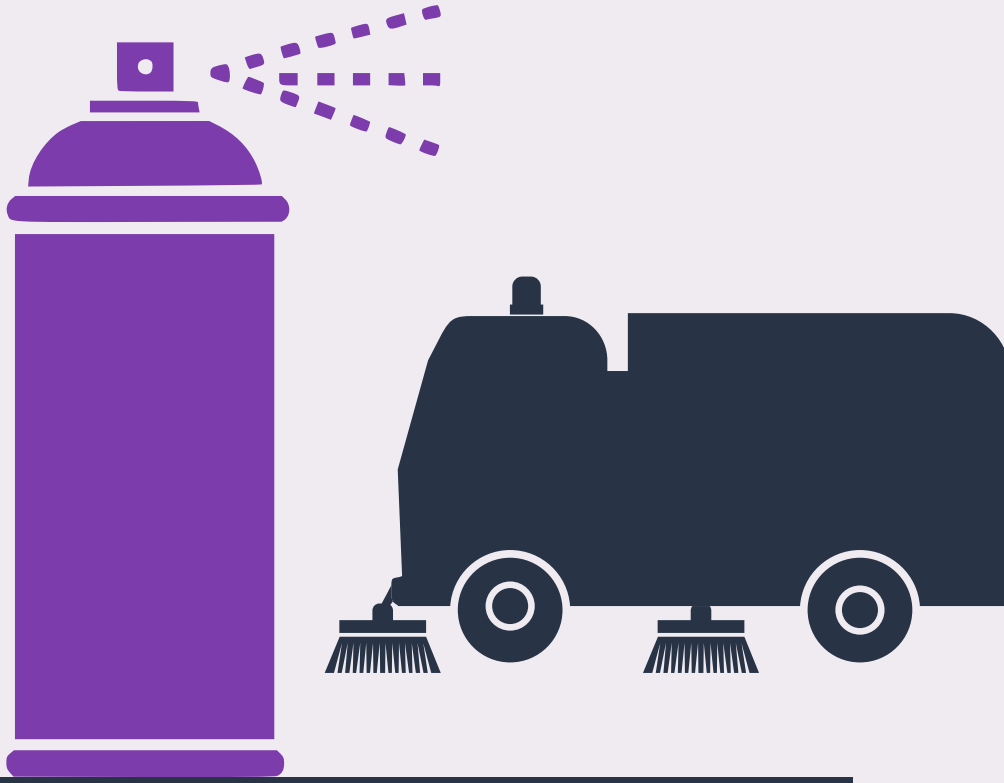
Public perception of value for money through visible services

A Kent Council presents opportunities to improve delivery of environmental services such as graffiti removal, litter management and street cleaning, to help tackle those issues which matter to our residents and improve public perception of increased value for money for council services.

The three Area Assemblies will have the flexibility to tackle the issues which are priorities for people in their area, using local intelligence and engagement to understand where the problems are and how best to address them. This will also allow for a more targeted approach to campaigns to change poor environmental behaviours where this is needed. Each Assembly will set clear standards for responding to environmental issues so that people know what to expect and this is consistent across the area. When residents contact the Kent Council on these important issues, they will have one point of contact, reducing confusion and improving satisfaction and responsiveness.

Supported by the infrastructure and capacity of the Kent Council, environmental services will also make full use of technology to work more efficiently, for example, using GIS mapping to identify litter-prone areas and schedule cleaning accordingly.

Improved and streamlined environmental service delivery, targeted at local priorities will mean cleaner streets and enhance day to day living in the County.



Better outcomes for our people

Sustainable service delivery

Rising demand, funding pressures and unresponsive provider markets are creating unsustainable people-based services. The Kent Council will unlock economies of scale and support more strategic commissioning and enable 'invest to save' initiatives that deliver long-term value. Not only this but it will be coterminous with public sector partners, such as Kent Police, NHS Kent and Medway and will see an increase in partnership working enabling more integrated and person-centred care, to address the underlying causes which lead to high cost service interventions, supported by community-level work with the Area Assemblies.

A single unitary will provide a simpler point of engagement for partners such as NHS and Police for supporting people who have overlapping needs and create the basis for more joined up planning and integrated pathways. Where currently existing joint service arrangements are in place with partners such as the NHS, a single unitary will not only support the continuation of these e.g. Section 75 arrangements and joint funded care packages but through strengthened partnerships will provide more opportunities for integrated working.

The ability to better balance service demand and market capacity across a broader geography will help to equalise demand for adult and children's social care and housing support, reduce disparities in deprivation and age profiles, and optimise the use of care and Special Educational Needs and Disabilities (SEND) placements. This balance will enhance operational resilience and allow for more strategic resource allocation. Balanced demographics will also support long-term sustainability by enabling more predictable commissioning and reducing service pressure.

Given the ongoing pressures on workforce across the social care system, a single unitary will support workforce sustainability and planning and avoid duplication. It will be able to better manage the expected growth in demand for social care services, particularly in areas with higher predicted increases, and allows for both a broader financial base to withstand demand surges, and in terms of managing staffing resource. Scale is vital to enable the provision of specialist services that local authorities need – both by investing in in-house teams and commissioning specialist providers. The Kent Council maintains the coherence to influence the market and ensure that markets are stable and responsive to the population's needs, creating better services for residents. It will have an enhanced power to negotiate to drive up standards and drive down costs, more effectively tackling issues such as provider fee disparity within the market for the benefit of the taxpayer. Enhanced data sharing will also enable greater quality monitoring to ensure that issues such as provider failure are flagged early and are able to be dealt with swiftly to the benefit of those in receipt of services.

A prevention first approach

A crisis focused system and lack of a preventative model of service delivery within social care and health has led to a cycle of escalating issues and increased pressure on people-based services. This has curtailed the ability to strategically plan, invest in

prevention, or pursue service integration. The Kent Council offers the opportunity to deliver significant public service reform, to refocus from crisis management toward prevention. By bringing together services such as housing, leisure, education and social care under a single unified structure, it simplifies integration with external partners and creates new opportunities. As a result, it will help to reduce the demand on crisis services, improve outcomes for individuals and families, and reduce the number of 'hand offs' as people get passed around different agencies increasing the risk of people slipping through the net, which often creates delays to support resulting in more costly interventions. For example, an individual with housing and debt needs but who also requires mental health and social care support, will access this support through one organisation without the need to tell a difficult and complex story multiple times, risking delays to their support.

The Kent Council removes a 'postcode lottery' of quality and access and instead offers the ability to deliver excellence across Kent and Medway, without differing levels of resource and capability. Importantly it will also maintain the partnerships which effectively deliver statutory services such as safeguarding, creating opportunities for greater collaboration, with an enhanced sharing of data to both de-escalate and predict need in the most complex of cases.

The Kent Council will have greater capacity for support functions such as data collection and reporting, analytics, audits, quality assurance and practice development to provide strategic oversight and insight into where to target prevention resource, identify emerging trends and patterns, and forecasting and predicting need. There will be more scope for area-wide data sharing agreements with strategic partners to really understand and inform how to best address needs of residents and before they escalate. All of these functions will help in delivering the right prevention services to the right people in order to drive down longer-term demand into public services.

Delivering the right prevention services to the right people

Transforming our delivery

Public Services Prevention

The Kent Council will facilitate a ‘prevention-first’ approach for residents by further integrating council functions and by working more closely with key partners.

The Kent Council’s enhanced community engagement mechanisms will help facilitate local engagement, resulting in a co-production approach to service design and service delivery underpinned by hard evidence; the Kent Council would hold all resident data across all council services. This will allow for more comprehensive and efficient information and data sharing within the authority and with partner agencies such as the NHS and Police. The Kent Council will also look to utilise AI to analyse the collated data to identify cohorts to further target resources and activities, such as falls prevention in older adults, obesity in primary school children, or youth anti-social behaviour.

Strengthened information sharing and coordination across health, social care and housing services will allow us to target support for those with complex needs, for example working across services to support people in addiction recovery to find appropriate accommodation and reduce their risk of becoming homeless. This approach would lead to improved health and well-being outcomes, by helping to meet needs early on resulting in reduced escalation. In turn this would reduce demand on statutory functions, create a more sustainable and efficient system and deliver longer term cost avoidance.

Person centred delivery

A single unitary will of course remove duplication in the local government system but a single unitary is not simply about moving the boundaries, it is about designing services that work for the residents of Kent.

The Kent Council will maximise the opportunities for delivering services that are responsive to people's needs, which are intelligently designed and not dictated by structures. Where local delivery matters to residents and will produce the best outcomes, the council will have the flexibility to join up services locally and take a holistic approach. Whilst the Kent Council will have scale to deliver standardised approaches where appropriate, it will also have the resources to deliver personalised services where they are essential- where individual needs are paramount.

With joined up services, a Kent Council will be able to establish multidisciplinary teams around individuals' needs for services such as housing, public health, leisure and social care, which will enable a transformative approach for people with complex needs but also for the wider determinants of health within our county.

It will also enable greater partnership working, utilising the expertise and knowledge of partners who are embedded in, and understand their communities. For example, for key partners such as the Voluntary and Community Sector (VCS), a single Kent Council will be much easier to navigate without the arbitrary boundaries of local government, which charities often operate and deliver across. Through the three Area Assemblies and enhanced engagement approach there will be an opportunity for greater co-design at the local level with smaller VCS organisations who can provide invaluable insights into service design and delivery, resulting in more responsive services.

The Kent Council will have a simple council structure, making it easier to navigate for our residents, with one website and one central source of information. Likewise, residents would have a single point of contact to their local Member to raise concerns and to suggest improvements to council services (e.g. local Highways improvement projects). In addition, opportunities to create a single case work management system across the new unitary authority will also make it easier for officers to share information and create more person centric and holistic services.

The future services of the Kent Council will through the dual power of scale and personalised support better meet the individual needs of our people and our places.

Implementation planning

- Strategic assumptions for implementation planning
- Implementation guiding principles
- Four phases of implementation
- Programme governance

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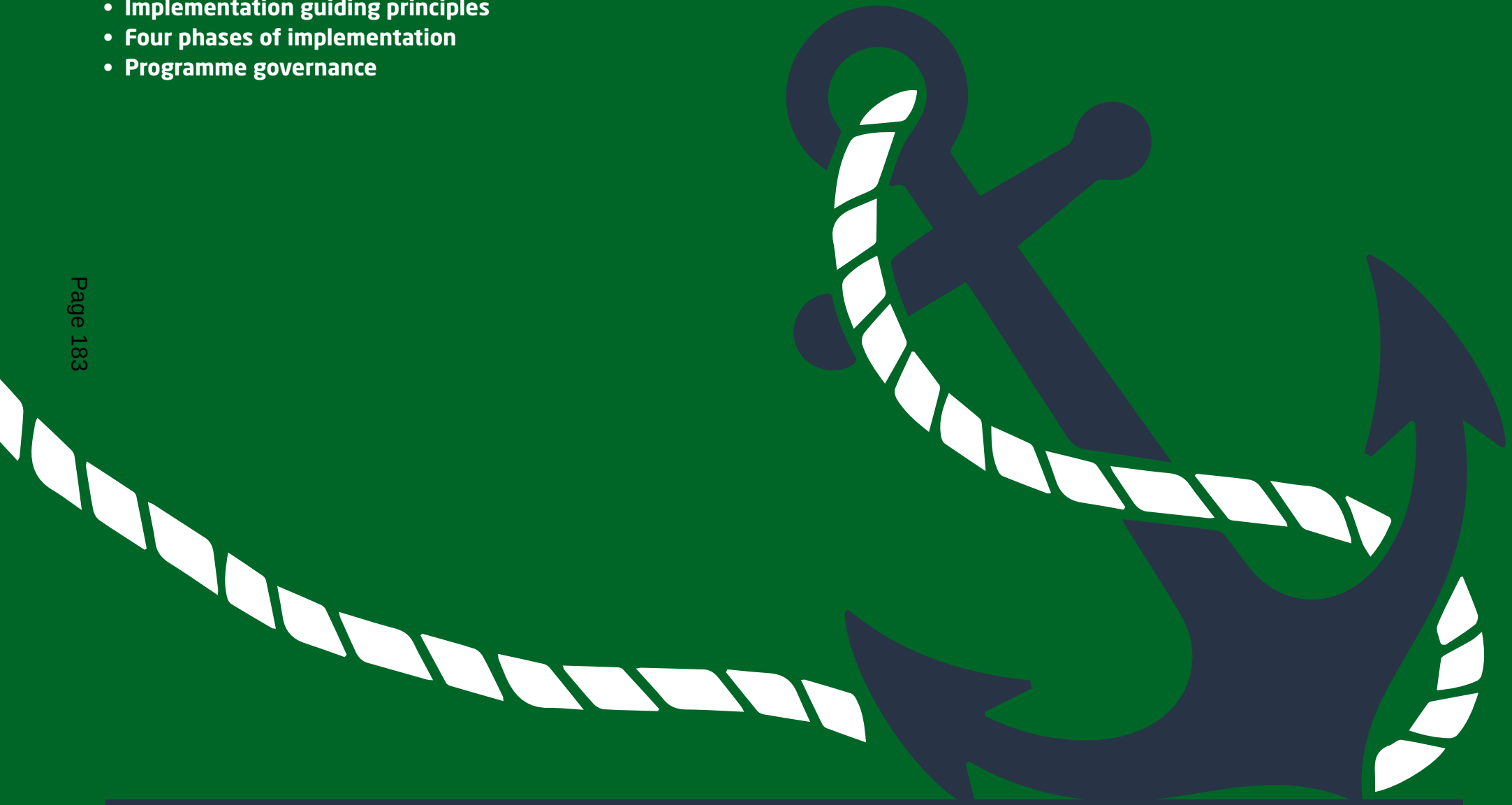


The successful delivery of Local Government Reorganisation in Kent and Medway requires a structured, well-managed approach to both transition and transformation. Once the Government confirms the direction for Kent and Medway, implementation will be jointly planned and delivered in collaboration with partner Councils across the county and with MHCLG. This section outlines Kent County Council's proposed high-level plan, based on the preferred single-unitary model. The plan is structured around four key phases, underpinned by a robust programme management framework and a transparent governance structure designed to ensure accountability and clarity throughout the process.

The success of implementation will be the basis upon which public and partner perception of the Kent Council is built, therefore, it is crucial that activity undertaken across all phases supports the delivery of long-term organisational ambitions and ultimately the development of an effective, efficient and sustainable new authority that residents and stakeholders have confidence in.

Strategic assumptions for implementation planning

In planning for the implementation of LGR in Kent and Medway, KCC will make the following strategic assumptions regarding Government support. While this section outlines a proposed implementation plan based on KCC's preferred single-unitary model, these assumptions also reflect the requirements of a potential multi-unitary outcome and the critical role Government would need to play should that decision be made.

These assumptions are grounded in the scale, complexity, and national significance of Kent and Medway, and are essential to ensuring a stable, resilient, and effective transition:

- **Safeguarding Border Functions and National Infrastructure** – Government will take action to mitigate risks associated with disrupting border arrangements. This includes ensuring the National Transfer Scheme (NTS) operates effectively, providing appropriate funding for Unaccompanied Asylum-Seeking (UAS) Children and UAS Children Care Leavers, and continuing support for strategic traffic management protocols such as Operation Brock.
- **Clarity on Devolution and Avoidance of Service Fragmentation** – Government will provide clear direction on the future of devolution in Kent and Medway. This must include steps to avoid or mitigate the costs and disruption of disaggregating strategic services – such as transport – through LGR only to re-integrate them under a future Mayoral or Strategic Authority. The risk of duplicating effort and undermining service continuity must be actively managed, particularly if a multi-unitary option is pursued.
- **Funding for Implementation Costs** – Government will cover or contribute to the costs of implementing LGR, particularly if a multi-unitary model is pursued. Given the financial and operational challenges facing the area, external support will be essential to ensure a viable and equitable transition.
- **Support for Medway's Financial Position** – Government will consider alternative means of providing financial support to Medway Council other than through additional borrowing allowed under the current Exceptional Financial Support regime. This financial support only adds Medway Council's existing debt position, which per head of population, is already significant. Further rounds of Exceptional Financial Support will only see that debt position deteriorate through the LGR implementation period. This assumption reflects the need to maintain financial stability across the county throughout the transition to new council structures.

These strategic assumptions are critical to protecting Kent and Medway's ability to safeguard service continuity, maintain national infrastructure, and ensure that any reorganisation strengthens rather than fragments the systems that underpin the county's resilience throughout implementation.

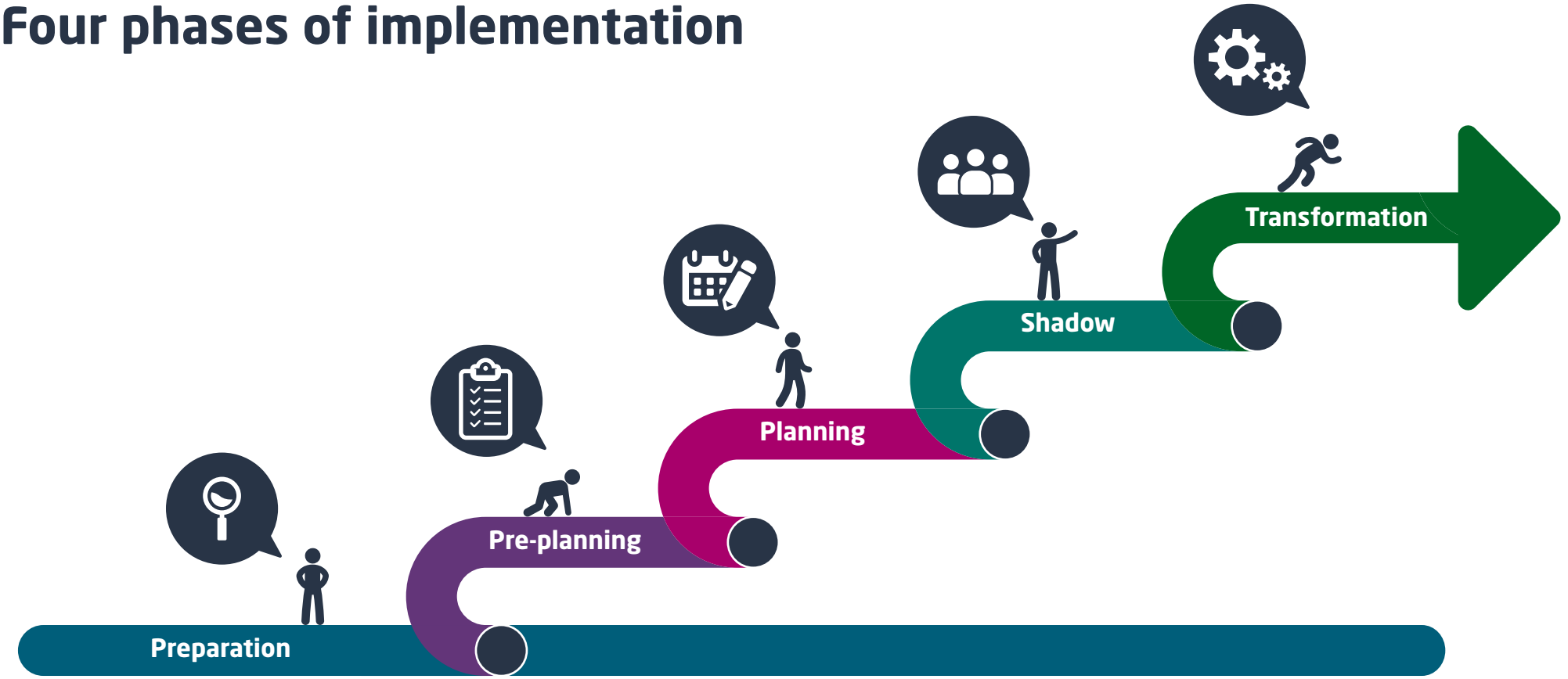
Implementation guiding principles

Principles will be developed to underpin our approach to implementing LGR in Kent and Medway. They will act as a framework for decision-making to ensure that transition is delivered consistently in a way that supports our residents, staff and communities.

KCC's proposed principles:

1. **Resident Focussed** – We will continue to put the needs of residents and communities first. Disruption to the delivery of essential services will be minimised and preservation and strengthening of local identity and local voice will be prioritised.
2. **Minimise Risk and Disruption** – KCC would seek to explore the option of continuing authority status to help reduce transitional risk and ensure disruption to our services and residents' lives is minimised.
3. **Resilient workforce** – We will support our staff to deliver high quality services to our residents throughout the process. Careful consideration will be given to succession planning and knowledge transfer to ensure we retain valuable experience and talent in our workforce as we transition to the new authority.
4. **Transparent** – Implementation will be open and transparent, with clear lines of governance, scrutiny, and decision-making in place.
5. **Value for Money** – Resources will be managed carefully, balancing short-term transition costs with long-term financial sustainability and efficiency.
6. **Future-focussed** – The transition will not simply "drag and drop" existing arrangements but will seek to draw on the strengths of predecessor councils and maximise opportunities for transformation, with a focus on efficiency, through innovation and improved ways of working to create a unified, cohesive and resilient organisation.
7. **Partnership and Collaboration** – We are committed to working collaboratively. Strong relationships with partners will be maintained and enhanced to deliver better outcomes together.
8. **Legality and Safety** – All actions and decisions will comply fully with statutory and regulatory requirements, ensuring the legal integrity of the new authority and the continued safety and protection of our residents, staff and communities.
9. **Continuous Improvement** – We will continue to learn from our own experience and the experience of others and use this knowledge to inform transition and ongoing improvement, ensuring the new council is able to adapt and evolve to meet future challenges.

Four phases of implementation



Preparation

Preparation activity commenced ahead of submission of this business case to Government, and will **continue throughout implementation**

Pre-planning

Pre-planning activity to take place **between submission deadline (28 Nov 2025) and Government announcement (expected by August 2026)**

Planning

Planning activity to take place **between Government announcement and Shadow Authority Elections (06 May 2027**)

Shadow Authority

Shadow Authority activity to take place **between May 2027 and Vesting Day (01 April 2028)**

Transformation

Following a safe and legal Vesting Day, **focus will turn to fully embedding services and exploring further opportunities for Transformation**

Preparation
(Before and throughout implementation)

If granted, KCC could act as the 'continuing authority', building on the foundations of the largest existing organisation will minimise transitional activity, time and cost and disruption to residents. KCC will continue to prepare, ensuring where possible systems and services are future proofed and in the best position possible to support efficient transition. Preparation activity will span all implementation phases, as impacted authorities continue to find service efficiencies and protect the financial resilience of the organisations so that the Kent Council is set up to succeed.

Preparation activity may include:

- Undertaking a review of data, systems, subscriptions, contracts, strategies and policies to ensure they are robust and fit for both current and future transitional purposes
- Review of corporate processes to ensure they are flexible to the needs of transition e.g. business planning, performance reporting and internal audit
- HR review, ensuring information is up to date and correct e.g. contracts, job titles and job specifications
- Engaging members, staff, trade unions, partners
- Engaging other local authorities who have been through LGR to understand lessons learned
- Documentation of risks and issues linked to LGR implementation.

Pre-Planning
(Between business case submission and Government decision)

From the point of business case submission, a pre-planning phase will commence. Given the scale and complexity of LGR implementation it is important that time is used effectively while awaiting the announcement of Government's decision for Kent and Medway. The focus of this phase will be planning and building the foundations upon which the Implementation Programme will be delivered, and ensuring authorities' individual and collective readiness for transition.

Pre-Planning activity may include:

- Develop outline of Programme Implementation Plan
- Planning and resourcing of workstreams
- Governance planning and agreement (including mapping and agreement of decision making protocols)
- Setting up programme architecture
- Continuation of work to align and consolidate systems, contracts, assets and change activity
- Ongoing communications and engagement activity
- Ongoing liaison with government.

Planning
(Between Government decision and Shadow election)

Following announcement of Government's decision for Kent and Medway, the Planning phase will commence. This phase will focus on the development of a detailed Transition Implementation Plan and the mobilisation of programme architecture that will support its delivery, including joint-decision making arrangements.

Activity in this phase may include:

- Mapping county and complementary district functions to identify possible efficiencies and opportunities for aggregation
- Development and agreement of a detailed Transition Implementation Plan
- Mobilisation of Implementation Workstreams and development and agreement of workstream action plans
- Continuation of work to align and consolidate systems, contracts, assets and change activity
- Ongoing communications and engagement activity
- Ongoing liaison with Government.

Shadow Authority
(Between Shadow Authority election day and Vesting Day)

Shadow Elections aid a safe and legal transition by ensuring those who will be responsible for governing the new council are accountable for decisions on transition arrangements. Following Shadow Elections (6 May 2027), the focus will be on ensuring the Kent Council is ready to operate safely, legally and effectively on Vesting Day. Crucially in this phase, decisions will be made to ensure operational readiness from day one, which includes but is not limited to decision-making around senior leadership roles, operating models, service and staff transition, buildings, systems and data. Plans will be laid to assist decision-making that is beyond the Shadow authority's jurisdiction and will require enactment after the new unitary authority is fully operational.

Activity in this phase may include:

- Establishment of Shadow Executive arrangements
- Senior staff appointments
- Governance arrangements
- Financial arrangements
- Operating Model
- Budget setting for first year of new authority
- Service and staff transition planning
- Testing and user acceptance activity
- Community engagement governance
- Consolidation and rationalisation activity (assets, data and systems)
- Transformation – invest to save and PSR activity
- Ongoing communications and engagement activity
- Vision, identity and branding activity.

Transformation
(Beyond Vesting Day)

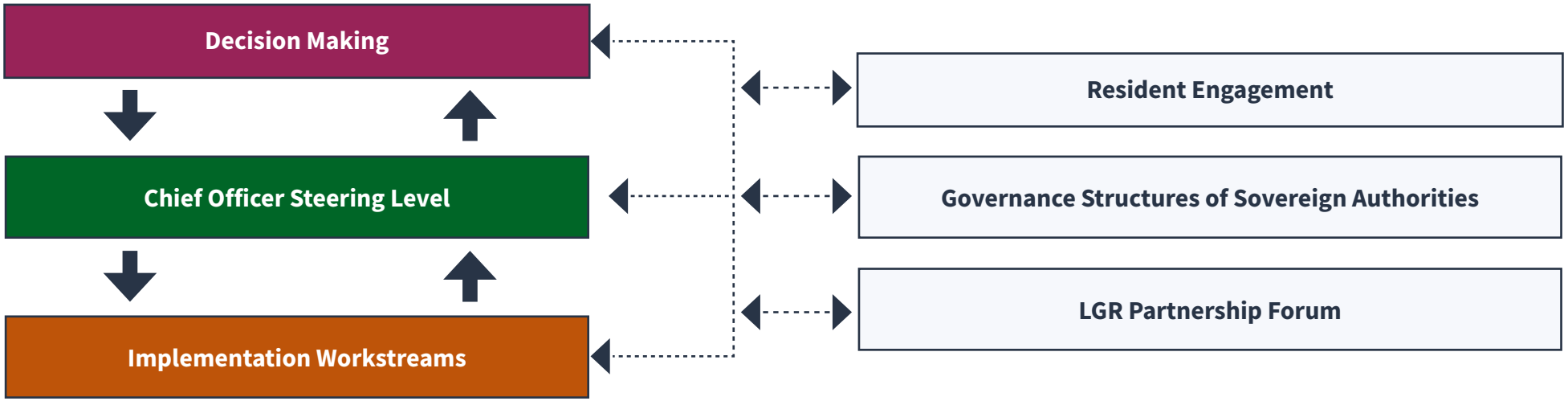
As of Vesting Day (01 April 2028) the priority will continue to be assuring safe, legal and efficient delivery of services. Closure activity will take place in legacy authorities while work to fully integrate services and embed new operating models in the new unitary authority will continue. Opportunities for further transformation and innovation, focussing on efficiency and the delivery of high-quality services, will be pursued which may include the establishment of a transformation programme.

Activity in this phase may include:

- Safe and legal delivery of services
- Setting of corporate priorities and objectives
- Closedown of legacy councils, systems, platforms etc
- Evaluation and feedback activity
- Continued programme and change management capacity
- Continued transformation – including invest to save, PSR
- Workforce training, development and integration activity
- Branding, communication, and resident engagement campaigns.

Programme governance

A proposed structure for implementation governance arrangements is set out below. A final structure will be developed and agreed jointly with partner Councils across Kent and Medway. It will be further refined and aligned to meet specifications of the Structural Change Order (SCO) as required.



Programme Management Office (PMO)

This structure will be supported by a Programme Management Office (PMO), led by a Programme Manager. The role of the PMO will include:

- Leading on the design and development of a full Implementation Plan
- Co-ordinating the delivery of the Implementation Plan and facilitating progress reporting
- Providing support to all levels of the governance structure as required, which may include but is not limited to information sharing, monitoring, facilitation and drafting
- Developing and maintaining key programme documentation e.g. to manage risks, map dependencies and track resources and benefits
- Co-ordinating cross-cutting themes and issues across workstreams, including identification of opportunities for public service reform
- Engaging stakeholders, including other authorities to understand LGR implementation lessons learned.

Decision Making Level

An appropriate joint board will be created as the responsible decision-making vehicle for LGR Implementation for Kent and Medway. Membership of this Board will be established appropriately to meet the requirements necessary to grant decision making powers. Decision-making protocols for implementation will be mapped and agreed during the pre-planning phase of implementation. Sovereign authorities will still need to take key decisions through their own formal governance process, sufficient time and support for which will built into the programme delivery/implementation plan.

Chief Officer Steering Level

A Chief Officer Steering Group will be created to provide oversight to the activity undertaken by the PMO and Implementation Workstreams, and assurance and advice to the decision-making board. The role of the Steering Group would include:

- Reviewing the implementation programme plan and ensuring it is progressing in regard to the business case approved by MHCLG
- Signing off activity as appropriate (that does not require formal decision)
- Overseeing the delivery of workstream action plans and ensuring collaboration across workstreams is facilitated to address cross-cutting issues as required
- Responding to challenges and issues as they arise.

Implementation Workstream Level

The following workstreams will be established, the membership of which will be made up of representatives from across impacted authorities. Some workstreams may also have representatives from external partners where relevant. A lead will be allocated for each workstream, and they will feed information into and receive feedback from the Officer Steering Group as required. Each workstream will develop and deliver a detailed transition action plan, progress on which will be monitored through the workstream working groups and the LGR Steering Group.

The workstreams will be underpinned by a clear programme management approach, which will drive a consistent focus on timely delivery, risk management, stakeholder engagement and benefit realisation.

1. **Governance, Democratic Services and Legal**
2. **Finance**
3. **Human Resources and Organisational Development**
4. **Data and IT**
5. **Assets and Property**
6. **People Based Services**
7. **Place Based Services**
8. **Communications, Community Engagement and Partnerships**

LGR Partnership Forum

The purpose of the forum will be to ensure that there is significant and meaningful co-design and consultation with key stakeholders. Partners will be encouraged to advise on design and implementation of relevant areas of service delivery and assist with the engagement and wider understanding of the new arrangements in the community. Feedback from this group will be reported to all levels of the transition/ implementation governance model as required.

It is proposed that membership could include representation from (but is not limited to) the following sectors:

- Kent Association of Local Councils (KALC)
- Voluntary, Community and Social Enterprise Organisations (VCSE)
- Kent Community Foundation
- Kent Police
- NHS Kent and Medway
- Kent Invicta Chamber of Commerce
- Trade Union representation
- Education representation (including Further and Higher Education).

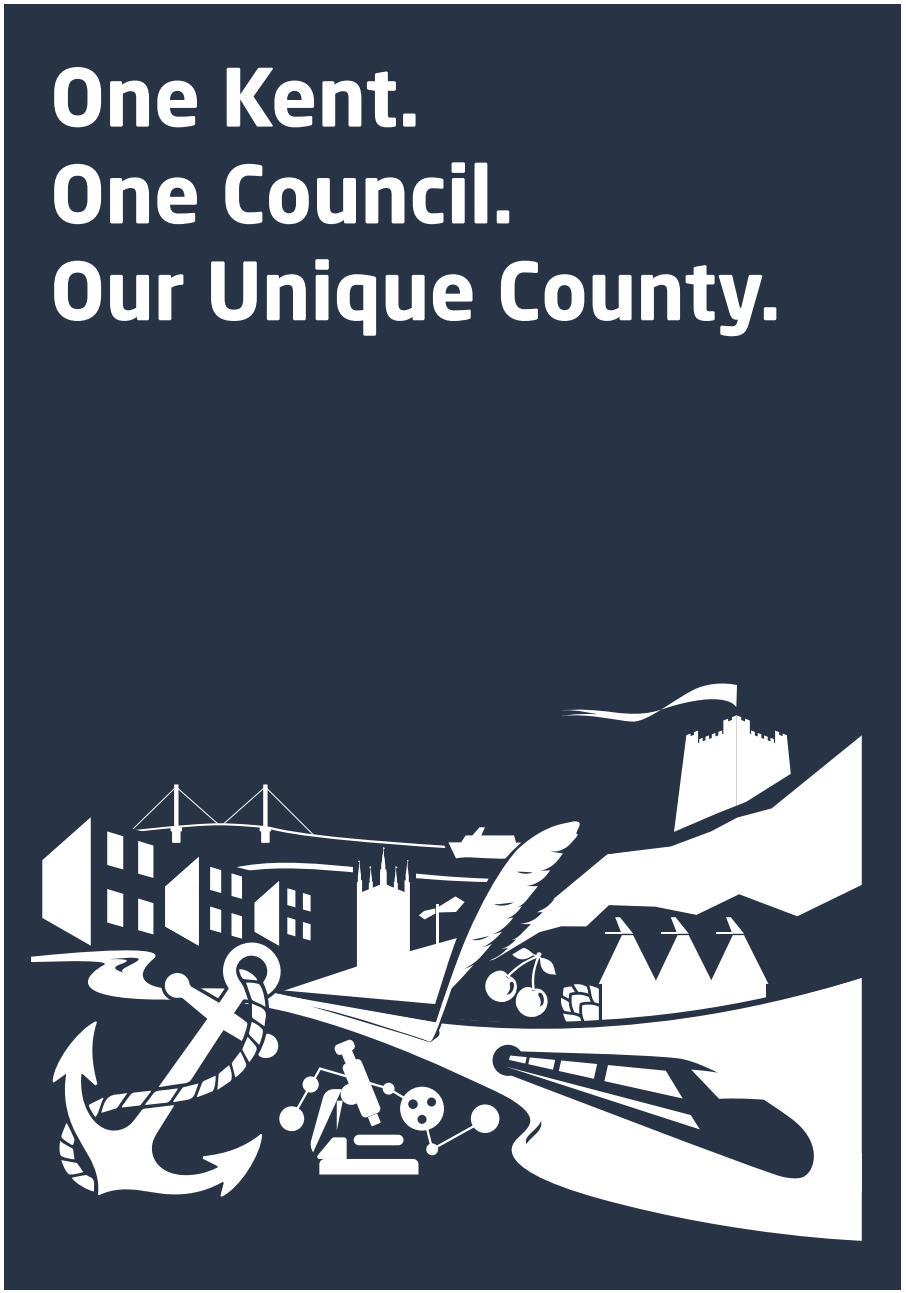
Conclusion

We believe that this business case sets out a strong and compelling argument to Government for a new Kent Council covering Kent and Medway. Whilst many areas may rightly claim their unique qualities and challenges, as we have shown Kent and Medway's unique challenges go beyond this county, impacting the country and therefore Government. Our scale, resources and expertise have kept these challenges largely managed and mitigated within the county and this must not be lost through the unnecessary fragmentation of structures and services.

The Kent Council would have an even greater platform upon which to mitigate risks, overcome future challenges and importantly reform our services so that the residents of Kent and Medway can have the best quality of life possible.

The Kent Council would deliver high quality and sustainable services, with not only the commitment to transform our service delivery but with the financial sustainability, resources and scale to achieve this.

We believe strongly that the Kent Council is the most viable option for Kent and Medway. It would balance financial resilience, service quality and local empowerment to deliver economic prosperity, sustainable growth and excellent public services to our people and communities.



List of Appendices

Appendix 1 - KCC Evidence Base and Options Appraisal:

- 1a – Detailed scoring table for options appraisal
- 1b – Rationale for options appraisal scoring
- 1c – Financial assessment report
- 1d – Engagement assessment report
- 1e – Democracy and local identity assessment report
- 1f – Transformation assessment report
- 1g – Devolution policy assessment report
- 1h – Options profiles
- 1i – Housing growth analysis report
- 1j – Service delivery geography maps
- 1k – Initial options appraisal of option 1a
- 1l – PricewaterhouseCoopers report on local government reorganisation in Kent and Medway (1 and 2 unitary options)
- 1m – PricewaterhouseCoopers report on local government reorganisation in Kent and Medway (3 and 4 unitary options)

Appendix 2 - Joint Options Appraisal:

- KPMG options appraisal

Appendix 3 - Other Appendices:

- 3a – Resident survey report
- 3b – Stakeholder engagement report
- 3c – KPMG financial assessment of option 1a
- 3d – Newton report on the impact of disaggregating people-based services
- 3e – Member allowances of Kent and Medway councils
- 3f – Community engagement toolkit

Supporting Documents:

- Equality Impact Assessment

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Appendix 1 – KCC Evidence Base and Options Appraisal

This appendix contains all of the documents that made up KCC's evidence base when undertaking the initial options appraisal from March – July 2025. These documents are therefore from a specific point in time.

The detailed scoring table for the options appraisal is also included within this appendix, along with the rationale for scoring.

Full list of documents included within this appendix:

- 1a - Detailed scoring table for options appraisal
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Appendix 1a - Detailed scoring table for options appraisal

Criteria	Options *(see maps below)*					
	Option 1 3-unitary	**Option 2 4-unitary**	**Option 3 4-unitary**	**Option 4 4-unitary**	**Option 5 2-unitary**	**Option 6 1-unitary (Benchmark)**
A. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government	**3**	**1**	**2**	**1**	**4**	**5**
Sensible economic areas with an appropriate tax base, no undue advantage for one part of the area	4	1	2	2	4	5
Sensible geography which will help to increase housing supply and meet local needs	2	2	2	1	3	4
B. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks	**3**	**1**	**1**	**1**	**4**	**3**
Population of 500,000 or more	5	2	2	2	2	1
Delivers efficiencies and best possible value for money for taxpayers	3	1	1	1	4	5
Transition costs are manageable	2	1	1	1	4	5
Opportunities for transformation from existing budgets and invest-to-save projects	4	2	2	2	5	3
Debt is manageable within the new structures	2	2	2	1	4	5
C. Unitary structures must prioritise the delivery of high-quality and sustainable public services to citizens	**4**	**2**	**2**	**2**	**4**	**4**
Will improve local government and service delivery and avoid unnecessary fragmentation of services	3	2	2	2	4	5
Provides opportunities to deliver public service reform, including where this will lead to better value for money	5	2	2	1	3	2

Criteria	Options *(see maps below)*					
	Option 1 3-unitary	**Option 2 4-unitary**	**Option 3 4-unitary**	**Option 4 4-unitary**	**Option 5 2-unitary**	**Option 6 1-unitary (Benchmark)**
Manages impacts for crucial services - social care, children's services, SEND and homelessness, and for wider public services including for public safety	3	2	2	2	4	5
D. Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views	**4**	**2**	**2**	**2**	**2**	**2**
Supported by partners and residents	4	2	2	2	3	2
Sensitive to issues of local identity and cultural and historic importance	4	2	3	3	2	2
E. New unitary structures must support devolution arrangements	**5**	**2**	**2**	**2**	**2**	**1**
Will help unlock devolution	5	2	2	2	2	1
Sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities	5	2	2	2	2	1
F. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment	**3**	**3**	**4**	**4**	**2**	**2**
Total score	**22**	**11**	**13**	**12**	**18**	**17**

Scoring

5: Entirely meets the criteria

4: Strongly meets the criteria

3: Sufficiently meets the criteria

2: Partially meets the criteria

1: Does not meet the criteria

Notes on scoring:

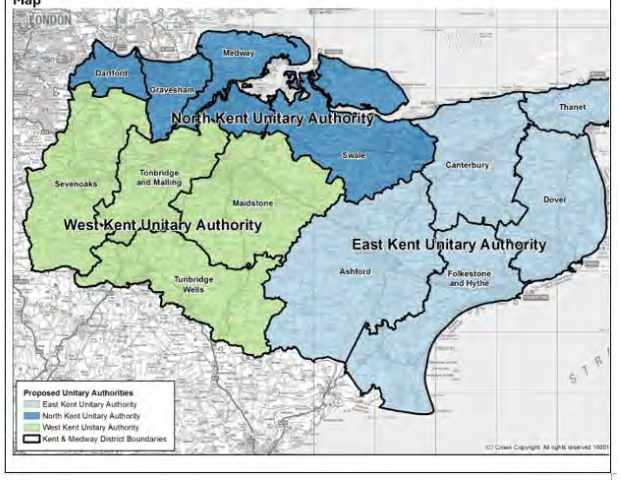
- The 6 criterion (A, B, C..) are taken directly from the Government criteria.
- The sub-criteria are interpreted from the Government criteria.
- Sub-criteria were scored only to inform the judgement on the overall score for each criterion.
- Due to the nature of the criteria, scoring is subjective.

Options included in the options appraisal:

Option 1

Model 1 (three unitaries)	**North** (Dartford, Gravesham, Medway, Swale) **East** (Ashford, Canterbury, Dover, Folkestone and Hythe, Thanet) **West** (Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells)

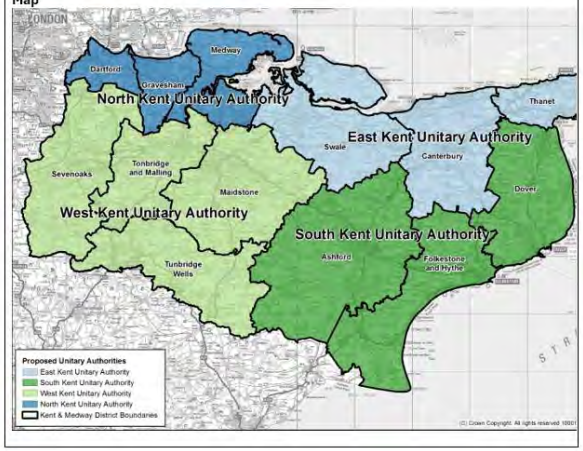
Map



Option 2

Model 2 (four unitaries, NESW)	**North** (Dartford, Gravesham, Medway) **East** (Canterbury, Swale, Thanet) **South** (Ashford, Dover, Folkestone and Hythe) **West** (Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells)

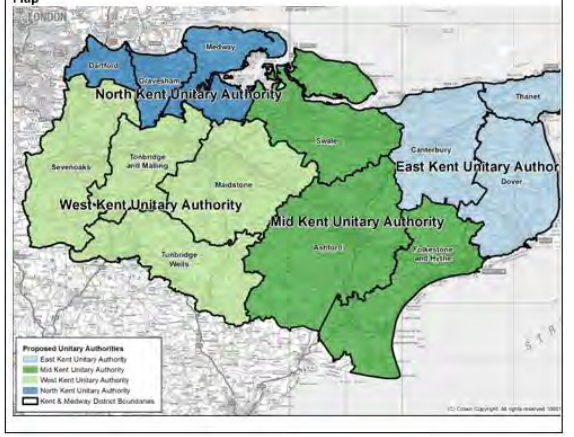
Map



Option 3

Model 3 (four unitaries, NEMidW)	**North** (Dartford, Gravesham, Medway) **East** (Canterbury, Dover, Thanet) **Mid** (Ashford, Folkestone and Hythe, Swale) **West** (Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells)

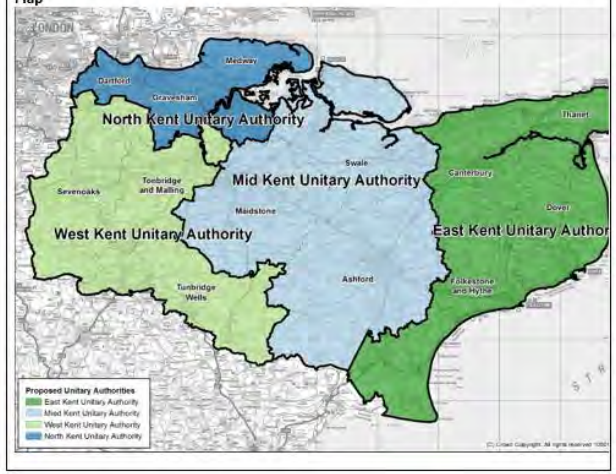
Map



Option 4

Model 4 (four unitaries, NEMidW)	**North** (Dartford, Gravesham, Medway) **East** (Canterbury, Dover, Folkestone and Hythe, Thanet) **Mid** (Ashford, Maidstone, Swale) **West** (Sevenoaks, Tonbridge and Malling, Tunbridge Wells)

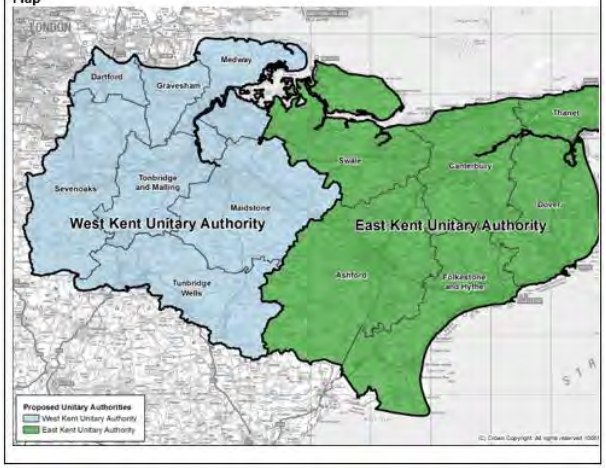
Map



Option 5

Model 5 (two unitaries, EW)	**East** (Ashford, Canterbury, Dover, Folkestone and Hythe, Swale, Thanet) **West** (Dartford, Gravesham, Maidstone, Medway, Sevenoaks, Tonbridge and Malling, Tunbridge Wells)

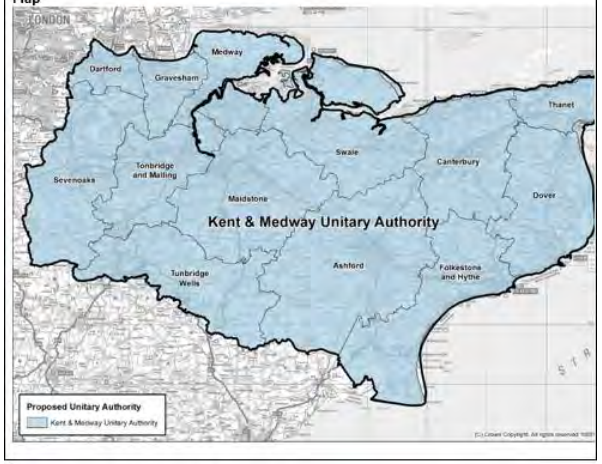
Map



Option 6 (Benchmark)

Model 6 (one unitary, Kent)	Whole of Kent (including Medway)

Map



Appendix 1b

Rationale for Options Appraisal scoring

Criterion A: A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government

Overall scores:

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
3	1	2	1	4	5

Summary for Criterion A

Inevitably, a theoretical single unitary would be the most effective way to ensure that the taxbase is appropriate for the area and there is no undue advantage for one part of the county over another. A single unitary would also maximise the available area over which to manage housing demand, helping to overcome spatial constraints and removing authority boundaries that can hamper housing delivery. These advantages also apply to the two-unitary option to a lesser extent, but this option would introduce small disparities in income between East and West. Councils in the four-unitary options are more likely to experience challenges in meeting housing need, and modelling suggests that there will be significant disparities between unitaries in the cost of social care and SEND, which is exacerbated in some options by the location of major adult's residential social care providers and concentrations of deprivation in proposed unitaries. Newton have indicated that the disparities in spend between unitaries in the four-unitary options are higher than they have seen in options being considered in other parts of the country, primarily because the proposed populations are small. Given Government's current direction of travel the delivery of housing supply and the associated increase in Council Tax receipts will be important to the financial viability of local authorities.

Two sub-criteria were considered to generate the overall score for Criterion A:

1) Sensible economic areas with an appropriate tax base, no undue advantage for one part of the area
2) Sensible geography which will help to increase housing supply and meet local need

Sub-criteria:

1) Sensible economic areas with an appropriate tax base, no undue advantage for one part of the area

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
4	1	2	2	4	5

Rationale

Overall assumptions and considerations:

- Government's Fair Funding Review 2.0 launched in late June 2025 proposes changes to local government funding formulas including how deprivation and Council Tax income will affect the distribution of funding. At the time that this options appraisal was carried out, the impacts of these changes were not yet known. Further financial modelling will be required once this information becomes available.
- For the purposes of this assessment, an appropriate tax base that does not create undue advantage has been defined as a total tax base that is relatively equitable between proposed authorities within a model.
- In-house financial modelling has been undertaken to capture the likely income from Council Tax for each new unitary authority - this is expressed as overall Council Tax yield and has been calculated at the average rate of harmonisation. Total Council Tax yield has predominately been used to inform the options appraisal, as a judgement was made that the total quantum of income available to the new unitaries would be of greater interest to Government than the amount per head, but the per head information is also included in the Financial Assessment. As the level at which Council Tax harmonisation is set will be a political decision for the new unitaries, the average rate has been used to inform scoring. Harmonising to the highest or lowest point would have different impacts.
- In addition, the impacts for people-based services through Newton's analysis provides evidence on the variation of increases in costs for adults' and children's social care and SEND between proposed unitaries in the different options.
- Analysis of disaggregation costs by KCC's Finance team shows that the 'legacy' costs of Adult Social Care (ASC) would be particularly high in Folkestone & Hythe and Dover because a high proportion of the county's residential placements are in these districts. This means that unitary authorities which contain these districts will inherit high ASC costs.
- The analysis by KCC's Finance team also shows that costs for Children's Social Care (CSC) correlate with areas of higher deprivation, with costs particularly high in Thanet, Swale, and Folkestone & Hythe. Unitary authorities which contain these districts will therefore inherit high CSC costs.

Option 1 (3 unitaries) – score 4/5

- Internal KCC analysis shows that, at the average rate of harmonisation, the overall tax yield for the East Kent unitary authority would be £427m, £391m in the North Kent unitary authority, and £414m in the West Kent unitary authority. The difference between the highest and lowest is £36m and the balance ratio is 1.09 which indicates a good balance.
- The increase in required spend per resident on social care and SEND in year 1 varies by 27.7% between the unitaries. This is less variance than the 4 Unitary Authorities (4UA) options but more variance than the 2 Unitary Authorities (2UA) and 1 Unitary Authority (1UA) options.
- KCC's analysis of legacy costs of ASC and CSC found that there would be disparities between the unitary authorities with the West Kent unitary authority inheriting lower costs per resident than the North Kent and East Kent unitary authorities. In East Kent the costs for ASC would be £402 per resident and £291 in West Kent. In this model the cost pressure for ASC is concentrated in the East Kent unitary, whereas in the 4-unitary options the

higher cost areas in the East are split with two unitaries inheriting high costs. The cost for CSC in East Kent would be £152 per resident, in North Kent it would be £153 and in West Kent it would be £79.

Option 2 (4 unitaries) – score 1/5

- Internal KCC analysis shows that, at the average rate of harmonisation, the overall tax yield varies from £241m in South Kent to £414m in West Kent – a difference of £173m. This is a balance ratio of 1.72 which is the highest of all the options.
- The increase in required spend per resident on social care and SEND in year 1 varies by 34.9% between the unitaries.
- KCC's analysis of legacy costs of ASC and CSC found that there would be disparities between the unitary authorities, with the West Kent unitary authority inheriting lower costs per resident than the other unitary authorities. In South Kent the costs for ASC would be £440 per resident - which is the highest of all the options - and in West Kent it would be £291. The cost for CSC in East Kent would be £171 compared to £79 in West Kent (the biggest difference in cost across all options). In this option, the South Kent unitary authority would inherit the highest costs per resident for people-based services out of all of the options.

Option 3 (4 unitaries) – score 2/5

- Internal KCC analysis shows that, at the average rate of harmonisation, the overall tax yield varies from £258m in Mid Kent to £414m in West Kent - a difference of £156m. This is a balance ratio of 1.6 which is relatively high.
- The increase in required spend per resident on social care and SEND in year 1 varies by 29% between the unitaries (the least variance of all the 4UA options).
- As above, there would be disparities in the legacy costs for ASC and CSC, with West Kent inheriting lower costs compared to the other unitary authorities. In East Kent the costs for ASC per resident would be £389, in Mid Kent it would be £366, North Kent would be £216, and West Kent would be £291. For CSC, the costs per resident in East Kent would be £153, in Mid Kent it would be £162, North Kent would be £134 and West Kent would be £79. Of the 4UA options, this option has the most even distribution of inherited costs (though there would still be significant pressures on East Kent and Mid Kent) largely because in this option, Dover and Folkestone & Hythe are in different unitary authorities.

Option 4 (4 unitaries) – score 2/5

- Internal KCC analysis shows that, at the average rate of harmonisation, the overall tax yield is relatively even across the four unitaries. with a discrepancy of approximately £54m between the highest (East Kent - £338m) and lowest (West Kent - £284m). This is a balance ratio of 1.19 which is the most even of the 4UA options (but not as even as the 3 Unitary Authorities (3UA) option). Inclusion of Maidstone in the Mid Kent Unitary contributes to the improved financial viability of this authority and helps mitigate the undue advantage that exists in the other four unitary options.
- However, the increase in required spend per resident on social care and SEND in year 1 varies by 38.5% between the unitaries. This is the biggest variance across all of the

options. As with option 2, this model puts Folkestone & Hythe and Dover in the same small unitary, creating significant Adult Social Care pressures.

- As above, there would be disparities in the legacy costs for ASC and CSC, with West Kent inheriting lower costs compared to the other unitary authorities. In East Kent the costs for ASC per resident would be £438, in Mid Kent it would be £271, North Kent would be £216, and West Kent would be £302. For CSC, the costs per resident in East Kent would be £160, in Mid Kent it would be £126, North Kent would £134 and West Kent would be £76. The distribution of inherited ASC and CSC legacy costs are unevenly distributed in this model, although they are marginally more balanced when compared to option 2 (4UA model). This, coupled with the fact this model results in the most equitable distribution of council tax yield between unitaries out of all the 4UA models, results in this option scoring 2/5.

Option 5 (2 unitaries) – score 4/5

- Internal KCC analysis shows that, at the average rate of harmonisation, the overall tax yield between the two authorities is approximately £195m, with West Kent raising £713m and East Kent £518m . This is a balance ratio of 1.38.
- The increase in required spend per resident on social care and SEND in year 1 varies by 21.2% between the unitaries which is the lowest variance.
- There would be disparities in the legacy costs for ASC and CSC, with West Kent inheriting lower costs compared to East Kent. However, the disparity would be lower than in other options due to the larger unitary authorities being able to spread the costs across their areas. The cost per resident for ASC would be £379 in East Kent and £269 in West Kent. And the cost for CSC in East Kent would be £158 compared to £95 in West Kent. This model results in the most equitable distribution of inherited ASC and CSC legacy costs between the unitaries across all options.

Option 6 (1 unitary - benchmark) – score 5/5

- Creation of a single unitary authority theoretically ensures an appropriate tax base which is sufficiently large by collating tax yield from all areas.
- No undue advantage is generated due to creation of one single authority with total council tax receipts equally divided across the entire Kent and Medway population.
- The costs for ASC and CSC would be spread across the entire county area which would help absorb some of the pressures from the areas where spend is concentrated (i.e. Folkestone & Hythe, Dover, Thanet, and Swale).

2) Sensible geography which will help to increase housing supply and meet local needs

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
2	2	2	1	3	4

Rationale

Overall assumptions and considerations:

- To consider the impact of LGR on the capability of new unitaries to meet local housing supply needs, two metrics have been developed: 1) the percentage of the new annual housing target that has been delivered (on average) in districts in the last six years, and 2) the percentage of the four year housing target that has been identified for development and included in the Housing Information Audit (the trajectory of expected housing completions in districts).
- Whilst this evidence helps indicate which unitary authorities might experience the greatest challenges in meeting housing supply need, the overall usefulness of this data is limited as it does not indicate which factors are contributing to the challenges. This could range from political choice, availability of land and planning constraints, or local community response to development proposals. Any number of these factors could be impacted by reorganisation. To reflect this, scores for this sub-criterion are moderate for all options as there is insufficient evidence to conclude that the sub-criterion is either not met or strongly met.
- Also this does not take into account any information on existing housing stock, and does not consider homelessness and temporary accommodation need, which are not specifically included by Government in this criterion.
- Where smaller authorities are established, there is likely to be less flexibility for strategic planning of housing due to the limitations presented by area boundaries.
- It should be noted that the challenge for West Kent to deliver the four-year housing target is common across all options (excluding option 6), owing to its significant greenbelt geography.

Option 1 (3 unitaries) – score 2/5

- Considering the percentage of the four-year housing target that has been identified for development, West Kent is likely to experience the greatest challenges in delivering this and is currently projected to meet only 67% of this target.
- Division into three unitaries is likely to have only minimal benefits in terms of mitigating existing challenges around limitations of authority boundaries for planning.

Option 2 (4 unitaries) – score 2/5

- Whilst this option creates an East Kent Unitary that has met only 56% new housing targets in the last six years, projected delivery data suggests that this authority would be on track

to deliver 108% of the four-year target. The position of the West Kent Unitary within this option is more problematic, as it is only projected to achieve 67%. Despite this, this option is likely to be the best performing across the options that establish four unitaries.

- Division into four unitaries is likely to generate more challenges (or at least will not mitigate existing challenges) around limitations of authority boundaries for planning.

Option 3 (4 unitaries) – score 2/5

- Whilst this option creates an East Kent Unitary that has met only 52% new housing targets in the last six years, projected delivery data suggests that this authority is on track to deliver 111% of the four-year target. The position of the West Kent Unitary within this option is more problematic, as it is only projected to achieve 67%.
- As above, division into four unitaries may not mitigate limitations of authority boundaries for planning.

Option 4 (4 unitaries) – score 1/5

- In terms of past delivery and projected future delivery, this option sees the poorest potential outcomes, with a West Kent authority which delivered only 45% of the new annual housing target in the last six years, and which is projected to deliver only 64% of the four-year target. This arises from the configuration of this authority which removes Maidstone and combines the three West Kent districts that historically have the lowest delivery levels.
- As above, division into four unitaries may not mitigate local resistance and limitations of authority boundaries for planning.

Option 5 (2 unitaries) – score 3/5

- Creation of two unitary authorities largely evens out the difference in past housing delivery. Whilst this option sees the West Kent authority in its strongest position (projected to deliver 76% housing target), this is still unbalanced compared to East Kent (projected to deliver 106%).
- Division into a smaller number of unitaries is also likely to help councils meet increasing housing supply need, with fewer authority boundaries complicating planning.

Option 6 (1 unitary - benchmark) – score 4/5

- By grouping together all districts across Kent and Medway, housing delivery challenges in some areas are evened out/mitigated by opportunity in other areas.
- Furthermore, the creation of a single unitary is likely to significantly improve the ability/capacity to meet increasing housing supply need. With access to the entire geography of Kent and Medway, the authority would have greater flexibility and capacity to be strategic with the location of new housing that is more sensible and less restricted by district boundaries.

Criterion B: Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks

Overall scores:

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary - benchmark (K&M)
3	1	1	1	4	3

Summary for Criterion B

While the three-unitary option provides the best match for Government's expectations on population size, the two- and single-unitary options would provide greater efficiencies and value for money, lower transition costs that could be more quickly repaid and easier management of debt. The stronger financial position would provide more capacity to maximise transformation opportunities and invest-to-save projects. The two-unitary option scores highest on this sub-criterion as it would balance capacity with responsiveness to localised needs between the East and West to target transformation activity. Conversely, the four-unitary options score poorly on value for money and transition costs as they have no pay-back period (i.e. they would never return to a breakeven point). They could lack capacity and resilience to deliver meaningful transformation. The single unitary option provides significant financial advantages but fundamentally does not meet Government expectations around population size, which reduces its overall score.

Five sub-criteria were considered to generate the overall score for Criterion B:

1) Population of 500,000 or more
2) Delivers efficiencies and best possible value for money for taxpayers
3) Transition costs are manageable
4) Opportunities for transformation from existing budgets and invest-to-save projects
5) Debt is manageable within the new structures

Sub-criteria:

1) Population of 500,000 or more

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
5	2	2	2	2	1

Rationale

Overall assumptions and considerations:

- Whilst this criterion requires a minimum population size of 500k per unitary authority, this appraisal considers whether populations fall within the broader range that government has indicated is likely to be acceptable (300,000 to 800,000) in order to acknowledge the wide range of population sizes in the options being considered.

Option 1 (3 unitaries) – score 5/5

- All three unitary authorities within this model meet the minimum population requirement of 500k. It is the only option where all unitaries would have populations close to 500,000.

Option 2 (4 unitaries) – score 2/5

- All four unitary authorities fall within the 300k-800k population range. Two are in excess of 500k (North Kent and West Kent) and the other two are below, with one (South Kent) significantly below at 363,320. According to population growth estimates, it is possible that one or both of the smallest two unitary authorities will still have a population below 500,000 in 2035.

Option 3 (4 unitaries) – score 2/5

- All four unitary authorities fall within the 300k-800k population range. Two are in excess of 500,000 (North Kent and West Kent) and the other two are under (East Kent at 415,712 and Mid Kent at 400,466). According to population growth estimates, the smallest two unitary authorities will still have a population below 500,000 in 2035.

Option 4 (4 unitaries) – score 2/5

- All four unitary authorities fall within the 300k-800k population range. Two are in excess of 500k (North Kent and East Kent) and one is significantly below at 370,795. According to population growth estimates, the smallest unitary authority (West Kent) will still have a population below this level in 2035.

Option 5 (2 unitaries) – score 2/5

- Whilst division of Kent and Medway into two unitary authorities meets the requirements for this criterion, both East Kent (816,178) and West Kent (1,059,715) would see populations in excess of the 800k mark, which could pose practical challenges for the delivery of local government. Some other areas are proposing unitaries with populations of over 900,000 as Government has not set a definite upper limit, so it is yet to be seen if populations of this size might be considered acceptable.

Option 6 (1 unitary - benchmark) – score 1/5

- Whilst creation of a single Kent & Medway unitary authority delivers a population in excess of the 500k target, this significantly exceeds the broader range of 300k-800k with a total of 1.9million and therefore poses significant practical challenges for the delivery of local government and importantly the viability of this option for LGR.

2) Delivers efficiencies and best possible value for money for taxpayers

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
3	1	1	1	4	5

Rationale

Overall assumptions and considerations:

- The main indicators of efficiency and value for money for residents that have been used are net recurring benefit and estimated payback period.
- The ongoing costs of splitting council services across multiple unitaries has significant impact on both of these indicators so information on these costs have been considered for this criterion. Both PwC and Newton estimated ongoing costs. PwC's estimate is for all upper tier services and looks at the costs arising from diseconomies of scale and duplication, for example of senior posts, but does not model the specific costs associated with levels of demand on individual unitaries. Newton's modelling covers adults' and children's social care and services for children with special educational needs and disabilities (SEND) and uses Kent and Medway data to estimate total disaggregation costs. More attention has been given to the Newton estimates here as it used a more specific methodology and the services it covers which will make-up the majority of costs from splitting upper tier services.
- Debt and transition costs will also impact the delivery of efficiencies and value for money, but these are scored separately below.
- For the four-unitary options, PwC financial estimates have been generated overall – not modelled for each different geographical configuration.

Option 1 (3 unitaries) – score 3/5

- Moderate net recurring benefit of £9.3m (before transition costs).
- Does pay back but takes 8.2 years.
- Disaggregation costs are moderate compared to the four unitary options – there would be an estimated increase in annual spend on children's and adults' social care and SEND across Kent and Medway of £14.9m (not taking into account any demand pressures that would also be added over time).

Options 2, 3 and 4 (4 unitaries) – score 1/5

- Net recurring benefit is negative (loss) of £5.4m (before transition costs).
- There is no predicted payback period as recurring costs continue to exceed benefits. New unitaries could struggle to be financially viable and might need to make significant increases in Council Tax and / or reductions in service delivery.

- Disaggregation costs are inevitably higher with more unitaries – there would be an estimated increase in annual spend on children's and adults' social care and SEND across Kent and Medway of £19.1m (option 4), £20.8m (option 3) and £22.7m (option 2).

Option 5 (2 unitaries) – score 4/5

- Higher net recurring benefit of £16.5m (before transition costs).
- Relatively short payback period of 3.8 years.
- Estimated disaggregation costs are significantly smaller with two unitaries - there would be an estimated increase in annual spend on children's and adults' social care and SEND across Kent and Medway of £4.9m.

Option 6 (1 unitary - benchmark) – score 5/5

- High net recurring benefit of £49.4m (before transition costs).
- Very short payback period of less than one year.
- There are no disaggregation costs with a single unitary – there would be an estimated saving in spend on children's and adults' social care and SEND across Kent and Medway of £16.2m per year.

3) Transition costs are manageable

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
2	1	1	1	4	5

Rationale

Overall assumptions and considerations:

- Assessment of transition costs has been considered in relative rather than absolute terms to appropriately demonstrate the difference in outcomes between different options.
- Aside from the overall affordability of transition costs, further consideration needs to be given to how these costs will be distributed amongst Kent and Medway's councils. Some of Kent's district councils have little in reserves to meet transition costs. It will therefore be important to consider in more detail how to ensure equity of cost distribution. Other areas have experienced inequity in proportions of transition funding being provided by upper- and lower-tier authorities, which is not proportionately reflected in transition decision-making.

Option 1 (3 unitaries) – score 2/5

- Transition costs are high at £42.6m over three years. Payback is over 8 years.

Options 2, 3 and 4 (4 unitaries) – all scored 1/5

- Transition costs are highest at £54.7m.

- Transition costs are not manageable as financial modelling has demonstrated that there is no payback period for options that create four unitary authorities.

Option 5 (2 unitaries) – score 4/5

- Transition costs are more manageable at £25.8m.
- This option would achieve net benefit within a manageable period of 3.8 years.

Option 6 (1 unitary - benchmark) – score 5/5

- This option generates the lowest transition costs (one-off cost of £23.2m).
- This option would achieve net benefit in less than a year.

4) Opportunities for transformation from existing budgets and invest-to-save projects

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
4	2	2	2	5	3

Rationale

Overall assumptions and considerations:

- In assessing each unitary option, the scoring was guided by the assumption that transformation is most viable where there is both sufficient financial capacity to fund upfront investment and the structural coherence to deliver long-term savings and service improvements.
- At this point it is not possible to predict what specific invest-to-save projects or budget savings might be delivered and the value of these.
- A key consideration across all options was the ability to absorb transition costs while still enabling invest-to-save initiatives—such as digital transformation, integrated commissioning, and service redesign. Larger unitary options (e.g. 1UA and 2UA) were assumed to have greater economies of scale and strategic capacity, which support transformation, but also carry risks of reduced local responsiveness and agility. Conversely, smaller options (e.g. 3UA and 4UA) were seen as more agile and locally attuned but less financially resilient and more fragmented, limiting their ability to deliver consistent, scalable transformation.
- The strength of evidence varied: while financial modelling and service demand projections provided a robust basis for comparing scale and capacity, assumptions around local responsiveness and partnership effectiveness were more qualitative, relying on stakeholder insights and professional judgement. Ultimately, the scoring reflects a balance between financial viability, operational scale, and the ability to deliver transformation that is both strategic and locally responsive.

Option 1 (3 unitaries) – score 4/5

- The 3UA option offers a strong platform for transformation by balancing scale with local responsiveness. It provides sufficient financial capacity and operational scale to support meaningful invest-to-save initiatives, such as integrated care models and digital transformation. While not as financially robust as the 2UA option, it still enables strategic investment in service redesign and innovation. Its alignment with existing sub-regional geographies also facilitates efficient partnership working, which is critical for delivering transformation within constrained budgets.

Options 2, 3 and 4 (4 unitaries) – score 2/5

- The 4UA option significantly limits opportunities for transformation from existing budgets. The smaller scale of each authority reduces financial resilience and the ability to absorb upfront costs associated with invest-to-save projects. High disaggregation and transition costs further constrain available resources, and the fragmentation of services increases the risk of duplication and inefficiencies. The option also introduces disparities in service demand and financial capacity, making it harder to deliver consistent transformation across the county.
- Options 2 and 4 that group Dover and Folkestone & Hythe are the areas with the highest adult social care spend, potentially compounding budget pressures and limiting the scope for transformation or invest-to-save initiatives due to reduced financial flexibility.
- Option 3 creates a 'Mid Kent' authority that would be less aligned with existing service delivery boundaries and partnerships (e.g. NHS, police, VCSE), and could therefore face higher coordination costs and fragmented planning, which reduces its ability to pool budgets or jointly invest in transformation. This misalignment could make it harder to deliver efficient, joined-up services and limit access to shared funding or strategic invest-to-save projects, ultimately weakening the financial case for transformation and reducing the return on investment.
- However, smaller, more local unitaries may have greater agility to respond to transformation opportunities tailored to local need and context within their areas.

Option 5 (2 unitaries) – score 5/5

- The 2UA option is conducive to transformation from existing budgets and invest-to-save projects. It combines the strategic scale needed to deliver large, high-impact transformation initiatives with local responsiveness to tailor services effectively.
- This option supports balanced service demand and financial capacity across both authorities, enabling more equitable and sustainable investment in transformation. It also reduces duplication and enables streamlined governance, which enhances the efficiency of transformation efforts. With stronger reserves, pooled budgets, and better alignment with existing partnerships, the 2UA option could facilitate a positive environment for delivering long-term value through transformation.

Option 6 (1 unitary - benchmark) – score 3/5

- The 1UA option offers the greatest theoretical potential for transformation due to its economies of scale, unified governance, and strong financial base. It can support large-scale invest-to-save projects and has the capacity to implement strategic, county-wide transformation initiatives. However, its size also introduces risks: reduced local responsiveness, potential bureaucratic inertia, and a potential tendency to default to large contracts that may limit flexibility and innovation. While this option can deliver transformation, its effectiveness depends heavily on how well it maintains local insight and agility. These trade-offs justify a mid-range score.

5) Debt is manageable within the new structures

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
2	2	2	1	4	5

Rationale

Overall assumptions and considerations:

- KCC currently has £2.61 of debt for every £1 held in reserves. In all scenarios the position will worsen for at least one of the unitaries compared to this starting point. In order to compare the options, the total Reserves to Debt for each unitary and the level of disparity between them has been calculated.
- Districts in West Kent have significantly lower levels of debt compared to the rest of the county which creates a skew in debt to reserves in most options. Conversely Medway has very high levels of debt. Addressing this issue through LGR negotiations to agree a fair distribution of the debt burden will be essential to support the financial viability of the new unitaries. This has not been factored into scoring.

Option 1 (3 unitaries) – score 2/5

- This option scores poorly as it concentrates financial risk in North and East Kent. Debt is distributed unevenly across the county, with North Kent having £5.05 of debt and East Kent having £4.50 for every £1 held in reserves. In comparison West Kent would have £0.52 of debt per £1 in reserves.

Option 2 (4 unitaries) – score 2/5

- This option also results in an inequitable distribution of debt. West Kent maintains low levels of debt compared to reserves (with £0.52 of debt for every £1 held in reserves), followed by £2.99 in East Kent, £4.79 in South Kent and £5.78 in North Kent.
- Compared to the 3 unitary option, levels of debt fall in East Kent as the number of districts reduces from 5 to 3, with financial risk transferred to North and South Kent.

Option 3 (4 unitaries) – score 2/5

- Similar to the above, West Kent maintains low levels of debt compared to reserves (£0.52 debt per £1 in reserves), whilst North Kent has the highest level of debt to reserves (£5.78). Mid Kent has the second highest level of debt to reserves at £5.00 whilst East Kent has £3.35 of debt per £1 in reserves.

Option 4 (4 unitaries) – score 1/5

- This is the least equitable option, with West Kent having even lower levels of debt compared to reserves - £0.19 of debt per £1 in reserves - than the other unitaries (£3.30 in Mid Kent, £3.71 in East Kent and £5.78 in North Kent). This is because Maidstone joins Mid Kent, leaving just Sevenoaks, Tonbridge & Malling and Tunbridge Wells in West Kent, who all have comparatively lower levels of debt.
- This option results in the widest disparity between West and North Kent.

Option 5 (2 unitaries) – score 4/5

- This option results in the most balanced distribution of debt. East Kent would have £4.04 of debt per £1 in reserves and West Kent would have £3.24. Northern areas' relatively high levels of debt and low reserves are offset by the higher reserves and lower debt seen in other West Kent districts (Sevenoaks, Tunbridge Wells and Tonbridge and Malling).

Option 6 (1 unitary - benchmark) – score 5/5

- All current debt and reserves are evened out across the single unitary authority, which inherently produces no disparity and creates the most manageable situation with regard to debt.

Criterion C: Unitary structures must prioritise the delivery of high-quality and sustainable public services to citizens

Overall scores:

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
4	2	2	2	4	4

Summary for Criterion C

The major issues that have shaped scoring on this criterion are the costs and risks of the disaggregation of county-wide services (which increase with more unitaries) and striking a balance between capacity and local responsiveness to deliver high-quality services. The alignment of new unitary boundaries with the existing delivery arrangements of partners (Health and Police) is also an important consideration in how well the options will unlock potential for public service reform. For these reasons, option 1 (3UA) has scored well because of its alignment of unitary boundaries with partner boundaries and because it could provide a good mid-point between capacity and scale to manage disaggregation and need within unitary

areas. Options 5 and 6 have scored highly because they provide unitaries with the greatest capacity and minimise (or remove) risks and costs around disaggregation. However, they lose some of the advantages of alignment with partners, and localised opportunities for reform might be slowed by large centralised decision-making structures. While the four-unitary options could be more locally responsive, they introduce more boundaries between service delivery and could lack the capacity to manage disaggregation costs and invest in public service reform, potentially putting crucial services at higher risk.

Three sub-criteria were considered to generate the overall score for Criterion C:

1) Will improve local government and service delivery and avoid unnecessary fragmentation of services
2) Provides opportunities to deliver public service reform, including where this will lead to better value for money
3) Manages impacts for crucial services - social care, children's services, SEND and homelessness, and for wider public services including for public safety.

Sub-criteria:

1) Will improve local government and service delivery and avoid unnecessary fragmentation of services

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
3	2	2	2	4	5

Rationale

Overall assumptions and considerations:

Improving local government and service delivery could encompass a wide range of issues. The Transformation assessment has identified four key problems with local government and service delivery under the current two-tier arrangements that are both significant challenges and which have the potential to be improved through LGR. We have therefore scored each option on the extent to which it is able to address each of the four problems, and then subsequently scored on the level of unnecessary fragmentation each model introduces, in order to arrive at an overall score for this sub-criterion.

Assumptions which underpin this analysis include:

- Larger authorities have greater strategic capacity and are able to take advantage of economies of scale.
- Larger authorities are also more resilient to demand fluctuations and financial pressures.
- Smaller authorities are more embedded in communities and may therefore be more responsive to local need.
- Increased fragmentation will result in greater ongoing disaggregation costs.

Problem areas	**Option 1 3 unitary (N,E,W)**	**Option 2 4 unitary (W,N,E,S)**	**Option 3 4 unitary (M,W,N,E)**	**Option 4 4 unitary (N,E,M,W)**	**Option 5 2 unitary (E,W)**	**Option 6 1 unitary – benchmark (K&M)**
Sustainable market shaping	4	2	2	2	5	3
Prevention	3	2	2	2	3	4
Spatial planning	3	2	2	2	4	5
Visible place-based services	4	2	2	2	3	3
Unnecessary fragmentation	3	2	2	2	4	5

Sustainable market shaping

This problem statement explores how LGR can act as a catalyst for more effective market shaping. By transitioning to unitary authorities, councils can streamline governance, reduce duplication, and commission people-based services at a more local level. With smaller unitaries, economies of scale may be lost but there is potentially an opportunity to gain more detailed local knowledge to commission in a more agile way.

Key considerations which informed this conclusion relate to efficiency benefits such as economies of scale, stronger commissioning power, and greater capacity for strategic investment, while maintaining a level of local responsiveness that is critical for tailoring services to diverse community needs. The 2-unitary option scored highest as it provides the best compromise between these factors, followed by the 3-unitary option which provides the second-best compromise. The single-unitary option provides increased capacity and economies of scale but this is traded-off with a loss of local responsiveness and therefore scored 3. The four-unitary options have the advantage of local agility but this is significantly outweighed by their reduced economies of scale and purchasing power.

Prevention

Demand for Adults' and Children's social care continues to rise both at a national level and within Kent and Medway. Rising demand is coupled with the rising cost of assessing need and delivering interventions. It is recognised that these interventions are frequently provided when a situation reaches crisis point, i.e. services are reactive and often unsustainable and not well co-ordinated with partners (such as health, police and education) and the Voluntary, Charity and Social Enterprise (VCSE) sector. This reactive approach not only strains limited resources but also fails to provide timely support to those in need, leading to a cycle of escalating issues and increased pressure on services. By focusing on prevention, services can address issues before they escalate, leading to better outcomes for individuals and more efficient use of resources, including opportunities to share information and data to identify and prioritise

those most likely to develop ongoing need for health and social care support before they reach crisis point.

Local Government Reorganisation (LGR) presents a unique opportunity to address these challenges through unitarisation. By bringing together services such as housing, leisure, education and social care under a single unified structure, LGR simplifies integration with other partners and creates new opportunities for prevention. Reorganisation allows for a more proactive approach, enabling early intervention and better coordination of services. As a result, it can help to reduce the demand on crisis services, improve outcomes for individuals and families, and create a more sustainable and efficient system overall. Prevention requires dual-running of new preventative models that will take time to embed with traditional services and invest-to-save proposals, both only possible with sufficient capacity.

Although smaller unitary authorities may have a better understanding of local need, they may not have the necessary financial resource to invest in preventative services. Moving to a 3 or 4 unitary model would also present a risk from fragmentation of services. These points resulted in the 1 unitary model being scored highest, as theoretically this is the largest area and therefore should have the greatest capacity to deliver invest-to-save projects, whilst also having the least risk of service fragmentation.

Spatial planning

The existing two-tier system can lead to fragmented planning, inefficiencies, and missed opportunities for coordinated growth. Planning is localised, making it harder to effectively address county-wide needs, and infrastructure development is fragmented.

LGR presents significant transformation opportunities to address these challenges. Unitary authorities are able to plan at scale more effectively by integrating key services such as housing, transport, and infrastructure planning. They are also better placed to use developer contributions to support local services and meet housing needs and targets more effectively. There is evidence that larger authorities are best positioned to manage these responsibilities and deliver these functions. As a result, the 1 unitary option scored the highest as it offers the strongest strategic alignment between planning, infrastructure, and growth, followed by the 2 unitary option which presents the best alternative by offering a balance between retaining many of the benefits of scale and maintaining strategic oversight of planning functions, whilst allowing for more flexibility and regional tailoring than possible in a 1 unitary option. In comparison, the three-unitary (3UA) and four-unitary (4UA) options offer more localised control, but carry greater risks of fragmented planning, inconsistent delivery, and reduced strategic coordination.

Visible place-based services

Over half of KCC's budget (circa 60%) is spent on Adult and Children's support services. This means that a considerable amount of council resource is being used to support a very small cohort of people (approximately 3% of the Kent population are in receipt of adults or children's social care). This imbalance, caused by growing demand in people services and continued under-investment in visible place services (by comparison only 6% of the KCC budget is put towards waste services and highway maintenance), contributes to residents' negative perception of quality of life and value for money from their local councils. Essentially, residents can feel as though they are paying more for less.

The challenge for any local authority, therefore, is the extent to which they are able to balance the delivery of statutory services for people who draw on care and support, with the need to invest in universal provision for all residents. The 3 unitary option is considered to offer the best balance here, creating authorities that are large enough to be able to deliver sustainable social care services across manageable geographical footprints, whilst also small and agile enough to be able to respond to local need and deliver effective place-based/visible services so people can more easily see where their Council Tax is being spent.

Unnecessary fragmentation

Any arrangement that creates more than one unitary council will lead to the fragmentation of county-wide services, which financial modelling shows will add substantial cost. There may also be service delivery and quality risks. This is a sliding scale; with greater costs and increased risk as more unitary councils are created. The 1 unitary option therefore scored highest, and the four unitary options scored lowest.

2) Provides opportunities to deliver public service reform, including where this will lead to better value for money

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
5	2	2	1	3	2

Rationale

Overall assumptions and considerations:

- Aligning council services with other public sector bodies presents opportunities for public service reform. Public Service Reform (PSR) is rooted in the principle that working with key partners such as the NHS and the Police, councils can help improve outcomes for residents, reduce duplication across public services, deliver better value for money, and respond more effectively to the complex needs of communities.
- Partnership working is most effective where public service boundaries are coterminous.
- At present, the best way to achieve public service reform is through service integration at an operational level – e.g. councils working more closely with Health and Care Partnerships and Police Command Units. Therefore, alignment to operational delivery has been viewed as more beneficial than retaining alignment with the strategic county-wide structures of other partners.
- Further opportunities for public service reform could be unlocked through devolution.

Option 1 (3 unitaries) – score 5/5

- Under this option, unitary boundaries are coterminous with other public sector bodies, allowing areas to aggregate frontline services. Examples include Kent Police Command Units and hospital trusts and Health and Care Partnerships. The ICB have indicated the three-unitary option is their preferred option. This would allow partners to build on established relationships and ways of working to accelerate tailored, community-based

integration and reform including on crime and community safety and health and social care.

- Aligning with current service delivery boundaries will minimise disruption for wider public services during the transition and provide the most efficient way for partners to work together in the longer-term.
- Greater opportunity to pool budgets with partners across large geographical areas to maximise use of shared resource and deliver better value for money, while balancing local responsiveness.

Option 2 (4 unitaries) – score 2/5

- This option aligns fairly well with Health and Care Partnership boundaries, with the South Kent and East Kent Authorities matching up with East Kent HCP, whilst the geography of the West Kent Authority mirrors the West Kent HCP footprint.
- That being said, the creation of four unitary authorities introduces additional parties into an already complex system across Kent and Medway, potentially making it harder to coordinate services across different public sector bodies.
- The advantage of smaller authorities (applicable to all of the 4 unitary options) is that they are best placed to work with partners at a hyper local level (e.g. through the development of neighbourhood health and care models, or through working with community healthcare providers and Primary Care Networks). Smaller authorities should also be able to work more closely with the local voluntary and community sector, ensuring best use of shared resource.
- However, ultimately it is likely that the four-unitary options will lack the financial resilience and strategic capacity to progress public service reform opportunities.

Option 3 (4 unitaries) – score 2/5

- One of the least favourable options as it creates a 'Mid-Kent' authority. There are no public service partnerships that exist across Mid-Kent, which limits opportunities for public service reform in this area. As a result, new partnerships and structures would most likely have to be created (e.g. shared service models, joint delivery arrangements, inter-authority partnerships etc) which could prove both costly and resource intensive.

Option 4 (4 unitaries) – score 1/5

- This option scores lowest as it must contend with the same challenges discussed above, but the fragmentation is more pronounced. For example, under this configuration the Mid-Kent Authority would have to work with three different Health and Care Partnerships (East Kent HCP for Ashford, West Kent HCP for Maidstone and Medway and Swale HCP for Swale), whilst also working with three separate Police Command Units. This fragmentation would make it harder to align council services with key partners and would limit opportunities for public service reform.

Option 5 (2 unitaries) – score 3/5

- Having fewer authorities should make it easier to coordinate with key partners such as the NHS, police, and voluntary sector. Larger areas create opportunities to pool substantial budgets and individual unitaries would likely have financial capacity to progress PSR. However, large authorities would need to put in place arrangements to respond to local needs and work across partner boundaries.
- Existing police units align to some extent into this model of unitarisation, with North and West Kent Police Command Units falling under the West Kent Authority, and the East Kent Police Command Unit falling under the East Kent Authority. Swale would be a constituent region of East Kent but its local police force would be aligned to North Kent.
- There is a similar picture with Health and Care Partnership boundaries.

Option 6 (1 unitary - benchmark) – score 2/5

- Significant resource requirement, as a single unitary would have to work with multiple partners (e.g. x4 Health and Care Partnerships, x3 Police Command Units). May make strategic coordination with partners simpler, but operational ('on the ground') service delivery more complex.
- Having one overarching governance structure may cause unnecessary bureaucracy. There might be no meaningful decision-making at a local level, with all decisions having to be passed upwards. There would be less scope for smaller areas to seize localised opportunities to innovate and pilot new initiatives without central approval. This could slow-down opportunities for budget pooling with partners as this would have to be centrally approved and arrangements would likely vary across the county, potentially complicating public service reform.
- It may be difficult to coordinate service delivery with VCSE partners due to the complexity of the sector across Kent and Medway.

3) Manages impacts for crucial services - social care, children's services, SEND and homelessness, and for wider public services including for public safety

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
3	2	2	2	4	5

Rationale

Overall assumptions and considerations:

- Cost and risk to service delivery presented by disaggregation is fundamental when considering the impact on the crucial services that this sub-criterion focusses on. As such, this was given greater weight when determining scores. Work is ongoing to better understand delivery risks and opportunities, and this will need to be included in any future LGR Business Case(s).

- Similarly, given the relationship between demand for people-based services and financial sustainability of authorities, opportunities and challenges relating to demand spread and management were also considered.
- Government is considering the potential for other policy and service delivery solutions for adults' and children's social care through vehicles such as social care partnerships; this is something that will continue to be monitored.
- Newton's modelling of demand and cost for people-based services provided useful background evidence to support the Transformation assessment report and the scoring of this criterion.

Option 1 (3 unitaries) – score 3/5

- Impact of disaggregation on crucial services is likely to be significant. Disruption to crucial service delivery, dilution of expertise, reduced capacity for innovation, duplication of systems and infrastructure, fragmentation of well- established and performing services and lower capacity for central functions like quality assurance is more likely in this option than in 1 and 2 unitary options.
- Purchasing power and market influence would reduce in this option compared to 1 and 2 unitary options but is higher than the 4-unitary options.
- This option maintains scale while introducing opportunities that are presented by smaller unitaries e.g. improved knowledge of local need, agility, flexibility and responsiveness.

Option 2, 3 & 4 (4 unitaries) – all scored 2/5

- Given reduced buying power, limited market shaping ability, cost of disaggregation, lack of scale to absorb cost surges or market issues and increased service delivery costs associated with smaller authorities, delivery of crucial services will be challenging. Scope to invest beyond this will be limited, e.g. in prevention or wider visible services as these authorities are likely to be all consumed by high-cost critical people services over which they will have limited control.
- This option creates the most imbalanced demographics across the unitary authorities, including for age and levels of deprivation which are both significant determinants of service demand, costs and revenue. For levels of deprivation, the 4UA options create the most disparity in deprivation between the authorities.
- Risk, complexity and cost of disaggregation would be felt most intensely in the 4 unitary options. This includes but is not limited to: risks associated with disruption/fragmentation of service delivery (particularly around safeguarding), diluted expertise across 4 organisations, increased significant cost through duplication of systems, risk associated with data transfer, disparity in service offer leading to a feeling of 'postcode lottery' for residents, and destabilisation of the market through introduction of additional parties and competition. Work is ongoing to better understand the disaggregation service delivery risks. The major risks of disaggregation had a significant impact on this score.
- The 4 unitary options scored 2 rather than 1 due to benefits presented by smaller authorities to potentially tailor services to local needs, increase agility in service delivery

models and contracts and increase responsiveness. However, these opportunities were mostly outweighed by the significant risks outlined above.

Option 5 (2 unitaries) – score 4/5

- Impact of disaggregation on crucial services is likely to be more manageable in a 2 unitary option. This option maintains enough scale to ensure authorities have the resilience to absorb transition costs and withstand the volatility and complexity associated with the delivery of crucial services.
- Purchasing power and market influence would still be significant in this option.
- Despite the disparity between East and West Kent, given the scale of the authorities in this option, resilience to meet the needs of areas of concentrated demand is still more manageable in a 2 unitary authority model than in options that offer 3 or more unitaries.
- For social care, the lower the number of authorities, the less disparity there is between authorities in current and future predicted demand across most types of adult and children social care including nursing, residential, domiciliary, children in care, children in need, child protection plans and referrals (from the Newton analysis).
- This option maintains scale while introducing opportunities that are presented by smaller unitaries e.g. Improved knowledge of local need, agility, flexibility, responsiveness.
- Many of the advantages of a single unitary apply to a lesser extent with this option.

Option 6 (1 unitary - benchmark) – score 5/5

- This option is the most likely option to be able to manage the risk associated with complex delivery of crucial services. The significant risk of disruption to service caused by disaggregation, particularly for safeguarding, is removed, although there would still be some potential for disruption by bringing together KCC and Medway Council services.
- Modelling shows that the probability of an authority achieving good or outstanding Ofsted rating for children's services reduces as the size of the authority shrinks. Given KCC's 'Outstanding' Ofsted rating for children's services and Medway Council's 'Good' Ofsted rating, it is important that the best aspects of current service delivery are not lost. For adult social care, CQC quality reporting data indicates an increased likelihood of a good CQC rating for larger local authorities.
- This option could give increased purchasing power, more market influence, greater capacity to shape more resilient and responsive markets. Newton's cost modelling for Adults' and Children's Social Care in Kent illustrates that scenarios involving multiple smaller authorities lead to higher service costs.
- This option creates fully balanced service demand levels for both adult and children social care.
- This approach maximises specialisation by leveraging the scale and capacity of a single, large authority. With increased resources and funding, this option allows for investment in dedicated teams, targeted training, and advanced technologies, enabling the development of expertise across key service areas such as safeguarding, housing and disability support.

- This option would have greatest financial stability to invest in prevention, it would also have greater capacity and strategic overview when developing strategy linked to prevention, and the expertise, infrastructure and data to deliver successful prevention.
- This option would have enough capacity to potentially design services in a way that harnesses the same or more benefits that smaller unitaries could through localised delivery models, if that is the decision of the new unitaries.
- This option is likely to ensure Kent retains a strong voice, when working with partners in other public sector services (NHS, Police etc) and Government, particularly on Kent based issues impacting crucial services e.g. issues related to the border with the EU.

Criterion D: Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views

Overall scores:

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
4	2	2	2	2	2

Summary for Criterion D

Before engaging residents and partners, it is difficult to draw firm conclusions on local views and these scores will need to be re-visited after any engagement takes place. However, based on proxy engagement intelligence along with evidence on deprivation, travel and living patterns, local service delivery geographies and the natural identities within the county, the three-unitary model is the most advantageous. It has good alignment with established identities and ways of living and provides the best middle ground between providing moderate value for money while not being too large and remote for residents and partners to engage with. The four-unitary options separate established communities and in some cases create unitaries with concentrated levels of deprivation. The two- and single-unitary options are likely to be too large to reflect local identities and be understood and accepted by residents, and risk not being able to respond to specific local needs.

Two sub-criteria were considered to generate the overall score for Criterion D:

1) Supported by partners and residents
2) Sensitive to issues of local identity and cultural and historic importance

Sub-criteria:

1) Supported by partners and local residents

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
4	2	2	2	3	2

Rationale

Overall assumptions and considerations:

- How much more Council Tax residents would have to pay through Council Tax harmonisation has been assumed to be a factor in how positively people might feel about the options.
- Council Tax and value for money are the most important things for residents, but there was also strong proxy evidence that showed residents expect:
    - Local, accessible services, that are responsive and easy to navigate with geography being less important than design.
    - Some say in local democratic decision making, but in reality, opportunities are not taken up by large numbers of residents, concluding that the perception that people can get involved is more important. A small proportion of the population will engage so the larger the area, the more representation.
    - Fair Council Tax distribution is important, and residents want to see where it has been spent. Most do not value back-office functions, management overheads and assets. There is some support for the concept of charging for non-statutory services.
- Engagement with the public has not yet been conducted, so this is a proxy exercise based on national research and local intelligence from resident feedback from a variety of sources about council services and relationships, including the annual budget consultation. To reflect this, scores for this sub-criterion are moderate for all options as there is insufficient evidence to conclude that the sub-criterion is not met or strongly met.
- Through the Kent Leaders work to develop the Interim Plan, key partners were asked which model they would prefer, and this has been taken into account. No specific geographies were outlined when partners were asked for feedback and views might have changed subsequently and change in the future.

Option 1 (3 unitaries) – score 4/5

- Partners had previously supported this option when asked and this model best matches the operational delivery arrangements for Health and Police.
- 50% of residents would pay more Council Tax, and 50% would pay less.
- This is a good 'middle ground' of strategic versus local that supports engagement in local decision making and visibility of services and where Council Tax is spent, while being more financially viable.
- Fewer council boundaries (compared to four-unitaries) mean less complexity for residents to access services and for partners to navigate.

Option 2 (4 unitaries) – score 2/5

- Locality is important to some residents who would prefer the smaller, more local unitaries that the four-unitary options offer.

- However, value for money and the reduction of back-office costs are important to residents and the four-unitary options are the least financially viable and deliver lowest efficiency.
- There is more fragmentation and the opportunity for strategic planning is reduced - people were interested in coordinated infrastructure such as transport links.
- More boundaries between unitaries would be introduced and residents might be charged to use services/assets across boundaries which might not be welcomed.
- Increased complexity for partners to work with councils across their delivery boundaries.
- 57% of residents would pay more Council Tax in this option.

Option 3 (4 unitaries) – score 2/5

- As above.
- 65% of residents would pay more Council Tax.

Option 4 (4 unitaries) – score 2/5

- As above.
- 46% of residents would pay more Council Tax.

Option 5 (2 unitaries) – score 3/5

- Efficiency and value for money for residents is higher in the two-unitary option, but this would be countered with concerns about more remote and less locally engaged councils.
- 48% of residents would pay more Council Tax, and Council Tax increases may not need to be as severe due to the better financial position of these larger unitaries, although this is a decision for the new unitaries.
- Compared to other options, East and West are relatively well-balanced on deprivation and other factors, but communities in current West Kent Districts might perceive unfairness that they are levelling out deprivation, demand and debt in the North.

Option 6 (1 unitary - benchmark) – score 2/5

- Highest efficiency and value for money but countered by being the largest and least local arrangement – residents might feel this is too big and remote and would not be able to see where their Council Tax is being spent.
- 48% of residents would pay more Council Tax, and Council Tax increases may not need to be as severe due to the better financial position of these larger unitaries, although this is a decision for the new unitaries.
- While there are no intra-county boundaries to navigate, the council might seem too large and complex for residents and local partners to engage with.
- Merging Kent and Medway as a single area would be unlikely to receive local or national support, as this is against Government's current policy position.

2) Sensitive to issues of local identity and cultural and historic importance

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
4	2	3	3	2	2

Rationale

Overall assumptions and considerations:

- All of the 4UA options have higher peak scores for Indices of Multiple Deprivation (IMD) compared to the 2UA and 3UA options, and therefore produce UAs that are more deprived overall as well as creating wider disparities between UAs.
- The polycentric nature of Kent and Medway means that employment and economic drivers are spread across different parts of the county – having higher number of UAs could mean that individual areas become over-dependent on fewer economic drivers.
- Resources will be required by UAs regardless of size to foster local identities, but their particular challenges around size and resource invert. Larger UAs will have more capacity/resource but will have bigger challenges to protect and build identities, heritage and culture at localised levels, whereas smaller UAs will be closer to their areas in this regard but will be more financially challenged in being able to resource place-shaping/protecting.
- For a number of the options, particularly Option 1, there is a case to consider boundary changes to incorporate Swanley into a North Kent UA and to incorporate East Swale/Faversham into an East Kent unitary to best reflect local identities and patterns.
- The four-unitary options have been identified by the Kent Leaders joint work on LGR so it is assumed there is some local support and reasoning for these groupings.

Option 1 (3 Unitaries) – score 4/5

- Comprises UAs that are smaller and therefore closer to residents than in the 1UA and 2UA options, but large enough to encompass broad and complementary identities, e.g. grouping coastal communities and those spanning the Thames Estuary (also being the only multiple UA option that keeps Medway and Swale together), which it was felt the 4UA options were unable to do.
- Largely coterminous with strategic partners' delivery models, and aligns with residents' travel to live patterns (work, education, healthcare).

Option 2 (4 Unitaries) – score 2/5

- This option groups Thanet and Swale together, making it the most deprived version of an East Kent UA which would likely have significant spending pressures meaning they will have to focus resources on statutory services rather than place-making. It creates the biggest disparity between areas for deprivation.

- Splits up logical groupings, e.g. Swale from Medway, and Thanet from the other coastal areas of Dover and Folkestone & Hythe.
- However, this is one of the options generated by the Kent Leaders joint work so is assumed to have some local support.

Option 3 (4 Unitaries) – score 3/5

- The same area groupings are broken up as in option 2, but the disparity is not as pronounced as Option 2 from a deprivation perspective, because Swale and Thanet are not in the same UA. It does, however, preserve the recognised 'East Kent Triangle' of Canterbury, Thanet and Dover as a UA in itself.
- Putting Swale and Folkestone & Hythe into the same unitary does not seem a logical fit for aligned identities, economic areas or travel to work patterns.
- However, this is one of the options generated by the Kent Leaders joint work so is assumed to have some local support.

Option 4 (4 Unitaries) – score 3/5

- The groupings are not particularly well aligned, although the East Kent coastal communities are grouped together, Medway and Swale are still separated, as is Maidstone from West Kent - travel to work patterns are dissected.
- Creates the most affluent version of a West Kent UA: could entrench socio-economic divisions, and creates the UA with the highest area of protected land. This could make place-making harder in West Kent.
- However, this is one of the options generated by the Kent Leaders joint work so is assumed to have some local support.

Option 5 (2 unitaries) – score 2/5

- The scale of two unitaries could limit how reflective of local identities they would be and how agile and effective they could be in meeting specific local needs.
- This configuration could create an unhelpful East vs West dynamic; either East Kent feeling left behind or conversely resentment from West Kent if East Kent gets the majority of the resource/funding which could contribute to deadlock between the two UAs on pan-county issues.

Option 6 (1 unitary - benchmark) – score 2/5

- This option could have a better strategic approach to Kent as a destination/investment opportunity whereas this would be fragmented in the other options in the absence of a mayor/Mayoral Strategic Authority.
- However, it is just as remote as Option 5, albeit without a potentially divisive East/West boundary – the UA will have to work hard at fostering place-shaping at a local level and do it equitably, and would have to insert layers of local democracy/engagement to facilitate this.

Criterion E: New unitary structures must support devolution arrangements

Overall scores:

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
5	2	2	2	2	1

Summary for Criterion E

In the Devolution Priority Programme feedback letter, Government indicated that Kent and Medway requires LGR to create unitaries with more equally sized populations before devolution can be progressed. The three-unitary model fulfils this requirement and also has the advantage that the unitaries are functional economic areas, sensible planning geographies and would be relatively more financially sustainable than smaller unitaries, factors which could all support delivery of Mayoral Strategic Authority (MSA)/mayoral priorities. Under current Government policy, a single unitary would preclude devolution. The two-unitary option creates large and unequally sized populations and creates possible 'deadlock' in decision-making. In the four-unitary options, unitaries would lack capacity and financial resilience to both act as delivery arms for MSA/mayoral priorities and engage strategically as members of the MSA.

Two sub-criteria were considered to generate the overall score for Criterion E:

1) Will help unlock devolution
2) Sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities

Sub-criteria:

1) Will help unlock devolution

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
5	2	2	2	2	1

Rationale

Overall assumptions and considerations:

- Without a Mayoral Strategic Authority (MSA) and a directly elected mayor, services that benefit from county-wide coordination, could become more fragmented, for example, strategic transport and planning and management of issues related to Kent's position at the border with Europe.
- Smaller unitary councils may face capacity challenges and lack economies of scale which is likely to reduce efficiency in service delivery of MSA/mayoral priorities and devolved responsibilities. Additionally, a unitary authority that is struggling financially may not have the ability to be a reliable partner at a pan-Kent level to contribute to collective strategy.

Option 1 (3 unitaries) – score 5/5

- Unitaries would have sufficient scale to engage directly with an MSA to deliver devolution and work with an MSA to address the socio-economic inequity across the county. The three unitary areas are functional areas to deliver a mayor's Strategic Planning responsibilities via Sustainable Development Strategies (SDSs).
- Broadly coterminous public service boundaries (Police, Health). The boundaries also match subregional economic areas, travel-to-work and learn.
- All infrastructure in the county to manage the movement of goods and people across the border is in one unitary (Eurotunnel, Port of Dover, Sevington Inland Border Facility and Manston Arrivals and Processing Centre).
- However, the East and North unitaries would be less financially resilient due to demand and debt levels in these areas.

Option 2 (4 unitaries) – score 2/5

- In this model there are accentuated financial and socio-economic disparities between East Kent, compared to North, and particularly West Kent. This option groups Swale and Thanet in East Kent, which are two of the most deprived Kent Districts, leading to a mayor, potentially, spending a disproportionate amount of effort on East Kent.
- 4UA's could be more focused on local priorities, ensuring more voices in local decision-making. Conversely, this could also lead to inertia. The unitaries would also not be as financially stable to deliver those priorities.
- This option separates the Manston Arrivals and Processing Centre from other infrastructure in the county to manage the movement of goods and people across the border, leading to an MSA having to work across multiple unitaries on border issues.
- A North Kent unitary may be less engaged with Kent and more so with the Mayor of London.

Option 3 (4 unitaries) – score 2/5

- There are financial and socio-economic disparities between East and West Kent. Although the 'East Kent Triangle' (Canterbury, Thanet and Dover) is an acknowledged functional area, it would still have financial and socio-economic challenges, compared to the other unitaries. This could lead to reduced capacity to work on mayoral priorities such as regeneration, particularly coastal regeneration. An MSA (particularly the mayor) could spend a disproportionate amount of effort on one unitary.
- 4UA's could be more focused on local priorities, ensuring more voices in local decision-making. Conversely, this could also lead to inertia.
- This option separates the Eurotunnel (Folkestone) and Sevington Inland Border Facility (Ashford) from the Port of Dover and Manston Arrivals and Processing Centre, leading to an MSA having to work across multiple unitaries.
- A North Kent unitary may be less engaged with Kent and more so with the Mayor of London.

Option 4 (4 unitaries) – score 2/5

- The financial and socio-economic differences between East Kent and West Kent are more acute than in Option 2 due to West Kent being consolidated into the affluent Districts of Sevenoaks, Tonbridge and Malling and Tunbridge Wells. This could impact on East Kent's ability to engage on an MSA level. An MSA (particularly the mayor) could spend a disproportionate amount of time on East Kent, with Mid Kent becoming overlooked.
- 4UA's could be more focused on local priorities, ensuring more voices in local decision-making. Conversely, this could also lead to inertia.
- Sevington Inland Border Facility is separate from all other infrastructure in the county to manage the movement of goods and people across the border
- This option may create issues for spatial planning, with the West unitary being resistant and unable (due to Green Belt restrictions and politics) to pursue higher levels of housing expansion.
- A North Kent unitary may be less engaged with Kent and more so with the Mayor of London.

Option 5 (2 unitaries) – score 2/5

- There would be a significant population disparity between the East and West unitaries. This option also groups Swale and Thanet in East Kent, which are two of the most deprived Kent Districts, leading to a mayor, potentially, spending a disproportionate amount of effort on East Kent.
- Unitaries would have sufficient scale to engage directly with an MSA to deliver devolution; and work with an MSA to address the socio-economic inequity across the county.
- The governance between an MSA and 2 unitary councils could be problematic in terms of decision-making, as the Mayor would not have a casting vote for all policy issues.
- This model provides greater capacity and resources to manage border impacts and place-based work – for example, coastal regeneration, however these roles could fall disproportionately on the East Kent unitary.
- Large unitaries could lack the localised understanding to respond to planning development.

Option 6 (1 unitary - benchmark) – score 1/5

- A single unitary council and MSA cannot be established on the same geographical footprint, as the new Kent and Medway council would have to combine with a neighbouring upper-tier authority to form an MSA. This is not possible, as all our neighbours are either on the Devolution Priority Programme (DPP) (Essex & Sussex) or the fast-track LGR programme (Surrey).
- A model that sought to subsume Medway Unitary Council could be unlikely to be supported locally and nationally.

- Significant negotiation and lobbying would be required to put an argument to government that the new Kent and Medway unitary could get devolution as a single area, as this is against their current policy position and is unlikely to be successful.

2) Sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
5	2	2	2	2	1

Rationale

Overall assumptions and considerations:

- Government's criteria for new Mayoral Strategic Authorities (MSAs) are a combined population of 1.5 million, or above. Kent and Medway's population size is estimated to be approximately 1,879,100. This would enable a Strategic Authority (SA) across the county footprint whichever option is applied.
- It is assumed that Government would prefer a broad equity of population size for new unitary councils within an MSA area, to conform with the 'guiding principle' of a 500,000 population.
- Timelines for devolution have not yet been confirmed by Government so this has not been considered in scoring. It is unlikely in Kent and Medway that there would be differences between timelines for different options.

Option 1 (3 unitaries) – score 5/5

- This model creates three substantial unitaries with similarly sized populations close to government's 'guiding principle' of a 500,000 population for LGR arrangements (North: 663,000, East: 662,000, West: 551,000) creating equal partners under an MSA.
- Population is the most well-balanced between authorities (only 20% disparity between the smallest and biggest unitaries).

Option 2 (4 unitaries) – score 2/5

- Two unitaries do not meet the 500,000 criteria - South Kent would be significantly under at 363,000 and East Kent at 452,858.
- This division produces a population disparity of 52% between the smallest and largest unitary authorities (South Kent and West Kent respectively).

Option 3 (4 unitaries) – score 2/5

- Two unitaries do not meet the 500,000 criteria – East (415,712) and Mid (400,466).
- This division produces a population disparity of 38% between the smallest and largest unitary authorities (Mid Kent and West Kent respectively).

Option 4 (4 unitaries) – score 2/5

- Two unitaries do not meet the 500,000 criteria - West (370,795) and Mid (470,657).
- This division produces a population disparity of 42% between the smallest and largest unitary authorities (West Kent and East Kent respectively).

Option 5 (2 unitaries) – score 2/5

- This would result in population ratios significantly higher than the 500,000 level and therefore presents a risk of not meeting the Government's criteria (although other areas are submitting proposals including populations of over 800,000).
- This division creates a 30% disparity in population size between the two proposed unitary authorities, which is unlikely to significantly narrow with projected population growth by 2035.

Option 6 (1 unitary - benchmark) – score 1/5

- This would result in a population very significantly higher than 500,000 at 1.9m, with the conclusion this would not meet the Government's criteria and therefore could not be said to support devolution ambitions.

Criterion F: New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment

Overall scores:

Option 1 3 unitary (N,E,W)	Option 2 4 unitary (W,N,E,S)	Option 3 4 unitary (M,W,N,E)	Option 4 4 unitary (N,E,M,W)	Option 5 2 unitary (E,W)	Option 6 1 unitary – benchmark (K&M)
3	3	4	4	2	2

Summary for Criterion F

Two of the four-unitary options have received the highest scores because, overall, smaller unitaries will operate more closely to communities, which some residents and partners feel is important. These options also meet the Boundary Commission's recommended councillor to resident ratio, whereas the other options exceed this. However, smaller unitaries might lack the resource capacity to run effective community engagement and address the local issues that are raised through these mechanisms. This is why the 4-unitary option with the highest levels of deprivation and disaggregation costs (option 2) has received a lower score. This is also why all scores for this criterion are in the medium range – there will always be a compromise between capacity and locality. How the new unitaries design their engagement mechanisms will be instrumental in how successful they are in enabling and empowering communities.

One sub-criterion was considered to generate the score for Criterion F:

1) Will enable strong community engagement

Rationale

Overall assumptions and considerations:

- UAs (primarily the 4UA options) covering smaller areas/populations are closer to residents and communities, and theoretically more capable of developing locally suitable engagement models. However, they may have financial challenges which might impact effective community engagement.
- UAs covering larger geographic areas and larger, more diverse populations could face greater challenges in engaging at a local level – they would need to have significant resource in place to manage relationships and develop/maintain suitable and flexible models for all areas. Large LAs have the capacity to engage but will not necessarily be able to do it effectively – this poses a risk.
- Analysis about the councillor to electorate ratios was based on the Local Government Boundary Commission for England (LGBCE)'s recommendation of a minimum of 30 and a maximum of 99 councillors for new unitaries, and their review of Cornwall Council's electoral arrangements which recommended a number of councillors that produced a ratio of 5,163 electors per councillor.
- Larger infrastructure VCSE organisations will be more comfortable engaging with larger, fewer UAs, but small or micro VCSE organisations will engage at a much more local level.
- Introducing layers of local democracy (e.g. through strengthened or increased numbers of town/parish councils) and community engagement (e.g. through local community boards or forums) will be required in all of the UA options in a sliding scale. Town and parish council coverage is inconsistent across Kent and Medway so would need considerable development to use this as a viable and standardised option across the UAs. In addition, the anticipated Communities white paper's position on the precepting of new town or parish councils is, as yet, unknown – this might pose a significant challenge for viability.
- Further work will be needed to understand the scale and costs of introducing and sustainably running local community boards (or the Government's favoured 'Neighbourhood Area Committees' which are as yet undefined) at a meaningful community level within prospective UAs.
- It is also necessary to engage with local communities to understand their preferences for local involvement and democracy.

Option 1 (3 unitaries) – score 3/5

- This option provides a councillor ratio between 79 to 92 per UA, which is close to the upper limit of LGBCE's recommended ratios.
- This option's logical local place/area groupings might facilitate more effective local engagement about what affects those communities (e.g. engaging coastal communities on coastal issues) but unitaries would operate further from local communities than in the four-unitary options.

Option 2 (4 unitaries) – score 3/5

- The councillor numbers of between 49 and 79 per UA best suit the LGBCE's recommended councillor ratio.
- However, this option scores lower than the other 4UA options because its highest deprivation factor may result in spending pressures affecting unitaries' ability to resource community engagement/localised democracy.

Option 3 (4 unitaries) – score 4/5

- The councillor numbers of between 53 and 79 per UA best suit the LGBCE's recommended councillor ratio.
- Scores joint highest with Option 4 because this model puts the UAs closest to their residents.

Option 4 (4 unitaries) – score 4/5

- Councillor numbers of between 53 and 71 per UA best suit LGBCE's recommendations. This option also creates the most even spread of councillors across the four UAs.
- Scores joint highest with Option 3 because this model puts the UAs closest to their residents.

Option 5 (2 unitaries) – score 2/5

- This option's Councillor numbers (East 111, West 150) and electorate ratios (East 5801 per councillor, West 7824 per councillor) are in excess of LGBCE's recommendations.
- Unitaries would have greater capacity to invest in community engagement mechanisms.
- However, due to the large size of the two UAs, it is likely that significant resource and mechanisms would be required to manage meaningful community engagement at a sufficiently local level across the county area to capture and act on community needs adequately. In addition, most of the north's population live in unparished urban areas and without town councils and are much more ethnically and religiously diverse – a stark difference to the rest of communities in this version of a West Kent UA which would require tailored engagement approaches.

Option 6 (1 unitary - benchmark) – score 2/5

- Councillor numbers (261) and elector ratio of 13,625 per councillor are in considerable excess of the LGBCE's recommendations.
- As with Option 5, the unitary would have greater capacity for community engagement but due to the considerable size of a single UA, significant resource and mechanisms would be required to manage meaningful community engagement at a sufficiently local level across the county area to capture and act on community needs adequately.

Appendix 1c

Financial assessment

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Approach

The evidence presented in this assessment comes from three sources –

- Analysis conducted internally by the KCC Finance team, which considered:
    - Council tax harmonisation and council tax yield in the potential new unitary authorities based on 2024-25 tax base estimates and individual council tax rates.
    - Levels of debt and reserves across the 14 councils in the Kent and Medway area.
    - The Adult Social Care, Children's Social Care and Home to School Transport 'legacy' costs which the new unitary authorities would inherit following disaggregation[1].

- Commissioned analysis by Newton, which considered:
    - Disaggregation costs for people-based services (Adult Social Care, Children's Social Care, and services for children with SEND), drawing on data supplied by KCC. This approach is based on a hybrid model including both disproportionately inherited costs on day one (using a general model designed to allow comparisons between proposed scenarios rather than detailed financial analysis) as well as additional future costs.

- Commissioned analysis by PwC, which considered:
    - Overall additional operational costs and benefits and initial transition costs arising from new unitary scenarios. Their modelling incorporated structural and management costs, redundancy estimates, senior leadership changes and anticipated savings. In their reports, PwC acknowledge the limitations of their modelling and describe it as an 'initial assessment' and state that more work would be required to generate more detailed figures.

The evidence outlined in this assessment should be considered alongside certain contextual and methodological factors, set out below.

Rounding

- In parts of this summary, the total sum of a set of figures may differ slightly from what is reported- by 1 or 0.1. This is due to rounding differences and does not indicate an error in reporting.

Balance analysis

- Balance analysis is a method used to evaluate the distribution of factors in different scenarios, aiming for equitable outcomes. It examines measures like council tax receipts, costs and deprivation for example. A balance score near 1 indicates an optimal distribution with equitable resource allocation, while a larger number indicates potential imbalances.

[1] Costs are based on allocating forecast/actual KCC net spend (i.e. spending less any attributable income largely from specific grants, partner contributions and client charges) for 2024-25 according to the geographical areas where costs are currently incurred. The analysis is based on a direct allocation of service costs wherever possible (including where direct allocation is not possible at appropriate apportionment). The purpose of this is to identify where these costs are currently disproportionately distributed (either per head of population or proportionate to band D equivalent council tax base) at no overall additional cost compared to current KCC spend. This analysis does not attempt to identify the additional service costs the unitary authorities would incur either on day one or over time due to diseconomies of scale, or due to differential rates of growth. The analysis is based solely on KCC spend and at this stage does not include Medway which would need to be added in on a like for like basis (using the Revenue Outturn submissions when these become available)

Council tax harmonisation

- The new unitary authorities will need to decide their approach to council tax harmonisation. They may choose to harmonise in line with the district which has the highest rate of council tax, meaning that most residents would pay more council tax, but that the unitary authority would likely have a higher tax yield and be more financially sustainable. Or they may choose to harmonise at the lowest rate or at a mid-point between these figures. These choices will require trade-offs and will inevitably pose political challenges. For this assessment of the implications of council tax harmonisation, the average rate of council tax has been used. This has been used purely to allow for comparison and does not presuppose where the new unitary authorities will set their council tax rates or indicate a KCC position on the matter.

Transition and disaggregation

- As set out above, the PwC analysis of the recurring costs and benefits of the transition should be considered an 'initial' assessment as more detailed work is required. However, this is the only evidence currently available which sets out the potential overall costs and benefits of the different reorganisation scenarios. While there may need to be some updates to the figures following more work, the analysis provides a useful basis upon which to compare the overall trends for the different options.

- The Newton analysis of disaggregation costs for people-based services – Adult Social Care, Children's Social Care, and services for children with SEND – was conducted on a formulaic basis using data provided by KCC. The broad trends are consistent with the more detailed analysis carried out by KCC Finance team.

- The analysis conducted internally by KCC focussed on the disaggregation of current spend and estimated share of resources of Adult Social Care, Children's Social Services and Home to School Transport. This was largely based on mapping the cost of individual client packages to locality areas and thus provided a higher level of detail than the analyses by PwC or Newton but was limited to the KCC area (i.e. excludes Medway) and current spend.

Debt and reserves

- The analysis of levels of debt and reserves is based on figures from September 2024. These figures were the most recently available at the time of analysis and drafting of this report.

Overview

This report assesses the financial implications of unitary authorities across the six different options. For ease of reference, the table below provide a quick overview of the forecast additional costs and benefits from establishment of unitary authorities to replace current two-tier structures. The overview makes no assessment of the viability of individual authorities and is only a starting point for comparison. The financial summary is shown in line with central government financial appraisal guidelines with additional costs shown as negatives and savings as positives, this is contrary to normal local authority budgeting conventions where costs are shown as positives and savings/income as negatives. More detailed financial analysis for each of the proposed models is included in the following sections and should be considered alongside this initial assessment. The figures reported in this table show that fewer unitary authorities would result in quicker 'payback' following initial transition costs. In a 4UA model the initial transition costs would never be recovered as the operating model represents a recurring net additional cost of £5.4m each year following the establishment of unitary authorities.

Financial summary - based on PwC assessment only.

	Option 1 3 unitaries	Option 2 4 unitaries	Option 3 4 unitaries	Option 4 4 unitaries	Option 5 2 unitaries	Option 6 1 unitary
Gross annual benefit	£37.7m	£34.7m			£40.6m	£49.4m
Recurring annual cost	- £28.4m	- £40.0m			- £24.1m	£0
Net recurring benefit per annum	£9.3m	- £5.4m			£16.5m	£49.4m
Transition cost	- £42.6m	- £54.7m			- £25.8m	- £23.2m
Net phased benefit after 10 years	£16.4m	- £143.6m			£102.6m	£426.6m
Payback period	8.2 years	N/A			3.8 years	< 1 year

Option 6 is included as a benchmark.

Overall findings

- **Unitarisation costs** – PwC's modelling of the forecasts for initial transition costs and ongoing recurring costs and benefits of unitarisation show that the short term and long-term costs are higher when more new unitary authorities are created, and inversely the costs are lower when fewer new unitary authorities are created. They found that for the benchmark model (1UA model), the 'payback period' for the initial costs of unitarisation would be less than a year and there would be a net benefit of £426.6m over 10 years. The 2UA model paid back after 3.8 years and would return £102.2m after 10 years; and the 3UA paid back after 8.2 years and would return £16.4m after 10 years. Significantly, they found that the initial costs for moving to a 4UA model would never be paid back, because in both the short term and long term a 4UA model would incur recurring financial losses.

- **Council tax harmonisation** – As set out above, the new unitary authorities will decide their own approach to harmonisation. There will inevitably be political and financial risks associated with such a decision. Harmonising at a low point may be considered more politically palatable but would result in lower council tax yields, while harmonising at a high point may be politically challenging but would result in higher council tax yields.

- **Council tax harmonisation** – In all of the models (aside from the benchmark 1UA model), when harmonising at an average point, there is a disparity in the amount of council tax raised per resident between the West unitary authority and the other authorities, with West Kent having greater revenue raising potential. This reflects the higher property values in the districts which would make up the West Kent unitary authority. The disparity is most pronounced in the 4UA model - Option 4 which groups together Sevenoaks, Tonbridge and Malling, and Tunbridge Wells. In this model, the council tax yield per resident in the West Kent unitary authority would be £767 compared to £589 per resident in the North Kent unitary authority, which gives a balance ratio of 1.3.

Balance ratio from internal KCC analysis – a score close to 1 indicates strong balance

Variation in overall council tax yield and council tax yield per resident when harmonising at average point

	Option 1 3 unitaries	Option 2 4 unitaries	Option 3 4 unitaries	Option 4 4 unitaries	Option 5 2 unitaries	Option 6 1 unitary
Balance ratio for overall tax yield	1.09	1.72	1.60	1.19	1.38	No variation
Balance ratio for tax yield per resident	1.27	1.28	1.28	1.30	1.06	No variation

- **Disaggregation** – Newton's modelling of the costs of disaggregating people-based services showed that fewer new unitary authorities result in lower costs (see table below). The 1UA model (the benchmark model) was the only one which showed an annual cost saving at £16.9m lower than the current baseline (£1.5bn), while the costs for the 4UA model – Option 2 would be £22.7m higher than the baseline.

Disaggregation costs from Newton analysis only.

Change in spend on people-based services from baseline in 2025.

	Option 1 3 unitaries	Option 2 4 unitaries	Option 3 4 unitaries	Option 4 4 unitaries	Option 5 2 unitaries	Option 6 1 unitary
Change from Baseline 2025	- £14.9m	- £22.7m	- £20.8m	- £19.1m	- £4.9m	£16.2m

- **Disaggregation** – Both Newton's and KCC's analysis of the costs of disaggregating people-based services found that the costs are not spread evenly across the county, with particularly high costs in Eastern areas and to a lesser degree in Northern areas. There are two main factors which explain this. Firstly, there is a high cost per resident of Adult Social Care in Folkestone & Hythe and in Dover due to the high proportion of the County's care placements for vulnerable adults in these districts. And secondly, because the costs for Children's Social Services correlate with levels of deprivation, with particularly high costs per resident in Thanet, Swale, and Folkestone & Hythe districts.

- **Debt and reserves** – In all of the models, the West Kent unitary authority will inherit lower levels of debt and higher levels of reserves than the other unitary authorities, indicating that the West Kent unitary authority will be more financially resilient. As part of LGR negotiations, KCC's debt and reserves will need to be distributed between the new unitary authorities (aside from in the benchmark 1UA model). Depending on the distribution, this process could go some way to mitigating disparities, but these negotiations are likely to be challenging so it is important that this is done in a fair and transparent manner.

- **The Fair Funding Review** – The points above clearly indicate financial disparities in all of the proposed models (aside from the benchmark 1UA model). The West Kent unitary authority will inherit a more sustainable level of debt to reserves, higher revenue raising potential, and lower costs per resident for people-based services than the other unitary authorities. New unitary authorities which cover Eastern, Southern and Northern parts of the county will likely face significant spending pressures to deliver statutory services.

  Current Government policy is to review and update the approach to determining funding allocations for local authorities. One of the aims is for funding to more closely match levels of relative needs and resources taking account of differential costs of delivering services and the revenue raising abilities of local authorities. This should result in areas with high levels of need and limited spending power receiving more funding. The approach is still being developed (the Fair Funding Review 2.0 is being consulted on from June to August 2025) but if these aims are met, some of financial disparity between unitary authorities in Kent and Medway should be mitigated by higher government funding and tax equalisation.

Detailed findings

Option 1 – 3UA

Unitarisation costs

- The PwC analysis of the initial costs of unitarisation in a 3UA model found a 'one-off transition cost' of £42.6m.

- PwC calculated a recurring annual cost of £28.4m, and a gross annual benefit of £37.7m. This gives a recurring annual benefit of unitarisation of £9.3m.

- Taking into account the initial cost of £42.6m, the 'payback' period of unitarisation would be 8.2 years and there would be £16.4m net benefit after 10 years.

Council tax harmonisation

- The new unitary authorities will need to decide the council tax rate at which they harmonise. This will be at a point between the highest rate of council tax among the constituent authorities and the lowest rate. The table below sets out three scenarios on what the annual council tax for a Band D property could be in the new unitary authorities after harmonisation (based on current rates):

Council tax harmonisation	Low point	Average point	High point
North Kent	£1,754.69	£1,789.89	£1,841.85
West Kent	£1,815.99	£1,859.93	£1,903.77
East Kent	£1,798.78	£1,849.50	£1,906.78
Balance ratio	1.03	1.04	1.04

- These rates are relatively equitable with a ratio of between 1.03 and 1.04 between the highest rates and lowest rates in the different scenarios.

- There will inevitably be residents who will have to pay more or less than their current rate of council tax. If harmonising at the average rate, residents in Ashford would have the biggest increase to their council tax at £50.72, while residents in Folkestone and Hythe would have the biggest decrease of £57.28.

- Overall, when harmonising at the average rate within the 3UA model, 50% of residents would be paying more council tax and 50% would be paying less council tax. Within the North Kent authority 42% would pay more council tax, in the West Kent authority 69% would pay more council tax and in the East Kent authority 42% would pay more council tax.

- At the average rate of harmonisation, the overall tax yield for each new unitary authority would be relatively equitable. As set out in the table below, the East Kent unitary authority would raise £427m compared to £391m in the North Kent unitary authority - this is an overall difference of £36m, a percentage difference of 9%, and a balance ratio of 1.09.

- However, when looking at the tax yield per resident, the differences between the unitary authorities are greater, with £589 per resident in North Kent compared to £750 in West Kent. This is a percentage difference of 27% and a balance ratio of 1.27. This is reflective of the greater affluence and revenue generation potential in the West Kent unitary authority.

Unitary authority	Overall tax yield	Tax yield per resident
North Kent	£390.7m	£589
West Kent	£413.8m	£751
East Kent	£427.2m	£646
Balance ratio	1.09	1.27

- KCC Finance team modelled the 'year 1' council tax yield following harmonisation. If harmonising high, the overall council tax yield in the 3UA model would be £34.3m higher than the baseline, and if harmonising low the overall council tax yield would be £29.2m lower than the baseline. The potential financial gains and losses are greater than in the 4UA models, but are lower compared to the 2UA model or the benchmark 1UA model.

Transition and Disaggregation

Newton modelling of disaggregation costs

- Newton modelled the costs of disaggregating people-based services – Adult Social Care, Children's Social Care, and services for children with SEND – using data provided to them by KCC. In a 3UA model, the total additional cost for people-based services after disaggregation (for 2025) was £14.9m, which is a 1% increase against the baseline (the current figure is £1.5bn).

- Across the Kent and Medway area, this equates to a spend of £767 per resident. However, the costs of people-based services are not spread evenly. There would be particular pressure on the East Kent unitary authority which would have a £885 spend per resident – an increase of 15.3% against the baseline. The North Kent unitary authority would have a spend of £729 per resident which is a decrease of 4.9% against the baseline; and the West Kent unitary authority would have a spend of £693 which is a decrease of 9.6% against the baseline.
    - The difference between the highest spend per resident in East Kent compared to the lowest spend per resident in West Kent is £192
    - The ratio between East and West Kent is 1.28
    - The percentage difference is 27.7%

- The overall disaggregation costs for people-based services in a 3UA model are lower than in any of the 4UA models, but are higher than in the 2UA or 1UA models.

KCC analysis of disaggregation costs

- Internal KCC analysis of the 'legacy costs' of Adult Social Care 'Community Teams' (covering the KCC area only) shows the same overall pattern, with the East Kent unitary authority inheriting the highest costs per resident. The cost per resident in the East Kent unitary authority would be £402, in the North Kent unitary authority it would be £241 and in the West Kent unitary authority it would be £291. This is a balance ratio of 1.67. To a large extent, this can be explained by the much higher than average (£325) costs per resident in Folkestone and Hythe (£623) and Dover (£471) districts. The reason these districts have the highest spend is because they provide a high proportion of the county's care placements for vulnerable adults. This is however, more balanced than any of the 4UA models as the legacy costs are distributed across larger authorities.

- Internal KCC analysis of the legacy costs of Children's Social Services (CSC) and Home to School Transport (HTST) show similar patterns with the highest spend in the North and East Kent unitary authorities. For CSC, in the North and East Kent unitary authorities, the cost per resident would be £153 and £152 respectively, and in the West Kent unitary authority it would be much lower at £79 per resident. This is balance ratio of 1.94.

- For HTST the costs are £55 per resident in North Kent, £48 in West Kent and £38 in East Kent. This is a balance ratio of 1.44.

- When considering the higher spend per resident on people-based services, combined with the lower tax yield per resident in East and North Kent, it is likely that these authorities will inherit significant spending pressures to meet statutory obligations.

Debt and reserves

- Internal KCC analysis of the amount of debt and reserves held by councils across Kent and Medway shows a disparity between the West Kent unitary authority, which will inherit low levels of debt, and the North and East Kent unitary authorities, which will inherit high levels of debt.

- Medway and Gravesham in the North both hold high levels of debt compared to their reserves, at £14.15 and £10.50 debt per £1 in reserves respectively. And in West Kent, Sevenoaks, Tonbridge and Malling, and Tunbridge Wells have very low levels of debt.

- Please note that the combined figures presented in the table below do not include the debt and reserves held by KCC. As part of LGR negotiations, these would need to be distributed across the new unitary authorities fairly to support their financial viability. The figures presented under the 'combined' heading are for the councils (i.e. the districts and Medway) that would be the constituent members of the potential new unitary authorities.

Unitary authority	Combined reserves	Combined debt	Level of debt per £1 in reserves	Reserves to debt %
North Kent	£143.5m	£724.2m	£5.05	24.16%
West Kent	£115.6m	£60.2m	£0.52	62.37%
East Kent	£154.5m	£695.6m	£4.50	27.96%
KCC (to be distributed)	£357.6m	£934.5m	£2.61	38.3%

Option 2 – 4UA (N, E, S, W)

Unitarisation costs

- Analysis undertaken by PwC shows that the establishment of four unitary authorities would generate initial transition costs of £54.7m.

- PwC calculated a recurring annual cost of £40m, and a gross annual benefit of £34.7m. This results in a recurring net annual cost of unitarisation of £5.4m.

- It is important to note that the figures outlined above are consistent across all of the four unitary models, irrespective of the different geographical configurations.

- Similarly, there is no payback period for any of the four unitary models – i.e. the unitary authorities would never return to a breakeven point.

Council tax harmonisation

- The new unitary authorities will need to decide the council tax rate at which they harmonise. This will be at a point between the highest rate of council tax among the constituent authorities and the lowest rate. The table below sets out three scenarios on what the annual council tax for a Band D property could be in the new unitary authorities after harmonisation (based on current rates):

Council tax harmonisation	Low point	Average point	High point
North Kent	£1,754.69	£1,783.41	£1,841.85
East Kent	£1,811.52	£1,844.77	£1,874.00
South Kent	£1,798.78	£1,840.33	£1,906.78
West Kent	£1,815.99	£1,859.93	£1,903.77
Balance ratio	1.03	1.04	1.04

- These rates are all relatively equitable with ratios of between 1.03 and 1.04.

- There will inevitably be residents who will have to pay more or less than their current rate of council tax. For example, if harmonising at the average rate, residents in Tunbridge Wells would see the biggest council tax increase of £50.72, while residents in Folkestone and Hythe would see the biggest council tax decrease of £66.45.

- Overall, when harmonising at the average rate within this 4UA model, 57% of residents would be paying more council tax and 43% would be paying less council tax. Within the North Kent authority 54% would pay more council tax, in the East Kent authority 34% would pay more, and in the South and West Kent authorities 69% would pay more.

- At the average rate of harmonisation, the overall tax yield between different unitaries varies considerably (see table below). For example, West Kent would raise £414m compared to £241m in South Kent – this is an overall difference of £173m, a percentage difference of 72%, and a balance ratio of 1.72. This is largely as a result of the considerable population difference between the two authorities.

- When looking at the tax yield per resident, the greatest disparity exists between North Kent (£589) and West Kent (£751). This is a percentage difference of 28% and a balance ratio of 1.28. This is because, whilst population sizes are relatively similar between the two authorities, West Kent is generally more affluent and therefore has potential to generate more revenue.

- This model results in the least equitable distribution of council tax across all of the different options.

Unitary authority	Overall tax yield	Tax yield per resident
North Kent	£299.5m	£589
East Kent	£277m	£612
South Kent	£241.4m	£664
West Kent	£413.8m	£751
Balance ratio	1.72	1.28

- KCC Finance team modelled the 'year 1' council tax yield following harmonisation. If harmonising high, the overall council tax yield in this 4UA model would be £32.7m higher than the baseline, and if harmonising low the overall council tax yield would be £25m lower than the baseline. The potential financial gains and losses in the 4UA models are lower than in the other models.

Transition and Disaggregation

Newton modelling of disaggregation costs

- Newton modelled the costs of disaggregating people-based services – Adult Social Care, Children's Social Care, and services for children with SEND – using data provided to them by KCC. In this 4UA model, the total additional cost for people-based services after disaggregation (for 2025) is £22.7m, which is a 1.52% increase against the baseline (the current figure is £1.5bn).

- Across the Kent and Medway area, this equates to a spend of £767 per resident. However, the costs of people-based services are not spread evenly. There would be particular pressure on the South Kent unitary authority which would have a spend of £935 per resident – an increase of 21.9% against the baseline. The North Kent unitary authority would have a spend of £730 per resident which is a decrease of 4.9% against the baseline; the East Kent unitary authority would have a spend of £808 which is an increase of 5.4% against the baseline; and the West Kent unitary authority would have a spend of £693 which is a decrease of 9.6% against the baseline.
    - The difference between the highest spend per resident in South Kent compared to the lowest spend per resident in West Kent is £242.
    - The ratio between South and West Kent is 1.35.
    - The percentage difference is 34.9%.

KCC analysis of disaggregation costs

- Internal KCC analysis of the 'legacy costs' of Adult Social Care 'Community Teams' (covering the KCC area only) shows the same overall pattern, with the South Kent unitary authority inheriting the highest costs per resident. The cost per resident in the South Kent unitary authority would be £440, in East Kent it would be £329, in North Kent it would be £216 and in West Kent it would be £291. This is a balance ratio of 2.03 which is high compared to other options. This can largely be explained by the much higher than average (£325) costs per resident in Folkestone and Hythe (£623) and Dover (£471) districts. The reason these districts have the highest spend is because they provide a high proportion of the county's care for vulnerable adults.

- Internal KCC analysis of the legacy costs of Children's Social Services (CSC) and Home to School Transport (HTST) show similar patterns with the highest spend in the East and South Kent unitary authorities. For CSC, in the East and South Kent unitary authorities, the cost per resident would be £171 and £141 respectively. In North Kent it would be £134 and in West Kent it would be much lower at £79 per resident. This is a balance ratio of 2.16. The difference between the highest and lowest CSC costs are highest in this model, both overall (i.e. when compared against the 1, 2 and 3UA options) and also when compared against the other 4UA options.

- For HTST, the costs are more balanced at £48 per resident in both East and West Kent, £46 in North Kent and £39 in South Kent. This is a balance ratio of 1.23.

- Overall, when considering the higher spend per resident on people-based services and the lower tax yield per resident in South and East Kent, it is likely that there will be significant spending pressures to meet statutory obligations in these authorities.

Debt and reserves

- Internal KCC analysis of the amount of debt and reserves held by councils across Kent and Medway shows a disparity between the West Kent unitary authority, which will inherit low levels of debt, and the other unitary authorities, which will inherit higher levels of debt.

- Please note that the combined figures presented in the table below do not include the debt and reserves held by KCC. As part of LGR negotiations, these would need to be distributed across the new unitary authorities fairly to support their financial viability. The figures presented under the 'combined' heading are for the councils (i.e. the districts and Medway) that would be the constituent members of the potential new unitary authorities.

Unitary authority	Combined reserves	Combined debt	Level of debt per £1 in reserves	Reserves to debt %
North Kent	£123.5m	£714.2m	£5.78	20.58%
East Kent	£72.4m	£216.8m	£2.99	36.09%
South Kent	£102.1m	£488.9m	£4.79	26.16%
West Kent	£115.6m	£60.2m	£0.52	62.37%
KCC (to be distributed)	£357.6m	£934.5m	£2.61	38.3%

Option 3 – 4UA (N, E, M, W)

Unitarisation costs

- Analysis undertaken by PwC shows that the establishment of four unitary authorities would generate initial transition costs of £54.7m.

- PwC calculated a recurring annual cost of £40m, and a gross annual benefit of £34.7m. This results in a recurring net annual cost of unitarisation of £5.4m.

- It is important to note that the figures outlined above are consistent across all of the four unitary models, irrespective of the different geographical configurations.

- Similarly, there is no payback period for any of the four unitary models – i.e. the unitary authorities would never return to a breakeven point.

Council tax harmonisation

- The new unitary authorities will need to decide the council tax rate at which they harmonise. This will be at a point between the highest rate of council tax among the constituent authorities and the lowest rate. The table below sets out three scenarios on what the annual council tax for a Band D property could be in the new unitary authorities after harmonisation (based on current rates):

Council tax harmonisation	Low point	Average point	High point
North Kent	£1,754.69	£1,783.41	£1,841.85
East Kent	£1,825.20	£1,850.99	£1,874.00
Mid Kent	£1,798.78	£1,834.41	£1,906.78
West Kent	£1,815.99	£1,859.93	£1,903.77
Balance ratio	1.04	1.04	1.04

- These rates are relatively equitable with a ratio of 1.04 the highest rates in West Kent and the lowest rate in North Kent.

- There will inevitably be residents who will have to pay more or less than their current rate of council tax. If harmonising at the average rate, residents in Tunbridge Wells would see the biggest council tax increase of £43.94, while residents in Folkestone and Hythe would see the biggest council tax decrease of £72.37.

- Overall, when harmonising at the average rate within this 4UA model, 65% of residents would be paying more council tax and 35% would be paying less council tax. Within the North Kent authority 54% would pay more council tax, in the East Kent authority 67% would pay more, in the Mid Kent authority 71% would pay more, and in the West Kent authority 69% would pay more.

- At the average rate of harmonisation, the overall tax yield varies considerably between West Kent and other parts of the county (see table below). For example, West Kent would raise £414m compared to £258m in Mid Kent – this is an overall difference of £156m, a percentage difference of 60%, and a balance ratio of 1.6. This is largely as a result of the population difference between the two authorities.

- When looking at the tax yield per resident, the findings remain consistent with those outlined earlier for the other 4UA model - the greatest disparity exists between North Kent (£589) and West Kent (£751). This is a percentage difference of 28% and a balance ratio of 1.28. This is because, whilst population sizes are relatively similar between the two authorities, West Kent is generally more affluent and therefore has potential to generate more revenue.

Unitary authority	Overall tax yield	Tax yield per resident
North Kent	£299.5m	£589
East Kent	£260.4m	£626
Mid Kent	£258m	£644
West Kent	£413.8m	£751
Balance ratio	1.60	1.28

- KCC Finance team modelled the 'year 1' council tax yield following harmonisation. If harmonising high, the overall council tax yield in this 4UA model would be £33.0m higher than the baseline, and if harmonising low the overall council tax yield would be £23.2m lower than the baseline. The potential financial gains and losses in the 4UA models are lower than in the other models. Of the 4UA models, this option has the highest potential gains and lowest potential losses (though it is very marginal).

Transition and Disaggregation

Newton modelling of disaggregation costs

- Newton modelled the costs of disaggregating people-based services – Adult Social Care, Children's Social Care, and services for children with SEND – using data provided to them by KCC. In this 4UA model, the total additional cost for people-based services after disaggregation (for 2025) is £20.8m, which is a 1.39% increase against the baseline (the current figure is £1.5bn).

- Across the Kent and Medway area, this equates to a spend of £767 per resident. However, the costs of people-based services are not spread evenly. There would be particular pressure on the East Kent unitary authority which would have a spend of £894 per resident – an increase of 16.6% against the baseline. The North Kent unitary authority would have a spend of £730 per resident which is a decrease of 4.9% against the baseline; the Mid Kent unitary authority would have a spend of £829 which is an increase of 8.1% against the baseline; and the West Kent unitary authority would have a spend of £693 which is a decrease of 9.6% against the baseline.
    - The difference between the highest spend per resident in the East compared to the lowest spend per resident in the West is £201
    - The ratio between the East and West is 1.29
    - The percentage difference is 29%

KCC analysis of disaggregation costs

- Internal KCC analysis of the 'legacy costs' of Adult Social Care 'Community Teams' (covering the KCC area only) shows the same overall pattern, with the East Kent unitary authority inheriting the highest costs per resident, closely followed by the Mid Kent unitary authority. The cost per resident in the East Kent unitary authority would be £389, in the Mid Kent unitary authority it would be £366, in the North Kent unitary authority it would be £216 and in the West Kent unitary authority it would be £291. This is a balance ratio of 1.8 which is more balanced compared to the 4UA options. This is because Dover and Folkestone and Hythe are in separate unitary authorities so the high legacy costs are spread across different unitary areas.

- This model results in the least disparity between the highest and lowest spend per resident when compared against the other 4UA options. This is largely because under this configuration Folkestone and Hythe and Dover are split across the Mid and East Kent unitary authorities.

- Internal KCC analysis of the legacy costs of Children's Social Services (CSC) and Home to School Transport (HTST) show similar patterns with the highest spend in the Mid and East unitary authorities. For CSC, in the Mid and East Kent unitary authorities the cost per resident would be £162 and £153 respectively. In North Kent it would be £134 and in West Kent it would be much lower at £79 per resident. This is a balance ratio of 2.05.

- For HTST, the costs are more balanced at £49 per resident in Mid Kent, £48 per resident in West Kent, £46 in North Kent and £40 in East Kent. This is a balance ratio of 1.23.

- Overall, when considering the higher spend per resident on people-based services and the lower tax yield per resident in East and Mid Kent, it is likely that there will be significant spending pressures to meet statutory obligations in these authorities.

Debt and reserves

- Internal KCC analysis of the amount of debt and reserves held by councils across Kent and Medway shows a disparity between the West Kent unitary authority, which will inherit low levels of debt, and the other unitary authorities, which will inherit higher levels of debt.

- Please note that the combined figures presented in the table below do not include the debt and reserves held by KCC. As part of LGR negotiations, these would need to be distributed across the new unitary authorities fairly to support their financial viability. The figures presented under the 'combined' heading are for the councils (i.e. the districts and Medway) that would be the constituent members of the potential new unitary authorities.

Unitary authority	Combined reserves	Combined debt	Level of debt per £1 in reserves	Reserves to debt %
North Kent	£123.5m	£714.2m	£5.78	20.58%
East Kent	£101m	£338.1m	£3.35	33.39%
Mid Kent	£73.5m	£367.6m	£5.00	27.12%
West Kent	£115.6m	£60.2m	£0.52	62.37%
KCC (to be distributed)	£357.6m	£934.5m	£2.61	38.3%

Option 4 – 4UA (N, E, M, W)

Unitarisation costs

- Analysis undertaken by PwC shows that the establishment of four unitary authorities would generate initial transition costs of £54.7m.

- PwC calculated a recurring annual cost of £40m, and a gross annual benefit of £34.7m. This results in a recurring net annual cost of unitarisation of £5.4m.

- It is important to note that the figures outlined above are consistent across all of the four unitary models, irrespective of the different geographical configurations.

- Similarly, there is no payback period for any of the four unitary models – i.e. the unitary authorities would never return to a breakeven point.

Council tax harmonisation

- The new unitary authorities will need to decide the council tax rate at which they harmonise. This will be at a point between the highest rate of council tax among the constituent authorities and the lowest rate. The table below sets out three scenarios on what the annual council tax for a Band D property could be in the new unitary authorities after harmonisation (based on current rates):

Council tax harmonisation	Low point	Average point	High point
North Kent	£1,754.69	£1,783.41	£1,841.85
East Kent	£1,825.20	£1,863.45	£1,906.78
Mid Kent	£1,798.78	£1,845.13	£1,903.77
West Kent	£1,815.99	£1,840.52	£1,854.54
Balance ratio	1.04	1.04	1.04

- These rates are relatively equitable with ratios of 1.04 between the rates in East Kent and North Kent.

- There will inevitably be residents who will have to pay more or less than their current rate of council tax if harmonising at these average rates. If harmonising at the average rate, residents in Ashford would see the biggest council tax increase of £46.35, while residents in Maidstone would see the biggest council tax decrease of £58.64.

- Overall, when harmonising at the average rate within this 4UA model, 46% of residents would be paying more council tax and 54% would be paying less council tax. Within the North Kent authority 54% would pay more council tax, in the East Kent authority 52% would pay more, in the Mid Kent authority 42% would pay more, and in the West Kent authority 31% would pay more.

- At the average rate of harmonisation, the overall tax yield is relatively even across the four unitaries, with a discrepancy of approximately £54m (19%) between the highest (East Kent) and lowest (West Kent). Inclusion of Maidstone in the Mid Kent unitary contributes to the improved financial viability of this authority and mitigates undue advantage that exists in the other four unitary models.

- However, when looking at average tax yield per resident, the disparity between North Kent (£589) and West Kent (£767) becomes even wider (£178) compared to the other 4UA options. This is a percentage difference of 30% and a balance ratio of 1.30. This is because, with Maidstone joining Mid Kent, the most affluent districts (Sevenoaks, Tonbridge and Malling, and Tunbridge Wells) are grouped together in a single authority.

Unitary authority	Overall tax yield	Tax yield per resident
North Kent	£299.5m	£589
East Kent	£338m	£642
Mid Kent	£311m	£660
West Kent	£284m	£767
Balance ratio	1.19	1.30

- KCC Finance team modelled the 'year 1' council tax yield following harmonisation. If harmonising high, the overall council tax yield in this 4UA model would be £29.7m higher than the baseline, and if harmonising low the overall council tax yield would be £23.3m lower than the baseline. The potential financial gains and losses in the 4UA models are lower than in the other models.

Transition and Disaggregation

Newton modelling of disaggregation costs

- Newton modelled the costs of disaggregating people-based services – Adult Social Care, Children's Social Care, and services for children with SEND – using data provided to them by KCC. In this 4UA model, the total additional cost for people-based services after disaggregation (for 2025) is £19m, which is a 1.27% increase against the baseline (the current figure is £1.5bn).

- Across the Kent and Medway area, this equates to a spend of £767 per resident. However, the costs of people-based services are not spread evenly. There would be particular pressure on the East Kent unitary authority which would have a spend of £928 per resident – an increase of 21.1% against the baseline. The North Kent unitary authority would have a spend of £730 per resident which is a decrease of 4.9% against the baseline; the Mid Kent unitary authority would have a spend of £736 which is a decrease of 4% against the baseline; and the West Kent unitary authority would have a spend of £670 which is a decrease of 12.6% against the baseline.
    - The difference between the highest spend per resident in East Kent compared to the lowest spend per resident in West Kent is £258
    - The ratio between East and West Kent is 1.39
    - The percentage difference is 38.5%

KCC analysis of disaggregation costs

- Internal KCC analysis of the 'legacy costs' of Adult Social Care 'Community Teams' (covering the KCC area only) shows the same overall pattern, with the East Kent unitary authority inheriting the highest costs per resident. The cost per resident in the East Kent unitary authority would be £438, in the Mid Kent unitary authority it would be £271, in the North Kent unitary authority it would be £216 and in the West Kent unitary authority it would be £302. This is a balance ratio of 2.02 which is high compared to other options. Again, this can largely be explained by the much higher than average (£325) costs per resident in Dover (£471) and Folkestone and Hythe (£623) districts. The reason these districts have the highest spend is because they provide a high proportion of the county's care for vulnerable adults.

- This model results in the widest disparity between the highest and lowest spend per resident when compared against the other 4UA options. This is because under this configuration, Folkestone and Hythe and Dover are grouped together in East Kent, whilst Maidstone joins Mid Kent, therefore lowering West Kent's spend per resident and exacerbating the disparity.

- Internal KCC analysis of the legacy costs of Children's Social Services (CSC) and Home to School Transport (HTST) show similar patterns with the highest spend in the East Kent unitary authority. For CSC, in the East Kent unitary authority the cost per resident would be £160, followed by £134 in the North Kent unitary authority, £126 in the Mid Kent unitary authority and £76 in the West Kent unitary authority. This is a balance ratio of 2.11.

- For HTST, the costs are more balanced at £52 per resident in Mid Kent, £47 per resident in West Kent, £46 in North Kent and £38 in East Kent. This is a balance ratio of 1.37. The difference between the highest and lowest HTST costs are highest in this model, both overall (i.e. when compared against the 1, 2 and 3UA options) and also when compared against the other 4UA options.

- Overall, when considering the higher spend per resident on people-based services and the lower tax yield per resident in East Kent, it is likely that there will be significant spending pressures to meet statutory obligations in this particular authority.

Debt and reserves

- Internal KCC analysis of the amount of debt and reserves held by councils across Kent and Medway shows a disparity between the West Kent unitary authority, which will inherit low levels of debt, and the other unitary authorities, which will inherit higher levels of debt.

- Please note that the combined figures presented in the table below do not include the debt and reserves held by KCC. As part of LGR negotiations, these would need to be distributed across the new unitary authorities fairly to support their financial viability. The figures presented under the 'combined' heading are for the councils (i.e. the districts and Medway) that would be the constituent members of the potential new unitary authorities.

Unitary authority	Combined reserves	Combined debt	Level of debt per £1 in reserves	Reserves to debt %
North Kent	£123.5m	£714.2m	£5.78	20.58%
East Kent	£118.6m	£439.9	£3.71	31.62%
Mid Kent	£94.6m	£311.7m	£3.30	34.08%
West Kent	£76.8m	£14.3m	£0.19	69.15%
KCC (to be distributed)	£357.6m	£934.5m	£2.61	38.3%

- This is the least equitable option (both overall and when compared against the other 4UA models), with West Kent inheriting even lower levels of debt (£0.19 for every £1 in reserves). This is because Maidstone joins Mid Kent, leaving just Sevenoaks, Tonbridge & Malling and Tunbridge Wells in West Kent, who all have very low levels of debt.

Option 5 – 2UA

Unitarisation costs

- The PwC analysis of the initial costs of unitarisation in a 2UA model found a 'one-off transition cost' of £25.8m.

- PwC calculated a recurring annual cost of £24.1m, and a gross annual benefit of £40.6m. This gives a recurring annual benefit of unitarisation of £16.5m.

- Taking into account the initial cost, the 'payback' period of unitarisation would be 3.8 years and there would be £102.6m net benefit after 10 years. This is sooner and a significantly higher net benefit in comparison to the 3UA model and the 4UA models (which never achieve payback).

Council tax harmonisation

- The new unitary authorities will need to decide the council tax rate at which they harmonise. This will be at a point between the highest rate of council tax among the constituent authorities and the lowest rate. The table below sets out three scenarios on what the annual council tax for a Band D property could be in the new unitary authorities after harmonisation (based on current rates):

Council tax harmonisation	Low point	Average point	High point
East Kent	£1,798.78	£1,842.70	£1,906.78
West Kent	£1,754.69	£1,827.01	£1,903.77
Balance ratio	1.03	1.00	1.00

- These rates are very close with a difference of £44 between the two authorities at the low point, £16 at the average point, and £3 at the high point. This model results in the most equitable split of council tax rates between unitaries across all of the different options (bar the single unitary option).

- The 2UA model leads to some of the largest changes for residents if set at these levels. Residents in Medway would see their council tax increase by £72.32 and residents in Maidstone would see their council tax decrease by £76.76.

- Overall, when harmonising at the average rate within the 2UA model, 48% of residents would be paying more council tax and 54% would be paying less council tax. Within the West Kent authority 46% would pay more council tax, and in the East Kent authority 50% would pay more.

- At the average rate of harmonisation, the overall tax yield of the new unitary authorities would be less equal than in the 3UA model. As set out in the table below, the East Kent unitary authority would raise £518m compared to £713m in West Kent - this is an overall difference of £195m, a percentage difference of 38%, and a balance ratio of 1.38. These figures are approximately in line with the PwC analysis of council tax receipts which also showed a large difference between the unitary authorities.

- This difference can largely be explained by population size. When looking at the tax yield per resident, the differences between the unitary authorities are smaller, with £635 per resident in

East Kent compared to £673 in West Kent. This is a percentage difference of 6% and a balance ratio of 1.06.

Unitary authority	Overall tax yield	Tax yield per resident
West Kent	£713.3m	£673
East Kent	£518.4m	£635
Balance ratio	1.38	1.06

- KCC Finance team modelled the 'year 1' council tax yield following harmonisation. If harmonising high, the overall council tax yield in the 2UA model would be £48m higher than the baseline, and if harmonising low the overall council tax yield would be £40.6m lower than the baseline. The potential financial gains and losses in the 2UA model are greater than in the 3UA and 4UA models.

Transition and Disaggregation

Newton analysis of disaggregation costs

- Based on Newton's modelling of the costs of disaggregating people-based services – Adult Social Care, Children's Social Care, and services for children with SEND the additional cost after disaggregation (for 2025) would be £4.9m, which is a less than a 1% increase against the baseline (the current figure is £1.5bn).

- Across the Kent and Medway area, this equates to a spend of £767 per resident. The costs of people-based services are not spread evenly but they are more equal than in the 3UA model. In the East Kent unitary authority, the spend per resident would be £853 which is an increase of 11.2% against the baseline; and the West Kent unitary authority would have a spend of £704 which is a decrease of 8.3% against the baseline.
    - The difference between the spend per resident in East Kent compared to the spend per resident in West Kent is £149
    - The ratio between East and West Kent is 1.21
    - The percentage difference is 21.2%

- The overall disaggregation costs for people-based services in the 2UA model are lower than in the 3UA or any of the 4UA models, but are higher than in the 1UA models.

KCC analysis of disaggregation costs

- Internal KCC analysis of the 'legacy costs' of Adult Social Care 'Community Teams' (covering the KCC area only) shows the same overall pattern, with the East Kent unitary authority inheriting highest costs per resident. To a large extent, this can be explained by the much higher than average (£325) costs per resident in Folkestone and Hythe (£623) and Dover (£471) districts. The reason these districts have the highest spend is because they provide a high proportion of the county's care for vulnerable adults. The cost per resident in the East Kent unitary authority would be £379, and the cost per resident in the West Kent unitary authority would be £269. This is a balance ratio of 1.41 which is the lowest of all the options. In comparison to 3UA or 4UA models, the difference between unitary authorities is more balanced due to the costs being spread over a larger authority.

- Internal KCC analysis of the legacy costs of Children's Social Services (CSC) and Home to School Transport (HTST) show similar patterns with the highest spend in the East Kent unitary authority.

For CSC, the East Kent unitary authority the cost per resident we would be £158 and in West Kent it would be lower at £95 per resident. This is a balance ratio of 1.66.

- For HTST the costs are far more balanced at £47 in West Kent and £44 in East Kent. This is a balance ratio of 1.07.

- When considering the higher spend per resident on people-based services, and the lower tax yield per resident in East Kent, it is likely that there will be significant spending pressures to meet statutory obligations in this authority in particular.

Debt and reserves

- Medway and Gravesham both hold high levels of debt compared to their reserves, at £14.15 and £10.50 debt per £1 in reserves respectively. And Sevenoaks, Tonbridge and Malling, and Tunbridge Wells all have very low levels of debt. Unlike in the 3UA and 4UA models, all of these areas are included together within the same unitary authority. This has the effect of balancing out the overall figure and means that there is greater equity between the councils in terms of debt and reserves – while this might be seen as advantageous for the districts with high levels of debt, it would likely be seen unfavourably within the districts with low levels of debt.

- Please note that the combined figures presented in the table below do not include the debt and reserves held by KCC. As part of LGR negotiations, these would need to be distributed across the new unitary authorities fairly to support their financial viability. The figures presented under the 'combined' heading are for the councils (i.e. the districts and Medway) that would be the constituent members of the potential new unitary authorities.

Unitary authority	Combined reserves	Combined debt	Level of debt per £1 in reserves	Reserves to debt %
West Kent	£239.1m	£774.4m	£3.24	33.61%
East Kent	£174.5m	£705.6m	£4.04	30.2%
KCC (to be distributed)	£357.6m	£934.5m	£2.61	38.3%

Option 6 – 1UA (benchmark)

Much of the analysis presented for the other models, particularly relating to balance analysis and differences between unitary authorities, does not apply to the single unitary model. However, there are still a number of indicators upon which to assess the 1UA model. It is important to note that the 1UA model has been used as a 'benchmark' from which to compare the other models - whilst there is a strong financial case for a single unitary, it is not necessarily a genuinely viable option due to limitations around population size, practical service delivery and devolution arrangements.

Unitarisation costs

- The PwC analysis of the initial costs of unitarisation for the 1UA model found a 'one-off transition cost' of £23.2m.

- PwC calculated that there would be no recurring annual cost, and that there would be a gross annual benefit of £49.4m.

- Taking into account the initial cost, the 'payback' from unitarisation would be achieved within a year and there would be a £426.6m net benefit after 10 years. This is the quickest payback period and the highest net benefit of all the options.

Council tax harmonisation

- The new unitary authority will need to decide the council tax rate at which it harmonises. This will be at a point between the highest rate of council tax among the constituent authorities and the lowest rate. The table below sets out three scenarios on what the annual council tax for a Band D property could be in the new unitary authorities after harmonisation (based on current rates):

Council tax harmonisation	Low point	Average point	High point
Single unitary covering Kent and Medway	£1,754.69	£1,837.10	£1,906.78

- Medway currently has the lowest Band D rate of council tax at £1,754.69 (low point) whilst Folkestone and Hythe has the highest rate at £1,906.78 (high point).

- With council tax set at the average rate, residents in six of the 13 constituent areas would see their council tax rise. This highest increase would be in Medway which would see an increase of £82.41. Residents in Folkestone and Hythe would see the biggest decrease of £69.68.

- Overall, when harmonising at the average rate within the 1UA model, 48% of residents would be paying more council tax and 52% would be paying less council tax.

- At the average rate of harmonisation, the overall tax yield for the new unitary authority would be £1.23bn which is line with other models.

- KCC Finance team modelled the 'year 1' council tax yield following harmonisation. If harmonising high, the overall council tax yield in the 1UA model would be £49.2m higher than the baseline, and if harmonising low the overall council tax yield would be £53m lower than the baseline. Compared to the 2UA model, the potential financial gains from harmonising high in the 1UA

model are minimal (circa £1.2m difference) but the potential financial losses are significant (circa £12.4m difference).

Transition and Disaggregation

- Based on Newton's modelling of the costs of disaggregating people-based services – Adult Social Care, Children's Social Care, and services for children with SEND – the costs after disaggregation (for 2025) would be £16.2m lower which is a 1% decrease against the baseline (the current figure is £1.5bn).

- Across the Kent and Medway area, this equates to a spend of £759 per resident.

- This is the only model in which disaggregation of people-based services has a financial gain.

- Internal KCC analysis of the 'legacy costs' of Adult Social Care 'Community Teams' (covering the KCC area only) shows an average spend of £325 per resident. The cost per resident for Children's social care was £127 and £45 for Home to School Transport. The 1UA model is the only model in which these costs would be distributed across the entire area, which mitigates the impact of the particularly high costs of residential care in Folkestone and Hythe and Dover.

Debt and reserves

- As the whole Kent and Medway area is covered by a single authority, the 1UA model is the only model in which KCC's reserves and debt could be straightforwardly transferred to the new unitary authority. In the table below, the figures have been divided so that the districts and Medway are presented separately to KCC, and overall figures show the level of debt and reserves the new unitary authority would inherit.

Unitary authority	Combined reserves	Combined debt	Level of debt per £1 in reserves	Reserves to debt %
Kent districts and Medway	£413.6m	£1480.0m	£3.58	27.9%
KCC	£357.6m	£934.5m	£2.61	38.3%
Overall	£771.2m	£2414.5m	£3.13	31.9%

Appendix 1d

Engagement assessment

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Background

This report supplies evidence to aid the drafting of the LGR options appraisal. This was a desk-based exercise using existing local and national information. Attitudes to the different options have been extrapolated from these findings but cannot replace direct engagement and consultation on the future shape of Kent and Medway Councils. Conclusions from this report must be caveated given no engagement has yet taken place.

This analysis includes information collected from Kent based sources, learning from other local authority areas, and reports which give a national perspective on awareness and perceptions of LGR or council services more broadly, across residents and service users. Many sources span a number of focus areas (so are referenced more than once).

Relationship with the Council

Research commissioned by KCC in 2023 to understand the different relationships Kent residents have with the Council found that in the main:

- knowledge about local government structures is low, including what services are provided. Little thought is given by many participants within this research to the tier structure.
- many assume that KCC acts as an umbrella organisation for smaller district councils or that KCC is closer to central government.
- there is little appetite to learn more about the structure of local government. A small number of participants acknowledge that information is likely to be readily available but have little desire to seek this out.
- for many participants, KCC feels like a distant organisation that they have a transactional relationship with. For most, KCC is functioning well in the background, and they are therefore satisfied with how things are run.

- participants who rely more heavily on KCC services and those who work adjacent to KCC in a professional capacity are more likely to feel they have a deeper relationship with the council due to higher levels of engagement.
- a smaller number of participants reference perceived differences in funding and resource allocation between East and West Kent. East Kent is viewed as receiving less resource and being more deprived than other, wealthier parts of West Kent[1].

This research tested the following descriptors. The italics show the expectations of respondents.

- Timeliness - *receiving quick responses and updates, so minimal time is wasted interacting with KCC or chasing/following up.*
- Reliability - *doing what you say you will when you say you'll do it.*
- Effectiveness - *a council that delivers value for money and implements services that work for everyone.*
- Approachable - *residents want to be able to get in touch with KCC easily, but sometimes they see the council as a faceless corporation.*
- Inclusivity - *not being discriminatory, accessible services and including residents in decisions.*
- Compassion - *residents want KCC to show compassion and take account of their personal circumstances when it matters.*[2].

The research found that people who use services more intensively (such as social care) have a closer relationship with the council than those who don't view themselves as service users. There may be a more emotional response linked to the experience of a particular service. This could be good or bad[3].

Ethnographic work by the LGA (May 22) which looked at what makes people connected to where they live, included a Margate case study. This supports findings by the resident engagement work and found:

- people have low levels of interest in the council.
- if you are experiencing a personal problem which interacts with the council then interest is increased.
- for some there is suspicion of the council, or politicians more generally.
- the council is easily blamed for things done badly and does not always get the credit for positive changes.
- if necessary conditions are not met, the council is viewed negatively, within this research this included around:
    - lack of council support with housing,
    - support to help access to work
    - local amenities.[4]

[1] BritainThinks (2023) (Commissioned Research for KCC by MRX) Resident and user experience research (not published)
[2] ibid
[3] ibid
[4] Local Government Association (May 22) 'What makes people feel contented where they live, and what makes people deep-rooted and proud?' Place and Identity Research, LGA, Neighbourly Lab, 16May22 compressed.pdf (p.21/22)

National research[5] by LGiU confirms that while knowledge of local government is limited, local government is typically more trusted than central government. Knowledge of devolution is low.

This report suggests that a greater proportion support a two-tier model at 38% asked, (defined as 'a combination of both districts and county councils responsible for different services in a local area') than a single unitary authority (26%), defined as responsible for all services in a local area. 15% of respondents felt that it made no difference and 22% said they didn't know.

Directly elected Mayors are perceived broadly as positive as this is seen as giving greater accountability, community cohesion, and increasing interest in local government.

Local community groups receive credit for improvements but limited blame for perceived worsening of service quality.[6]

Resident engagement conducted to understand perceptions of LGR: Somerset

Ipsos MORI carried out 2,049 telephone interviews across Somerset. Quotas were used for gender, age and work status. A minimum of 500 interviews were completed in each of the four Somerset district council areas. The report includes the following:

'*Somerset residents showed higher levels of satisfaction with their district council than they did with Somerset County Council. Two-thirds (67%) said that they were satisfied with their district council (15% dissatisfied) compared with 45% who were satisfied with the county council (31% dissatisfied*).' *(2021:2)*

This may support the hypothesis that people are more likely to be dissatisfied with structures which feel further away.

The report also found significant support for devolution and localism.

'When it comes to support for the principles of devolution and localism, residents were very much in favour of these principles. Two-thirds (66%) said they supported devolution (in line with both national and local polling) while 71% said they support localism' (2021:2)[7]

Areas of interest to residents

Within KCC's Budget consultation over half of respondents were not comfortable with spending reductions in Children's Social Care, Highways, Adults and Older People, Schools' Services and Children's Other Services.

Respondents placed highest priority in investing their final £1 left to spend in Children's Social Care and Adults Social Care (both 18.7%), closely followed by Highways (17%).

[5] State of the Locals 2025, State of the Locals 2025 - LGiU
[6] Ibid.
[7] Ipsos MORI (2021) 'Survey of Somerset residents on local government reorganisation' accessed *Microsoft Word - 20-073479-01 Stronger Somerset Report V3 PUBLIC.docx

Less than 1% of respondents placed highest priority in investing their final £1 left to spend in management, support and overheads or costs of running or operational premises[8].

T200 staff event (July 24) on the budget:

This internal Budget consultation event found:

- while staff prioritised Adult Social Care (27%) and Children Young People and Education (22%), highways was a lower priority than for residents (10%).

The Tunbridge Wells Resident Survey[9] suggests high satisfaction for parks and open space, with lowest levels of satisfaction being with roads and public rights of way, parking and council tax.

KCC's Community Services consultation in 2023 suggested that people want services which can be accessed easily. There are polarising views around developing/maintaining services where people have higher levels of need:

- 44% of all respondents answering indicated they agree with designing the proposals by looking at where people have the highest need for services (15% indicated they strongly agree).
- 42% of all consultees answering indicated they disagree with this approach (26% indicated they strongly disagree). More women (and those who were pregnant or had children) disagreed compared to men[10].

Given this consultation was linked to access to family services, the gender disparity would suggest that primary carers view their access as the dominant priority, whereas people who are less likely to use services would see 'need' as a dominant factor. 'Need' here is defined as financial but potentially the interpretation could be much broader (mental and physical health, isolation etc).

The Community Warden service consulted on a redesign in 2023/24. Within this consultation there was strong support for community-based services (93% agree – with 86% strongly agreeing), with significant support for a ward-based model[11]. This may suggest resident preference for locally delivered services.

KCC compliments data includes the following themes:

- staff helpfulness and friendliness.
- positive service experiences – services which are efficient, clean, well-organised, ease of booking.

[8] KCC Budget Consultation 2025-2026, Consultation Report, October 2024. Budget Consultation 2025-26 Report
[9] Tunbridge Wells Borough Council 'Residents' Survey results 2023' Residents' Survey results 2023
[10] Community Services Consultation (Dec 2023) https://letstalk.kent.gov.uk/community-services-consultation
[11] KCC & Lake Market Research (2024) 'Community Warden Service Review, Consultation Report' https://letstalk.kent.gov.uk/community-warden-service

- empathy, understanding and dedication shown by staff, especially when helping them to navigate a challenging situation.[12]

KCC complaints data shows the following areas of concern:

- transport and bus links.
- better communication.
- service quality and improvement.
- road works and traffic management.

Surrey Council tested broad questions around devolution and local government re-organisation with their resident's panel of around 1,400 people. Results were weighted to be representative of the Surrey population.

Between the 12 – 26 February 2025, 558 residents gave their thoughts and preferred outcomes on LGR.

- Residents were asked if they had preference for a 1, 2 or 3 unitary model without additional context. Results showed no clear preference.
- Respondents were asked what their preference of outcome would be for unitarisation. The top three responses were:
    - better value for money (60%)
    - clearer accountability (45%)
    - creating a more financially resilient Council (37%)[13]

Views on council tax and financial efficiency

Responses to the KCC Budget consultation shows:

- some support for increasing council tax, 66% supported an increase in council tax – (52% up to the maximum).
- respondents believe there are opportunities to make savings through wages, pensions, expenses, operational efficiencies and better value for money.
- there is a wish to maintain standards and to reduce inefficiencies.[14]

The KCC Budget consultation also found respondents:

- supported more joint working with partners (92%),
- supported more services being made available online as standard (67%)
- supported charging service users for non-statutory services (60%).
- low support for reducing statutory services to the core minimum (33%).[15]

[12] Complaints - Oct to Dec 24.docx Not published
[13] Surrey County Council (2025) Audit and Governance Committee https://mycouncil.surreycc.gov.uk/documents/s102970/Item%204a%20-%20Member%20Questions%20and%20Responses.pdf
[14] KCC Budget Consultations (24/25 & 25/26) Budget Consultation 2025-26 | Let's talk Kent
[15] KCC Budget Consultations (24/25 & 25/26) Budget Consultation 2025-26 | Let's talk Kent

T200 staff event (July 24) on the budget found:

- staff showed a similar level of support to the public consultation for an increase in council tax to maximum (61%), (32% against).
- high support was given to saving money by working with partners in a more joined up way (89%).
- significant support for charging for non-statutory use of services (53%).
- lower (than the public) for saving the council money by putting more online (44%)
- low support for reducing statutory services to a core minimum (16%).

National data from LGA (polling on resident satisfaction) suggests that while 56% of respondents are very or fairly satisfied with the way their local council runs things, only 40% strongly or tend to agree that their council provides value for money. 31% neither agree or disagree[16].

Tunbridge Wells Resident's survey suggests high dissatisfaction with council tax.[17]

Research commissioned by KCC in 2023 to understand the different relationships Kent residents have with the Council found that some residents would like to know more about where their council tax goes and how else the council is funded. Council tax is seen by some as a 'fact of life' but many would like to see something in return[18].

Financial assessments to support KCC's draft options appraisal have shown:

- Option 1 (3 unitaries) - 50% of residents would pay more Council Tax, and 50% would pay less.
- Option 2 (4 unitaries) - 57% of residents would pay more Council Tax.
- Option 3 (4 unitaries) - 65% of residents would pay more Council Tax.
- Option 4 (4 unitaries) - 46% of residents would pay more Council Tax.
- Option 5 (2 unitaries) - 48% of residents would pay more Council Tax.
- Option 6 (1 unitary - benchmark) - 48% of residents would pay more Council Tax.

A survey completed in Wales in 2024 on public attitudes to council tax focused on fairness of the council tax system (design, administration and the way it is used and invested into communities). This research found that:

- around two-thirds of respondents (61%) reported that it was not clear to them how

[16] LGA (2023) Polling on resident satisfaction with councils: round 36 https://www.local.gov.uk/sites/default/files/documents/Resident%20Satisfaction%20Polling%20Round%2036%20JH%20accessibility%20edits.pdf#:~:text=56%20per%20cent%20of%20respondents%20are%20'very,31%20per%20cent%20neither%20agree%20nor%20disagree.

[17] Tunbridge Wells Borough Council (2023) Residents' Survey results 2023 Residents' Survey results 2023

[18] BritainThinks (2023) (Commissioned Research for KCC by MRX) Resident and user experience research (not published)

council tax is spent.

- when asked to name services supported by council tax, respondents listed bin and refuge collection (50%), Police (42%), road maintenance (31%).
- around two thirds of respondents (65%) disagreed that they had seen the benefit of council tax invested in their local community.
- around three out of five respondents (61%) disagreed with the statement that the council tax system is fair.
- responses were equally divided in terms of whether local councils do not have enough control over council tax rates, with 41% disagreeing, and 27% answering, 'don't know'.
- around three out of every five respondents (63%) indicated that their council tax was 'too high'. Before additional information was given around a quarter (24%) of respondents indicated that the amount of council tax they are expected to pay was 'about right'[19].
- after being provided with information about the services which are funded by council tax, a smaller proportion indicated that the council tax they are asked to pay was too high (54% compared to 63% before the information was provided). A larger proportion of respondents indicated that the amount they are expected to pay was about right (29%, compared to 24% before the information was provided).

The KCC Budget consultation shows that 60% of people were in favour of charging service users for non-statutory services[20]. In the Tunbridge Wells Resident survey 42%, when asked how to balance the budget, suggested charging those who use services[21].

Appetite for innovation in service delivery

National research from the Department for Science, Innovation and Technology focused on public attitudes and the use of Artificial Intelligence (AI) suggests improved public trust and optimism about data practices through AI use[22], but also some concerns expressed around further use of data and accountability including anxiety around data security, and lack of control of information.

This national research suggests that while awareness around AI is increasing, age significantly impacts understanding, with younger people, those living in and around London, and higher socioeconomic groups reporting higher familiarity. Almost half of people surveyed think that AI is already used by public services[23]. There is optimism about the use of AI in areas such as healthcare to support service provision.

[19] Welsh Government (2024) Survey of public attitudes to council tax, 2024: summary. Survey of public attitudes to council tax, 2024: summary [HTML] | GOV.WALES
[20] KCC Budget Consultations (24/25 & 25/26) Budget Consultation 2025-26 | Let's talk Kent
[21] Tunbridge Wells Borough Council (2023) Residents' Survey results 2023 Residents' Survey results 2023
[22] Gov UK (2024) Public attitudes to data and AI: tracker survey (wave 4) report Public attitudes to data and AI: Tracker survey (Wave 4) report - GOV.UK
[23] ibid

An LGA survey which explored current local government use of AI found that it was being used in areas such as HR, administration (minutes), procurement, finance, cyber security with limited use in health and social care.[24]

In a study published in Government Information Quarterly (March 2024) Haesevoets et al looked at the findings of three studies which explored UK respondents' perception of AI usage in government and found that:

- people prefer AI to have less decisional weight than human decision makers.
- people prefer AI to provide input and advice to decision makers but not make decisions.[25]

In relation to increasing use of digital, Maidstone's citizen engagement found high levels of confidence using digital channels, with slightly lower levels of confidence using web chat (74%) and controlling social media privacy (69%)[26].

The KCC Community Services consultation found that:

- 64% of people feel confident about accessing services digitally.
- 10% were not confident with technology.
- 16% felt that online access to services is not an inclusive approach particularly for the elderly.

Responses highlight that it is important to have an option for face-to-face delivery and that the most important aspect of use was ease.[27]

KCC resident research suggests that residents are generally satisfied with KCC services being delivered digitally if possible, however they stress the importance of flexibility to ensure services remain accessible. While 'functional' services are seen as more easily digitalised, more 'emotive' service experiences are felt to be better delivered through face-to-face interaction with the assumption that any difficulties are more quickly and empathetically managed.[28]

Interest in local democracy and decision making

National research by LGiU shows there is strong public consensus that residents should have a say in decision making, with 81% of people asked, saying that local residents should always have a say about decisions that impact their local area[29]. When asked whose views are the most important for local areas, respondents identified the voices of local residents and councillors. However, 56% suggest it doesn't matter who or where decisions are made, as long as they are

[24] Local Government Association, (2024) 'Local government: State of the sector: AI' https://www.local.gov.uk/sites/default/files/documents/Local%20Government%20State%20of%20the%20Sector%20AI%20Research%20Report%202024%20-%20UPDATED_3.pdf
[25] Haesevouts et al, March 2024) Government Information Quarterly (Vol 41, Issue 1) 'How do citizens perceive the use of Artificial Intelligence in public sector decisions?' https://www.sciencedirect.com/science/article/abs/pii/S0740624X23001065
[26] Resident survey data - Maidstone Borough Council
[27] KCC & Lake Market Research (2024) 'Community Warden Service Review, Consultation Report' https://letstalk.kent.gov.uk/community-warden-service
[28] BritainThinks (2023) (Commissioned Research for KCC by MRX) Resident and user experience research KCC_Resident user and experience research_summary narrative report June 2023 FINAL (not published)
[29] State of the Locals 2025, State of the Locals 2025 - LGiU

the right decisions[30]. 54% agreed that too many policy decisions affecting their local area were made outside of it.

Awareness of the precise role of local government officials is low, with levels of understanding of the work and decisions taken by councils and councillors being below that of Westminster MPs. At both levels of governance, the majority of respondents indicated that they had limited knowledge of the activity of elected representatives. 64% said they knew not very much/nothing at all about the work of their local councillors. 63% said they knew not very much or nothing at all about how decisions were made in their local council[31].

Maidstone citizen engagement shows that 87% of residents are interested in what happens in their neighbourhood, and 51.2% feel part of the neighbourhood. Only 4% definitely agreed that they could influence decisions affecting their local area (21.11% tended to agree), but 37.38% disagreed, suggesting that many don't feel able to influence local decision making[32].

However, looking at election turn out results, district turn out is not significantly different from county level numbers. The most recent county election saw a turnout of 33.4% (May 25)[33] and district turn out in May 2023 shows similar figures, such as 27.79% in Dartford[34], 36.6% in Tonbridge and Malling[35] and 34.87% in Folkestone and Hythe[36] (May 2023). Local evidence would suggest that people do not seem to be more inclined to vote at a more local level.

Partners position

To inform the submission of the Interim Plan for local government reorganisation to Government in March 2025, Kent Leaders and Chief Executives asked partners their views. No geographical breakdowns were provided at this point, although the possibility of 3 or 4 unitary councils was referenced.

Partner indications given at that time are below but may have changed subsequently and may change in the future.

NHS	Would support a 3 unitary model to minimise infrastructure costs and reduce risk of service fragmentation.
Kent Fire and Rescue	Supports 3 unitary model
OPCC	Supports 3 unitary model
Housing authority feedback	Town and County Housing - Supports 3 unitary model
Further Education	Kent Further Education – support 4 unitaries aligned to health trusts East Kent College Group – suggests East Kent as Canterbury, Dover, Folkestone, Swale and Thanet.

[30] State of the Locals 2025, State of the Locals 2025 - LGiU
[31] State of the Locals 2025, State of the Locals 2025 - LGiU
[32] Maidstone Borough Council (2022) Resident survey data - Maidstone Borough Council
[33] The Electoral Commission (2025) Report on the May 2025 local elections in England | Electoral Commission under supporting data ' May 2025, electoral data
[34] Dartford Borough Council Election results – May 2023 dartford.moderngov.co.uk/mgElectionResults.aspx?ID=55&RPID=75265883
[35] Tonbridge and Malling Borough Council Election results – May 2023 Election results by party, 4 May 2023
[36] Folkestone and Hythe District Council Election Results – May 2023 (Average of Ward Turnout) - District council 2023 election results | Folkestone & Hythe District Council

Summary and impact on options

Before engaging residents and partners, it is difficult to draw conclusions on local views and this information will need to be re-visited after any engagement takes place.

Information collected within this report suggests that:

1. there may be low levels of interest in local government by many, and some confusion around government structures, as well as the services delivered by different tiers of government.
2. tier one structures can be perceived as further from the resident than tier two, or community groups.
3. services which are perceived as geographically closer to residents seem to have greater levels of trust (county greater than national, district greater than county, high trust of community groups).
4. other areas have seen some resident support for devolution and localism.
5. residents and staff responding to the Budget consultation prioritised funding for social care, and (for residents) highways, infrastructure and road networks. There is low support for costs around overheads and management, but there is significant support for partnership working and some support for digital innovation.
6. local access to services is important to residents, with people valuing services at a community level.
7. in a neighbouring authority, better value for money, accountability and financial resilience were seen as key outcomes of unitarisation.
8. within the Budget consultation there was some support for increases in council tax (52% to the maximum and 66% supporting some increase to fund services). Other research suggests some residents would like to know more about how council tax might benefit them, and national data suggests that only 40% of respondents felt that councils provide good value for money.
9. there may be some support for charging for non-statutory services.
10. people may support access to services digitally where possible, and potential innovations through AI (where decisions are not being made).
11. residents may like to be further involved in decision making; however, many feel they do not have influence at a local level. Turn out levels at district and county elections are similar. There is low awareness of the role of local government officials and how decisions are taken.

Conclusions

The below explores how these findings may affect the different geographical options for LGR that are included in the options appraisal.

Option 1 (3 unitaries)

Positives may include:

- increasing perception of ‘local’/‘community’ supports relationship with services.
- this may be a good ‘middle ground’ of strategic versus local that supports engagement in local decision making and visibility of services and where council tax is spent.
- fewer council boundaries (compared to four-unitaries) mean less complexity for residents to access services and for partners to navigate.

- partners had previously supported this option when asked and this model best matches the operational delivery arrangements for Police.

This option may result in 50% of residents paying more council tax, and 50% paying less. Those paying less may view this change as positive, those paying more may view this change as negative.

Negatives may include:

- East Kent includes areas of higher deprivation levels, and this split may create perceptions of 'unfairness' in relation to services and quality of public space.
- This model is more complex than a 1 or 2 unitary option (low level resident knowledge around local government structure and service delivery).
- Perceived increase of back office, managerial duplication or cost.

Option 2/3/4 (four unitaries)

Positives may include:

- increasing perception of 'local'/ 'community' supports relationship with services.
- localised decision making.
- perception that council tax is spent on local provision.

57% of residents would pay more Council Tax for option 2, 65% more for option 3 and 46% for option 4.

Negatives may include:

- there is more fragmentation and the opportunity for strategic planning is reduced.
- more boundaries between unitaries may increase perceived complexity of local government structure and service delivery.
- perceived increase of back office, managerial duplication or cost.
- increased complexity for partners to work with councils across their delivery boundaries.

Option 5 (2 unitaries)

Positives may include:

- efficiency and value for money for residents is higher in the two-unitary option,
- a simplified structure and system (when compared to 3 and 4 unitary options). May increase understandings of local government and service delivery.

48% of residents would pay more council tax.

Negatives may include:

- East and West split may create the perception of 'unfairness' in relation to services and quality of public space.
- potentially reduces ability to see local impact of council tax.
- potentially reduces opportunity for local decision making and delivery of services.

Option 6 (1 unitary - benchmark)

Positives may include:

- a simplified system, may increase resident awareness and understanding.
- potential reduced cost of back office/managerial.
- supports one council tax system.

48% of residents would pay more council tax.

Negatives may include:

- residents might feel the local authority is too big and remote and would not be able to see where their council tax is being spent.
- potentially reduces the opportunity for local decision making and delivery of services, as this may feel remote, or outside of the community.

Appendix 1e - Democracy and Local Identity assessment

1) Summary of findings within the agreed areas of focus

The Democracy and Local Identity (DLI) workstream considered the challenges and opportunities of the different proposed models of LGR in Kent and Medway through the themes listed below in order to address the following problem statement:

People are disconnected from council decision-making and place-shaping – how can we enhance this (and not make it worse) through LGR?

- **Identity** – local identities, culture and heritage that need to be considered for LGR
- **How people live their lives** – the way people live and travel in the county area
- **Democracy and representation** – implication of councillor/member numbers, and achieving effective representation
- **Governance and engagement** – implications and opportunities regarding community engagement and neighbourhood empowerment arrangements through LGR and future relationships with VCSE, Parishes and other community partners that comprise civil society.

Our report explores individual categories within these themes and a provides a summary of our evidence and conclusions that explains the extent to which each option meets the LGR criteria. Further information about our evidence can be found in the appendices, which are provided in a separate document.

Identity

Summary - For Identity, the workstream has considered the socio-economic factors of deprivation and diversity, and how areas identify as places: the cultural, heritage or geographic factors that give them a local identity. Based on the information gathered for this section it was felt that Option 1 – 3UA would be most reflective of and could potentially boost local identity in the different areas. There were two main factors behind this: firstly, it produces lower levels of deprivation in individual authorities compared to other options; and secondly, because it produces district groupings that felt like a good 'fit' and that align with how other organisations and partnerships organise themselves.

Indicator	Best fit to Government criteria	Explanation
Socio-economic and demographic factors		
Deprivation	Option 1 – 3UA	The 3UA model has a lower disparity between the West and the rest of Kent than the 4UA models and it produces the lowest peak IMD and lowest proportion of most deprived LSOAs in East. Importantly, it separates Swale and Thanet meaning that high deprivation is not concentrated in a single authority. Option 2 – 4UA groups Swale and Thanet in a small unitary authority which creates the highest levels of deprivation. The 2UA model has a lower disparity between the unitary authorities but this is because West becomes relatively more deprived, while East remains just as deprived as in other models.

Ethnicity	No optimal option	No conclusions as to the strength of the options, only that a North unitary in any option (or West in Option 5) would be more ethnically diverse than other parts of the county.
Religion	No optimal option	No conclusions as to the strength of the options, only the conclusion that a North unitary in any option (or West in Option 5) would have more religious diversity than other parts of the county.
Place and identity		
Place	Option 1 – 3UA	In the 3UA model the areas are smaller and therefore closer to residents than in the 2UA model, but are large enough to encompass broader and complementary identities, particularly in grouping coastal communities together and districts spanning the Thames Estuary, which it was felt the 4UA models were unable to do. The 3UA model is more equal in terms of deprivation. Areas of high deprivation, such as is the case with Option 2 – 4UA will likely have significant spending pressures meaning they may have to prioritise resources on statutory services rather than place-making. There is a risk that an overall Kent identity could be undermined in a 2UA model due to a West vs East dynamic.

Socio-economic and demographic factors

Deprivation

The findings in this section are based on an analysis of Index of Multiple Deprivation (IMD) scores for each of the 13 area in Kent and Medway (more detail can be found in Appendix A). The analysis considered two measures of deprivation:

- Average IMD scores - for whole district areas and combinations of districts within proposed unitary authorities. This provided a measure of deprivation **(the higher the score, the higher the level of deprivation)** for whole unitary authority areas which allowed comparisons of different options.
- LSOAs (Lower Super Output Areas i.e. neighbourhoods) in the top 10% most deprived areas in England – this provided information about where the most deprived individual neighbourhoods in Kent are located. These are the neighbourhoods where demand for council services will likely be highest.

Proposed UA	Option 1 – 3UA	Option 2 – 4UA	Option 3 – 4UA	Option 4 – 4UA	Option 5 – 2UA	Option 6 – 1UA
Average IMD						
North	22.8	21.6	21.4	21.4	-	19.8
East	22.6	25.1	23.4	23.4	23.3	
West	13.4	13.4	13.4	12.3	16.8	
Mid	-	-	23.2	20.7	-	
South	-	21.6	-	-	-	
Range (most - least deprived)	9.4	11.7	10.1	11.1	6.5	-

Proposed UA	Number of LSOAs in 10% most deprived in England	Total number of LSOAs	% of LSOAs which are 'most deprived'	% of Kent and Medway's 'most deprived' LSOAs (i.e. /65)
Option 1 – 3UA				
North	33	370	9%	51%
East	30	386	8%	46%
West	2	309	1%	3%
Option 2 – 4UA				
North	17	285	6%	26%
East	36	259	14%	55%
South	10	212	5%	15%
West	2	309	1%	3%
Option 3 – 4 UA				
North	17	285	6%	26%
East	25	241	10%	38%
Mid	21	230	9%	32%
West	2	309	1%	3%
Option 4 – 4UA				
North	17	285	6%	26%
East	29	308	9%	45%
Mid	19	258	7%	29%
West	0	214	0%	0%
Option 5 – 2UA				
East	46	471	10%	71%
West	19	594	3%	29%
Option 6 – 1UA (benchmark)				
Kent & Medway	65	1065	6%	100%

Findings:

- More than half (53%) of Kent and Medway's LSOAs categorised as 'most deprived' are within two districts – Thanet (28%) and Swale (25%). Thanet and Swale are also the most deprived areas by average IMD at 31.3 and 27.1 respectively.
- All of the 4UA models have higher 'peak' IMDs and greater ranges, compared to the 2UA and 3UA models. This means that these options produce unitary authorities which are **more deprived overall** as well as creating wider disparities between unitary authorities.
- In all of the options, there is a disparity between West which has low levels of deprivation on average and very few of the most deprived LSOAs and the other areas.
- The 3UA model produces the least deprived version of an East UA with an average IMD of 22.6 and 8% of LSOAs categorised as most deprived. This is the only option in which East is not the most deprived unitary authority, with North scoring slightly higher. This is because Swale and Thanet are in different unitary authorities.
    - It is the option with the lowest peak IMD score (22.8 in North UA)
    - It is the option with the equal lowest peak percentage of LSOAs categorised as most deprived (9% in North UA)
- Option 2 – 4UA creates an East unitary authority which has an average IMD of 25.1 and where 14% of LSOAs are categorised as most deprived. **This would be the most deprived unitary authority across all of the options.**

    - This unitary authority would be made up of Thanet and Swale –the two most deprived districts in the whole Kent and Medway – and Canterbury.

- The 2UA model produces **the lowest disparity between unitary authorities**. However this is because West has a higher IMD than in other options at 16.8, rather than the East unitary authority having a lower IMD which remains at a similarly high score of 23.3. Meaning that with this option, on average, the **West would become more deprived, but the East would not become less deprived**.

Conclusions:

<u>One, two, three or four unitary authorities?</u>

- A 4UA model would produce unitary authorities that were more deprived (than 2UA or a 3UA model) on average, with higher concentrations of acute deprivation and greater disparities between the West and the rest of Kent.
- **Reducing disparity does not necessarily mean reducing deprivation** in the most deprived unitary authority. A 2UA model has the lowest disparity between the West and the East unitary authorities – but this is because West becomes more deprived. Deprivation levels in East remain as high as in other models.
- The 3UA model produces the lowest peak IMD and the lowest peak proportion of most deprived LSOAs (i.e. the most deprived unitary authority is not as deprived as in other models).

<u>District makeup of the unitary authorities</u>

- Grouping Swale and Thanet together would produce a unitary authority with a very high average IMD score and containing more than half of Kent and Medway's most deprived LSOAs. By doing so, the most significant deprivation would be concentrated alongside potentially high demand upon services and financial pressure within a single unitary authority.

On the basis of the points above, Option 1 – 3UA would be optimal. The disparity between the West and the rest of Kent is slightly lower than for the four unitary models and it produces the lowest peak IMD and proportion of most deprived LSOAs. Importantly, it separates Swale and Thanet meaning that high deprivation is not concentrated in a single authority.

Diversity

The findings in this section are based on the 2021 Census. Data tables are included in Appendix A.

- In 10 of the districts, 82% or more are White British and 89% or more are ethnically White. These figures are higher than the national average.
- In contrast, Dartford and Gravesham have a far more diverse population with approximately a quarter part of a minority ethnic group which is above the national average.
- Within Dartford and Gravesham there are specific communities which are prevalent:
    - In Dartford 9.9% of the population are Asian – with 4.4% of the population Indian
    - In Dartford 10.5% of the population are Black – with 8.4% of the population African
    - In Gravesham 11.2% of the population are Asian – with 7.6% of the population Indian
    - In Gravesham 6.5% of the population are Black – with 4.9% African

- Medway is also more ethnically diverse than other parts of Kent, with 15.7% part of a minority ethnic group. Ashford, Canterbury and Maidstone are also relatively diverse with more than 10% of the population in those districts part of a minority ethnic group.
- Similarly, Dartford and Gravesham are the most diverse districts in Kent for religion, with 10.1% and 13.5% identifying with a minority religion and the lowest proportions saying that they have 'no religion'. This includes:
    - In Dartford, 3.8% of the population are Hindu and 3.5% are Muslim
    - In Gravesham, 8.0% of the population are Sikh – the Guru Nanak Darbar Gurdwara is the largest Gurdwara in Europe

Conclusions:

Dartford, Gravesham and Medway are grouped together in all of the different options. This means that there will always be one unitary authority which has a relatively higher level of diversity and the other unitary authorities will have a higher proportion of White British and lower levels of religious diversity.

There will be an authority – North – which is more diverse than the other authorities in Kent. The new authorities, particularly a North unitary authority, will need to consider how to engage with all residents and reflect their diversity. The unitary authorities should aim to be reflective of the diversity of their populations in the recruitment of staff and to encourage residents, voters and prospective candidates from all communities to participate in council business.

Any engagement model which is developed should aim to be inclusive of the diversity in Kent.

Place

The workstream considered a range of identifying features for 'place' including heritage, culture, economy, nature and landscapes.

Based on the information gathered for this section, we felt it should be possible to establish 'identities' around recognisable and distinctive features for the proposed unitary authorities. There are many commonalities across Kent and within proposed unitary authority boundaries to build upon existing identities; and for those identities to feel meaningful (or in the very least to not feel alienating). The workstream considered the 3UA model best meets the government's criteria due to the scale and the particular combination of districts within the unitary authorities.

Findings and conclusions

The workstream felt that there was a case for changing existing district boundaries so that Swanley (Sevenoaks) was aligned with Dartford in a North UA, and for Swale to be split so that Sittingbourne and Sheppey align with Medway in a North UA and for Faversham to align with Canterbury in an East UA. This was based on economic, geographic and travel factors, as well as our own knowledge of the respective areas.

4UA model

- Intuitively, a 4UA model, in which the proposed unitary authorities cover smaller areas and populations, would be 'more local', and should therefore be more reflective of local identities and more conducive to place making and identity building.
- However, the specific combination of districts could limit or even hinder the ability to reflect and build local identity. For example:
    - It could be argued that Swale would fit more naturally in a North unitary authority alongside Medway, rather than in an East or Mid unitary authority – this is based on how people in

Swale live their lives, that most of the population and geographic area are within the Thames Estuary and North Kent Marshes, and that parts of Swale have been included in the Thames Gateway regeneration project.

- While they are not direct neighbours, there is a strong case to be made for Thanet and Folkestone & Hythe to be included within the same East unitary authority, not only due to their shared coastal identities, but also to build upon the growth of their creative industries – centred around the Turner Gallery and redevelopment of the Old Town in Margate, and the Creative Quarter in Folkestone.

- Another factor to consider is whether the new unitary authorities will have the resources to be able to reflect and build local identity, particularly in areas of high deprivation such as with Option 2 – 4UA which groups Swale and Thanet together.
- The poly-centric nature of Kent and Medway means that employment and economic drivers are spread across different parts of the county. Having a higher number of unitary authorities could mean that individual areas become over-dependent on fewer economic drivers, for example if a South Kent UA became over-dependent on the Port of Dover.
- Further to the above, the creation of more boundaries could hinder access to economic and regeneration opportunities. For example, if Swale was not part of the North UA it would be separated from other areas in Kent that are part of the Thames Gateway regeneration programme, which could make partnership working more difficult.

<u>3UA model</u>

- A 3UA model creates larger unitary authorities than a 4UA model but one benefit of this is that it does not split districts/areas which would potentially 'fit' well together, but which are not direct neighbours or could be placed in different areas in a 4UA model. As covered above, Swale and Medway could be considered a good alignment, as could Thanet and Folkestone. In the 3UA model, these districts are included within the same proposed unitary authorities.
- Another benefit is that the impact of deprivation is lessened as the 'peak IMD' is lower. This means that the proposed unitary authorities should have more capacity for discretionary spending (albeit probably only marginal).
- There are also well-established geographic areas and groupings which are roughly coterminous with the 3UA model, for example, Kent Police, Health & Care Partnerships (HCPs) and economic partnerships. There are many examples of other organisations and partnerships organising around these broad areas:
    - Thames Estuary and proximity to London in the North
    - Coastal and rural areas in the East and South
    - Affluent commuter towns and rural areas in the West

<u>2UA model</u>

- The scale of the unitary authorities in a 2UA model would limit how reflective of local identity they could be. The proposed West Kent unitary authority would have a population of more than 1 million people and would encompass districts which have fairly tenuous links. The three Northern districts which are urban areas and located on the Thames Estuary, would be grouped with Tunbridge Wells with which they do not share a boundary and is far more rural.
- Their scale would require significant focus in order to successfully promote and build upon the local identities within their areas. The East unitary authority in this model has a high average IMD and the grouping of Swale and Thanet means there is a high concentration of most deprived

LSOAs. This may define how their local identities are perceived (internally and/or externally) and subsequently invested in.

- There is a risk that a 2UA model could undermine an overall Kent identity by creating an East vs West dynamic. The dividing lines in such a dynamic could be defined by their socio-economic profiles, and by their locations and settlement types – the East would have relatively high levels of deprivation and would coalesce around coastal communities and the border; in other words they may feel that they are 'left behind'. Meanwhile, the West would be defined by its relative affluence, its commuter towns and by its proximity to London.
- In an even system with only two 'participating' authorities, in particular where there are differing motivations and drivers, partnership working could become difficult as negotiations could end in deadlock.
    - In a 3UA or 4UA model, this dynamic would likely be lessened. The additional 'participants' would reduce the scope for binary thinking and direct competition, and the socio-economic differences would be more even. Also, any deadlock in partnership working becomes less likely.

1UA model (benchmark)

- A likely criticism of a single unitary authority covering the whole county area and representing close to 2 million residents would be that it lacked credibility for representing 'local identity' because it would be too remote.
- There may be opportunities with scale to boost specific local areas, but the basis upon which an area is selected could be contentious, or, if multiple campaigns were running concurrently the impacts could be diluted.
- One advantage to having a single UA could be the ability to market or lobby for the whole county as a destination for tourism and investment, and maintain Kent-wide vehicles such as Visit Kent, Produced in Kent and Locate in Kent.

The conclusion of the workstream was that the 3UA model would be most reflective of local identity. The 3UA model creates authorities which are smaller geographically and by population than a two unitary model, but which are large enough to encompass identities and economic opportunities which span districts/areas – for example, in the three unitary model the coastal communities in Folkestone & Hythe, Dover, Thanet and Canterbury are grouped together in East; and the entire Thames Estuary area spanning Gravesham, Dartford, Medway and Swale are grouped together in North.

An important next step with LGR considerations would be to engage with residents on how they perceive their local identities and what the defining features of a proposed unitary authority area could be.

Possible features of local identity and place

The diagram overleaf is purely for illustrative purposes. It was developed collaboratively by the workstream based on desk research of the distinctive features of different parts of Kent and their own knowledge of the county, categorised by 'Place', 'Economy and development', and 'Culture, heritage and identity'. Using the 3UA model, it shows the types of features that could contribute to a sense of local identity within the proposed unitary authorities, and which they could promote as part of place-making and identity building initiatives. The features suggested overleaf are therefore not intended to be exhaustive.

NORTH

Place

Thames Estuary and North Kent Marshes
Proximity to London
Urban

Economy and development

Proximity to London and London City Airport
University cluster in Chatham
Ebbsfleet Garden City
Thames Gateway redevelopment
Bluewater shopping centre

Culture, heritage and identity

Religious and ethnic diversity - Gurdwara in Gravesend
Sweeps Festival
Rochester Cathedral
Charles Dickens
Maritime history: Historic Dockyard Chatham

EAST

Place

Coastal towns and villages
White Cliffs of Dover and coastline
Kent Downs and High Weald; rural areas
Canterbury city
UK Border - Gateway to Europe – Port of Dover, EuroTunnel

Economy and development

Creativity and regeneration in Margate and Folkestone
Otterpool Park Garden Town development
University cluster in Canterbury
Life sciences - Discovery Park, Sandwich
Logistics and border facilities
Food and drink; viticulture e.g. Chapel Down Wine
Retail hubs: Ashford Outlet Centre, Westwood Cross

Culture, heritage and identity

Canterbury Cathedral
Dover Castle
Battle of Britain
Dreamland
Turner Contemporary
Animal conservancy: Howlett's, Port Lympne, Wildwood

WEST

Place

Proximity to London and Gatwick
Affluent commuter towns
Maidstone County Town
Kent Downs and High Weald
Royal Tunbridge Wells - Spa Town

Economy and development

Entrepreneurial, service-based economy
High productivity
Kings Hill Business Park
Food sciences and agricultural training

Culture, heritage and identity

Oast houses
Castles: Leeds, Hever, Scotney, & more
Spa Valley Railway

How people live their lives

Summary - Based on analysis of the data used to indicate how people live their lives (travel to work, education, and healthcare), the workstream consider the 3UA model as being most closely reflective of the geographical range and travel patterns of people living within those areas. In coming to this conclusion, particular consideration was given to the relationships between Swale and Medway and between Ashford, Canterbury, Dover, Folkestone & Hythe, and Thanet. The 3UA model maintains these groupings within the proposed boundaries, while most of the other options create divisions between these districts/areas which would produce unitary authority areas which were less reflective of how people live their lives.

The data that the analysis for this section was based is included in Appendix C.

Indicator	Best fit to Government criteria	Explanation
Travel to work	Option 1 – 3UA	The differences based on the number of unitary authorities would be marginal. Option 1 groups Swale with Medway in North, and groups five Eastern districts which have close travel links.
Travel to education	Option 1 – 3UA	The differences based on the number of unitary authorities would be marginal. Option 1 groups Maidstone with Tonbridge & Malling in West and groups Canterbury, Dover, Folkestone & Hythe, and Thanet in East.
Emergency hospital admissions	Option 1 – 3UA	The 3UA model most closely aligns with current HCP areas. Option 1 groups Maidstone with Tonbridge & Malling West and groups Swale with Medway in North.

Travel to work

Overall findings:

- Most travel to work is within district boundaries and within proposed unitary boundaries. There are relatively few journeys to work outside of home districts or beyond proposed unitary boundaries.
- In seven of the 13 districts, the second most common travel to work destination is 'outside Kent & Medway' (presumably to London in most cases). The exceptions were Canterbury, Thanet, Dover, Folkestone & Hythe (which would all be part of the East or South proposed unitary authorities), and Maidstone and Swale
- Only 12% of workers in Kent and Medway travel more than 20km to work. 71% either work mainly from home (30%) or travel fewer than 20km to work (41%). The remaining 17% of workers were categorised as 'Other' which could include offshore, abroad or no fixed location.

There are some specific travel to work journeys between districts which are prevalent and warrant highlighting as they could influence where the boundaries of the unitary authorities are set:

- Travel to work is most localised within the Eastern districts - Canterbury, Thanet, Dover, and Folkestone & Hythe. People travel between these districts, but of these Canterbury is the most sizeable destination for work. Ashford, to a lesser extent, is also a major destination for work from these districts.

- In comparison, travel *between* North and West proposed boundaries, and travel *from* North and West to 'outside of Kent & Medway' (and vice versa), is more common.
- In Swale, the most common travel to work journey (beyond Swale) is to Medway.
- From Sevenoaks, the most common travel to work journey is to 'outside K&M' followed by Dartford. This is reflective of the large commuter population in Sevenoaks but is also likely explained by the position of Swanley within the M25 and its proximity to Dartford and to London.
- Maidstone is a travel to work journey from different parts of the county, including from Ashford and Medway. But the highest rate of travel is *between* Maidstone and Tonbridge & Malling.

Conclusions:

<u>One, two, three or four unitary authorities?</u>

On the basis that most journeys to work are within current district boundaries, and that the second most common destination is 'outside of Kent & Medway' (particularly in the North and West of Kent) there is no compelling case about whether a two, three, or four unitary model would be optimal. Fewer unitary authorities would mean fewer travel to work journeys outside of proposed unitary boundaries, but the difference would be marginal. Most journeys would be within the proposed boundaries regardless of their size and makeup, and those which are beyond current district boundaries are more likely to leave Kent & Medway altogether.

<u>District makeup of the unitary authorities</u>

- There could be a case to split Swale so that Sittingbourne and Sheppey would be aligned with Medway and so Faversham would be aligned with Canterbury. However, as a whole district Swale is more closely aligned with Medway due to the overall higher prevalence of travel to work journeys between the two areas.
- There could also be a case to split Sevenoaks district, so that the portion within the M25 including Swanley aligns with Dartford in a North unitary authority.
- There are travel to work links between the districts of Ashford, Canterbury, Dover, Folkestone & Hythe and Thanet suggesting that these five districts should be within the same East unitary authority.
- A case could be made for Maidstone to be placed in multiple different groupings. But the most important relationship for Maidstone in respect to travel to work journeys is with Tonbridge & Malling in a West unitary authority.

On the basis of the points above – the three unitary model, option 1, would be optimal. This places Swale in North Kent alongside Medway, groups the five Eastern districts together in East Kent, and places Maidstone alongside Tonbridge & Malling in West Kent.

Travel to education (KCC only)

Overall findings:

- Nearly all primary school pupils attend school within their home district (92-99%).
- While a slightly lower proportion than for primary school pupils, the vast majority of secondary school pupils attend school within their home district – with c.90% in most districts.
- The exceptions to this are in West Kent, most notably Sevenoaks where only 35% of secondary school pupils attend school within the district. Tunbridge Wells at 78% and Tonbridge & Malling at

65% also have a relatively lower proportion of secondary school pupils attending school within their home districts.

There are some notable journeys between districts for secondary school pupils which could influence the boundaries of the unitary authorities:

- Canterbury is a significant destination for education, with relatively high numbers of pupils from Dover, Swale and Folkestone & Hythe travelling there.
- Dover is also a significant destination for education, with relatively high numbers of pupils from Thanet and from Folkestone & Hythe travelling there.
- Pupils in Sevenoaks are almost as likely to travel to Tonbridge & Malling (28.4%) as they are to stay within their home district (35.1%). Also very notable is that 17.1% of pupils in Sevenoaks travel to Dartford and 13.2% travel to Tunbridge Wells. This is likely because of the proximity and because there are grammar schools within these districts, and Sevenoaks is the only district in Kent without any grammar schools, only hosting an annex to the Weald of Kent Grammar School in Tunbridge.

Conclusions:

<u>One, two, three or four unitary authorities?</u>

The vast majority of pupils' journeys to education are within their home district meaning that the differences between a 1, 2, 3 or 4UA model would be marginal regarding the number of pupils travelling outside of their home area to go to school.

<u>District makeup of the unitary authorities</u>

- The fluidity of travel for secondary pupils between Sevenoaks, Tunbridge Wells and Tonbridge & Malling mean that these districts would make sense as a grouping.
- There are also a high proportion of secondary pupils from Tonbridge & Malling travelling to school in Maidstone which provides a case for Maidstone to be included within the West UA.
- A high proportion of pupils in Sevenoaks travel to Dartford, which may be partially explained by the proximity of Swanley to Dartford and because there is a grammar school in Dartford. This may provide a case to split the northern part of Sevenoaks so that it aligns with Dartford in the North.
- There are education links between Canterbury, Dover, Folkestone & Hythe, and Thanet.

On the basis of the points above – the three unitary model, option 1, would be optimal. This places Maidstone in the West and groups Canterbury, Dover, Folkestone & Hythe, and Thanet together in East Kent.

Emergency hospital admissions

Findings:

- Most emergency admissions are within proposed unitary authority areas.
- The majority (61.3%) of emergency admissions from Swale are to Medway
- Emergency admissions from Sevenoaks are split between North and West areas – 32.2% of emergency admissions are to Dartford and 51.2% are to Tunbridge Wells
- There are close links between Tonbridge & Malling and Maidstone – 39.8% of emergency admissions from Tonbridge & Malling go to Maidstone and 26.6% vice versa.

- The current HCP map most closely aligns with the 3UA model with DGS and Medway & Swale HCPs covering the area of a North unitary authority - albeit with Faversham split from the rest of Swale, and Swanley and North Sevenoaks paired with Dartford and Gravesham.

Conclusions:

<u>One, two, three or four unitary authorities?</u>

- While there are four HCP areas, their boundaries most closely align with the 3UA model.
- Most emergency admissions are within proposed unitary boundaries. Differences between a 1, 2, 3 or 4UA model would be marginal.

<u>District makeup of the unitary authorities</u>

- Swale and Medway are closely linked in terms of emergency admissions. However, Swale is split in the HCP map, with Faversham grouped with East Kent. This may provide a case to split Swale, but if this were not an option, it would make sense to group the whole of Swale district with Medway in a North Kent Unitary as there is a greater overall link between these areas.
- Maidstone and Tonbridge & Malling are linked and therefore grouping them would be beneficial.
- Sevenoaks and Dartford are linked, and Sevenoaks is split in the HCP map, with Swanley part the DGS HCP in North Kent. This may provide a case to split Sevenoaks, but if this is not an option, it would make sense to group the whole of Sevenoaks in a West Kent unitary authority.

On the basis of the points above – the three unitary model, option 1, would be optimal. This places Maidstone in the West alongside Tonbridge & Malling, and places Swale in the North alongside Medway.

Democracy and representation

Summary - For democracy and representation, the workstream considered the impact of different models for councillor numbers for each option, and the current and potential landscape of parish and town councils as the next tier of local democracy in a unitary scenario. It was felt that either a 4UA or 3UA model would be the options that best reflect the government's criteria. Of the 4UA models, option 4 would be the most optimal. These models allow for a good balance between having a workable number of Councillors and having strong democratic representation, based on having a lower population per Councillor ratio.

Indicator	Best fit to Government criteria	Explanation
Councillor numbers		
Number of councillors per UA	Option 4 – 4UA Or - Option 1 – 3UA is also a good option	Currently there are 658 Councillors covering the Kent and Medway area. Replicating this number of Councillors across the new unitary authorities would be unworkable – regardless of whether it was a 1, 2, 3 or 4 UA model. The Local Government Boundary Commission for England (LGBCE) recommends between 30-99 Councillors per new unitary authority. Within a 4UA model there is the opportunity to meet LGBCE's recommendation and to have smaller electorate per councillor than in other options. For this reason, a 4UA model could be perceived as more democratically representative. Of the 4UA models, Option 4 was the most even. Based on replicating the average electorate in Cornwall following a 2018 review, this option would produce unitary authorities with between 53 and 71 Councillors. The 3UA model would also produce a workable number of Councillors, as if replicating Cornwall, it would produce unitary authorities with between 79-92 Councillors. In a 1UA or 2UA model, there would need to be a trade-off between having a workable number of Councillors and the size of electorate per Councillor. The choice would be either to have a large electorate per Councillor or to exceed LGBCE's recommended number of Councillors.
Parish and town councils		
Parished and unparished areas	No optimal option	It is worth noting that in a North unitary in any option, the majority of the population would not be represented by this tier of council. This is predominantly an urban area and is more diverse. Any engagement or devolution model developed by a new North unitary authority would need to consider the implications of this.

Number of Councillors

Background information:

- Currently in Kent and Medway, there are a total of 658 Councillors covering Kent County Council (81), Medway Unitary Authority (59), and 12 district councils (518).
- Based on a population of c.1.88 million in Kent and Medway there is one Councillor per 2,851 people. And based on an electorate of c. 1.35 million in Kent and Medway, there is one Councillor per 2,050 electors.

- The highest population/electorate per councillor is in Medway where there are 4,792 people and 3,493 electors per Councillor
- The lowest is in Sevenoaks where there are 2,018 people and 1,505 electors per Councillor
- The average population per Councillor across England is higher than the Kent and Medway average at 3,360.

- The Local Government Boundary Commission for England (LGBCE) has advised a minimum of 30 Councillors and a maximum of 99 Councillors for new unitary authorities, and that exceptions to this need a strong justification.
- In 2018 the LGBCE conducted a review of Cornwall Council's electoral arrangements and recommended that they reduce the number of Councillors from 123 to 87. This worked out at a projected 5,163 electors per Councillor by 2023 (significantly higher than Kent's current average). When carrying out the review they had three main considerations:
  - Improving electoral equality by equalising the number of electors that each councillor represents.
  - Ensuring that the recommendations reflect community identity.
  - Providing arrangements that support effective and convenient local government.

The table below is based on *electorate* figures. A table with population figures is included in Appendix D:

Proposed unitary authority	Total electorate	Electorate per councillor – 99 Councillors (LGBCE's advised maximum)	Number of councillors to meet Kent average of 2,050 electorate per Councillor	Number of Councillors to meet Cornwall's average of 5,163 electorate per Councillor
Option 1- 3UA				
North	477,222	4,823	233	92
East	464,222	4,689	226	90
West	407,167	4,133	199	79
Option 2 – 4UA				
North	367,424	3,711	179	71
East	321,747	3,250	157	62
South	252,519	2,551	123	49
West	407,167	4,133	199	79
Option 3 – 4 UA				
North	367,424	3,711	179	71
East	298,941	3,020	146	58
Mid	275,325	2,781	134	53
West	407,167	4,133	199	79
Option 4 – 4UA				
North	367,424	3,711	179	71
East	369,135	3,729	180	71
Mid	336,801	3,402	164	65
West	275,497	3,711	134	53
Option 5 – 2UA				
East	574,266	5,801	280	111
West	774,591	7,824	378	150
Option 6 – 1UA (benchmark)				
Kent & Medway	1,348,857	13,625	658	261

Findings and conclusions:

- If the number of Councillors replicated current Kent averages, every option would produce an unworkable number of Councillors per unitary authority:
    - 2UA model would produce between 280-378 Councillors per unitary authority
    - 3UA model would produce between 193-233 Councillors per unitary authority
    - 4UA models would produce between 130-199 Councillors per unitary authority
- On the premise that a smaller population and electorate per Councillor is more democratically representative, a 4UA model would provide an optimal configuration. If setting the number of Councillors per unitary at 99 (as per the upper limit recommended by LGBCE), the 4UA options would produce unitary authorities with between 3,670 and 5,568 people per Councillor; this is comparable to the current Medway Unitary Authority figure.
    - Of the four unitary models, option 4 is the most even between the proposed unitary authorities.
    - Option 2 produces the widest difference in population per councillor with West having close to 2,000 more people per Councillor than South.
- If the new unitary authorities were to follow LGBCE's approach to setting division boundaries and were to settle at a similar ratio to Cornwall, the 3UA and 4UA models would produce unitary authorities that met LGBCE's recommendation for Councillor numbers, whereas the 2UA would exceed this. The 4UA models would be most flexible as they could feasibly increase the number of Councillors while remaining within LGBCE's recommendation.
    - 2UA model would produce between 111-150 Councillors per unitary authority
    - 3UA model would produce between 79 - 92 Councillors per unitary authority
    - 4UA models would produce between 49 -79 Councillors per unitary authority
- Presuming the divisions in the new unitary authorities do not exactly match the existing district boundaries, there will need to be a process to set new boundaries around larger average electorates. It is unlikely that LGBCE will be able to review the boundaries prior to the inception of the new councils meaning that the boundaries will need to be drawn up initially through the LGR process. Then in the future, there would need to be a boundary review.
- An argument for having fewer Councillors and for having fewer authorities (as would be the case with any of the proposed models) is that it would save money due to fewer Councillor allowances to fund, fewer elections to run, and less resource needed to support Councillors. But some of these savings may be offset by the provision of alternative local representation and engagement (i.e. the cost of setting up Town Councils or other mechanisms such as Neighbourhood Area Committees, which are being promoted by Government as a key vehicle for community engagement).
- In the current two-tier system in Kent 'twin-hatting' is common: an individual is simultaneously a member of a District Council and the County Council. This can potentially lead to conflicts of interest. For example, if a Councillor were to abstain from a vote due to a conflict of interest, as a result of twin hatting, this creates an absence of representation. A single tier of local government would greatly reduce this possibility (it could still theoretically occur if a Councillor is also an MP or Parish Councillor).

On the basis of the points above, option 4 would be optimal. A four unitary model would be most democratically representative as there is the potential to have a lower electorate per Councillor, and this option is most even across proposed unitary authorities.

There is a strong case for the new unitary authorities to prioritise the practicalities of governance and scrutiny above replicating the current number of Councillors across the County – as was the case in Cornwall Council. This would result in a lower number of Councillors but would be much more workable and the role of individual Councillors would be more defined and impactful. Taking this into account, the 3UA model under the Cornwall ratio would also support the criteria, producing between 79 and 92 Councillors per unitary authority which is more manageable.

Parish and Town Councils, and unparished areas

Findings:

- There are over 300 parish and town councils in the Kent and Medway area. Overall, 56% of the population in Kent and Medway live in parished areas and 44% live in unparished areas. The areas which are covered by this level of representation tend to be rural and those which are not covered tend to be urban. More than 70% of the population live in urban areas.
- Most of the large towns do not have a Town Council or any other type of council at that level, these include (ordered by population size):
    - Maidstone (Maidstone)
    - Gillingham (Medway)
    - Dartford (Dartford)
    - Chatham (Medway)
    - Ashford (Ashford)
    - Rochester (Medway)
    - Margate (Thanet)
    - Royal Tunbridge Wells (Tunbridge Wells)
    - Gravesend (Gravesham)
    - Canterbury (Canterbury)
    - Sittingbourne (Swale)
    - Tonbridge (Tonbridge & Malling)
    - Herne Bay (Canterbury)
    - Whitstable (Canterbury)
- Dover, Folkestone & Hythe, and Sevenoaks districts are all fully parished, including the following Town Councils (ordered by population size). It is notable that the largest town council is in Folkestone which has a population of c.50k. All of the towns larger than this do not have town councils.
    - Folkestone
    - Dover
    - Deal
    - Sevenoaks
    - Swanley
- The districts/areas with the highest proportion of the population living in unparished areas are: Medway (86%), Gravesham (84%), Canterbury (72%), and Dartford (56%). With the exception of Canterbury, these districts/areas are all in the North of the county, are heavily urbanised, and are more diverse than the rest of Kent.

Conclusions

- The areas without town and parish councils are concentrated in the urban areas which would make up a North unitary authority – Medway, Gravesham and Dartford. This means that if a North unitary authority is established, this tier of representation would largely be missing. Most of the rest of Kent is covered by this tier of representation, aside from the towns listed above.
- This could be perceived as a democratic deficit in these areas. To redress this, town councils could be established (and/or the role of existing parish and town councils could be bolstered) with some service delivery and asset responsibilities.
- However, there could be difficulties with the set-up, management, cost, and engagement with these new councils – particularly in the largest urban areas where scale and local representation would be a more pressing issue, and in the North where the model is not common and where there are not as many nearby exemplars.
    - In such instances other community engagement models could be considered (as covered in the next section).
    - As set up and running costs are likely to be a barrier to the establishment of new councils, the ability to precept will be key to their viability.

The principal conclusion is that there will be an authority in any option configuration in which a higher proportion of the population is not covered by a town or parish level council. Steps should be taken to address this across the county and to build an engagement model that means people feel that their local area is sufficiently represented under the new unitary authorities, particularly focusing on towns and where the population has expressed a desire for this tier of engagement/representation.

Governance and engagement

Summary - This section takes into account the current local decision-making and engagement arrangements across Kent, and potential implications for the different options. While this assessment has stated that a 4UA model would be optimal in terms of community engagement mainly due to the smaller scale of the new unitary authorities, the purpose of this section is not to come to firm conclusions - rather, its main purpose is to set out various different options and considerations for enhancing community engagement that could be scaled up or down across different sized unitaries.

Further information relevant to this section can be found in Appendix E.

Indicator	Best fit to Government criteria	Explanation
Governance		
Upper and lower tier councils	No optimal option	On the basis that fewer authorities would mean more straightforward governance routes for partnership working, a 1UA or 2UA model could be considered optimal. However, in comparison to the current situation in which there are 14 councils covering the area, any of the models would be a significant improvement in this regard. There is also an argument that more participants – such as in a 3UA or 4UA model - would bring greater diversity and be more democratically representative.
Parish and town councils	No optimal option	The establishment of new town councils should not automatically be seen as the best vehicle for local representation or enhancing community engagement – each area should decide for themselves whether to establish town councils or not. It is vital for the viability of any new town or parish council that they can precept.
Engagement		
Models of community engagement	A 4UA model (but not option 2) Or - Option 1 – 3UA is also a good option	Each unitary authority should develop its own model depending on what works well for their communities. A 4UA model' s smaller scale would most greatly support community engagement. However, option 2 would potentially have high levels of deprivation in its East UA, but might have less resource to undertake localised engagement effectively. The 3UA model would also be of a suitable scale and has the added benefit of being coterminous with strategic partners which should aid continuity of relationships.

Upper and lower tier councils

Background information

- Currently there are 14 separate councils covering the Kent and Medway area – Kent County Council (upper tier), 12 district and borough councils within the KCC footprint (lower tier), and Medway Unitary Authority (upper tier).
- Each of these councils has a broadly similar formal decision-making process in that they each operate a leader and cabinet system. They also operate a number of statutory and non-statutory committees to make decisions on policy and budgetary matters. Further information can be found in Appendix E.
- The formal engagement mechanism for the leaders of the 14 councils to convene are the two partnership groups: Kent Leaders and Joint Kent Chiefs.

Conclusions

- Pan-Kent partnership working can be challenging, due to the number of stakeholders who need to be involved and trying to come to an agreement with 14 separate councils. It can also prove difficult due to the necessity for decisions to pass through 14 different governance processes, for example, for pan-Kent & Medway partnership strategies.
- Therefore, with any of the LGR models, whether it be a 1UA model or a 4UA model, the governance process will be greatly streamlined and it should be easier to reach consensus with fewer participants.
- An argument could be made that more participating authorities would bring greater democratic representation and therefore legitimacy to pan-Kent partnerships. The case could also be made that more participants would bring greater nuance and different perspectives which would enhance the development of strategy and partnerships.

Compared to the current situation, with 14 separate councils, it is highly likely that all of the models would significantly streamline governance processes and make partnership working across Kent more straightforward.

But there is also an argument for more unitary authorities bringing greater diversity and democratic legitimacy to pan-Kent strategies and partnerships.

Town and Parish Councils

- As covered previously, there are over 300 Town and Parish Councils in Kent and Medway, with 56% of the population covered by this tier of council. Most of the large towns, particularly in the urban areas of North Kent, do not have town councils.
- Currently they have fairly limited decision-making powers primarily covering allotments, village greens, burial grounds and crematoriums, car parks and community centres/village halls and some street lighting.
- They are the most local form of government and can provide a local voice for the community responding to consultations and raising concerns with the relevant organisations as well as acting as consultee on planning applications[1].

[1] Maidstone Borough Council Community Governance Review Terms of Reference 2022/23

- Town and parish councils can also act as a local convenor, enhance civic engagement, and be a vehicle to express local pride. When developing engagement models, new unitary authorities may want to utilise town and parish councils as 'anchor institutions' through which they can engage with communities.
- They can raise funds to meet the costs of administration and provision of services through setting a precept which forms part of council tax bills levied on council tax payers within the parish.
    - The Government is reportedly due to publish a 'Communities White Paper', and its position on whether new Town and Parish Councils will have the ability to levy a precept is as yet unknown; this will potentially have a significant impact on the capabilities and viability of any new bodies.
- Discussions have been ongoing with the Kent Association of Local Council's (KALC) to explore ways in which greater powers, funding and responsibilities could be devolved to Parish and Town Councils[2].
- In preparation for Local Government reorganisation (LGR) several District Councils' Democratic Services teams are undertaking preparatory work which could see these areas have a Town Council. This would enable some continuity of current civic functions, for example the process of mayor-making. These include:
    - Ashford – conducting a review of parished and unparished areas
    - Maidstone – conducting a review of parished and unparished areas
    - Tonbridge & Malling – in June 2025 launched a formal consultation on the creation of a town council for Tonbridge
    - Tunbridge Wells – in June 2025 launched a formal consultation on the creation of town and parish councils in unparished areas (including Royal Tunbridge Wells).
- It should not be assumed that communities will actually want to have a town or parish council. Canterbury undertook the Whitstable community governance review which concluded in October 2024 with a decision to not go ahead with the adoption of a town council for Whitstable because the majority of respondents were not in favour. Concerns were raised about the additional costs associated with a town council precept and lack of support for an additional layer of governance[3].

Most of the large towns in Kent do not have a town council, particularly in Dartford, Gravesham and Medway; and overall, 44% of the population in Kent and Medway are not covered by this tier of council. In these areas, town and parish councils would not act as 'anchor institutions' for community engagement and alternative models should be considered.

Several districts are conducting (or have already concluded) reviews as to whether to establish town councils in response to LGR. The result of the Canterbury review shows that the establishment of town councils should not automatically be seen as the best vehicle for local representation or enhancing community engagement – each area should decide for themselves whether to establish town councils or not.

It is vital for the viability of any new town or parish council that they can precept.

[2] Kent Interim Plan for Local Government Reorganisation

[3] Agenda for Council on Thursday, 24th October, 2024, 7.00 pm | Canterbury City Council

Building on the relationship with the Voluntary, Community and Social Enterprise (VCSE) sector

As of 2022/23, there were 2951 registered charities in Kent with 431 of those active across both Kent and Medway; the majority of active organisations are micro and small (with income less than £100,000), although the highest proportion of income comes from larger organisations. The majority of charities in Kent provide services, with the most common beneficiaries being the general public, followed by children and young people. Charities are unevenly distributed across the county with concentration in major urban areas, within individual districts[4].

Smaller organisations often have a very specific area of expertise, and limited capacity which can significantly impact their ability to engage with large organisations such as Local Authorities (LAs) or other public sector bodies. Working in partnership acknowledges that the capacity of the majority of the sector is limited. While forums exist which support the strategic voice of the sector, the complex diversity and fragmentation within the sector is important to recognise.

Due to the current democratic geography of Kent, the VCSE sector must work in partnership in different ways across the county, across KCC, Medway Council and the twelve district/borough councils. It has an essential role in engaging with residents and providing services on behalf of local government and other strategic partners such as Kent Police and NHS Kent and Medway. Below are the main partnership arrangements across the county area:

VCSE Strategic Partnership Board - KCC currently engages with the VCSE at a strategic level through its management of and participation in the VCSE Strategic Partnership Board which has oversight of the 2021 Civil Society Strategy (CSS) detailing how KCC will support the social sector through its funding and partnership arrangements.

K&M VCSE Steering Group - this provides a vehicle for the VCSE to be heard in strategic conversations and allows for greater sharing of information and opportunities for collaboration and co-design. KCC funds the steering group to support this engagement, however the group remains fully independent and responsible for their own activity. (VCSE Kent & Medway).

CYPE Steering Group - this was created in 2018 to represent the issues of VCSE organisations working with children and families in Kent. It provides a space for collaboration and discussion as well as lobbying with key stakeholders such as LAs and other statutory services. The group shares a Chair with the VCSE Steering Group.

Health partnerships - the VCSE is a key partner in the Kent and Medway Integrated Care System and has representatives on the Integrated Care Board (ICB) and at each of the HCPs. **VCSE Health Alliances** are established in each of the four HCPs and provide a forum for networking and collaboration within the sector and with representation from key partners such as LAs and NHS organisations. Above this, the **VCSE Health Alliance Group** includes all the VCSE ICS appointed leads and the leads for the four HCPs in Kent and Medway. The Chair of the group is a standing member on the VCSE Steering Group, providing regular updates at meetings.

Medway Better Together Consortium - Medway Council work closely with Medway Voluntary Action and support the sector through the Medway Better Together Consortium, to provide guidance, advice and support to Medway residents and VCSE organisations. The group meets quarterly and consists of five key VCSE stakeholders to represent the wider sector.

[4] Kent Analytics VCS Report - January 2025

In 2022, the Medway and Swale Voluntary and Community Sector Strategic Framework was developed by the Medway & Swale HCP, of which Medway Council, KCC and Swale Borough Council are key signatories. The framework aims to support effective working relationships between the statutory and public sectors and the VCSE and a variety of working groups were established to create action plans to facilitate the delivery of the framework.

It is noted that VCSE engagement with District Councils is less understood and there are different approaches and varying levels of support, with some holding funding forums and events for the sector, others providing funding to their local volunteer centres.

Some form of VCSE partnership board would be beneficial in continuing in any unitary configuration – it may make more sense for a pan-Kent partnership group with UAs and VCSE as members, rather than each UA having its own group.

The VCSE would most likely appreciate the opportunity that LGR could provide if it offered greater consistency; however, particularly for the smaller and micro organisations, they will most likely want to engage on a localised level also through the creation of community boards or similar.

Models to enhance community engagement

Regardless of the number of unitary authorities chosen for Kent and Medway, it will be imperative to design meaningful models of community and local place engagement. This should include representation from town and parish councils, civil society and the general public. When considering the diversity of Kent – including differences in urban, rural and coastal areas, socio-economic factors and identity (as covered previously) – it is unlikely that a blanket approach to community engagement across Kent and Medway will be effective.

New unitary authorities will need to develop their own models of engagement which are suitable for their relative scale, and which work at the community level. They should aim for equal levels of engagement and participation from all of their communities will also have to consider continuity of pre-existing partnership arrangements.

Examples of different community engagement models

- **Local Boards** (Kent County Council, 2006-13)
  From 2006 to 2013, 12 Local boards operated in Kent, each one covering a District council area and with County councillors for these areas as members of the Local Board. The role of the boards was to effectively act as a community group, holding regular public meetings and providing an opportunity for the public to raise issues that affected their communities as well as allocating funding to local projects. They met four times a year.

- **Community Boards** (Surrey County Council)
  In their recently published plan for local government reorganisation Surrey County Council plan to "build stronger and simpler arrangements for local community engagement and neighbourhood empowerment". To achieve this, they are developing a community engagement approach using towns and villages as the focal point of their approach and considering the role of Town and Parish councils. They are testing the creation of Community Boards which would include representatives from organisations and groups: Councillors, residents, businesses, housing associations, VCSE, health, education, and emergency services.

- **Local Community Networks** (Somerset Council)
  Somerset Council created 18 "Local Community Networks" to encourage community engagement, partnership working and to provide a connection with local government. Membership would be determined locally but would include broadly the same representation as the Community Boards in Surrey.

- **Leader's Question Time** (Medway UA, Mayor of London, Greater Manchester CA)
  Since 2017, the Greater Manchester Combined Authority has hosted quarterly 'Question Time' events, aiming to highlight and answer questions on local issues posted by members of the public. The Mayor of London holds 'Mayor Question Time' events ten times a year in which residents of London can submit questions online. And Medway UA are currently trialling questions to Cabinet Members at Cabinet Meetings as an addition to those at Full Council meetings.

- **Participatory budgeting** (Tower Hamlets, Glasgow City Council)
  Participatory budgeting is a funding model in which residents are involved in the process of deciding how public money is spent. In the UK, this is most often seen in the form of small-scale community grant allocations, whereby residents will be invited to vote on their preferred proposals within a set budget. Kent County Council have utilised a similar model through the Crowdfund Kent programme.

Funding Considerations

The financial capacity of new unitaries to invest in robust community engagement will be critical in devising effective and sustainable models. Any kind of localised engagement model, particularly community boards or networks will require resource to run them effectively and would be enhanced by defined sources of funding to facilitate decision-making and empowerment at a local level. For example:

- **Staffing:** KCC's former 'local board' model employed Community Liaison Managers to work with each of the county's 12 Boards.
- **Council funding:** in addition to administration costs, KCC's local board model saw £10,000 allocated to each county councillor per annum to use for local projects, and the boards could consider bids for larger local projects (up to £20,000) from a separate county-wide fund of £500,000.
- **Town/Parish Council funding:** town and parish councils could potentially act as 'anchor organisations' for a community board structure, by using funds raised through their precept to support the board's work. However, parish councillors are unpaid volunteers which will have capacity implications, and further work would be needed to engage the Kent Association for Local Councils (KALC) in the model, as well as consideration for those areas without town or parish councils.
- **Partner funding:** There may also be options for funding from strategic partners if their organisations are embedded into the community board model and helps meet their own organisational objectives. For example, the Office for the Police & Crime Commissioner (OPCC) provides considerable funding to the VCSE to support victim-based services.
- **Participatory budgeting:** as mentioned above, this could be utilised by community boards to both secure funding and involve the local communities in where it should be spent (e.g. Crowdfund Kent).

More details about funding considerations and examples for different engagement models are included in Appendix E.

The workstream considered opportunities and challenges for local engagement to exist on a spectrum, within which the financial capacity of the new unitaries to invest in robust community engagement will be critical for effective and sustainable models:

- **Authorities that cover larger geographic areas, and larger and more diverse populations would likely face greater challenges in engaging with residents and communities at the local level. There would need to be significant resource in place to manage relationships, and it would probably be challenging for a large authority to develop and maintain models which were flexible and suitable for all areas.**
- **Whereas, an authority covering a smaller area and population would be closer to the residents and communities and would have fewer relationships to manage. In this context (capacity and resource permitting) it is likely that they would be more capable of developing locally suitable models of engagement. Smaller VCSE organisations will want to engage on a very localised level.**

For this reason, a 4UA model would be optimal in terms of community engagement. However, the capacity to actually deliver these engagement models will be impacted by the relative spending pressures of the individual authorities, meaning that option 2, in which East has high levels of deprivation, might face specific challenges.

A 3UA model should still be of a scale for effective community engagement and a specific benefit of the 3UA model is that it is roughly coterminous with how strategic partners organise themselves, including the Police, HCPs and VCSE Health Alliances, meaning that there would be continuity in relationships.

A 2UA or 1UA would likely face significant challenges in terms of community engagement, although larger and infrastructure VCSE organisations would be more comfortable engaging with larger, fewer UAs. However, the need to implement additional structures to achieve meaningful local engagement might negate the perceived benefits of LGR.

Regardless of unitary size, but perhaps particularly pertinent for the 1UA and 2UA options given their larger sizes, it will be important that robust formal and informal local engagement models are established. This could mitigate the removal of the district layer of community engagement, while providing a streamlined, coherent approach that can reduce duplication or dilution that can be experienced in the current two tier system.

2) Specific considerations for 2 unitary option

Overall, the 2UA option is fairly similar to the 1UA option in that the large scale of the unitary authorities presents the same risks and opportunities. Differences to the 1UA option are a matter of degree rather than fundamental. One area that could be considered specific to the 2UA option is the risk of creating an East ('left behind') vs West (affluent) dynamic which may not be conducive to partnership working and may undermine an overall Kent identity.

Identity and deprivation

- The size of the two unitary authorities would limit how reflective of local identity they could be. For example, the proposed West UA would have a population of more than 1 million people and would encompass districts that have fairly tenuous links.
- There may be opportunities with scale, as a large unitary authority could take a broader view and direct resources where they are most needed. However, creating larger unitary authorities would not completely negate the challenges posed by deprivation – compared to other options the disparity would be reduced but the overall levels of deprivation remain and are mostly concentrated in the East. The East UA remains similarly deprived as in other options – Swale and Thanet are grouped together – and the West becomes more deprived than in other options.
- A 2UA option risks undermining an overall Kent identity by creating a potentially adversarial East vs West dynamic. The East would have relatively high levels of deprivation and would coalesce around coastal communities and the border (i.e. 'left behind'); and the West would be defined by its relative affluence, its commuter towns and by its proximity to London.
- If this dynamic were to develop, partnership working could become difficult, particularly as there would only be two participating authorities meaning that negotiations could end in deadlock.

How people live their lives

- Considerations on 'how people live their lives' were based upon travel patterns to work and education, and on hospital admissions. Fewer unitary authorities, such as with the 2UA model, would mean fewer cross boundary journeys and the creation of geographic areas which encompass people's daily lives.
- However, most people live in the same districts, or travel a short distance, to where they work, learn or go to hospital meaning that the differences between a 2, 3 or 4UA model would be marginal.
- Despite the large geographical areas covered by the authorities, one drawback is that Swale and Medway are separated. Swale and Medway share close links, for example, Swale's most common travel to work destination (beyond Swale) is Medway, and the majority of emergency hospital admissions from Swale are also to Medway.
- Further to the above, the 2UA model is not coterminous with the HCP map in which Sittingbourne and Sheppey are within the Medway and Swale HCP. The HCP map is much closer to the 3UA model.
- In terms of facilitating how people travel in their areas, management of Highways would be split across the two areas, and management of the Strategic Road Network's M2/A2 and M20/A20 by Highways England would require interacting with two unitaries – this could become more complex for managing schemes such as Operation Brock.

Democratic representation

- Similar to the 1UA model, but to a lesser degree, there would need to be a trade-off between having a workable number of Councillors – the LGBCE recommend 30-99 per authority – and having an electorate per councillor ratio that felt representative.
    - To replicate the current number of Councillors in Kent and Medway, the West UA would have 372 Councillors, and the East UA would have 286 Councillors. This would be unworkable.
    - If the single authority had a similar size of electorate per councillor to Cornwall, then the West would have 150 Councillors, and the East would have 111 Councillors. These are higher than the LGBCE recommendation, but much lower than the 1UA option.
    - To meet the maximum recommended 99 Councillors, in the West there would be 7,824 electors and 10,704 population per Councillor, and in the East there would be 5,801 electors and 8,244 population per Councillor. This is still much higher than the current Kent ratio and higher than other options.

Engagement

- The workstream considered opportunities and challenges for local engagement to exist on a spectrum. Authorities which cover larger geographic areas, and larger and more diverse populations would likely face greater challenges in engaging with residents and communities at the local level. There would need to be significant resource in place to manage relationships, and it would probably be more challenging for a large authority to develop and maintain models which were flexible and suitable for all areas.
    - It is likely that authorities in a 2UA model would face challenges in developing locally flexible and suitable engagement models.
    - However, robust formal and informal engagement mechanisms could mitigate the removal of the district layer of community engagement while providing a streamlined approach that could reduce duplication and dilution that can be experienced in the current two tier system.
    - VCSE organisations will engage with their respective LA for funding/commissioning - larger and infrastructure organisations will be more comfortable engaging with fewer UAs, while small and micro VCSE will also want to engage at a much more local level, and will need to be factored into any local community board arrangements.
- In the 2UA model Dartford, Gravesham and Medway are included in the West UA (in all other options they are part of North). These areas are more ethnically and religiously diverse than other parts of Kent. Another feature is that apart from one town council in Dartford, there are no other town councils within these areas and most of the population live in urban unparished areas. This makes these areas quite distinctive from other parts of the West UA. Any engagement model would need to be sensitive to these differences, meaning that a blanket approach would probably not work.

3) Specific considerations for 3 unitary option

In respect to democratic representation and engagement, the 3UA model could be considered a middle ground between a less representative and more distant 2UA model and a more representative and 'closer' 4UA model. However, in respect to reflecting local identity and reflecting how people live their lives, the picture is more nuanced. This is due to a combination of scale and the specific combination of districts within the 3UA model, compared to the other options.

Identity and deprivation

- The 3UA model represents a middle ground between the 1UA, 2UA and 4UA models in terms of population size and how 'local' the new authorities would be.
- However, analysis shows that the larger scale, in comparison to the 4UA models, would provide benefits in terms of reflecting and boosting local identity. This is because they are large enough to encompass districts/areas which fit well together, but which are separated under the 4UA options. Specifically, the East UA groups together the coastal areas of Folkestone & Hythe, Dover, Thanet and Canterbury, as well as Ashford, which aligns well based on various factors; and the North UA groups together Swale and Medway which have close links.
- The 3UA model creates the least deprived (based on overall average) version of an East UA. This may mean that there is greater capacity for identity building initiatives.
    - Importantly, Swale and Thanet are separated in the 3UA model; this avoids concentrating the high levels of deprivation in these areas within one unitary.
- The 3UA model is roughly coterminous with how many other organisations and partnerships organise themselves, including Kent Police, HCPs and economic partnerships. It also feels relatively intuitive based on geographic features:
    - Thames Estuary, urban areas and proximity to London in the North
    - Coastal and rural areas in the East
    - Affluent commuter towns and rural areas in the West

How people live their lives

- Considerations on 'how people live their lives' was based upon travel patterns to work and education, and on emergency hospital admissions. Fewer unitary authorities would mean fewer cross boundary journeys and the creation of geographic areas which encompass people's daily lives, meaning that a 3UA model would represent a middle ground between a 2UA or 4UA model.
- However, most people live in the same districts, or travel a short distance to where they work, learn or go to hospital meaning that the differences between a 2, 3 or 4UA model would be marginal.
- In regard to reflecting people's lives there are some specific journeys between districts/areas which are prevalent and would remain within the boundaries of the 3UA model when compared to the 4UA options and to the 2UA model (though to a lesser degree).
    - Swale and Medway are grouped together in the North UA which is important in regard to journeys for work and particularly for healthcare.
    - There are travel to work and travel to education links between Ashford, Canterbury, Dover, Folkestone & Hythe, and Thanet - these five districts are grouped together within the East UA.
    - Maidstone and Tonbridge & Malling are grouped together in the West UA. There is a high prevalence of travel between these districts for work.

- The 3UA model is roughly coterminous with the HCP map – with the exceptions of North Sevenoaks being part of the Dartford, Gravesham and Swanley (DGS) HCP and Faversham (Swale) being part of the East Kent HCP.
- In terms of facilitating how people travel in their areas, management of Highways would be split across the three areas. Management of the Strategic Road Network in Kent by Highways England, particularly the M2/A2 and M20/A20 would require interacting with three unitaries – this could become more complex for managing schemes such as Operation Brock.

Democratic representation

- In a 3UA model it would be possible to strike a balance between having a workable number of Councillors – between 30-99 as recommended by LGBCE – and having a Councillor per elector ratio that felt representative and was comparable to other areas (i.e. Cornwall)
    - If replicating the elector per Councillor ratio in Cornwall the North UA would 92 Councillors, East UA would have 90 and West UA would have 79.
    - Based on these figures there would be some flexibility to create divisions with fewer electors per Councillor and still be within the maximum recommended figure of 99 Councillors per unitary authority.

Engagement

- The workstream considered opportunities and challenges for local engagement to exist on a spectrum. Authorities which cover larger geographic areas, and larger and more diverse populations would likely face greater challenges in engaging with residents and communities at the local level. There would need to be significant resource in place to manage relationships, and it would probably be more challenging for a large authority to develop and maintain models which were flexible and suitable for all areas. Whereas, an authority representing a smaller area and population would be closer to the residents and communities and would have fewer relationships to manage. In this context (capacity and resource permitting) it is likely that they would be more capable of developing flexible and locally suitable models of engagement.
    - The three UA model represents a middle ground between the 1UA, 2UA and the 4UA models.

4) Specific considerations for 4 unitary option

Due to the smaller population sizes, and therefore the ability to have smaller population/electorate per Councillor ratios, the 4UA options are considered the most democratically representative and most able to engage with residents and communities. It would seem intuitive that smaller unitary authorities would feel more local and reflective of people's lives, however, analysis indicates that their smaller scale may actually limit how reflective they can be and could have the effect of artificially separating districts which might otherwise sit well together.

Identity and deprivation

- Intuitively, a 4UA model, in which the proposed unitary authorities cover smaller areas and populations, would be 'more local', and should therefore be more reflective of local identities and more conducive to place making and identity building.
- However, the specific combination of districts/areas could limit or even hinder the ability to reflect and build local identity. As covered under the consideration for a 3UA model, in regard to identity, it would make sense to group together the coastal areas and to group Swale and Medway. This is not the case in any of the 4UA models.
- There is also the potential impact of deprivation upon a new unitary authority's capacity to deliver identity building initiatives, as areas of high deprivation may require those authorities to prioritise significant resource pressures.

Option 2 – this option groups Swale and Thanet together in East which creates the most deprived unitary authority of all of the options. It also separates Thanet from Folkestone & Hythe and Dover.

Option 3 – this option separates Folkestone & Hythe from Dover and Thanet, and the combination of Swale and Folkestone & Hythe in Mid was not considered a logical fit compared to other configurations.

Option 4 – this option creates the most affluent version of West because it does not include Maidstone. This could be politically contentious and might entrench socio-economic divisions. It would also create a unitary with the highest concentration of protected land – this could make place-shaping harder in this area. However, the Mid Kent UA could create a hub for rural Kent in terms of identity and engagement.

How people live their lives

- Considerations on 'how people live their lives' was based upon travel patterns to work and education, and on emergency hospital admissions. Fewer unitary authorities would mean fewer cross boundary journeys and the creation of geographic areas which encompass people's daily lives, meaning that a 4UA model would be the least representative of how people live their lives.
- However, most people live in the same districts, or travel a short distance, to where they work, learn or go to hospital meaning that the differences between a 2, 3 or 4UA model would be marginal.
- In regard to reflecting people's lives, it was felt that the combinations of districts within the 3UA model would better meet the government criteria than any of the 4UA options (as covered above).
- In terms of facilitating how people travel in their areas, management of Highways would be split across the four areas. Management of the Strategic Road Network in Kent by Highways England, particularly the M2/A2 and M20/A20 would require interacting with four unitaries – this could become more complex for managing schemes such as Operation Brock.

Option 2 – this separates Swale and Medway which is an important journey for healthcare and work. It also separates Ashford, Canterbury, Dover, Folkestone & Hythe, and Thanet which have close links.

Option 3 – as above, this separates Swale and Medway as well as splitting the five Eastern districts.

Option 4 – this groups Canterbury, Dover, Folkestone & Hythe, and Thanet together which would have benefits in terms of their links but separates them from Ashford; it also separates Swale and Medway; as well as separating Maidstone from Tonbridge & Malling which have close travel to work links.

Democratic representation

- A 4UA model would best meet the criteria in regard to democratic representation and would produce unitary authorities that had a workable number of Councillors. There would also be the most flexibility to create divisions with smaller electorates.
    - If replicating the elector per Councillor ratio in Cornwall, a 4UA model would produce between 49 to 79 Councillors per unitary authority.
    - Based on producing authorities with the maximum recommendation of 99 Councillors, there would be between 2,551 to 4,133 electors per Councillors. This is similar to the current Medway figure of 3,493 electors.

Option 4 – this option creates the most even spread of Councillors with 53 in West, 65 in Mid and 71 in both North and East.

Engagement

- The workstream considered opportunities and challenges for local engagement to exist on a spectrum. An authority representing a smaller area and population, would be closer to the residents and communities and would have fewer relationships to manage and could more successfully engage locally operating smaller VCSE organisations. In this context (capacity and resource permitting) it is likely that they would be more capable of developing flexible and locally suitable models of engagement.
    - The 4UA model options would therefore be most able to develop and maintain engagement models that are flexible and suitable for local residents, communities and the VCSE.
    - All 4UA options create a North UA which will have the most diverse UA in the county, and will need to tailor engagement accordingly to effectively reach their communities.

Option 2 – this groups Swale and Thanet which are the most deprived districts in Kent. This might create significant resource pressures meaning that capacity for effective engagement could be limited.

5) Specific considerations for single (1) unitary option (benchmark)

Within a 1UA model some of the issues which arise from differences between areas or by separating areas would not arise, or would be less apparent. For example, there would be no socio-economic disparities between authorities, and critical Highways services would remain within the single authority. However, a 1UA model would likely be viewed as not democratically representative due to low Councillor numbers (or conversely there would be unpractically high number Councillors), and would be the least reflective of local identities.

Identity and deprivation

- A likely criticism of a single unitary authority covering the whole county area and representing close to 2 million residents would be that it lacked credibility for representing 'local identity' because it would be too remote. The 'Garden of England' would not be enough to counter this.
- In a single unitary authority, the issue of creating socio-economic disparities between different UA areas would not exist and it should be much more straightforward to redistribute funding and resource to where it is most needed.
- There may be opportunities with scale to boost specific local areas, but the basis upon which an area is selected could be contentious, or, if multiple campaigns were running concurrently the impacts could be diluted.

How people live their lives

- Considerations on 'how people live their lives' was based upon travel patterns to work and education, and on emergency hospital admissions. Within a 1UA model all of these journeys (aside from those that left Kent and Medway altogether) would be within a single unitary authority area.
- Management of Highways would be by a single authority, and there would be a single conversation with Highways England regarding Kent's Strategic Road Network.

Democratic representation

- With a 1UA model there would need to be a trade-off between having a workable number of Councillors – the LGBCE recommend 30-99 per authority – and having an electorate per councillor ratio that felt representative.
    - To replicate the current number of Councillors in Kent and Medway, a single unitary authority covering the entire area would have 658 Councillors. This would obviously be unworkable.
    - If the single authority had a similar size of electorate per councillor to Cornwall, then there would be 261 Councillors. This is much lower but would still be unworkable.
    - To meet the maximum recommended 99 Councillors there would be 13,625 electors per Councillor. By population this would be 18,948 per Councillor. This is 6.6x the current ratio and much higher than other options.

Engagement

The workstream considered opportunities and challenges for local engagement to exist on a spectrum. Authorities that cover larger geographic areas and larger and more diverse populations would likely face greater challenges in engaging with residents and communities at the local level. There would need to be significant resource in place to manage relationships, and it would probably

be more challenging for a large authority to develop and maintain models which were flexible and suitable for all areas.

- A single unitary would cover the whole county area – encompassing urban, rural and coastal areas, areas of deprivation and affluence, and differences in diversity. A blanket approach to engagement would be unlikely to be effective and it would be very challenging for such an authority to develop and maintain flexible and suitable engagement models for all areas.
- However, robust formal and informal engagement mechanisms could mitigate the removal of the district layer of community engagement, while providing a streamlined approach that could reduce duplication and dilution that can be experienced in the current two tier system.
- This model might require consideration of new or enhanced mechanisms to facilitate more localised democracy and decision-making to prevent the Unitary from being too remote – this would require significant resource.
- VCSE organisations will engage with their respective LA for funding/commissioning – larger and infrastructure organisations will be more comfortable engaging with fewer UAs, while small and micro VCSE will also want to engage at a much more local level, and will need to be factored into any local community board arrangements.

6) Conclusion

In considering all the above information, analysis indicates that the **three unitary option** provides the most scope for successful Local Government Reorganisation into a unitary system, for the following reasons:

- It provides the most evenly balanced configuration of **deprivation** factors across the three unitaries, and avoids creating imbalances between unitaries with a high concentration of deprivation and those with very low levels. It also creates the least deprived version of an East Kent UA.
- In terms of **place and identity**, this option best reflects the existing local identities within East, West and North in the most logical way; one that communities could identify with, grouping together districts that are deemed to fit well together, rather than separating them.
- This option best reflects **how people live their lives** through travel to work, education and healthcare, with most local travel patterns being preserved within UA boundaries.
- Despite four unitaries being optimal for **representation**, the 3UA option would still strike a good balance between having a workable number of councillors per UA and having a councillor per elector ratio that felt representative.
- It most **closely aligns with the configurations of strategic partners**, as it is roughly coterminous with the delivery models of bodies such as Kent Police and the Health & Care Partnerships.
- Regarding **community engagement**, this option provides a middle ground in terms of size and the level of resource and capacity needed to establish, manage and sustain formal and informal local engagement structures.

It is worth noting that in viewing the three unitary option the most optimal regarding democracy and local identity, in terms of most of the factors considered, this option would be optimised by splitting parts of Sevenoaks and Swale so that Swanley sits with North Kent and Faversham/East Swale sits with East Kent, as these respective areas align more closely. The workstream acknowledges the challenges of resulting boundary change proposals, the limitations of LGBCE to address this during the initial stages of Kent and Medway's LGR process, and MHCLG's preference to maintain existing district boundaries.

Democracy and Local Identity - Appendices

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Appendix A – Identity: deprivation and diversity

Deprivation - Average IMD

The analysis below is based on the average Index of Multiple Deprivation (IMD) scores for each district, set out in the table below. This quantifies relative levels of deprivation over whole district geographies.

District	IMD average score
Thanet	31.3
Swale	27.1
Folkestone and Hythe	24.1
Medway	23.9
Dover	22.2
Gravesham	21.4
Dartford	18.8
Ashford	18.5
Canterbury	16.8
Maidstone	16.5
Tonbridge and Malling	13.3
Sevenoaks	12.4
Tunbridge Wells	11.3

The scores below are averages of the district averages within the proposed unitary authority. For example, in Option 1 the North Unitary Authority is made up of Dartford - 18.8, Gravesham - 21.4, Medway - 23.9, and Swale - 27.1, which produces an average of 22.8.

Proposed unitary	Option 1 – 3UA	Option 2 – 4UA	Option 3 – 4UA	Option 4 – 4UA	Option 5 – 2UA	Option 6 – 1UA
North	22.8	21.6	21.4	21.4	-	19.8
East	22.6	25.1	23.4	23.4	23.3	
West	13.4	13.4	13.4	12.3	16.8	
Mid	-	-	23.2	20.7	-	
South	-	21.6	-	-	-	
Ratio (most : least deprived)	1.7	1.9	1.8	1.9	1.4	-
Range (most - least deprived)	9.4	11.7	10.1	11.1	6.5	-

Deprivation - Top 10% most deprived LSOAs in England

The analysis below is based on the number of 'Lower Super Output Areas' (LSOAs) which are in the top 10% most deprived in England (labelled as 'most deprived'), set out in the table below. This gives an indication as to where the most acute deprivation is located.

District	Number of LSOAs in 10% most deprived in England	Number of LSOAs in district	% of LSOAs in district which are 'most deprived'	% of Kent and Medway's 'most deprived' LSOAs (i.e. /65)
Thanet	18	84	21%	28%
Swale	16	85	19%	25%
Medway	14	163	9%	22%
Dover	5	67	7%	8%
Folkestone and Hythe	4	67	6%	6%
Gravesham	2	64	3%	3%
Dartford	1	58	2%	2%
Canterbury	2	90	2%	3%
Maidstone	2	95	2%	3%
Ashford	1	78	1%	2%
Tonbridge and Malling	0	72	0%	0%
Sevenoaks	0	74	0%	0%
Tunbridge Wells	0	68	0%	0%
Total for Kent and Medway	**65**	**1065**	**6%**	**100%**

Proposed unitary authority	Number of LSOAs in 10% most deprived in England	Total number of LSOAs	% of LSOAs which are 'most deprived'	% of Kent and Medway's 'most deprived' LSOAs (i.e. /65)
Option 1 – 3UA				
North	33	370	9%	51%
East	30	386	8%	46%
West	2	309	1%	3%
Option 2 – 4UA				
North	17	285	6%	26%
East	36	259	14%	55%
South	10	212	5%	15%
West	2	309	1%	3%
Option 3 – 4 UA				
North	17	285	6%	26%
East	25	241	10%	38%
Mid	21	230	9%	32%
West	2	309	1%	3%
Option 4 – 4UA				
North	17	285	6%	26%
East	29	308	9%	45%
Mid	19	258	7%	29%
West	0	214	0%	0%
Option 5 – 2UA				
East	46	471	10%	71%
West	19	594	3%	29%
Option 6 – 1UA (benchmark)				
Kent & Medway	65	1065	6%	100%

Findings:

- More than half (55%) of Kent and Medway's LSOAs categorised as 'most deprived' (top 10% nationally) are within two districts – Thanet and Swale
- All of the 4UA models have a greater range in average IMDs and greater ratios, compared to the 2UA and 3UA models. This means that these options produce unitary authorities which are more deprived overall as well as creating wider disparities between unitary authorities.
- In all of the options, there is a disparity between West which has low levels of deprivation on average and very few of the most deprived LSOAs.
- Option 1 – 3UA creates the least deprived version of an East unitary authority with an average IMD of 22.6 and 8% of LSOAs categorised as most deprived. This is the only option in which East is not the most deprived unitary authority, with North scoring slightly higher.
    - This creates two unitary authorities which are close to parity in terms of deprivation.
    - It is the option with the lowest 'peak' IMD score
    - It is the option with the equal lowest 'peak' LSOAs categorised as most deprived
    - In this option, Swale and Thanet are in separate unitary authorities.
- Option 2 – 4UA creates an East unitary authority which has an average IMD of 25.1 and where 14% of LSOAs are categorised as most deprived. This would be the most deprived unitary authority across all of the options.
    - This unitary authority is made up of Thanet and Swale –the two most deprived districts in the whole Kent and Medway – and Canterbury.

- Option 5 – 2UA has the lowest disparity and ratio between unitary authorities. However, this is because West has a higher IMD than in other options at 16.8, rather than the East unitary authority having a lower IMD which remains at a similarly high score of 23.3. Meaning that with this option, on average, the West would become more deprived, but the East would not become less deprived.

Diversity

The data below is based on the 2021 Census.

Ethnicity

District	White British	All white ethnicities	All minority ethnic groups
Ashford	82.6%	88.1%	11.9%
Canterbury	82.5%	89.2%	10.8%
Dartford	67.3%	74.5%	25.5%
Dover	90.3%	94.9%	5.1%
Folkestone & Hythe	88.0%	92.6%	7.4%
Gravesham	68.3%	76.6%	23.4%
Maidstone	82.0%	89.8%	10.2%
Medway	78.3%	84.3%	15.7%
Sevenoaks	85.6%	92.1%	7.9%
Swale	88.6%	93.8%	6.2%
Thanet	87.3%	93.0%	7.0%
Tonbridge & Malling	88.3%	93.3%	6.7%
Tunbridge Wells	84.2%	91.5%	8.5%
Kent and Medway	82.4%	88.6%	11.4%

Religion

District	No religion	Christian	Hindu	Muslim	Sikh	All minority religions
Ashford	40.7%	47.6%	2.0%	1.6%	0.1%	6.0%
Canterbury	42.0%	46.6%	0.8%	1.8%	0.2%	4.4%
Dartford	36.5%	48.1%	3.8%	3.5%	1.7%	10.1%
Dover	42.4%	49.6%	0.6%	0.6%	0.1%	2.5%
Folkestone & Hythe	41.8%	48.0%	1.5%	1.0%	0.0%	4.5%
Gravesham	32.1%	49.2%	1.4%	3.1%	8.0%	13.5%
Maidstone	40.1%	49.3%	1.4%	1.9%	0.2%	5.0%
Medway	43.0%	45.1%	1.1%	2.7%	1.6%	6.5%
Sevenoaks	39.5%	51.8%	0.7%	0.9%	0.2%	2.7%
Swale	45.3%	47.2%	0.4%	1.0%	0.1%	2.3%
Thanet	44.1%	46.7%	0.6%	1.5%	0.1%	3.4%
Tonbridge & Malling	42.8%	48.7%	0.9%	1.0%	0.2%	3.0%
Tunbridge Wells	40.3%	49.7%	1.0%	1.7%	0.1%	3.8%
Kent and Medway	41.2%	47.9%	1.2%	1.8%	0.9%	5.7%

Findings:

Ethnicity

- In 10 of the districts, 82% or more are White British and 89% or more are ethnically White. These figures are higher than the national average.
- In contrast Dartford and Gravesham have a far more diverse population with approximately a quarter part of a minority ethnic group which is above the national average.
- Within Dartford and Gravesham there are specific communities which are prevalent:
    - In Dartford 9.9% of the population are Asian – with 4.4% of the population Indian
    - In Dartford 10.5% of the population are Black – with 8.4% of the population African
    - In Gravesham 11.2% of the population are Asian – with 7.6% of the population Indian
    - In Gravesham 6.5% of the population are Black – with 4.9% African
- Medway is also more ethnically diverse than other parts of Kent, with 15.7% part of a minority ethnic group. Ashford, Canterbury and Maidstone are also relatively diverse with more than 10% of the population in those districts part of a minority ethnic group.

Religion

- Similarly, Dartford and Gravesham are the most diverse districts in Kent for religion, with 10.1% and 13.5% identifying with a minority religion and the lowest proportions saying that they have 'no religion'. This includes:
    - In Dartford, 3.8% of the population are Hindu and 3.5% are Muslim
    - In Gravesham, 8.0% of the population are Sikh – the Guru Nanak Darbar Gurdwara is the largest Gurdwara in Europe

Appendix B – Identity: Place

Building 'pride of place'

In 2022, the Local Government Association (LGA) published the findings and recommendations from ethnographic research titled – 'What makes people feel contented where they live, and what makes people deep-rooted and proud?'. One of the places included in the research was Margate. The report included findings and recommendations relevant to how a new unitary authority could shape local place and identity. These include:

- 'Deep-rooted contentedness' is a pre-condition for 'Pride in Place'. Pride in place occurs through external factors and are highly dependent on the particular places – which are difficult for councils to manufacture. Therefore, councils should focus on delivering the conditions for contentedness as a first order priority.
- The drivers for people to feel contentedness with place are:
    - Core material needs are met (e.g. housing and jobs)
    - Good local amenities (e.g. shops and open-spaces)
    - Sufficient social connections
    - An optimistic view of the place's future, in which they can see their role
- Developing pride in place is a second order priority because it is not necessary for people's flourishing and It is not always feasible for councils to bring about of. Pride of place may "bubble up organically" but can be "boosted" if councils "tune in to emerging signals".
- In Margate, the Turner Gallery did not feature as a source of pride. Rather, Dreamland was a more prominent source of pride in place. There are three boosters for pride in place:
    - Something being authentically distinctive and particular about the place. Especially things which are about looking forward to what the place is becoming, not looking back to where it came from.
    - External validation or perceived envy from outsiders
    - Sense of superiority compared to a local "rival" place

Possible features of local identity and place

The diagram overleaf is purely for illustrative purposes. It was developed collaboratively by the workstream based on desk research of distinctive features of different parts of Kent and their own knowledge of the areas in which they live, categorised by 'Place', 'Economy and development', and 'Culture, heritage and identity'. Using the 3UA model, it shows the types of features that could contribute to a sense of local identity within the proposed unitary authorities and which they could promote as part of place-making or identity building initiatives.

The observations of the workstream were that there were enough commonalities across Kent, as well as specific distinctive features within existing districts upon which to build identity and place, and that this could be achieved within a two, three or four unitary model. However, it was felt that the three unitary model would be the most optimal in this regard. The three unitary model creates authorities which are smaller geographically and by population than a two unitary model, but which are large enough to encompass broad and complementary identities which span districts – for example, in the three unitary model the coastal communities in Folkestone and Hythe, Dover, Thanet and Canterbury are grouped together in East; and the entire Thames Estuary area spanning Gravesham, Dartford, Medway and Swale are grouped together in North.

Please note the caveat that this was an exercise conducted solely by KCC Officers, and the features suggested in the diagram are not intended to be exhaustive. An important next step with LGR considerations would be to engage with residents on how they perceive their local identities and what the defining features of a proposed unitary authority area could be.

NORTH

Place

Thames Estuary and North Kent Marshes
Proximity to London
Urban

Economy and development

Proximity to London and London City Airport
University cluster in Chatham
Ebbsfleet Garden City
Thames Gateway redevelopment
Bluewater shopping centre

Culture, heritage and identity

Religious and ethnic diversity - Gurdwara in Gravesend
Sweeps Festival
Rochester Cathedral
Charles Dickens
Maritime history: Historic Dockyard Chatham

EAST

Place

Coastal towns and villages
White Cliffs of Dover and coastline
Kent Downs and High Weald; rural areas
Canterbury city
UK Border - Gateway to Europe – Port of Dover, EuroTunnel

Economy and development

Creativity and regeneration in Margate and Folkestone
Otterpool Park Garden Town development
University cluster in Canterbury
Life sciences - Discovery Park, Sandwich
Logistics and border facilities
Food and drink; viticulture e.g. Chapel Down Wine
Retail hubs: Ashford Outlet Centre, Westwood Cross

Culture, heritage and identity

Canterbury Cathedral
Dover Castle
Battle of Britain
Dreamland
Turner Contemporary
Animal conservancy: Howlett's, Port Lympne, Wildwood

WEST

Place

Proximity to London and Gatwick
Affluent commuter towns
Maidstone County Town
Kent Downs and High Weald
Royal Tunbridge Wells - Spa Town

Economy and development

Entrepreneurial, service-based economy
High productivity
Kings Hill Business Park
Food sciences and agricultural training

Culture, heritage and identity

Oast houses
Castles: Leeds, Hever, Scotney, & more
Spa Valley Railway

Appendix C - How people live their lives

Travel to work

Travel-to-work flows

This table shows the home and work district for all 'usual residents' aged 16 years and over that either live or work in Kent & Medway.

N.B. This is based off Census 2021 data, which took place during the coronavirus (COVID-19) pandemic, a period of unparalleled and rapid change; the national lockdown, associated guidance and furlough measures will have affected the travel to work topic.

% of column total	Home district													
Work district	Dartford	Gravesham	Medway	Swale	Canterbury	Thanet	Dover	Folkestone and Hythe	Ashford	Maidstone	Tunbridge Wells	Tonbridge and Malling	Sevenoaks	Outside K&M
Dartford	43.1%	6.2%	1.5%	0.4%	0.1%	0.1%	0.0%	0.1%	0.1%	0.5%	0.2%	0.7%	1.9%	27.9%
Gravesham	1.9%	37.8%	1.4%	0.4%	0.1%	0.0%	0.1%	0.0%	0.1%	0.3%	0.1%	0.5%	0.4%	5.0%
Medway	1.1%	2.6%	44.1%	3.5%	0.6%	0.2%	0.2%	0.2%	0.5%	2.1%	0.2%	1.8%	0.3%	8.3%
Swale	0.2%	0.4%	1.7%	43.9%	1.5%	0.5%	0.4%	0.2%	0.5%	0.9%	0.1%	0.4%	0.1%	2.4%
Canterbury	0.0%	0.1%	0.2%	1.7%	40.6%	3.5%	4.3%	1.8%	1.2%	0.2%	0.0%	0.1%	0.0%	2.0%
Thanet	0.0%	0.0%	0.1%	0.2%	1.6%	42.6%	2.1%	0.3%	0.1%	0.0%	0.0%	0.0%	0.0%	1.3%
Dover	0.0%	0.0%	0.0%	0.2%	1.1%	2.1%	39.0%	2.1%	0.3%	0.0%	0.0%	0.0%	0.0%	1.7%
Folkestone and Hythe	0.0%	0.0%	0.1%	0.1%	0.6%	0.3%	3.4%	40.8%	1.8%	0.1%	0.0%	0.0%	0.0%	1.9%
Ashford	0.1%	0.1%	0.2%	0.6%	1.1%	0.3%	1.3%	3.0%	48.1%	1.1%	0.6%	0.2%	0.1%	4.1%
Maidstone	0.4%	0.7%	2.5%	1.9%	0.5%	0.2%	0.3%	0.5%	2.2%	45.2%	1.3%	3.5%	0.5%	5.9%
Tunbridge Wells	0.1%	0.3%	0.2%	0.1%	0.0%	0.0%	0.0%	0.1%	1.0%	1.9%	48.6%	3.0%	0.9%	15.0%
Tonbridge and Malling	0.4%	1.0%	2.0%	0.9%	0.2%	0.1%	0.1%	0.2%	0.6%	4.2%	2.9%	42.8%	1.5%	7.4%
Sevenoaks	1.5%	1.1%	0.4%	0.2%	0.0%	0.0%	0.0%	0.0%	0.2%	0.6%	1.4%	2.6%	42.3%	17.0%
Outside Kent & Medway	15.9%	8.4%	5.0%	2.5%	1.6%	1.1%	1.1%	1.5%	2.5%	3.3%	4.9%	5.2%	10.2%	
Other (e.g. offshore/outside the UK)	0.1%	0.2%	0.1%	0.1%	0.2%	0.3%	0.8%	0.5%	0.2%	0.2%	0.1%	0.1%	0.2%	
Does not apply (i.e. not in work)	35.1%	41.1%	40.5%	43.3%	50.2%	48.7%	47.0%	47.8%	40.4%	39.2%	39.5%	38.9%	41.6%	
Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

KENT ANALYTICS

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Kent County Council

Overall findings:

- Most travel to work is within district boundaries and within proposed unitary boundaries. There are relatively few journeys to work outside of home districts or beyond proposed unitary boundaries.
- In seven of the 13 districts, the second most common travel to work destination is 'outside Kent & Medway' (presumably to London in most cases). The exceptions were Canterbury, Thanet, Dover, Folkestone & Hythe (which would all be part of the East or South proposed unitary authorities), and Maidstone and Swale
- Only 12% of workers in Kent and Medway travel more than 20km to work. 71% either work mainly from home (30%) or travel fewer than 20km to work (41%). The remaining 17% of workers were categorised as 'Other' which could include offshore, abroad or no fixed location.

There are some specific travel to work journeys between districts which are prevalent:

- Travel to work is most localised within the proposed East or South boundaries, specifically Canterbury, Thanet, Dover, and Folkestone & Hythe. People travel between these districts, but of these Canterbury is the most significant destination for work. Ashford, to a lesser extent, is also a major destination for work from these districts.
- In comparison, travel *between* North and West proposed boundaries, and travel *from* North and West to 'outside of Kent & Medway' (and vice versa), is more common.
- In Swale, the most common travel to work journey (beyond Swale) is to Medway.
- From Sevenoaks, the most common travel to work journey is to 'outside K&M' followed by Dartford. This is reflective of the large commuter population in Sevenoaks but is also likely explained by the position of Swanley within the M25 and its proximity to Dartford and to London.
- Maidstone is a travel to work journey from different parts of the county, including from Ashford and Medway. But the highest rate of travel is *between* Maidstone and Tonbridge and Malling.

Travel to education (KCC only)

Travel-to-learn flows: secondary (KCC only)

This matrix shows the percentage of **secondary** pupils living in a district by which district their school is based in.
The table includes data on all children in year 7-11 from the School Census in January 2023. Data on children attending schools in KCC but living in Medway or outside Kent has been excluded as we do not hold the equivalent data for KCC pupils attending schools outside of KCC.

	Pupils in Year 7-11 (January 2023 School Census)	Home district: Dartford	Gravesham	Swale	Canterbury	Thanet	Dover	Folkestone and Hythe	Ashford	Maidstone	Tunbridge Wells	Tonbridge and Malling	Sevenoaks
School District	Dartford	86.3%	7.5%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	17.1%
	Gravesham	10.8%	89.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.5%	5.7%
	Swale	0.1%	0.0%	92.1%	3.0%	0.1%	0.1%	0.0%	0.6%	0.6%	0.0%	0.0%	0.0%
	Canterbury	0.0%	0.0%	3.9%	93.1%	1.1%	7.4%	3.2%	2.1%	0.0%	0.0%	0.0%	0.0%
	Thanet	0.0%	0.0%	0.2%	2.1%	92.5%	0.9%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
	Dover	0.1%	0.1%	0.1%	0.8%	6.2%	89.4%	3.8%	0.5%	0.0%	0.0%	0.0%	0.0%
	Folkestone and Hythe	0.0%	0.0%	0.0%	0.2%	0.0%	1.9%	89.6%	2.3%	0.0%	0.0%	0.0%	0.0%
	Ashford	0.0%	0.0%	0.4%	0.6%	0.1%	0.4%	3.1%	90.1%	1.4%	2.7%	0.1%	0.0%
	Maidstone	0.2%	0.6%	2.6%	0.1%	0.0%	0.0%	0.1%	3.3%	89.8%	1.0%	19.5%	0.4%
	Tunbridge Wells	0.7%	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%	0.6%	4.5%	78.1%	12.4%	13.2%
	Tonbridge and Malling	0.5%	2.0%	0.3%	0.0%	0.0%	0.0%	0.0%	0.4%	3.2%	18.0%	65.2%	28.4%
	Sevenoaks	1.4%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	2.2%	35.1%
	Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

KENT ANALYTICS

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Kent County Council

Overall findings:

- Nearly all primary school pupils attend school within their home district (92-99%).
- While slightly lower proportion than for primary school pupils, the vast majority of secondary school pupils attend school within their home district – with c.90% in most districts.
- The exceptions to this are in West Kent, most notably Sevenoaks where only 35% of secondary school pupils attend school within the district. Tunbridge Wells at 78% and Tonbridge and Malling at 65% also have a relatively lower proportion of secondary school pupils attending school with their home districts.

There are some notable journeys between districts for secondary school pupils which could influence the boundaries of the unitary authorities:

- Canterbury is an important destination for education, with relatively high numbers of pupils from Dover, Swale and Folkestone & Hythe travelling there.
- If travelling out of their districts, pupils in Canterbury are most likely to go to Swale and there is a also high prevalence of pupils travelling in the other direction. This may be due to the proximity between Faversham and Canterbury.
- Dover is also an important destination for education, with relatively high numbers of pupils from Thanet and from Folkestone and Hythe travelling there.
- Pupils in Sevenoaks are almost as likely to travel to Tonbridge and Malling (28.4%) as they are to stay within their home district (35.1%). Also very notable is that 17.1% of pupils in Sevenoaks travel to Dartford and 13.2% travel to Tunbridge Wells. This is likely because of the proximity and because there are grammar schools within these districts, and Sevenoaks is the only district in Kent without any grammar schools.

Emergency hospital admissions

Acute hospital patient flows: emergency admissions

This table shows the percentage of emergency admissions from each district in Kent & Medway into each Acute Hospital.
Data period: April 2023 to March 2024
Data source: Hospital Episode Statistics (HES)
**Other activity relates to out of county organisations and Kent based private or community hospitals.*

Emergency admissions 2023-24 as % of total admissions for each district		Hospital Site									
		Darent Valley Hospital (Dartford)	Medway Maritime Hospital	The Maidstone Hospital	The Tunbridge Wells Hospital	William Harvey Hospital (Ashford)	QEQM Hospital (Thanet)	Kent & Canterbury Hospital	Other *	Total	% Of Kent & Medway total
District of residence	Dartford	90.2%	1.2%	0.4%	0.4%	0.2%	0.1%	0.1%	7.4%	13,732	6.3%
	Gravesham	85.5%	4.6%	1.7%	0.9%	0.4%	0.1%	0.1%	6.6%	12,933	5.9%
	Medway	2.6%	82.5%	6.1%	1.2%	0.7%	0.1%	1.2%	5.6%	30,823	14.1%
	Swale	0.4%	61.3%	9.1%	2.3%	15.1%	2.0%	3.9%	5.9%	15,620	7.1%
	Canterbury	0.1%	0.4%	0.5%	0.3%	24.4%	50.6%	18.5%	5.3%	13,615	6.2%
	Thanet	0.1%	0.2%	0.1%	0.2%	3.6%	81.1%	10.4%	4.3%	15,188	6.9%
	Dover	0.1%	0.2%	0.2%	0.2%	43.9%	36.9%	14.5%	4.1%	11,631	5.3%
	Folkestone and Hythe	0.1%	0.1%	0.3%	0.3%	82.1%	1.1%	11.9%	4.1%	12,157	5.6%
	Ashford	0.1%	0.2%	1.6%	1.7%	82.6%	0.5%	8.1%	5.1%	14,617	6.7%
	Maidstone	0.4%	1.8%	64.7%	26.6%	2.2%	0.1%	0.7%	3.7%	27,445	12.6%
	Tunbridge Wells	0.1%	0.1%	6.2%	88.3%	0.6%	0.0%	0.1%	4.6%	17,170	7.9%
	Tonbridge and Malling	0.8%	2.6%	39.8%	52.2%	0.4%	0.0%	0.4%	3.7%	18,677	8.5%
	Sevenoaks	32.3%	0.5%	4.7%	51.2%	0.3%	0.0%	0.0%	10.9%	14,946	6.8%
	Kent & Medway	13.5%	16.9%	14.1%	18.8%	15.8%	11.0%	4.4%	5.4%	218,554	100.0%

KENT ANALYTICS

22

Findings:

- Most emergency admissions are within proposed unitary authority areas.
- The majority (61.3%) of emergency admissions from Swale are to Medway
- Emergency admissions from Sevenoaks are split between North and West areas – 32.2% of emergency admissions are to Dartford and 51.2% are to Tunbridge Wells
- There are close links between Tonbridge and Malling and Maidstone – 39.8% of emergency admissions from Tonbridge and Malling go to Maidstone and 26.6% vice versa.
- Health and care partnerships are not contiguous with district boundaries – see map below. The current HCP map most closely aligns with option 1, the three unitary model with DGS and Medway & Swale HCPs covering the area of a North unitary authority albeit with Faversham split from the rest of Swale, and Swanley and North Sevenoaks paired with Dartford and Gravesham.

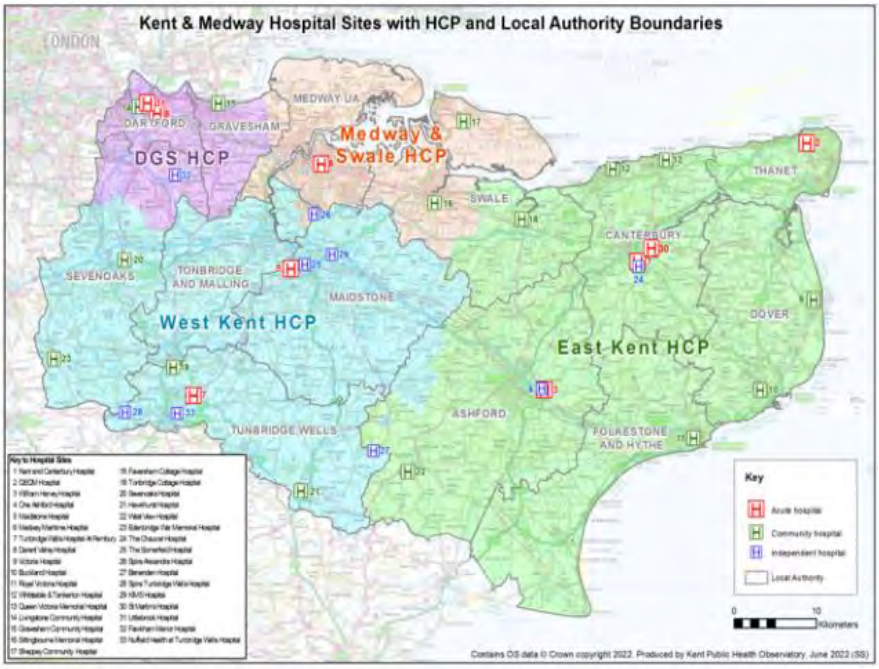
Health and care partnerships

There are some areas where HCPs are not contiguous with district boundaries. The most significant being:

- Faversham & east Swale
- Swanley & north Sevenoaks

Smaller non-contiguous areas are:

- Higham (NE Gravesham)
- Blue Bell Hill (NE T&M)
- Smarden (NW Ashford)



KENT ANALYTICS

Appendix D - Democracy and representation

Number of Councillors

Background information:

- Currently in Kent and Medway, there are a total of 658 Councillors covering Kent County Council (81), Medway Unitary Authority (59), and 12 district councils (518).
- Based on a population of c.1.88 million in Kent and Medway there is one Councillor per 2,851 people. And based on an electorate of c. 1.35 million in Kent and Medway, there is one Councillor per 2,050 electors.
    - The highest population/electorate per councillor is in Medway where there are 4,792 people and 3,493 electors per Councillor
    - The lowest is in Sevenoaks where there are 2,018 people and 1,505 electors per Councillor
    - The average population per Councillor across England is higher than the Kent and Medway average at 3,360.
- The Local Government Boundary Commission for England (LGBCE) has advised a minimum of 30 Councillors and a maximum of 99 Councillors for new unitary authorities, and that exceptions to this need a strong justification.
- In 2018 the LGBCE conducted a review of Cornwall Council's electoral arrangements and recommended that they reduce the number of Councillors from 123 to 87 (with 1 Councillor per division). This worked out at a projected 5,163 electors per Councillor by 2023. When carrying out the review they had three main considerations, notably these do not include an upper or lower cap on the number of electors per Councillor:
    - Improving electoral equality by equalising the number of electors that each councillor represents.
    - Ensuring that the recommendations reflect community identity.
    - Providing arrangements that support effective and convenient local government.

The table below sets out the following based on *population* figures:

Proposed unitary authority	Total population	Population per councillor – 99 Councillors	Number of councillors to meet Kent average of 2,851 population per Councillor
Option 1- 3UA			
North	661,559	6,698	232
East	663,111	6,682	233
West	551,223	5,568	193
Option 2 – 4UA			
North	508,492	5,136	178
East	452,858	4,574	159
South	363,320	3,670	127
West	551,223	5,568	193
Option 3 – 4 UA			
North	508,492	5,136	178
East	415,712	4,199	146
Mid	400,466	4,045	140
West	551,223	5,568	193
Option 4 – 4UA			
North	508,492	5,136	178
East	525,949	5,313	180
Mid	470,657	4,754	165
West	370,795	3,745	130
Option 5 – 2UA			
East	816,178	8,244	286
West	1,059,715	10,704	372
Option 6 – 1UA (benchmark)			
Kent & Medway	1,875,893	18,948	658

The table below is based on *electorate* figures:

Proposed unitary authority	Total electorate	Electorate per councillor – 99 Councillors (LGBCE's advised maximum)	Number of councillors to meet Kent average of 2,050 electorate per Councillor	Number of Councillors to meet Cornwall's average of 5,163 electorate per Councillor
Option 1- 3UA				
North	477,222	4,823	233	92
East	464,222	4,689	226	90
West	407,167	4,133	199	79
Option 2 – 4UA				
North	367,424	3,711	179	71
East	321,747	3,250	157	62
South	252,519	2,551	123	49
West	407,167	4,133	199	79
Option 3 – 4 UA				
North	367,424	3,711	179	71
East	298,941	3,020	146	58
Mid	275,325	2,781	134	53
West	407,167	4,133	199	79
Option 4 – 4UA				
North	367,424	3,711	179	71
East	369,135	3,729	180	71
Mid	336,801	3,402	164	65
West	275,497	3,711	134	53
Option 5 – 2UA				
East	574,266	5,801	280	111
West	774,591	7,824	378	150
Option 6 – 1UA (benchmark)				
Kent & Medway	1,348,857	13,625	658	261

Parish and Town Councils, and unparished areas

Findings:

- There are over 300 parish and town councils in the Kent and Medway area. Overall, 56% of the population in Kent and Medway live in parished areas and 44% live in unparished areas. The areas which are covered by this level of representation tend to be rural and those which are not covered tend to be urban. More than 70% of the population live in urban areas.

- Most of the large towns do not have a Town Council or any other type of council at that level, these include (ordered by population size) –
    - Maidstone (Maidstone)
    - Gillingham (Medway)
    - Dartford (Dartford)
    - Chatham (Medway)
    - Ashford (Ashford)
    - Rochester (Medway)
    - Margate (Thanet)
    - Royal Tunbridge Wells (Tunbridge Wells)
    - Gravesend (Gravesham)
    - Canterbury (Canterbury)
    - Sittingbourne (Swale)
    - Tonbridge (Tonbridge and Malling)
    - Herne Bay (Canterbury)
    - Whitstable (Canterbury)

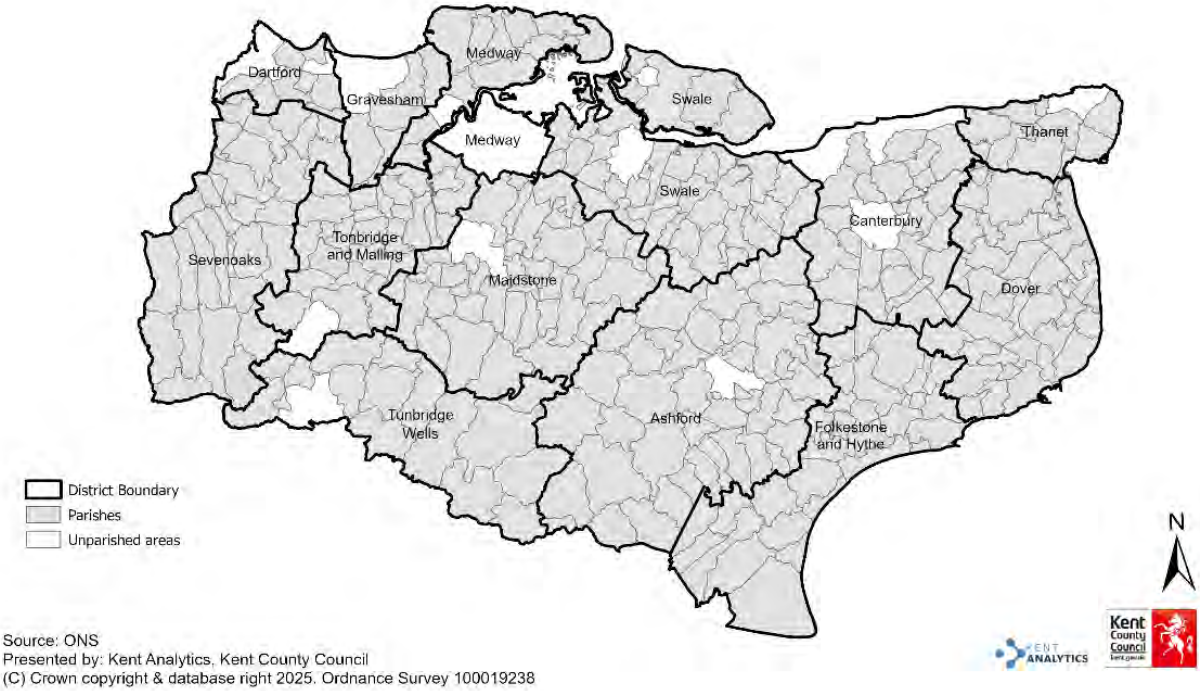
- This is not the case in Dover, Folkestone & Hythe, and Sevenoaks districts which are all fully parished, including the following Town Councils (ordered by population size):
    - Folkestone
    - Dover
    - Deal
    - Sevenoaks
    - Swanley

- In Thanet, the only unparished area is Margate which is its largest town covering c.60k population. Ramsgate and Broadstairs both have Town Councils.

- It is notable that the largest town council – Folkestone – cover a population of c.50k. All of the areas larger than this do not have a town council.

- The districts with the highest proportion of the population living in unparished areas are: Medway (86%), Gravesham (84%), Canterbury (72%), and Dartford (56%).

Parish & Non-civil parish boundaries in Kent & Medway 2024



Source: ONS
Presented by: Kent Analytics, Kent County Council
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Appendix E – Enhancing Community Engagement

Kent and Medway Local Identity

Kent is a large and diverse geography with significant differences across the county in terms of deprivation, rurality, economic growth, unemployment, benefits uptake and more[1], and any solution to local government reorganisation in Kent must be cognisant of the diversity, local identity of the districts whilst considering issues of financial viability.

Kent and Medway possesses strong local identities, and Kent and Medway's political leaders are rightly proud of the unique identities of their local areas and want the best for the communities they serve. Given the county's size and diversity of civic identities, the vision for local government reorganisation would lead to large governance structures that could risk not being reflective of the identities of the communities that make up Kent and Medway. This will therefore require a system with a distinct localism offer which builds on the strength of civic society and uses local intelligence to strengthen decision making that is responsive to differences in needs, challenges and opportunities.

Current Decision Making Arrangements in Kent and Medway

KCC decision-making

- Kent County Council (KCC) Members (councillors) are the decision and policy makers. They use information from council officers and represent the views of their residents. KCC operates a Leader and Cabinet system.
- Officers have a responsibility to provide information, facts and figures to elected members to support their decision-making. Once decisions are made, officers are then responsible for implementation and making sure services are delivered to residents.
  - Corporate Management Team (CMT)
  - Council wide responsibilities of Directors
- The constitution sets out how the council operates and decisions are made.
- Decisions to be taken by Cabinet or Cabinet Members that are expected to have a significant impact on the budget, or on the services, KCC provides, are called 'key' decisions. Key decisions to be taken over the next six months are updated each month in the Forthcoming Executive Decisions (FED).
- Council committees meet regularly to make decisions on policy and budgetary matters for council services. Several of these are statutory.
- There are also a number of Select Committees. These are akin to sub-committees, and generally look at topics in a focused, in-depth way. These forms will propose decisions to the Cabinet or relevant Cabinet Member.
- External to County, District/Borough/City decision-making, there exists a range of outside bodies.

Medway Council decision-making

- Medway Council has similar decision-making processes in place. The main difference is that they are already an all-purpose, unitary, council.

[1] Kent Interim Plan for Local Government Reorganisation

District/Borough/City decision-making

- The Districts have a similar decision-making process in place:
  - Ashford
  - Canterbury
  - Dartford
  - Dover
  - Folkstone and Hythe
  - Gravesham
  - Maidstone
  - Sevenoaks
  - Swale
  - Thanet
  - Tonbridge & Malling
  - Tunbridge Wells

Local Democracy in Kent – Town and Parish Councils

There are currently over 300 Town and Parish Councils in Kent and a further 11 parishes in Medway; all of which have limited decision making powers primarily covering allotments, village greens, burial grounds and crematoriums, car parks and community centres/village halls and some street lighting.

Parish and Town Councils can raise funds to meet the costs of administration and provision of services through setting a precept which forms part of council tax bills levied on council tax payers within the parish. They are also the most local form of government and can provide a local voice for the community; responding to consultations and raising concerns with the relevant organisations as well as acting as consultee on planning applications[2].

Discussions have been ongoing with the Kent Association of Local Councils (KALC) to explore ways in which greater powers, funding and responsibilities could be devolved to Parish and Town Councils[3]. KALC's role in representing local councils will be to ensure that the Parish and Town councils are included in the ongoing discussions and changes that will occur as a result of local government reorganisation[4].

A number of areas are unparished in Kent, including many of the major towns. In preparation for Local Government reorganisation (LGR) several District Councils' Democratic Services teams are undertaking preparatory work which would see these areas have a Town Council. This would enable some continuity of current civic functions, for example the process of mayor-making. The Government is reportedly due to publish a 'Communities White Paper', and its position on whether new Town and Parish Councils will have the ability to levy a precept is as yet unknown; this will potentially have a significant impact on the capabilities and viability of any new bodies.

Details of the known community governance reviews where there are geographical areas without existing parish or town councils are shown below:

Ashford Borough Council – Considering a potential review of Ashford's urban and unparished areas, recognising that the introduction of unitary authorities could create the opportunity for town and parish councils to take on greater responsibilities and give residents more ownership and control of services delivered on their behalf. A more localised council could give residents a bigger say and there would be an additional tier of councillors to represent residents, focusing on more immediate local issues[5]

[2] Maidstone Borough Council Community Governance Review Terms of Reference 2022/23
[3] Kent Interim Plan for Local Government Reorganisation
[4] Devolution | Kent Association of Local Councils
[5] Report Title: Community Governance Review of Ashford Borough's Urban Area

Maidstone Borough Council – With the rapid timetable of proposed local government reorganisation, Maidstone proposed a review of the unparished and neighbouring areas of Maidstone Town ('Urban Area') in January. It was felt that with the introduction of unitary councils, there may be a 'gap' created between residents and local representatives and felt 'more acutely in areas without a parish council[6]. It is proposed that the final recommendations will be approved in April 2026.[7]

Tonbridge and Malling Borough Council – in June 2025 launched a formal consultation to start a community governance review into the creation of a town council in Tonbridge; they note that a town council may be seen to offer a more locally focused and responsive part of local government under any new proposed local government reorganisation arrangements[8].

Tunbridge Wells Borough Council – In June 2025 launched a formal consultation considering if new parish and/or town council(s) should be created to represent the unparished areas of Tunbridge Wells. It is highlighted that it is important to engage with the consultation now should local government reorganisation take place in Kent[9].

Canterbury City Council – Undertook the Whitstable community governance review which concluded in October 2024 with a decision to not go ahead with the adoption of a town council. It was felt that a Town Council would not represent the best interests of the community in light of rejection of the proposal by the majority of respondents, concerns raised about the additional costs associated with a town council precept and lack of support for an additional layer of governance[10].

It is important to note that some of this activity is, in part, being driven by a concern that the introduction of unitary authorities through local government reorganisation may result in a loss of a locally focused government and the potential for residents to lose their voice when engaging on local issues. In the Kent Interim plan for Local Government Reorganisation, it was noted that there are further opportunities to explore as proposals are developed about the future role of Town and Parish Councils.

Current strategic relationships with the Voluntary, Community and Social Enterprise (VCSE) sector

The Civil Society strategy for Kent was agreed in 2021 and recognised the role and contribution of charities and voluntary organisations to our local communities and charities as a core part of that; setting out our commitments to supporting a strong and vibrant civil society in Kent.

Due to the current democratic geography of Kent, the VCSE sector has to work in partnership in different ways across the county, across both KCC, Medway Council and the twelve district/borough councils. It has an essential role in engaging with residents and providing services on behalf of local government and other strategic partners such as Kent Police and NHS Kent and Medway

As of 2022/23, there were 2951 registered charities in Kent with 431 of those active across both Kent and Medway; KCC Analytics data shows that the majority of active organisations are micro and small although the highest proportion of income comes from larger organisations.

[6] Maidstone Borough Council Community Governance Review - Maidstone Urban Area - January 2025
[7] Community Governance Review - Maidstone Urban Area - Indicative Timetable and Actions
[8] Review into a town council for Tonbridge – Tonbridge and Malling Borough Council
[9] Tunbridge Wells Community Governance Review - 2025
[10] Agenda for Council on Thursday, 24th October, 2024, 7.00 pm | Canterbury City Council

The majority of charities in Kent are providing services, with the most common beneficiaries being the general public, followed by children and young people, and charities are unevenly distributed across the county with concentration in major urban areas, within individual districts[11].

The Civil Society Covenant Framework, currently being developed by Central Government, highlights the importance of strategic authorities engaging with the VCSE and fostering a relationship that acknowledges all that civil society does for local communities and the services it provides on behalf of local government. The upcoming covenant will be based around four key principles[12]:

1. **Recognition**: to ensure a strong and independent civil society
2. **Partnership**: to ensure effective service delivery and policy making, and shared learning of best practices
3. **Participation**: to ensure people and communities can be heard and make a difference
4. **Transparency**: to ensure civil society and government have the information needed to best serve people and communities

KCC has already made progress in embedding these principles in our practice and engagement with the sector through engagement mechanisms such as the VCSE Strategic Partnership Board and the Kent and Medway VCSE Steering Group. This provides a vehicle for the VCSE to be heard in strategic conversations and allows for greater sharing of information and opportunities for collaboration and co-design.

It should also be noted that several members of the VCSE Steering Group are also Chairs of the four Health and Care Partnership Alliances to support engagement with the wider sector and these meetings are attended by both local government (county and district councils) as well as NHS representatives.

It is essential that, regardless of what mechanism is used for community engagement, the VCSE must play a role in enabling the new unitary authorities to access and amplify community voices, especially those who are harder to reach for the strategic authorities.

Models to Enhance Community Engagement

Regardless of the number of unitary authorities chosen for Kent and Medway, it will be imperative to design meaningful models of community and local place engagement, with a more localised focus on the needs and identity of an area and with the appropriate representation from both town/parish councils as well as civil society and the wider general public. This is reflective of their importance in both community cohesion and their links to local identities.

From 2006 to 2013, **12 Local Boards operated in Kent**, each one covering a District council area and with County councillors for these areas as members of the Local Board.

The role of the boards was to effectively act as a community group, holding regular public meetings and providing an opportunity for the public to raise issues that affected their communities as well as allocating funding to local projects.

The boards were established by KCC to provide County council members with the opportunity to work more closely with the public and voluntary and private sector partners locally through a regular forum for community consultation and participation. It was hoped that this would generate discussion and

[11] Kent Analytics VCS Report - January 2025
[12] Civil Society Covenant Framework launch - GOV.UK

debate on matters of particular relevance to the area and consider the specific public service needs of the local community and the effectiveness of existing services.

The boards met four times a year and were open to the public and publicised locally and in the local media.

It is proposed that a similar model of 'local' or 'community' boards could be one of several suitable conduits to enhance community engagement in a new unitarised landscape, building on learning of similar examples across the country. These are detailed below and are suggested as possible options for unitary authorities to explore.

Potential Future Models for Engagement

Leader's Question Time

Since 2017, the Greater Manchester Combined Authority has hosted 'Question Time' events; aiming to highlight and answer questions on local issues posted by members of the public[13]. Events are held quarterly and provide an opportunity for residents to have a voice on any concerns that matter to them.

Similarly, the Mayor of London holds 'Mayor Question Time' events ten times a year, residents of London can submit questions accessibly online on the full range of matters within the mayoral remit, including policing, fire service and transport, with any questions not answered during the meeting receiving a written response[14].

Medway Council are currently trialling questions to Cabinet Members at Cabinet Meetings as an addition to those at Full Council meetings, with an online form for residents to submit their queries and opportunities to attend meetings to ask their question in person[15].

In a similar way to the mechanism employed by Directly Elected Mayors, the new unitary council Leaders could hold public Leader's question time sessions to enable the public to engage with their local authority.

Surrey Community Boards

In their recently published plan for local government reorganisation Surrey County Council plan to "build stronger and simpler arrangements for local community engagement and neighbourhood empowerment, using a wide range of inclusive approaches to leverage current good practice"[16].

Their plan acknowledges that it is the towns and villages that are the "real places" that residents identify with and their proposed two unitary councils will work with partners and residents in collaboration so public services are more locally focused and responsive in delivering outcomes that matter most to communities.

To achieve this, they are developing a community engagement approach using towns and villages as the focal point of their approach and considering the role of Town and Parish councils to strengthen local engagement and decision making as well as the possible creation of local committees comprising of unitary councillors and community area partnerships and boards.

[13] Mayor's Question Time - Greater Manchester Combined Authority
[14] Questions to the Mayor | London City Hall
[15] Asking a question at a Full Council or Cabinet meeting | Asking a question at a Full Council or Cabinet meeting | Medway Council
[16] Final Plan - Devolution and Local Government Reorganisation - Surrey County Council

The creation of community boards is being tested in Autumn 2025 in several localities across the region, considering key considerations such as geographic coverage, decision-making parameters, officer support requirements and costs.

It is anticipated that their community boards would include representation from the following:

- Unitary Councillors
- Residents Associations
- Businesses and BIDs
- Education and FE's
- Housing Associations
- Surrey Residents
- VCSE
- Fire
- Police
- NHS Primary Care Networks
- Council Officers
- Town / Parish Councillors

The vision for Community boards is that they would be used to convene local partners to understand key issues drive collaboration and deliver local improvements in partnership with communities.

This concept builds on the idea of local boards that KCC previously implemented in Kent and could be a welcome opportunity to provide meaningful reach to local communities to engage and localise decision making and could be a useful roadmap on which to base our own community engagement model.

Somerset Local Community Networks

Somerset Council created 18 'Local Community Networks' to encourage community engagement and development and local partnership working with the aim to improve outcomes for residents and to provide a strong connection between local government, residents, businesses and partners[17].

Core membership is made up of the following, with some variations determined locally by each network:

- The elected Somerset Council Councillors representing the electoral divisions covered by the Local Community Networks
- An elected representative from each City, Town or Parish Council within the area covered by the Local Community Networks
- Representatives from the following groups or organisations:
    - Local Neighbourhood policing team
    - Somerset National Health Service
    - Devon and Somerset Fire and Rescue Service
    - Education
    - Representatives from Voluntary, Community, Faith, and Social Enterprise Organisations
    - Representatives from Businesses or Trade Groups

[17] Local Community Network questions and answers

It was proposed that the networks will meet six to eight times each year, starting in Summer 2023. Approaching Somerset council about their success with this model could be helpful when designing our own approach to community engagement in Kent.

Funding Considerations

A 'community board' model will require funding in order to sufficiently meet the needs of community engagement, both in regard to staffing to administer the process and ensure equity of service across the entire Kent geography as well as to potentially fund projects in locations identified by the boards.

In the Somerset model it is reported that Local Community Networks will be able to access funding, both local and national, in order to address priorities for their area and will be able to influence the budgets and policies of the new council. Further information will need to be sought to understand how this works in practice.

In the previous model used in Kent for Local Boards, KCC's Cabinet and Cabinet Members could consult on strategic issues affecting a Local Board's area and each county councillor could recommend local projects for financial support. At the time, up to a total of £10,000 a year per county councillor. Each Local Board also considered bids for larger local projects (up to £20,000) which were funded from a separate rate fund of £500,000 for Kent as a whole.

KCC's former Local Board model employed 'Community Liaison Managers' (CLMs) to work with each of the county's 12 boards. Unitary authorities could choose to resource a liaison/manager equivalent role to work with each Board, similar to KCC's previous local board model. Their role could be to liaise across the boards in a singular unitary as well as work in collaboration with other CLMs in other unitary authorities in order to share best practice and opportunities for partnership working.

It is possible that Town / Parish councils could be used as the 'anchor organisations' for a community board structure, using funds raised through their precept to support the work of the board. However, it is worth noting that parish councillors are unpaid volunteers and there may be capacity constraints that could hinder their involvement. Further conversations will need to take place with KALC in order to understand how they can best engage with a localised engagement model, especially in areas without a Town/Parish council.

There may also be options for funding from strategic partners if their organisations are embedded into the community board model based on their current funding activity of the VCSE and community work:

- The Office for the Police and Crime Commissioner (OPCC) gives considerable funding[18] to the VCSE in Kent in support of victim-based services through the Home Office Domestic Abuse (DA) and Stalking Perpetrator Interventions Grant and Victim Services Grant funding. There may be a willingness to fund partnership working across a community board model if it were seen to be in support of their organisational objectives.
- NHS Kent and Medway's work with the VCSE is supported by a memorandum of understanding between the Kent and Medway Integrated Care Board and the VCSE, setting out how these partners will engage and collaborate to embed the VCSE sector in system level governance and decision making arrangements across the Kent and Medway Integrated Care System (ICS).

[18] Victim Services Funding OLD

- Due, in part, to this commitment to the VCSE, NHS Kent and Medway has supported community-based work in partnership with KCC via the Crowdfund Kent programme[19]. The programme, designed to give local organisations and groups the opportunity to take forward projects and ideas to improve their local area could also be used a source of funding for community boards, with members of the public 'pledging' to projects taking place in their local area as well as continuing to provide an opportunity for strategic partners to work in collaboration with one another to fund community-led programmes.

A further consideration for the allocation of funding, that improves the sense of localised investment and engagement, could be in the form of 'participatory budgeting'. This is a funding model in which citizens are involved in the process of deciding how public money is spent. In the UK, this is most often seen in the form of small scale community grant allocations and can improve local involvement through increased volunteering and the formation of new groups, increasing confidence in local service providers, and increasing control for residents over the allocation of resources[20].

In a 2011 National Evaluation of Participatory Budgeting in England[21], considering six different areas of the UK, results showed that participatory budgeting could change mainstream services, attracting additional funds into deprived areas from other funders, leading to different types of projects receiving funding than might otherwise been the case. It also enhanced the ability of providers to address local service needs amongst hard to reach groups and served to improve residents' and organisations' self confidence in tackling neighbourhood issues and working with public sector organisations.

Kent County Council has used this concept of participatory budgeting through the Crowdfund Kent programme, with VCSE organisations and community groups in Kent creating projects that are most needed in their local communities and receiving not only funding support from public sector organisations but also from members of the public.

Unitaries could choose to utilise this form of resident participation in their engagement forums, where a specific sum is allocated to community boards (or their equivalent) and the public can decide how to spend this money in their local area, ensuring a localised approach to community funding.

[19] CrowdFund Kent - Home
[20] Participatory Budgeting | Local Government Association
[21] National Evaluation of Participatory Budgeting in England

Specific Considerations for 2 Unitary Option

Authorities which cover larger geographic areas, and larger and more diverse populations would likely face greater challenges in engaging with residents and communities at the local level. However, robust formal and informal engagement mechanisms could mitigate the removal of the district layer of community engagement while providing a streamlined approach that could reduce duplication and dilution that can be experienced in the current two tier system.

In respect to community engagement and the value of retaining current well established relationships such as those with the VCSE, strategic partners and Town / Parish Councils, this work has identified that regardless of the model chosen, a new method of more localised engagement and a continuation of pre-existing partnership arrangements, would be most beneficial to the residents of Kent.

It would be essential, especially in models that have higher numbers of unitary authorities, that there is a consistency of approach to community engagement to avoid unequal community participation and potential disparities.

Community Engagement

- The 2UA option could offer slightly improved local representation than a 1UA model due to the smaller geographic area covered, however the areas of 'East' and 'West' contain diverse populations with differing local identities across coastal, rural and urban areas which would require a tailored approach.
- Gravesham and Medway have no Town councils while Dartford only has one, and the majority of the population across these areas live in an unparished area. This means a model that anchors engagement around Town/Parish councils would be inaccessible to the majority of those populations and therefore would struggle to be representative of local identities and needs.

Specific Considerations for 3 Unitary Option

Due to the specific combination of districts within this model, with shared local identities and the coterminosity with other strategic partners, this model would be optimal when considering wider engagement with the community, and most notably, with strategic partners.

Community Engagement

- The 3UA model is roughly coterminous with how other organisations and partnerships organise themselves including Kent Police, HCPs and economic partnerships:
    - The boundaries of Kent Police divisions most closely aligns with this option, however there may be slight variations across boundaries that would need further mapping and consideration:
        - North Division– Medway, Swale, Dartford, Gravesham.
        - West Division – Sevenoaks, Tonbridge and Malling, Tunbridge Wells, Maidstone.
        - East Division – Ashford, Dover, Canterbury, Folkestone, Thanet, Canterbury
    - It is likely that if a move to devolution were to run concurrently or follow local government reorganisation in Kent, that powers for the Office of the Police & Crime Commissioner (OPCC) would be subsumed by the new Strategic Authority/Mayoral Combined Authority and therefore this would align with the three unitary model, providing greater opportunity for collaboration across shared spaces and local identities.
    - The current structure of engagement with the VCSE is via the VCSE NHS representatives group and through the alliances, aligned to one of the four Health and Care Partnerships. The Health

and care partnerships are not contiguous with district boundaries, however the current HCP map most closely aligns with option 1 (3UA); albeit with Faversham split from the rest of Swale, and Swanley and North Sevenoaks paired with Dartford and Gravesham.

- On the basis of the points above, if KCC were to want to align the new unitaries with our strategic partners, this option would be optimal and would implement a more coterminous administrative landscape in which for strategic partners to collaborate in partnership.
- Smaller governance structures in the 3UA model may allow authorities to address community need at a more localised level and allow for better adaptation and responsiveness to community feedback.

Specific Considerations for 4 Unitary Option

It is likely that a 4UA Option would be optimal for maintaining local connection and responsiveness, empowering communities and ensuring their voices are heard.

Community Engagement

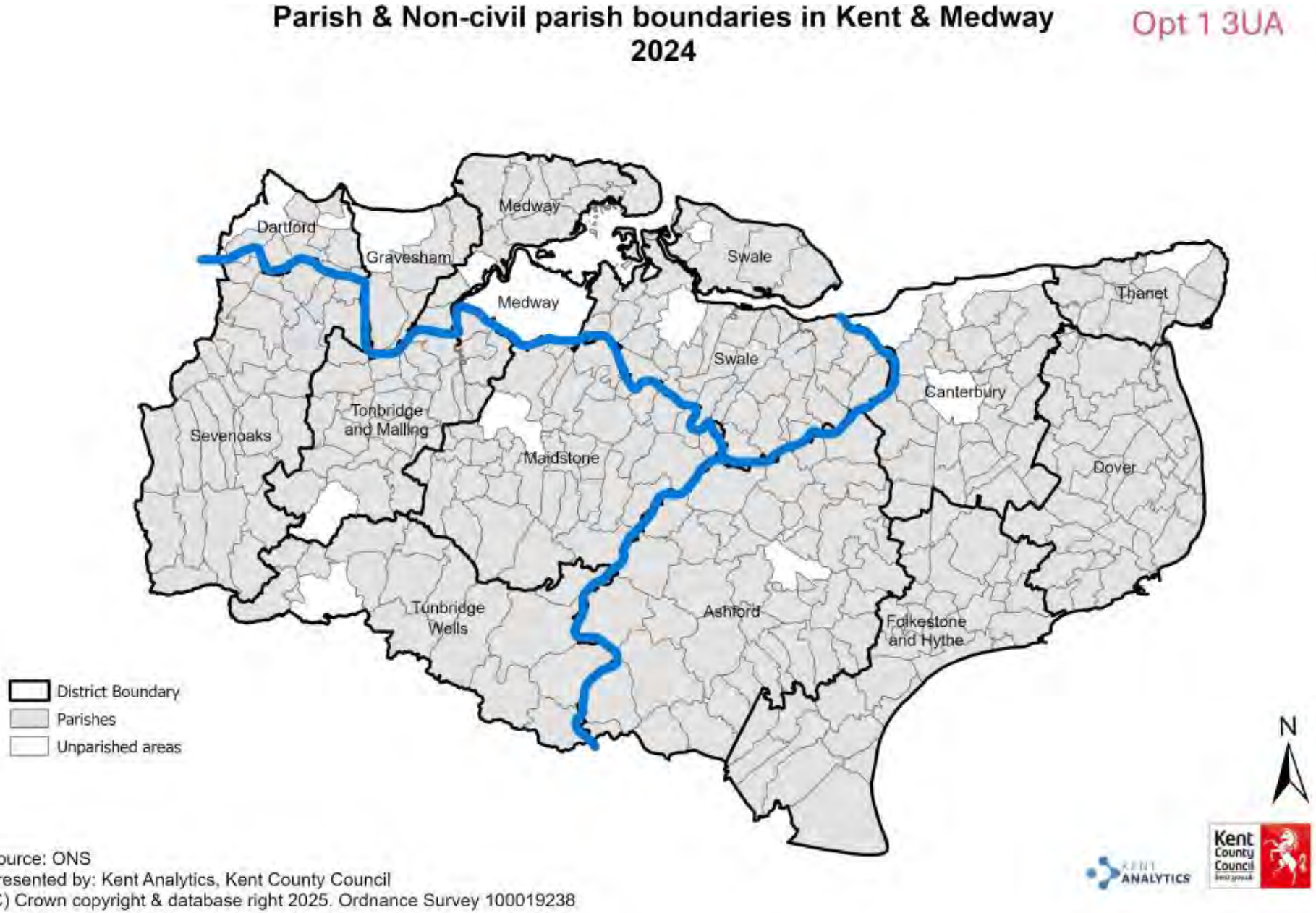
- A 4UA model, in which the proposed unitary authorities cover smaller areas and populations, would be 'more local', and should therefore be more reflective of local identities and more conducive to place making and identity building. Smaller, more localised teams could work towards effective communication between residents and local representatives.
- The workstream considered opportunities and challenges for local engagement to exist on a spectrum. An authority representing a smaller area and population would be closer to the residents and communities and would have fewer relationships to manage. In this context (capacity and resource permitting) it is likely that they would be more capable of developing flexible and locally suitable models of engagement.
    - The 4UA model options would therefore be most able to develop and maintain engagement models that were flexible and suitable for local residents, communities and the VCSE.

Specific Considerations for 1 Unitary Option (benchmark)

Community Engagement

- A single unitary would cover the whole county area – encompassing urban, rural and coastal areas, areas of deprivation and affluence, and differences in diversity. A blanket approach to engagement would be unlikely to be effective and it would be very challenging for such an authority to develop and maintain flexible and suitable engagement models for all areas.
- However, robust formal and informal engagement mechanisms could mitigate the removal of the district layer of community engagement, while providing a streamlined approach that could reduce duplication and dilution that can be experienced in the current two tier system.
- This model might require consideration of new or enhanced mechanisms to facilitate more localised democracy and decision-making to prevent the Unitary from being too remote – this would require significant resource.
- VCSE organisations will engage with their respective LA for funding/commissioning – larger and infrastructure organisations will be more comfortable engaging with fewer UAs, while small and micro VCSE will also want to engage at a much more local level, and will need to be factored into any local community board arrangements.

Appendix F - Parish and unparished boundary maps



Parish & Non-civil parish boundaries in Kent & Medway 2024

Opt 2 4UA

Source: ONS
Presented by: Kent Analytics, Kent County Council
(C) Crown copyright & database right 2025. Ordnance Survey 100019238

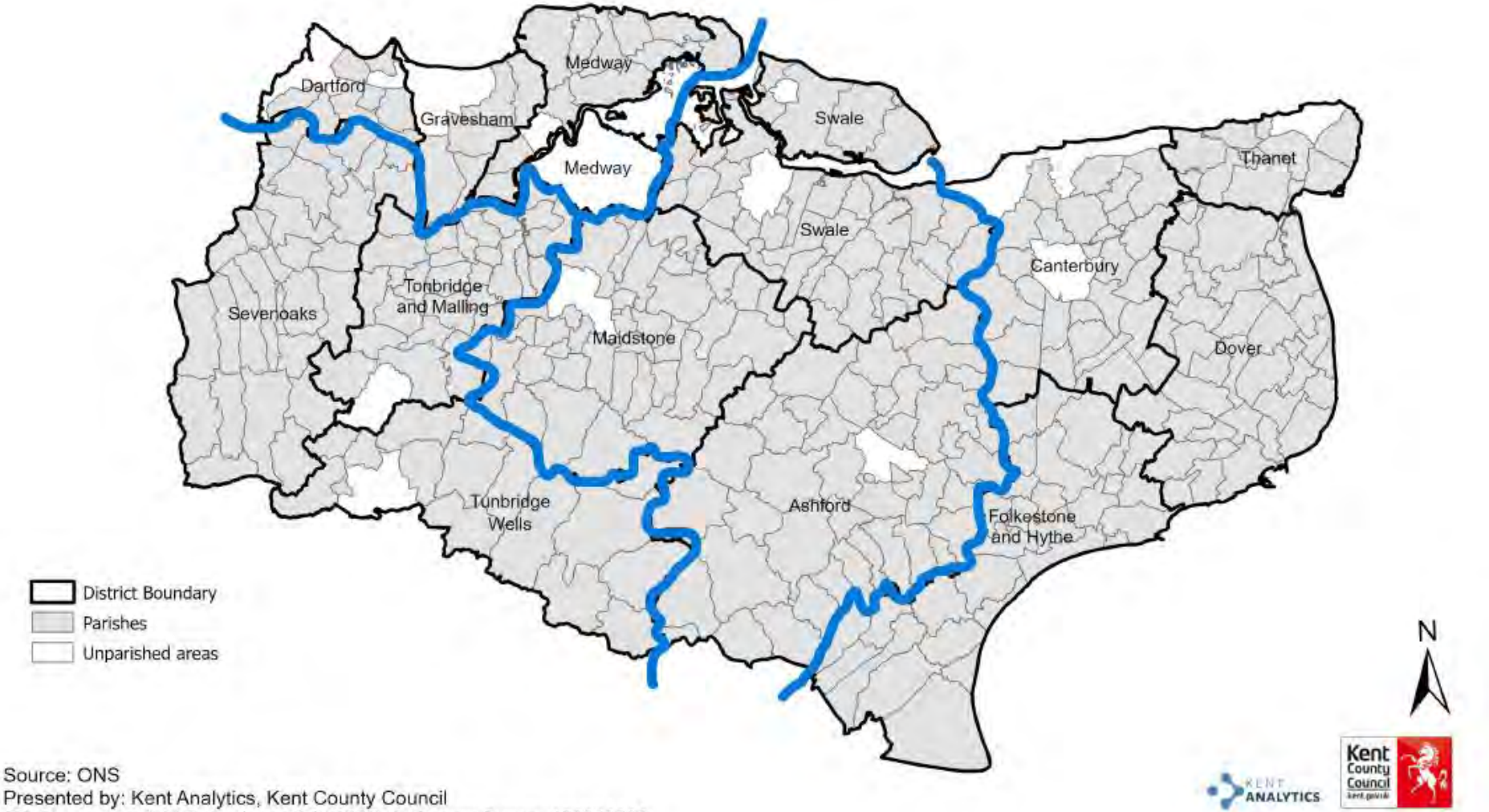
Parish & Non-civil parish boundaries in Kent & Medway 2024

Opt 3 4UA

Source: ONS
Presented by: Kent Analytics, Kent County Council
(C) Crown copyright & database right 2025. Ordnance Survey 100019238

Parish & Non-civil parish boundaries in Kent & Medway 2024

Opt 4 4UA



Source: ONS
Presented by: Kent Analytics, Kent County Council
(C) Crown copyright & database right 2025. Ordnance Survey 100019238

Parish & Non-civil parish boundaries in Kent & Medway 2024

Opt 5 2UA

Source: ONS
Presented by: Kent Analytics, Kent County Council
(C) Crown copyright & database right 2025. Ordnance Survey 100019238

Parish & Non-civil parish boundaries in Kent & Medway 2024

Opt 6 1UA

Source: ONS
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KENT ANALYTICS

Kent County Council

Appendix 1f

Transformation assessment

1) Introduction

Local Government Reorganisation (LGR) presents an opportunity to review, reset, and fundamentally change the way in which services are delivered to residents across Kent. Transformation in this context means improving service delivery through change and innovation with the same or less resource, to achieve desired outcomes such as better citizens' experience, increased efficiency or productivity, less cost or more streamlined processes (National Audit Report 'Lessons learned: Smarter delivery – improving operational capability to provide better public services', June 2025). Each of the opportunities presented have been framed around the delivery of these outcomes and contribute to the delivery of at least one of them. Equally, risks and challenges have been outlined that reverse or negatively impact the realisation of these outcomes.

Opportunities for Public Service Reform (PSR) have also been considered, whereby opportunities for transformation extend beyond the integration of local government organisations to include other public service bodies such as the police, the NHS, and the Voluntary Community Social Enterprise sector (VCSE), in order to achieve a more holistic and efficient public service model (Spending Review, June 2025).

The key means to achieve the transformation outcomes typically include:

1. Technology, digital transformation (including new insights from the use of data and AI)
2. Business process transformation
3. Service design transformation
4. Service delivery transformation

Given the extensive remit of LGR in Kent, it was agreed that the area of focus should align with key drivers for change, focusing on service areas where LGR presents genuine opportunities to improve outcomes. Critical county council, or upper tier, services identified by government (Social Care, Children's Services, SEND, Public Safety) have been considered, alongside visible services that we know bear great weight in residents' perception of value for money and quality of life.

The agreed areas of focus are as follows:

1. Sustainable public services through market shaping
2. Public services prevention model
3. Planning and the right scale to support delivery
4. Value for money and visible services (quality of life)

2) Summary of findings within the agreed areas of focus:

Key opportunities and challenges were identified for each of the areas of focus and reviewed across each unitary option. Many of the opportunities and challenges are applicable to all model options to varying degrees. The findings for each focus area are outlined below.

2.1 Sustainable public services through market shaping

Local authorities are facing increasing pressure to deliver sustainable, high-quality public services in the context of rising demand, constrained resources, and fragmented governance structures (Local Government Financial Sustainability, Committee of Public Accounts). A key challenge is that the current care and support market does not always align closely with local needs, and councils may face limitations in the tools and capacity available to influence these markets effectively. Commissioning practices are often shaped by immediate pressures, which can make it difficult to plan strategically. As a result, some approaches - such as the use of large block contracts—may not always deliver optimal value or foster innovation, despite efforts to manage resources efficiently.

This section explores how LGR can act as a catalyst for more effective market shaping. By transitioning to unitary authority (UA) models, councils can streamline governance, reduce duplication, and commission people-based services at a more local level. This structural reform offers the opportunity to develop a more responsive, resilient, and efficient market in Kent—one that is better aligned with the needs of its diverse communities.

Key considerations

There are several assumptions that underpin the analysis and ratings as some of the perceived opportunities and risks may not be solely dependent on the number or size of authorities, but rather also on how those authorities are designed, governed, and implemented in practice. These include:

1. Fewer authorities improve efficiency: There is an assumption that reducing the number of local authorities inherently leads to greater economies of scale, reduced duplication, and more efficient use of resources. This includes assumptions about cost savings in back-office functions, senior management, and commissioning processes.
2. Local responsiveness can be preserved through design: There is an assumption that larger authorities are less responsive to local needs and community participation. This could be mitigated through thoughtful service design, local engagement, and strategic planning including through Neighbourhood Area Committees.
3. Larger authorities enable better market shaping: There is an assumption that larger unitary authorities will have greater capacity to shape local markets effectively due to increased financial resources, data access, and strategic oversight.
4. Balanced demand and demographics improve resilience: There is an assumption that fewer, larger authorities create more balanced service demand and demographic profiles across regions, which in turn will enhance commissioning resilience and operational sustainability.
5. Integration and alignment are easier with fewer authorities: There is an assumption that fewer authorities will simplify partnership working and service integration based on the belief that fewer boundaries and more coterminous structures will improve coordination and reduce fragmentation.
6. Larger authorities can avoid commissioning pitfalls: There is an assumption that with the right reforms, larger authorities can avoid defaulting to large block contracts and can instead foster more innovative, outcomes-focused commissioning.

The analysis is structured around three key themes: Economies of Scale, Supply and Demand Balance, and Alignment and Partnership Working.

Economies of Scale

LGR offers significant potential to unlock economies of scale by consolidating services and reducing administrative overhead. Larger unitary authorities can achieve greater buying power, streamline back-office functions, and invest in specialist teams and digital technologies. These efficiencies support more strategic commissioning and enable 'invest to save' initiatives that deliver long-term value. However, there are risks including that larger authorities may lose touch with local needs, and there is a tendency to default to large, inflexible contracts that prioritise ease over effectiveness. Therefore, whilst scale can drive efficiency, it must be balanced with mechanisms that preserve local responsiveness and encourage dynamic commissioning.

The analysis shows that the 2UA model offers a strong balance between achieving economies of scale and maintaining local responsiveness. A single authority (1UA - benchmark) may offer the greatest buying power and administrative efficiency, but it also carries significant risks of over-centralisation, reduced agility, and a loss of local insight. In contrast, the 2UA model enables strategic consolidation - streamlining back-office functions, reducing duplication, and enabling investment in specialist teams and digital technologies - while preserving a degree of local autonomy. Cost modelling for Adults' and Children's Social Care in Kent (2025–2040) shows that scenarios with multiple smaller authorities lead to higher service costs due to increased unit costs for placements and elevated staffing overheads (LGR: Impact on people services, CCN Newton and Adult Social Care - LGR People-Based Services Interactive Model - Power BI Report).

Larger authorities can also support more sophisticated commissioning through access to richer data, predictive analytics, and specialist expertise. This enables a shift from reactive service delivery to proactive market shaping. For example, the ability to invest in AI-driven care assessments or integrated brokerage services can improve efficiency and outcomes.

Additionally, the 2UA model retains sufficient scale to support invest-to-save initiatives, such as in-house residential care provision, which may be unviable in smaller authorities. While the 1UA model offers the highest financial capacity for such projects, the 2UA model still provides a strong platform for strategic investment without the governance and responsiveness risks associated with a single, very large authority.

Supply and Demand Balance

A key benefit of fewer, larger authorities is the ability to better balance service demand and market capacity across a broader geography. This is particularly important in areas like Kent and Medway, where demographic and service needs vary significantly. Larger unitary models help equalise demand for adult and children's social care and housing support, reduce disparities in deprivation and age profiles, and optimise the use of care and Special Educational Needs and Disabilities (SEND) placements. This balance enhances operational resilience and allows for more strategic resource allocation. In contrast, more fragmented models (e.g. 3 or 4UA) risk creating uneven service pressures, inefficiencies, and reduced flexibility to respond to demand fluctuations.

While the 1UA model offers the most complete equalisation of supply and demand - particularly in areas like homelessness and SEND - the 2UA model still achieves a high degree of balance without the operational risks of over-centralisation. For example, it allows for more even distribution of care placements and better alignment of supply and demand across the region, reducing the risk of inflated unit costs or out-of-area placements. The expected increase in demand for SEND services between 2025–2040 is 28% in Kent and 47% in Medway (LGR:

Impact on people services, CCN Newton) - highlighting the need for a model that can balance and manage such disparities across regions.

Balanced demographics also support long-term sustainability by enabling more predictable commissioning and reducing service pressure. The 2UA model creates a more stable environment for providers, supporting market resilience and reducing the volatility that can arise from fragmented governance.

Alignment and Partnership Working
Effective market shaping depends on strong alignment between services and robust partnership working. LGR can simplify governance structures, reduce fragmentation, and support more consistent service standards. Fewer authorities make it easier to coordinate with key partners such as the NHS, police, and the voluntary sector, enabling more integrated and person-centred care. Standardised commissioning practices also reduce inefficiencies and improve the experience for providers. However, increasing the number of authorities can lead to fragmented planning, inconsistent delivery, and weakened collaboration - particularly in safeguarding and joint commissioning. A more unified structure enhances the potential for shared projects, data sharing, and long-term strategic planning.

While the 1UA model offers the most coterminous alignment with partners like the Kent and Medway Integrated Care Board (ICB) and Safeguarding Boards, it also risks becoming too large and bureaucratic to maintain effective local relationships. The 2UA model strikes a balance - enabling strategic alignment and joint commissioning while preserving the ability to engage meaningfully with communities and local providers.

Standardised commissioning practices under the 2UA model reduce inefficiencies and improve the experience for providers, who often operate across multiple authority boundaries.

Moreover, the 2UA model supports improved outcomes in adults' and children's social care. Evidence suggests that larger authorities are more likely to achieve good or outstanding Ofsted and CQC ratings, though this must be balanced with the need to retain the best aspects of current service delivery. The 2UA model allows for this continuity while enabling system-wide improvements.

Highest Rated Option

Option 5 (2 unitary authority model) appears to offer the most balanced and effective approach to achieving sustainable public services through market shaping. It combines many of the efficiency benefits of a single authority - such as economies of scale, stronger commissioning power, and greater capacity for strategic investment - while maintaining a level of local responsiveness that is critical for tailoring services to diverse community needs. This model supports more balanced service demand, demographic distribution, and care market and SEND capacity across Kent and Medway, which are essential for resilient and responsive service delivery.

Crucially, the 2UA model also mitigates the risks associated with both extremes: it avoids the over-centralisation and potential loss of local insight seen in the 1UA model, and it reduces the fragmentation, duplication, and market instability risks that are more pronounced in the 3UA and 4UA options. It enables more consistent partnership working, standardised commissioning, and integrated planning - key enablers for shaping a care and support market that is both efficient and responsive to future needs.

2.2 Public services prevention model

Demand for Adults and Children's social care services continues to rise, both at a national level and within Kent. Along with the rising demand is the rising cost of assessing need and delivering interventions. It is recognised that these interventions are frequently delivered when a situation reaches crisis point, i.e. services are reactive and often unsustainable and not well co-ordinated with partners (such as health, police and education) and the VCSE. This reactive approach not only strains limited resources but also fails to provide timely support to those in need, leading to a cycle of escalating issues and increased pressure on services. By focusing on prevention, we can address issues before they escalate, leading to better outcomes for individuals and more efficient use of resources, including improved data linkages and population needs insights between partner agencies (The Future of Prevention Programme: Exploring how to deliver proactive prevention at scale, Interim update December 2024, Newton, LGA, ADASS and Atlantic collaboration).

Local Government Reorganisation (LGR) presents a unique opportunity to address these challenges through unitarisation. By bringing together services such as housing, leisure, education and social care under a single unified structure, LGR simplifies integration with other partners and creates new opportunities for prevention. This reorganisation allows for a more proactive approach, enabling early intervention and better coordination of services. As a result, it can help to reduce the demand on crisis services, improve outcomes for individuals and families, and create a more sustainable and efficient system overall (Government Spending Review 2025, English Devolution White paper: Power and partnership: Foundations for growth, December 2024).

Key considerations:

1. As indicated in the previous section (3.1 Key Considerations), there are a number of assumptions that underpin the following analysis; namely that larger authorities improve efficiency, will have improved resilience due to more balanced demand and demographics, and will have easier partnership integration and alignment. It is also assumed that larger authorities are less responsive to local need and community participation.
2. Analysis of the different unitary options will need to consider the balance between the benefits larger unitary areas offer in terms of managing uneven demand across a geographical area, maintaining sound safeguarding processes, strategic capacity versus the benefits of more local integrated working with partners and the potential ability to respond more quickly to changing need.
3. The findings assume that there is no Mayoral Strategic Authority (MSA), and each unitary area operates independent of the others. If there were to be a MSA, then many of the risks identified for 3 or 4 unitary options may be mitigated. In addition, Government is considering the potential for other policy and service delivery solutions for adults' and children's social care through vehicles such as social partnership or similar other vehicles.
4. The formation of a Children's Trust in parallel with a unitary model could be a mitigating action for disaggregation of current children's and young people's services. However, this approach has the potential to add additional complexity to the system and would reduce the financial benefits associated with reorganisation. It would also require additional leadership posts and governance arrangements.

5. There is a need to identify the barriers currently in place which prevent effective local/neighbourhood integrated partnership working, and what enablers are required so that LGR can be a real catalyst for change and transformation.

The analysis for the different unitary options has been considered under three broad themes: Strategic Capacity, Partnerships and Integration, and Innovation and Investment.

Strategic Capacity

A 1UA may better manage the expected growth in demand for social care services, particularly in areas with higher predicted increases, and allows for both a broader financial base to withstand demand surges, and in terms of managing staffing resource. The size of a 1UA enables effective strategic oversight while maintaining local knowledge, ensuring services can adapt to the diverse needs of communities. This is also applicable for education settings and meeting SEND need as a larger area is better placed to facilitate school to school collaboration including federations, trusts, and teaching school alliances, and makes it easier to share best practices and innovations across a broader network. A 1UA enables a more cohesive, area-wide strategy for crime prevention and community safety, and enables joint planning and rapid response for emergency services. A larger unitary area may enable funding for specialist teams to further support the prevention agenda e.g. homelessness, Unaccompanied Asylum-Seeking Children (UASC) etc.

However, it may be considered that a 1UA is too large an area (and population) size to maximise efficiencies, and therefore a 2UA might be more feasible.

A 1UA may have greater capacity to have support functions such as data collection and reporting, analytics, audits, quality assurance and practice development to provide strategic oversight and insight into where to target prevention resource, identify emerging trends and patterns, and forecasting and predicting need. There may be more scope for area-wide data sharing agreements with strategic partners to really understand and inform how to best address needs of residents. All of these functions should help in delivering the right prevention services to the right people in order to drive down longer-term demand into social care.

Moving to a 2, 3 or 4UA increases the risk of fragmentation and reduction in strategic capacity which may impact the ability of an area to identify and meet the needs of particular vulnerable groups. Conversely, working to a smaller geographical area such as a 3 or 4 unitary authority model may make it easier to identify needs at a more local level and to work with communities and partner agencies (particularly the VCSE) to design preventative solutions.

Partnerships and Integration

A 1UA may be best placed to facilitate a whole system approach, improving coordination between housing, social care, education, leisure and community services, ultimately enhancing the quality of life for residents. A 1UA may ensure more consistent service delivery, service offer, referral and thresholds, policies and pathways, meaning that residents experience less of a ‘postcode’ lottery in terms of what support is available and how to access it. However, as noted above, it may be that a 1UA is too large an area and population size to be efficient and so a 2UA might be a more manageable option.

Having multiple unitary areas moves away from a strategic whole system approach to partnership working, and instead, increasingly facilitates closer local links with partner agencies and the VCSE. This may facilitate a more responsive, agile approach to prevention delivery at an operational level. The smaller 3 or 4 UA may enable even more effective local

collaboration and co-design with communities, to deliver services in a timely manner and result in more immediate impact.

Innovation and Investment
A 1UA would be a large geographical area and population size and consequently may have more scope to leverage central government, secure funding and support for projects and initiatives. It may be better able to drive change and deliver savings by reducing duplication both in services, and in back-office support functions. A 2UA may have a similar leverage and also present the opportunity to streamline 2 tier processes, however as the number of unitary areas increases, this opportunity reduces.

1UA offers possible savings to unified Director Children's Services and Director Adult Services roles and may best support workforce recruitment, development and retention across a wider area. As the number of unitary areas increases, there may be challenges around the pool of people available and recruitment to senior leadership positions, and around wider workforce retention, with areas in competition with each other.

Highest Rated Option

Considering the opportunities and challenges presented by the different unitary authority models, Option 6 (1 unitary authority model - benchmark) may be the optimal approach for delivering public services prevention transformation. Based on the assumptions noted above, larger unitary authorities offer greater strategic oversight, resource and capacity to manage fluctuations in demand, and drive change and transformation. It would also build on the existing good work of both the Children's and Adults' Safeguarding Boards which cover both Kent and Medway. Furthermore, evidence and modelling suggest that higher CQC and Ofsted outcomes are more likely for larger authority areas (LGR: Impact on people services, CCN Newton).

Whilst the large geographical area and population size of a 1 unitary option may suggest that community partnership and resident co-production might be compromised at a local scale, LGR offers the opportunity for transformation and a fundamental reset to ensure that a bottom-up approach to prevention, integrated working and neighbourhood community solutions is prioritised within the larger unitary authority. A 1 unitary model may have the most resource and capacity to deliver and support this more local way of working.

2.3 Planning at the right scale to support delivery

The problem statement identifies a core issue, namely that planning in Kent is not currently at a sufficient scale to be strategic, with an insufficient focus on infrastructure and poor integration with wider public services. The existing two-tier system (county and district councils) leads to fragmented planning, inefficiencies, and missed opportunities for coordinated growth. Planning is too localised to effectively address county-wide needs, infrastructure planning is fragmented and underemphasised, and planning is not aligned with social care and other key public services like health and policing.

LGR presents a significant transformation opportunity to address these challenges by moving to a unitary model, with authorities that operate and enable strategic planning at scale, integrated planning of housing, transport, and infrastructure, making better use of developer contributions and meeting housing and infrastructure needs more effectively, and an enhanced ability to attract external funding and investment, supporting economic development and regeneration through more coherent, simplified, and scalable governance and decision-making. Planning

policy can be integrated with service policy across service delivery such as social care and other public services (e.g. policing and health etc.) to enhance coordination across sectors.

Key considerations

1. Simplified administration: With fewer entities involved, a 1UA or 2UA model reduces coordination complexity and the risk of overlapping responsibilities.
2. The process of reaching agreement to manage issues such as housing need and demand, planning, and wider infrastructure planning, financing and delivery in a coordinated fashion across a broader functional economic area would be more complicated between multiple authorities. The ability to communicate as a coherent voice for the place is important when trying to reshape a whole system. This coordination can help new unitaries get into the position of being seen as equal players with large investors and government.
3. The benefits of strategic growth and planning can be maximised when delivered at scale across a wider area and potentially attract more inward investment.
4. Key risks for a 1UA or 2UA model are around: loss of local nuance, centralised bottlenecks, transition complexity.
5. Key risks for a 3UA or 4UA model (and some apply to the 2UA model too) are around: cross-boundary coordination and need for strong mechanisms to manage aspects such as shared infrastructure and transport corridors, potential for inconsistent priorities and risk of diverging visions between two or more unitaries (e.g. differing approaches to sustainable transport), duplication of effort, fragmentation, weaker strategic capacity and influence and reduced leverage with key regional/national partners/stakeholders, inconsistent delivery (misaligned priorities, budgets, timetables), complex governance.
6. Key advantages for a 1UA and 2UA model: the impact of scale on cost and place, strategic capacity and influence, planning at a larger scale can enable effective place-shaping, reduced fragmentation, supporting more consistent service standards and improved oversight.
7. Key advantages of a 3UA and 4UA models: local responsiveness and tailoring, scope for innovation and easier to test pilots etc., closer community engagement, locally focused decision making (PwC – Local Government Reorganisation in Kent: An interim proposal).
8. A Mayoral Strategic Authority (MSA) could provide a unifying strategic layer across all LGR models, by coordinating county-wide planning, housing, transport, and infrastructure priorities; while a 1UA model would naturally align most closely with the MSA's strategic remit through a single point of accountability, the 2UA model could support effective collaboration through joint governance mechanisms, whereas the 3UA and 4UA models would require more complex inter-authority frameworks to ensure consistent spatial strategies and infrastructure delivery across boundaries. However, it is important to note that currently government are not willing to offer devolution via a MSA to Kent under a single unitary model and it is unclear whether they would accept a 2 unitary model, so the benefits presented by these model options in regard to devolution application are theoretical whilst the government position remains as is.

The analysis for the different unitary options has been considered under three broad themes: Strategic Planning and Place-Shaping at Scale, Economic Alignment and Growth, and Improved Service Integration.

Strategic Planning and Place-Shaping at Scale
The opportunities under this theme highlight the transformative potential of Local Government Reorganisation (LGR) in delivering more integrated, efficient, and sustainable land, housing, and transport planning by coordinating infrastructure and investment decisions across a broader geography, underpinned by the ability to set a unified vision through aligned spatial strategies and Local Plans (Planning Advisory Service - Joined Up Thinking in Uncertain Times: Links between Strategic Planning and Transport). Opportunities include aligning land use, housing, and infrastructure planning to create better connected communities, and streamlining governance. These opportunities would also mean faster development, better access to funding by simplifying engagement with regional and national stakeholders, and the ability to influence these agendas more effectively.

In comparing the different LGR models, the available evidence suggests that larger unitary structures can better support these ambitions (PwC: Evaluating the importance of scale in proposals for local government reorganisation). A single unitary model potentially offers the greatest potential for consistency and strategic alignment but may risk being too distant from local nuances. Conversely, models with more unitaries (such as three or four) can retain local responsiveness while, compared with the current fragmentation of the two-tier system, could create scale through aggregation. The 3UA and 4UA models will need shared or joint planning frameworks that can be tailored to areas' needs while experiencing a decreased degree of economies of scale, which presents a higher risk of fragmentation and slower coordination. A 2UA model offers a balanced opportunity for strategic planning and place-shaping as it combines the benefits of scale - enabling region-wide coordination and investment - with the ability to maintain a higher degree of local responsiveness comparing to the 1UA model. This model would require collaborative governance and integrated planning across boundaries but is not as complex as managing across 3 or 4 sets of borders.

A 1UA model may be the most advantageous structure for strategic planning and place-shaping at scale as it offers the clearest path to a unified spatial strategy and a single Local Plan, integrating strategic and local policies.. This model would also enable consistent decision-making and long-term investment planning. A single authority is best placed to coordinate transport and land use and manage environmental assets holistically, whilst also simplifying the planning process and access for developers with a greater potential to accelerate infrastructure delivery.

Economic Alignment and Growth
The opportunities under this theme focus on leveraging LGR to unlock strategic, county-wide economic development, and drive economic regeneration, attract investment, and streamline economic development service delivery. By aligning planning, infrastructure, and growth strategies, unitaries can create a more compelling environment for inward investment and business development. Opportunities include pooling local business rates for reinvestment, managing housing and property assets strategically, and enhancing economic development services through unified policies and specialist recruitment. These changes would enable the new unitaries to respond more effectively to regional economic needs.

A single unitary model offers the most comprehensive platform for aligning planning, infrastructure, and growth priorities, enabling Kent to attract greater investment and integrate more effectively with London-linked development. This model simplifies the pooling and reinvestment of business rates, aligning financial resources with strategic growth plans, and also streamlines engagement with national and regional partners, improving Kent's

competitiveness. The 1UA model would enable the most simplified planning processes - such as Section 106 agreements and the Community Infrastructure Levy (CIL) - by consolidating authority, reducing negotiation complexity, and ensuring transparency and efficiency for developers and communities alike (Grant Thornton - Learning from the new unitary councils). It also allows for a county-wide infrastructure strategy that equitably distributes developer contributions across both high-growth and underinvested areas.

The 2UA model offers a balanced approach to maximising the opportunities under this theme. It provides sufficient scale to align economic strategies and attract investment while maintaining a level of local responsiveness that supports tailored economic interventions. This model allows for strategic pooling of resources and coordinated infrastructure planning across a broader geography, without the potential disconnect that might arise in a single unitary model. It also facilitates more agile decision-making and service delivery compared to models with three or four unitaries, which may face coordination challenges. In addition, the 3UA and 4UA models risk inconsistent negotiation and fragmented infrastructure delivery as services may be duplicated, potentially creating inconsistent advice for developers, with an increased risk of differing planning standards. Overall, the 2UA model strikes an effective balance between strategic oversight and local economic responsiveness, making it well suited to deliver the potential of this theme.

Improved Service Integration

The opportunities under this theme highlight the potential of LGR to deliver more cohesive, resident-focused public services. For example, by aligning affordable housing with social care, education, job training, and health services, councils can provide wraparound support that addresses both immediate and long-term complex community needs holistically (Home Sight – Affordable Housing and Social Services Integration). This approach fosters economic stability, social inclusion, and better health outcomes by reducing barriers to support and streamlining service access.

Integration also extends to areas such as environmental and heritage services, offering a single point of access and reducing duplication. The use of single or shared platforms, AI, and consistent design principles across new unitaries can lead to better delivery of services and cost savings. Other operational efficiencies extend to having fewer or a unified housing service which can reduce administrative costs, streamline maintenance and repair systems, and implement a centralised planning system. These efficiencies not only save money but also improve the user experience for residents and partners. Simplified administration further enhances coordination across key areas like planning, education, and waste management.

The 1UA and 2UA models are best positioned to maximise the opportunities under this theme. The 1UA model enables full integration of services under one governance structure e.g. housing strategy and delivery, eliminating fragmentation and ensuring consistent standards across the county. A single unitary structure would also provide optimal authority and oversight to effectively plan and deliver infrastructure that facilitates and supports more innovative service delivery models e.g. the development of multi-agency hubs and co-located services and greater collaboration with external partners, given the unified interface. While models with multiple unitaries may retain local nuance, they risk duplicating systems and complicating coordination. This means that in the 3UA or 4UA models, there is a greater risk of fragmented commissioning and inconsistent service models (e.g. for wraparound services in housing), and that of divergence in priorities and disjointed delivery while also potentially facing higher costs and complexity in aligning systems and sharing data.

Highest Rated Option

Based on the analysis of the opportunities and challenges under the three themes—Strategic Planning and Place-Shaping at Scale, Economic Alignment and Growth, and Improved Service Integration - Option 6 (1UA - benchmark) and Option 5 (2UA) models emerge as the most effective options to maximise the opportunities identified under this problem statement. Both models highlight the potential that scale has to positively impact cost and place-shaping, with the 1UA model offering a clear path to a unified spatial strategy and Local Plan, enabling consistent decision-making, streamlined governance, and long-term investment planning. The 1UA model also provides a stronger platform for aligning economic development with infrastructure and planning, simplifying engagement with national stakeholders, and enhancing Kent's competitiveness. In terms of service integration, a 2UA model presents similar opportunities to the 1UA model, however a single authority structure allows for fully joined-up commissioning and delivery, reducing duplication and improving access to wraparound support services. The 2UA model offers a more balanced alternative as it maintains some local responsiveness comparing to a 1UA model, however it lacks the full coherence and efficiency gains achievable under a single authority. Therefore, the 1UA model is better positioned to deliver scale, consistency, and strategic alignment in relation to planning.

2.4 Value for money and visible services (quality of life)

The underfunding of local government is well documented, with many local authorities struggling to balance multiple competing priorities within the limited budget they have available. For example, over half (60%) of KCC's budget is spent on Adult and Children's support services, while the remainder is spread very thinly across multiple service areas (KCC budget webpage). This means a considerable amount of council resource (60%) is being used to support a very small cohort of people (approximately 3% of the Kent population are in receipt of adults' or children's social care). This imbalance, caused by growing demand in people services and continued under investment in visible place services (for example, by comparison only 6% of the KCC budget is put towards waste services and highway maintenance), contributes to residents' negative perception of quality of life and value for money from their local councils. Essentially, residents can feel as though they are paying more for less. Whilst the extent to which local government reorganisation can help resolve this complex issue is questionable (especially in the absence of wider funding reforms or devolved powers), unitarisation does provide an opportunity for councils to reassess the way in which they deliver services to meet the needs of all residents whilst delivering better value for money.

Key considerations

1. Universal services: For the purposes of this report, we have narrowed the list of universal services to include the following:
    - Waste services
    - Highways maintenance, specifically potholes
    - Community services and use of assets

    These services were chosen as they are consistently referenced in budget consultation reports as areas where residents would welcome further investment (N.B. transport is a top priority for residents but has been omitted as meaningful change is limited without devolved powers).
2. Value for money: When assessing value for money, this has been looked at from the perspective of the resident. Ultimately, residents want more money to be invested in

services that will make a tangible improvement to their everyday lives, especially as there is a feeling that if you pay council tax you should personally benefit from services. However, this clearly must be balanced against what the council as a whole considers to be value for money, as it attempts to ensure multiple different services remain financially viable whilst also fulfilling its legal duties (popularity vs practicality).

3. Financial sustainability: It is likely that smaller authorities would lack the financial resilience and strategic capacity to be able to invest in universal provision whilst also delivering sustainable social care services.
4. Commissioning practices: There is a risk that larger authorities may default to commissioning large block contracts. Commissioning in this way may sacrifice innovation for scale, with less flexibility built into the commissioning process. More localised commissioning as part of a three or four unitary model may lead to better service design and delivery, ultimately leading to better outcomes for residents.
5. Maintaining the status-quo: There is a risk that the 1UA or 2UA models may effectively create large social care authorities, with less focus given to the design and delivery of local, place-based services. This may end up perpetuating the existing issue of council resources being predominantly used to support people who draw on care and support services at the expense of investment in more universal services for all residents. LGR offers the opportunity to fundamentally redesign the way in which services are delivered to help improve the resident experience, and so these models could be criticised as not being ambitious enough or for simply offering more of the same.
6. Local responsiveness: It is assumed that smaller authorities are best placed to fully realise the benefits of local service delivery and place shaping, whilst larger authorities may be less responsive to local need and community participation (especially in the absence of District Councils).
7. Public Service Reform: Aligning council services with other public sector bodies presents opportunities for public service reform. This is most effective where public service boundaries are coterminous. Working with key partners such as the NHS and the Police, councils can help improve outcomes for residents, reduce duplication across public services, deliver better value for money, and respond more effectively to the complex needs of communities.
8. Devolution: The findings assume that there is no Mayoral Strategic Authority (MSA) and each unitary area operates independent of the others. There is a risk that dividing the county into multiple unitary authorities may undermine Kent's collective voice on key strategic issues such as Unaccompanied Asylum-Seeking Children (UASC) and Operation Brock – issues which we know are particularly important to residents and which will influence their opinion on their local council.

The following analysis is based around several key themes: Clarity and Responsiveness, Innovation and Investment, Universal Services, Building on local Strengths and Assets, and Public Service Reform.

Clarity and Responsiveness

Irrespective of which model is adopted, unitarisation should make it far easier for residents to access information and support. Under the current system, residents are often redirected from different tiers of local government depending on the issue they have raised, and this transfer of responsibility can sometimes feel deliberately unhelpful, especially if the matter is urgent.

Having a single tier of local government should make it easier – and quicker – for residents to find what they are looking for, with all information held in a central location.

As part of a unitary structure, residents would also have a single point of contact via their elected Member to raise concerns and to suggest improvements to local services. This system should help expedite communication between residents and their local representative, leading to more efficient responses to issues which matter to local people. Indeed, 'being heard' and the speed with which local concerns are addressed is often intrinsically linked to the public's perception of how effective their council is and whether or not they are receiving value for money.

There may also be an opportunity as part of LGR to reset the relationship between public servants and residents by bringing local people closer to decision making (perhaps through local area committees or neighbourhood citizen panels), helping to empower residents who may otherwise feel disengaged.

Innovation and Investment
Unitaries will have to balance investment in local, place-based services with the need to provide sustainable adults' and children's social care services. Larger authorities should be better equipped to balance these competing priorities, allowing them to invest in local initiatives whilst also managing demand for statutory services. Conversely, the increased disaggregation and transition costs associated with the move to smaller authorities (4UA model) may limit the amount of money that can be invested in front-line/visible services, potentially rendering this model financially unviable from the outset.

Universal Services
As demand for people-based services continues to rise, there is less scope for councils to invest in universal services for all residents. These types of services are highly visible and tangibly impact residents' everyday lives – the most notable examples being waste services and road maintenance. There is an opportunity through LGR to fundamentally change the way in which these services are delivered to achieve better outcomes for residents. For example, aggregating waste collection and waste disposal services as part of a unitary model should help streamline the entire waste management process and should generate efficiency savings by reducing transportation and labour costs through economies of scale (it is important to note that whilst waste collection and disposal services could be aggregated under any model of unitarisation, the benefits of scale and efficiency would be maximised under a single unitary model). Having an integrated waste collection and disposal service would also help simplify the process for residents and demonstrate better value for money. The issue of littering, fly-tipping, and general environmental cleanliness is also particularly important to residents. There is an opportunity through unitarisation for closer alignment between all of these services, as well as the development of a single reporting tool for faults such as littering, fly tipping, uncollected bins, potholes etc., which should hopefully lead to a more coordinated and responsive system for residents.

Another key concern for residents over recent years has been road maintenance. Management of the highway asset base is highly visible (especially potholes) and is an important issue to residents who have expressed dissatisfaction with the way this is managed through the current model. It is possible that highway maintenance would improve as a unitary responsibility, especially if smaller authorities (3 or 4UA model) are afforded greater flexibility to commission local providers in a more responsive local market. If smaller unitaries are able to manage these

markets effectively, then they should be able to target problem areas more rapidly without a significant increase in costs.

Building on local Strengths and Assets
Smaller authorities are perhaps best placed to fully realise the benefits of local service delivery and place shaping. Under a 3 or 4UA model, councils should have a better understanding of their local population and should be able to utilise their asset base more effectively, exploring service delivery options such as co-location and multi-agency asset use. Similarly, smaller authorities should be able to work more closely with the local voluntary and community sector. The current VCSE landscape across Kent is both diverse and complex, with thousands of different groups of varying size and type existing across the county, making it difficult to coordinate services at scale. Working across smaller geographical footprints, councils could fully harness the potential of the sector to help deliver services that will have a positive impact in local communities. Working closely with local community groups can also help maximise social value for residents, with little amounts of money often going a long way. Smaller authorities are also best suited to working at neighbourhood level, which appears to be the direction of travel under the current Government.

Public Service Reform
Local Government Reorganisation can act as a catalyst for Public Service Reform by providing opportunities for new unitary authorities to align services with key partners. For example, under the 3UA model, the proposed unitary boundaries are broadly coterminous with the geography of other public sector bodies, such as Kent Police Command Units, Hospital Trusts, and Health and Care Partnerships. This particular model would therefore allow partners to build on established relationships and ways of working to accelerate tailored, community-based integration and reform including on crime and community safety and health and social care. Aligning with current service delivery boundaries would also help minimise disruption for wider public services during the transition period and provide the most efficient way for partners to work together in the longer-term to deliver better outcomes for residents.

Highest Rated Option

Option 1 (3UA) model appears to offer the best balance between scale and flexibility, where authorities are large enough to be able to deliver sustainable social care services across manageable geographical footprints, whilst also small and agile enough to be able to respond to local need and deliver effective place-based services. Working at a smaller scale, authorities can focus on what matters most to local people and respond to local issues more effectively, helping to improve quality of life and build trust and confidence in public services. Working at this level should also make it easier to harness local knowledge and expertise to deliver tailored services that address specific needs, whether that be through better use of assets, more joined-up working with partners, a stronger relationship with the VCSE, or through closer engagement with residents. This local knowledge can then be utilised at a more strategic level to drive improvements across the entire region, using data and evidence to inform future policy considerations.

The 3UA model also offers several opportunities for public service reform. For example, the Police Command Units across Kent are coterminous with the boundaries of a potential West, East, and North Kent unitary configuration. This should enable closer partnership working between unitaries and the local police force by coordinating efforts to tackle crime and reduce antisocial behaviour. For example, North and West Kent could focus on tackling county lines

issues whilst East Kent could prioritise border security – issues which we know are important to residents.

The 3UA model also provides unitaries with the opportunity to work more closely with the NHS. This model aligns well with existing Health and Care Partnership footprints whilst all of the major hospital trusts in Kent fit into the three unitary authority areas (Maidstone and Tunbridge Wells NHS Trust in the west, Dartford and Gravesham NHS Trust and Medway NHS Foundation Trust in the north, and East Kent Hospitals University NHS Foundation Trust in the east). This model of unitarisation should therefore enable closer joint working between health and social care teams, particularly around hospital discharge (this is already happening under the current system but could be accelerated under this model).. This should help improve the citizen experience as residents often report negatively on the lack of joined up care they receive from different public services. It is also important to note that the NHS Kent and Medway Integrated Care Board have indicated that their preference would be to move to a three unitary model if LGR is to be progressed.

Lastly, this option makes the most sense geographically as it groups districts with similar socio-economic profiles, allowing each authority to focus on local priorities. This configuration also broadly reflects sub-regional identities, with most residents considering themselves to be part of West, East or North Kent. Ultimately, residents need to feel connected to their local area and need to be reassured that their council tax is being spent on local services.

3) Summary of cross-cutting opportunities and challenges across the 4 problem statements by Option:

3.1 Specific considerations for Option 1 (3 unitary)

Opportunities	Challenges
Less disparity in deprivation levels comparing to a 4U model	Less specialised teams/roles/services comparing to 1U or 2U models
Optimum balance of council tax receipts and business rate revenues comparing to all other unitary models (more equitable spending power)	Less capacity for invest to save projects comparing to 1U or 2U models
Competitive environment for providers	Less balanced service demand comparing to 1U or 2U models
Greater ability to balance scale with local flexibility	More disparity in deprivation levels comparing to 1U or 2U models
More localised expertise and service delivery	Less balanced care market capacity comparing to 1U or 2U models
More localised responses to demographic and economic needs	Increased risk of instability in care markets impacting on the capacity and quality of commissioning
Greater agility in service delivery and faster implementation of policies	Risk of less data sharing and integration
Closer local level relationships with partner organisations and alignment of services	Increased risk for demand imbalance between the geographies of a 3U
Ability to enable local bottom-up solutions	Less strategic capacity, coordination, and influence over Kent-specific issues
Greater flexibility to pilot and learn from new ways of working	Higher risk of disparity in service provision
Better alignment of socio-economic profiles and geographies	High risk in fragmentation in ways of working and inconsistent practice standards
Enabling closer working with Health partners and increased opportunities for efficiencies	Higher risk of operational resilience challenges
Enabling closer working with the police due to coterminous boundaries	Higher risk of disruption to critical services which are currently countywide
	High risk of inconsistencies in residents' experiences of services
	Increased complexity in realigning and reorganising current partnerships to fit a 3U model
	Decreased level of leverage with central government and other regional and national bodies
	High risk of employment market competition
	Increased demand for senior leadership roles for critical services with duplication and cost implications
	Lack of economies of scale
	Higher disaggregation costs

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3.2 Specific considerations for Options 2, 3 & 4 (4 unitary)

Opportunities	Challenges
Greater ability for localised expertise, knowledge and service delivery	Reduced buying power and economies of scale
More homogenous authorities able to address local priorities and specific demographic and economic needs	Weakened ability to influence the Kent economy
Greater agility in service delivery and faster implementation of policies	Weakened financial resilience and stability
Greater ability to address urban and rural needs	Fewer specialised teams/roles/services
Localised commissioning practice with increased ability for added social value	Reduced strategic oversight for critical services
Agility to implement locally driven ways of working and responding to trends in demand	Less capacity for invest to save projects and less potential for scalable benefits
Increased ability to reflect place in service delivery	Highest risk for imbalanced service demand (adult social care, children social care, housing)
Faster implementation of policies	High risk of disparity in service provision and outcomes
Greater potential to bring together, coordinate, and strengthen services provided by the LA and local partners	Highest risk of fragmentation in service planning and delivery
Highest potential for flexibility to pilot and learn from new ways of working	High risk of an imbalanced care market
Greater ability to enable local bottom-up solutions	Highest risk of disparity of deprivation levels and age profiles
Greatest potential for targeted work and a strengths-based approach	High risk of reduced stability for operational resilience
More control over local budgets	Less workforce flexibility to cover shortages
Increased ability to deliver localised regeneration projects	High risk of employment market competition
Ability to work at a hyper-localised level with partners (neighbourhood-based governance)	High risk of duplication and inefficiencies (service and policy overlap, administrative costs)
Ability to maximise local partnership working including the VCSE	Lack of standardised commissioning practices
Ability to establish more effective engagement mechanisms with residents	High risk of an overcompetitive market
	High risk of fragmented partnerships and lack of joined up working
	Higher level of complexity for coordination and communication (between the unitaries, with partners etc.)
	Increased complexity in realigning and reorganising current partnerships to fit a 4U model
	Added layer of complexity to cross-boundary working and information sharing
	Less influence on Kent-specific issues
	Lack of strategic capacity
	Loss of scale efficiencies and higher operational costs

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3.3. Specific considerations for Option 5 (2 unitary)

Opportunities	Challenges
Greater ability to maintain partnerships, collaboration and continuity	Risk of disruption to services which are currently countywide
Easier to integrate data and share information	Risk for service provision variation
Better balance between population size and maintaining local knowledge	Risk of divergence in priorities
Ability to scale up ways of working and projects	Duplication of statutory/key senior leadership roles
More flexibility to commission local providers and be more responsive to local needs	Realigning and reorganising current partnerships to fit a 2U model
Less susceptibility to market volatility	Multiple systems for key services and impact on continuity of service provision
Better asset utilisation adapted to local need	Balancing urban vs rural competing needs
Better asset utilisation adapted to local need	Increased risk of employment market competition
Reduced risk in governance fragmentation	Distinct geographic profiles and economies, acting independently with less strategic collaboration
	Exacerbating geographical and service provision inequalities
	Delivery and governance structures need to be in place to allow for adaptation and responsiveness at a community/local level
	Reduced service flexibility

3.4 Specific considerations for Option 6 (1 unitary - benchmark)

Opportunities	Challenges
Greater financial resilience and sustainability and ability to withstand crises	Large population size - less responsive decision-making, bureaucratic complexity and inefficiencies
Greater capacity for specialised services	Less local responsiveness - if the right mechanisms are not in place
Greater operational resilience	Decreased ability for tailored service delivery - if the right mechanisms are not in place
Greater purchasing power and commissioning	Reduced local connection
Greater ability to manage demand and plan service provision	Reduced localised expertise
Ability to implement longer term strategies - prevention, spatial, climate, community safety	Trade-off between scale and innovation
Centralised systems vs multiple platforms	Commissioning practices and default to large contracts
Standardised eligibility criteria and referral pathways	Risk of centralised bottlenecks and slower decision-making
Standardisation of service design and delivery	Increased risk of politicisation of strategic decisions if not balanced by transparent governance and community engagement
Reduced duplication of services and fragmentation	Potential complexities and inefficiencies in aggregating support functions (HR, IT etc.)
Increased influence on Kent-specific issues	
Greater strategic capacity and a single, coherent voice	
Simplified governance	
Single point of contact and information for residents	
Familiarity/minimised service disruption for residents	
Robust place-based approach, joining up all assets	
Greater capacity and resource for invest to save proposals	

4) Highest Rated options for Transformation

- **Market:** Option 5 (2 Unitary Authority Model)
- **Prevention:** Option 6 (1 Unitary Authority Model - benchmark) (with mitigations)
- **Planning:** Option 6 (1 Unitary Authority Model - benchmark)
- **Visible Services and Value for Money:** Option 1 (3 Unitary Authority Model)

Overall Highest Rated Option for Transformation:

- **Option 5 (2 Unitary Model)**

Despite the variation across themes, the report concludes that the 2UA model offers the most balanced and effective approach overall. It combines:

- Strategic capacity and economies of scale (similar to 1UA),
- Local responsiveness and flexibility (closer to 3UA),
- Reduced risk of fragmentation and service inconsistency (compared to 3UA/4UA),
- Stronger alignment with existing partnerships and safeguarding structures,
- Better resilience to demand fluctuations and financial pressures.
- Better resident experience than 1UA

From a transformation perspective, the two unitary authority (2UA) model scores highest as it offers the most balanced and sustainable approach to delivering efficient, and resident-focused public services across Kent. It combines the strategic capacity and economies of scale associated with a single authority - enabling more effective market shaping, integrated planning, and investment alignment - with a level of local responsiveness that supports tailored service delivery and community engagement. The 2UA model mitigates the risks of over-centralisation seen in the 1UA model, while avoiding the fragmentation, duplication, and coordination challenges inherent in the 3UA and 4UA options. It supports more consistent commissioning, stronger partnerships with health and public service bodies, and a more resilient care and support market by balancing demographic and service demand across a broader geography. Critically, it enables transformation through streamlined governance, digital innovation, and integrated service design, while maintaining the agility to respond to local needs - making it the most viable structure to realise the full benefits of Local Government Reorganisation.

Appendix 1g

Devolution policy assessment

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1. Introduction

1.1 The Devolution assessment considered the opportunities and challenges around devolution policy presented by Local Government Reorganisation (LGR) in Kent and Medway addressing the following themes:

- How do we create unitaries with the capacity, capability and scale to engage and deliver within an MCA?
- How do you change the relationship between tiers, so we avoid recreating the fragmentation of the two-tier system?

1.2 Kent's ambitions for Devolution are covered in the joint Kent and Medway Devolution Priority Programme (DPP) submission from March this year. Consequently, the main part of this paper only deals with the 'why' and 'what' very briefly.

2. Summary of issues related to the relationship between devolution and local government reorganisation

How do we create unitaries with the capacity, capability and scale to engage and deliver within an MCA?

This includes creating sustainable building blocks for the future Strategic Authority (SA).

2.1 Evidence from areas that have already pursued the Mayoral Combined Authority (MCA) model (now Mayoral Strategic Authority (MSA)) highlight that **the most effective and mature devolved governance arrangements are where a MCA model is underpinned by a Combined Authority** (CA) **membership of** (unitary) **councils of roughly the same size, with the same functions and similar issues and challenges, as it supports joint working and prioritisation, but also creates a stronger capacity and capability to ensure collective approach within the CA between the Mayor on the constituent councils**.

2.2 **Coupled with the devolution of powers and responsibilities from Whitehall to a Kent and Medway mayoral strategic authority (MSA), this could make local government more efficient and responsive to the needs of Kent residents.**

2.3 **However, the issues of devolution and LGR are inextricably linked and concurrent implementation is likely to be the most effective way to achieve a sustainable future local government system in county areas. Government acknowledges this position in** the English Devolution White Paper as **reorganisation without devolution risks leaving Kent and Medway with marginal benefits, significant costs, and opportunity loss from not being able seize the benefits of devolution as early as possible**.

2.4 There is increasing evidence that individual councils are unable to meet the financial challenge as growing budgetary pressures, worsened by steadily rising social care demand, have seen the viability of Kent and Medway's 14 local councils increasingly at risk. The scale of direct savings from LGR has also been on a diminishing curve for some time and may not be of sufficient scale to balance the disaggregation costs for large counties such as Kent. **What could be transformational, is placing new unitary councils in a system where they can influence the strategy, policy and funding levers available to new MSAs through devolution, to maximise both resource available and the effectiveness of services in their local areas.**

2.5 **There is a strong theme of Public Service Reform (PSR) running throughout the White Paper and PSR must be a golden thread that runs through both LGR and devolution if Kent public services are to be financially sustainable. This approach would involve an MSA/MCA increasingly taking on the role of an Integrated Public Services Authority, which owns, drives and embeds a local PSR agenda/programme** – which would include integration and prevention - **and be designed by Kent and Medway for the benefit of Kent and Medway.** This would enable individual service organisations (the new unitary councils) being responsible for operational delivery of public service delivery to residents, with the strategic policy, budget and delivery accountabilities flowing through the MSA/MCA where collective approaches and shared resources could be agreed to tackle the structural and systemic issues that impact Kent and Medway's local communities the most.

2.6 **Ultimately, Devolution, LGR and PSR could also facilitate Kent and Medway Members** – the new unitary councils and MSA - **to become stronger conveners of place,** rebalancing the current trajectory of the public sector in Kent and Medway from needing to dedicate much of its capacity to managing demand in adult social care, children's services and homelessness and contract inflation.

How do you change the relationship between tiers, so we avoid recreating the fragmentation of the two-tier system?

This includes scaling up to work at a regional (Kent and Medway) level and a strong voice for Kent at national level.

2.7 **The current two-tier system in Kent creates challenges because the relationship is unequal in terms of responsibilities and budgets**. District Councils may have planning as a major responsibility, but housing targets are now primarily a central Government role. Meanwhile county councils have social care and a budget that dwarfs districts. Some districts are also facing increasing challenges to their financial viability, placing further strain on two-tier relationships.

2.8 **A unitarised Kent & Medway therefore could lead to a more equal relationship in terms of parity of responsibilities** and, in theory, budgets as well as enhancing accountability and a resetting of the relationship between local government and the public.

2.9 **Through devolution the strategic policy, budget and delivery accountabilities would flow through the MSA** where collective approaches and shared resources can be agreed to tackle the structural and systemic issues that impact Kent and Medway's local communities the most, and which often cut across individual public service roles and remit. For example, social isolation, coastal deprivation, homelessness and mental health support.

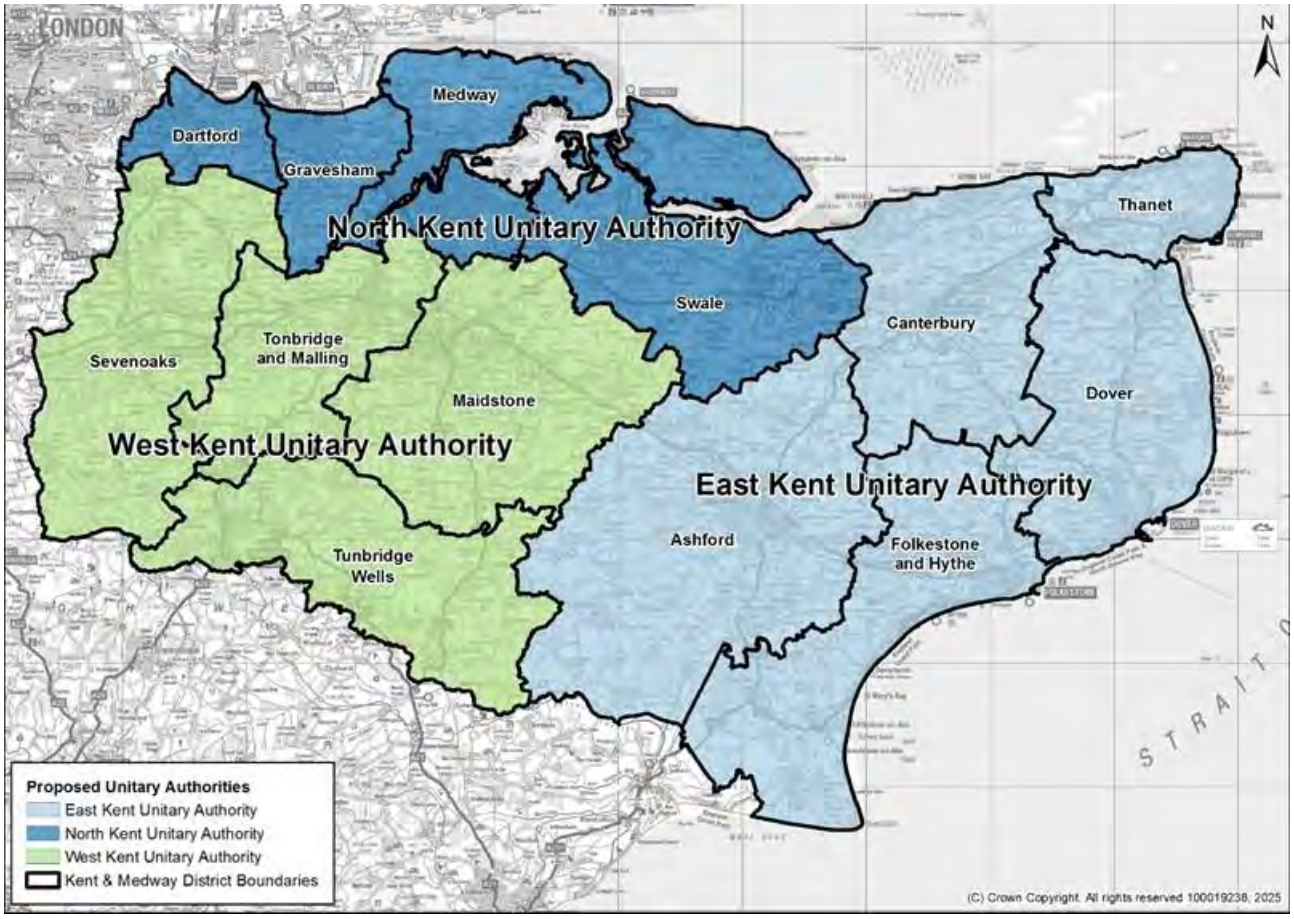
2.10 As outlined in the Revised Devolution Framework in the English Devolution Paper[1], **the role, powers and responsibilities of a Mayoral Strategic Authority (MSA) is to deal with strategic issues** (Transport and local infrastructure; Skills and employment; Housing and strategic planning; Economic development and regeneration; Environment and climate change; Health and Wellbeing; Public Service Reform (PSR); & Public Safety), **whilst, the new unitary councils would operate as delivery vehicles for MSA priorities**, and focus on leading their own place-based services as well as being sustainable enough to engage as strategic authority partners. This clear distinction between strategy and delivery will be an important keystone in relationship management between the unitary authorities and an MSA.

2.11 **It would be the role of a Directly Elected Mayor for Kent & Medway to not only manage the strategic relationships and responsibilities in Kent but also the convening role they would bring to those wider discussions taking place at regional and national forums such as the Mayoral Council for England.**

3. Considerations for Three Unitary Model – Option 1

This and the following sections explore the various unitary options through the criteria that new unitary structures must support devolution arrangements. These sections also consider the different challenges and opportunities identified across the different proposed models for LGR in Kent.

[1] English Devolution White Paper - GOV.UK



Population Criteria

3.1 **Kent and Medway's population size (estimated to be approximately 1,879,100[2]) would enable a Strategic Authority (SA) across the county footprint in accordance with government criteria (combined population of 1.5 million or above).**

3.2 For a MSA to work effectively, the constituent authorities should be unitary councils of near equal size, with the same statutory responsibilities. In this option, **the proposed unitary councils** (North: 663k, East: 662k, West: 551k) **all exceed the government's 'guiding principle' of a 500,000 population for LGR arrangements** and have similarly sized populations, creating equal partners under an MSA.

Border Infrastructure

3.3 **This option creates councils with the critical mass of capacity and resources to manage Kent and Medway's unique position** (particularly East Kent) **as the UK's border to Europe.** For example, all infrastructure in the county to manage the movement of goods and people across the border would all be contained with the proposed East Kent unitary council (Eurotunnel, Port of Dover, Sevington Inland Border Facility and Manston Arrivals and Processing Centre).

3.4 By reducing the existing structure (County, 12 districts, and one unitary) to three new councils, this option simplifies governance and enhances the region's **ability to negotiate**

[2] 2023 Mid year population estimates Total population in Kent

targeted investment, including for national priorities such as the Thames Gateway and Channel Ports corridor.

Partnership Working

3.5 **Fewer unitary authorities may potentially be easier for a MSA to work with in partnership and manage expectations across the geographic footprint of the county**. A key benefit of this model is that with three voting authorities, there cannot be a "deadlock" in decision making.

3.6 **The coterminosity of public services within the current Kent and Medway boundary is an advantage that has allowed existing partners to focus on developing effective ways to work together within the county.** The three proposed unitary councils would create a clean, simple arrangement with established relationships and a track record of delivery.

Capacity, Scope and Capability

3.7 **It would create new unitary councils with sufficient scale and capacity to engage directly with a potential Directly Elected mayor and, conversely, with central government.** It also supports fair democratic representation and provides a sustainable scale for delivering strategic functions under a Mayoral Strategic Authority (MSA).

3.8 **While the three unitary authority option establishes a strong structural basis for a devolved landscape, variation in financial resilience,** particularly in North and East Kent**, could highlight the financial and socio-economic inequity across the county and a future Mayor** (and central government) **may have to focus their activity more on those underperforming areas.**

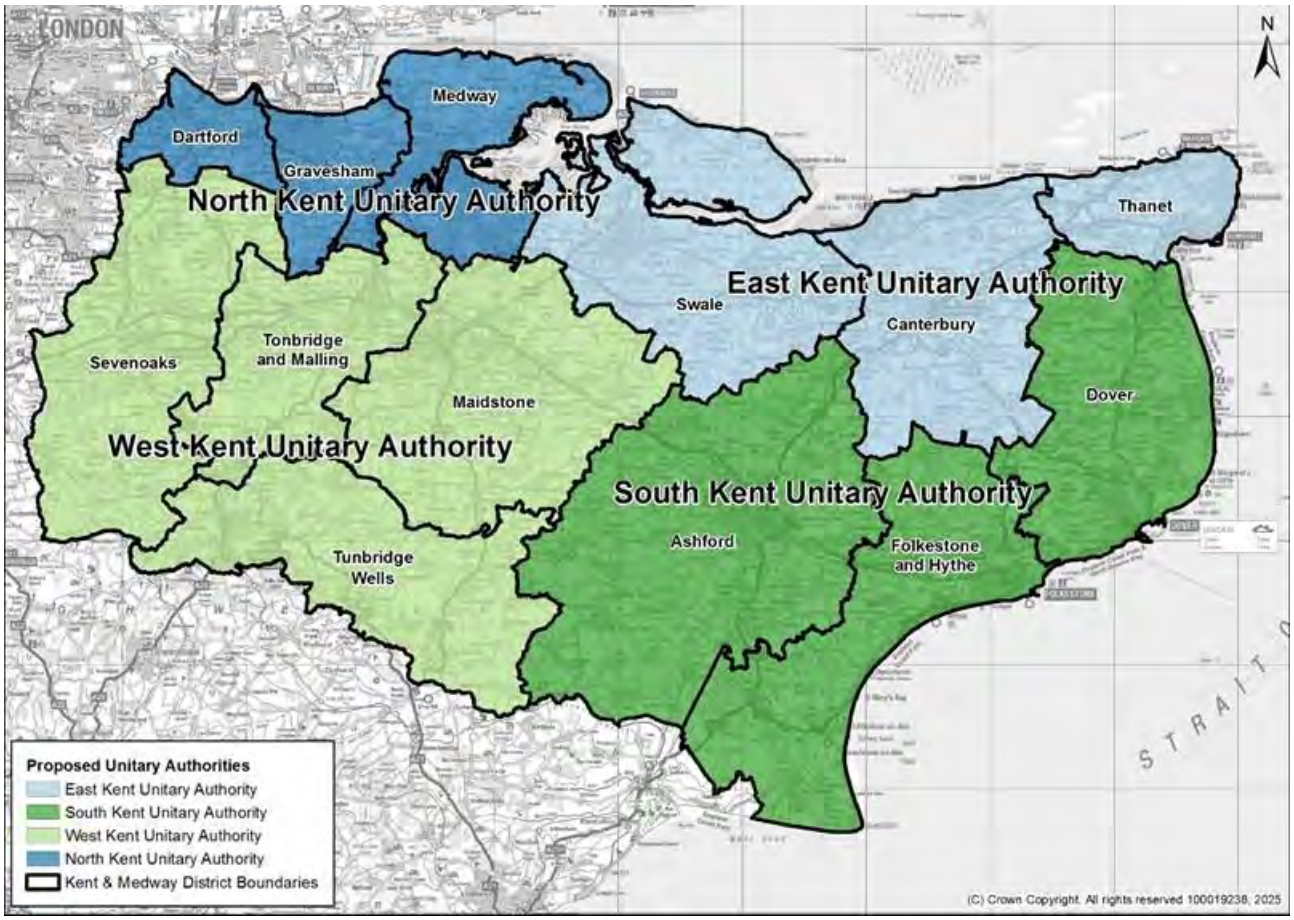
3.9 **A unitary authority that is struggling financially may not have the ability to be a reliable partner at a pan-Kent level nor the delivery capacity to deliver MSA priorities in their area.**

3.10 **Until a MSA is formed, the unitary authorities would be well placed to take on strategic planning, in the form of a Sustainable Development Strategy (SDS).** However, this would later become a mayoral responsibility when the MSA is vested. The removal of overlapping responsibilities between tiers reduces duplication and strengthens the potential for coherent Kent and Medway planning and delivery.

3.11 **The three unitary model will create new councils of sufficient size to act as effective anchor institutions** within their areas, with sufficient leverage as major employers and purchasers to play their part **in driving local economic growth.**

3.12 **A challenge is the fewer new unitary councils the greater the distance between residents and decision-makers and this may reduce perceptions of local responsiveness and accountability**; however, it is suggested through the work identified in the Democracy and Local Identity assessment that appropriate mitigations, such as the use of Area/Community Boards, could be a suitable mechanism to provide a more localised focus.

4. Considerations for a Four Unitary Model – Option 2



Population Criteria

4.1 **Kent and Medway's population size (estimated to be approximately 1,879,100**3**) would enable a Strategic Authority (SA) across the county footprint in accordance with government criteria (combined population of 1.5 million or above).**

4.2 **In this model the unitaries would not have evenly distributed populations (East: 453K, South: 363K, North: 508K, West: 551K), and South Kent would be significantly under the "guiding principle" of 500,000.**

Border Infrastructure

4.3 **The role of Kent as the UK's border to Europe will be a challenge as the four unitary model may result in councils that lack the critical mass of capacity and resources to manage this.** This model separates Manston Arrivals and Processing Centre from other border services such as the Port of Dover and Eurotunnel Le Shuttle at Folkestone. This would result in a MSA having to work across multiple unitaries in order to address any challenges that arise.

Partnership Working

[3] 2023 Mid year population estimates Total population in Kent

4.4 **Until a MSA is in place, four unitaries may weaken Kent's ability to secure national funding and infrastructure investment, as larger authorities typically have greater negotiating power.**

4.5 **Services that benefit from county-wide coordination**, such as strategic transport planning, **could become more fragmented, making long-term planning difficult**. For example, this 4 unitary model separates Thanet from Folkestone and Hythe and Dover which means that the mayoral focus on coastal regeneration would require a more collaborative approach across two separate unitary authorities.

4.6 In terms of cross mayoral relationships, there is a potential for a **North Kent unitary to be less engaged with a Kent Mayor and more inclined to pursue greater engagement with the London Mayor.** For example, certain services such Transport for London (TfL) already have a reach which extends into areas of North Kent (Dartford).

Capacity, Scope and Capability

4.7 **Smaller unitary councils may face capacity challenges and lack economies of scale that could reduce efficiency in service delivery.** For example, in this model, there are large financial and socio-economic disparities between East, North East, Medway, and West Kent.

4.8 **In addition, a unitary authority that is struggling financially may not have the ability to be a reliable partner at a pan-Kent level nor the delivery capacity to deliver MSA priorities in their area.**

4.9 **With four unitaries, governance could be more focused on local priorities**, ensuring more voices in local decision-making and potentially leading to a more nuanced and responsive approach to policy development. Conversely, this could also lead to inertia.

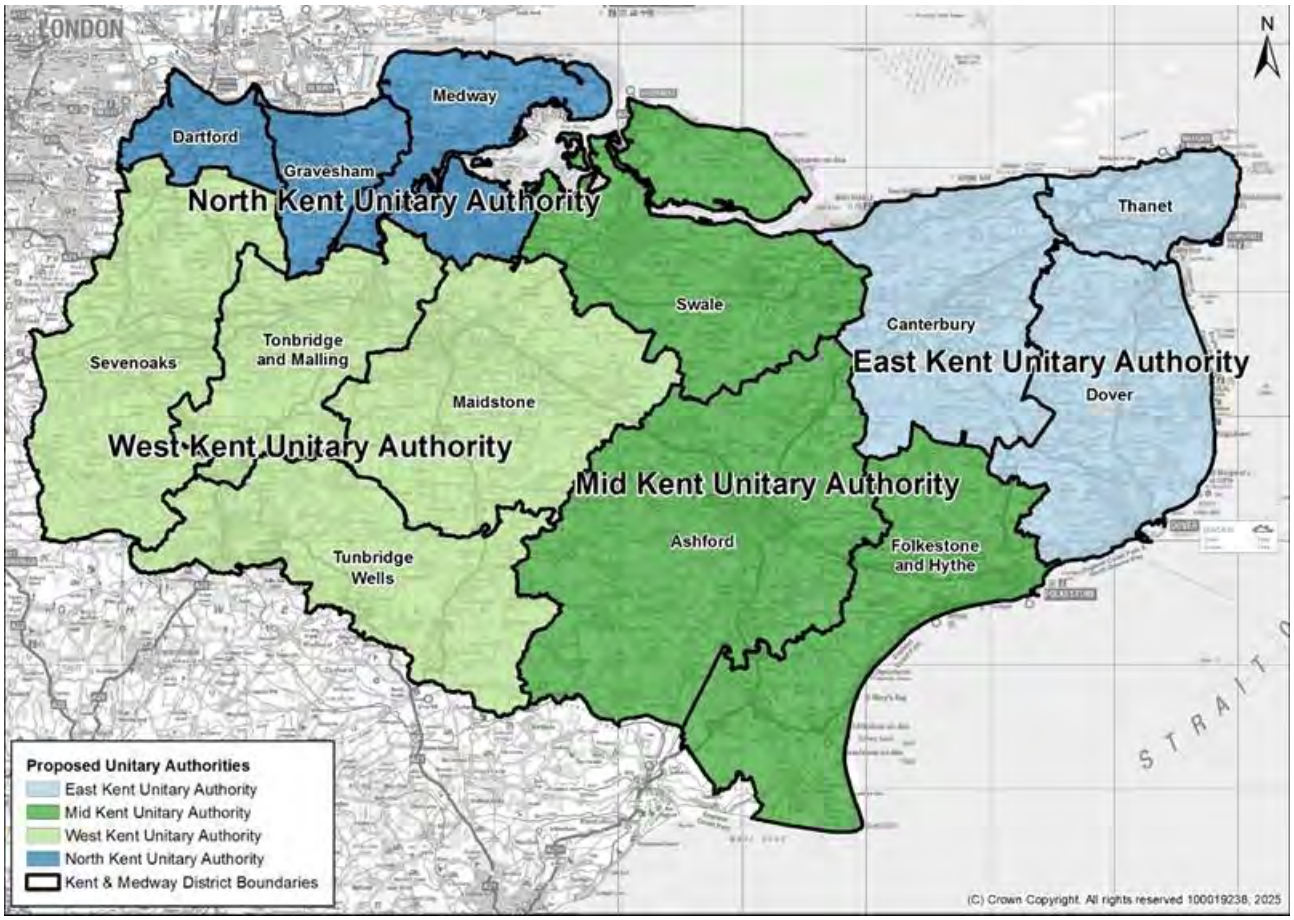
4.10 **This option groups Swale and Thanet together in East which creates the most deprived unitary authority of all of the options, meaning that this authority might require Exceptional Financial Support (EFS).** Therefore, the capacity of the East Kent authority may be predominately focussed on their own day to day operation, rather than having the capacity to engage with strategic work at the mayoral level. These issues may also draw a mayor to focus disproportionately on this council.

4.11 Four unitaries introduce additional layers of coordination, increasing the risk of overlapping responsibilities and **higher administrative costs** compared to fewer unitaries.

4.12 **Following the completion of LGR, the Mayor has a role to ensure that current strategies that are pan-Kent continue to remain.** For example, the Stodmarsh Nutrient Mitigation Strategy[4] would be split across two unitary authorities (Ashford and Canterbury) in this model.

[4] 24-00122 - Stodmarsh Nutrient Mitigation Strategy.pdf

5. Considerations for a Four Unitary Model – Option 3



Population Criteria

5.1 **Kent and Medway's population size (estimated to be approximately 1,879,100[5]) would enable a Strategic Authority (SA) across the county footprint in accordance with government criteria (combined population of 1.5 million or above).**

5.2 **Of the four unitary authority options, this version would create the most evenly distributed populations** (East: 416K, Mid: 400K, North: 508K, West: 551K)**, potentially enhancing democratic representation.** This could allow services to be better tailored to local demographic and geographic needs, improving community engagement and satisfaction.

Border Infrastructure

5.3 **The role of Kent as the UK's border to Europe will be a challenge as the four unitary model may result in councils that lack the critical mass of capacity and resources to manage this.** This model separates Folkestone and Hythe (Eurotunnel) and Ashford (Sevington) from Dover (Dover Port) and Thanet (Manston) and subsequently splits border services even further than in option 2. This could make it more challenging for a mayor to strategically work on border issues.

[5] 2023 Mid year population estimates Total population in Kent

Partnership Working

5.4 In terms of cross mayoral relationships, there is a potential for a **North Kent unitary to be less engaged with a Kent Mayor and more inclined to pursue greater engagement with the London Mayor.** For example, certain services such Transport for London (TfL) already have a reach which extends into areas of North Kent (Dartford).

Capacity, Scope and Capability

5.5 **Smaller unitary councils may face capacity challenges and lack economies of scale, potentially reducing efficiency in service delivery**, **whereas larger authorities may be more resilient.** For example, there are financial and socio-economic disparities between East and West Kent. Although the 'East Kent Triangle' (Canterbury, Thanet and Dover) is an acknowledged functional area, it would still have financial and socio-economic challenges, compared to the other unitaries. This could lead to reduced capacity to work on mayoral priorities such as regeneration, particularly coastal regeneration. An MSA (particularly the mayor) could spend a disproportionate amount of effort one unitary.

5.6 **In addition, a unitary authority that is struggling financially may not have the ability to be a reliable partner at a pan-Kent level nor the delivery capacity to deliver MSA priorities in their area.**

5.7 **With four unitaries, governance could be more focused on local priorities**, ensuring more voices in local decision-making and potentially leading to a more nuanced and responsive approach to policy development. Conversely, this could also lead to inertia.

5.8 Four unitaries introduce additional layers of coordination, increasing the risk of overlapping responsibilities and **higher administrative costs** compared to fewer unitaries.

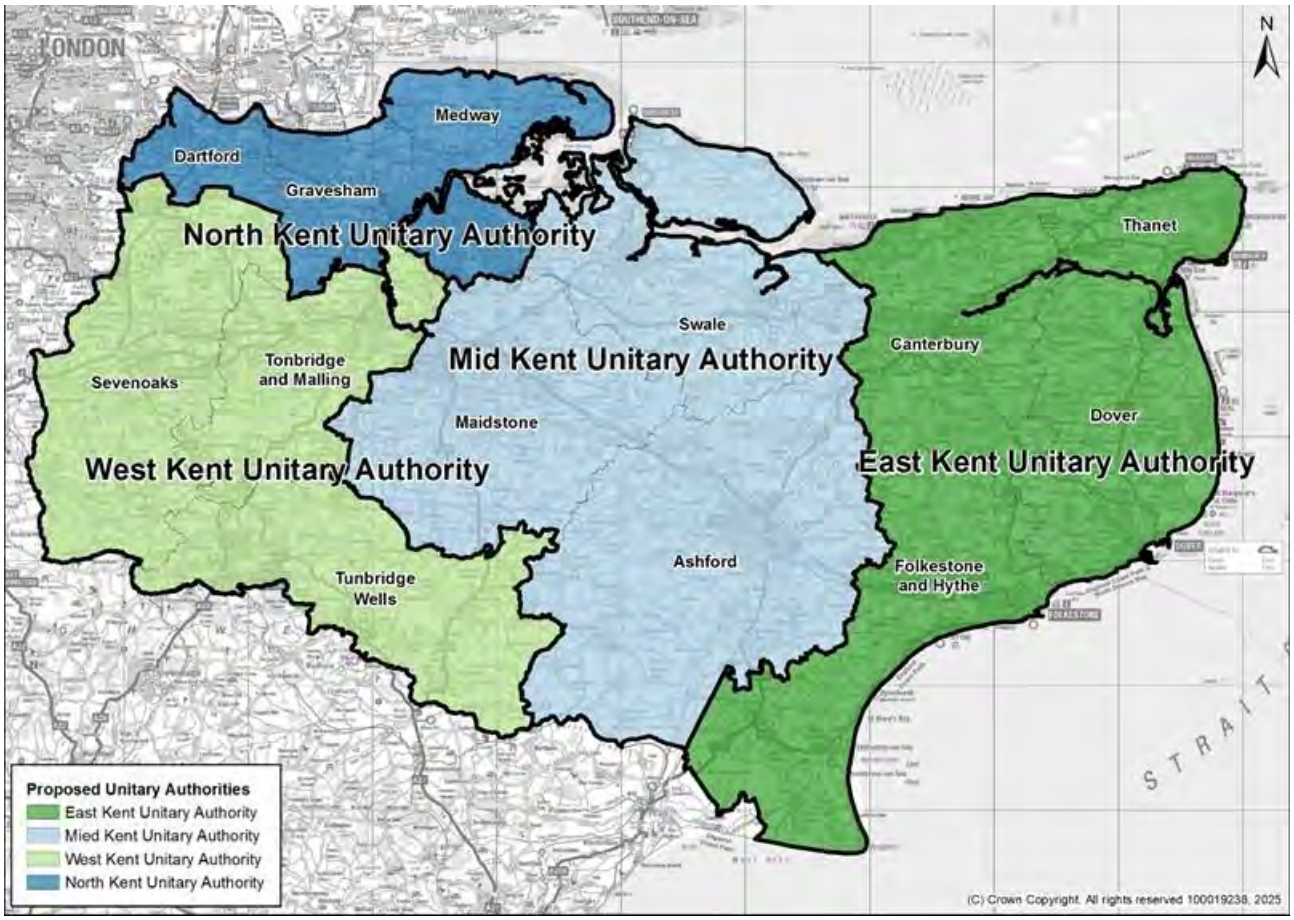
5.9 **Four unitaries may weaken Kent's ability to secure national funding and infrastructure investment, as larger authorities typically have greater negotiating power.**

5.10 **Services that benefit from county-wide coordination,** such as strategic transport planning, **could become more fragmented, making long-term planning difficult**. In addition, this model separates Thanet and Dover from Folkestone and Hythe which means that the mayoral focus on coastal regeneration would require a collaborative approach across two separate unitary authorities.

5.11 **Following the completion of LGR, the Mayor has a role to ensure that current strategies that are pan-Kent continue to remain.** For example, the Stodmarsh Nutrient Mitigation Strategy[6] would be split across two unitary authorities (Ashford and Canterbury) in this model.

[6] 24-00122 - Stodmarsh Nutrient Mitigation Strategy.pdf

6. Considerations for a Four Unitary Model – Option 4



Population Criteria

6.1 **Kent and Medway's population size (estimated to be approximately 1,879,100[7]) would enable a Strategic Authority (SA) across the county footprint in accordance with government criteria (combined population of 1.5 million or above).**

6.2 **This option is similar to option 2 however West and Mid Kent would be under the "guiding principle" of 500,000 (East: 526K, Mid: 470K, North: 508K, West: 371K), which is less evenly distributed than Option 3.**

Border Infrastructure

6.3 **The role of Kent as the UK's border to Europe will be a challenge and a four unitary model may result in councils that lack the critical mass of capacity and resources to manage this.** Although this option provides the best (of the four unitary options) in regard to one unitary authority having the majority of border services under their remit (East Kent), this model does separate the Sevington site in Ashford from the other border infrastructure.

6.4 **This option creates financial and socio-economic inequity between West and East Kent, with the latter potentially lacking sufficient capacity to engage at a MSA level.**

[7] 2023 Mid year population estimates Total population in Kent

This could also create a requirement for a MSA to spend a disproportionate amount of time on an East Kent authority.

Partnership Working

6.5 In terms of cross mayoral relationships, there is a potential for a **North Kent unitary to be less engaged with a Kent Mayor and more inclined to pursue greater engagement with the London Mayor.** For example, certain services such as Transport for London (TfL) already have a reach which extends into areas of North Kent (Dartford).

Capacity, Scope and Capability.

6.6 **Smaller unitary councils may face capacity challenges and lack economies of scale, potentially reducing efficiency in service delivery, whereas larger authorities may be more resilient.** For example, there are financial and socio-economic disparities between East and West Kent, these are particularly more acute than in option 2 due to West Kent being consolidated into the affluent Districts of Sevenoaks, Tonbridge and Malling and Tunbridge Wells. East Kent is more likely to have additional issues including capacity challenges which gives no bandwidth to work on mayoral activity such as regeneration such as coastal regeneration.

6.7 **In addition, a unitary authority that is struggling financially may not have the ability to be a reliable partner at a pan-Kent level nor the delivery capacity to deliver MSA priorities in their area.**

6.8 **With four unitaries, governance could be more focused on local priorities**, ensuring more voices in local decision-making and potentially leading to a more nuanced and responsive approach to policy development. Conversely this could also lead to inertia.

6.9 Four unitaries introduce additional layers of coordination, increasing the risk of overlapping responsibilities and **higher administrative costs** compared to fewer unitaries.

6.10 **Four unitaries may weaken Kent's ability to secure national funding and infrastructure investment, as larger authorities typically have greater negotiating power.**

6.11 **Services that benefit from county-wide coordination**, such as strategic transport planning**, could become more fragmented, making long-term planning difficult**.

6.12 **This option may also create issues for spatial planning, with the West unitary authority not wishing to pursue higher levels of housing expansion** which would in turn place this burden more so on the other unitary councils to increase housing stock for the county.

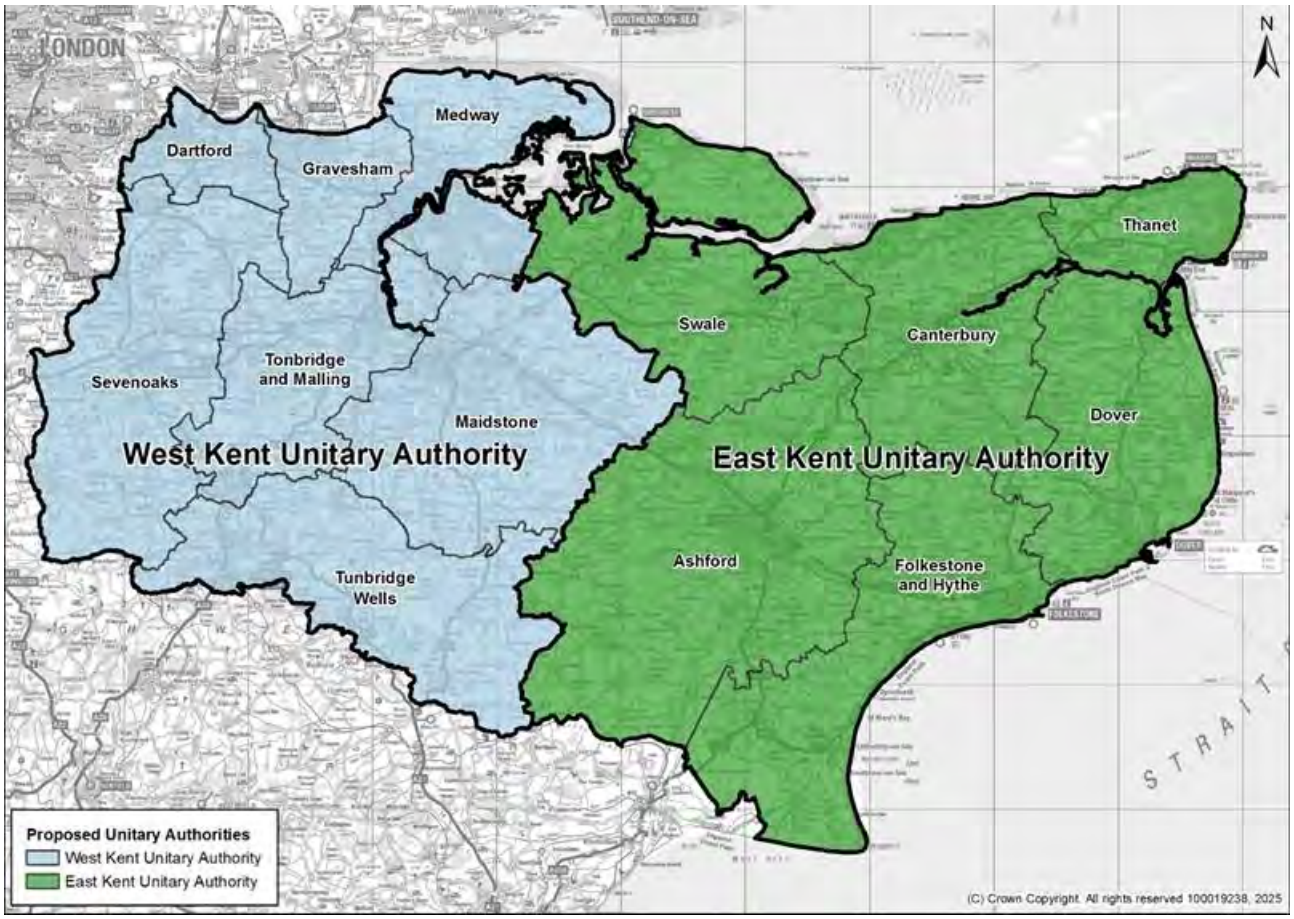
6.13 **Following the completion of LGR, the Mayor has a role to ensure that current strategies that are pan-Kent continue to remain.** For example, the Stodmarsh Nutrient Mitigation Strategy[8], which aims to protect the River Stour and has impacted on housing growth, would be split across two unitary authorities (Ashford and Canterbury) in this model.

6.14 **Mid Kent could become forgotten when considering activity across the entire county.** This could be a consequence of the higher financial and socio-economic requirements of

[8] 24-00122 - Stodmarsh Nutrient Mitigation Strategy.pdf

East Kent, combined with the higher levels of wealth in West Kent and a North Kent unitary that is less linked in local identity to the rest of the county.

7. Consideration for a Two Unitary Model -Option 5



Population Criteria

7.1 **Kent and Medway's population size (estimated to be approximately 1,897,100[9]) would enable a Strategic Authority (SA) across the county footprint in accordance with government criteria (combined population of 1.5 million or above).**

7.2 **A two-unitary structure would result in population ratios significantly higher than the current level identified in the Devolution White Paper** of a minimum of 500K and there would be a significant population disparity between the East (816K) and West (1.059k) unitaries. Taken at face value it would mean that the Government would likely not accept a two unitary model. Higher population figures would also be likely to have a negative impact on democratic representation and engagement and place a more significant role on a mayor.

Border Infrastructure

[9] 2023 Mid year population estimates Total population in Kent

7.3 As with the three unitary model, the **councils will be of sufficient size to act as effective anchor institutions within their areas, with sufficient leverage as major employers and purchasers to play their part in driving local economic growth**.

7.4 **The new unitaries would have the necessary capacity and resources to manage Kent's unique position as the UK's border to Europe however it is possible this role would fall disproportionately onto the East Kent unitary.**

7.5 **This option creates councils with the critical mass of capacity and resources to manage Kent and Medway's** (particularly East Kent) **unique position as the UK's border to Europe.** For example, all the critical border infrastructure (the Port of Dover, Eurotunnel Le Shuttle at Folkestone (Cheriton, Sevington Inland Border Facility (IBF), Manston Arrivals and Processing Centre) would all be contained with the proposed East Kent unitary council.

Partnership Working

7.6 **Fewer unitary authorities may potentially be easier for a MSA to work in partnership across the geographic footprint of the county**. For example, conversations on pan-Kent transportation strategies would be easier to manage due to less stakeholders for a MSA to engage with.

7.7 The governance between an MSA and 2 unitary councils could be problematic in terms of decision-making, as the Mayor would not have a casting vote for all policy issues.

Capacity, Scale and Capability

7.8 This option creates two unitaries with **sufficient scale and capacity to engage directly with central government.** By reducing the existing structure (County, 12 districts, and one unitary) to two entities, it simplifies governance, and the option enhances the region's ability to negotiate targeted investment, including for national priorities such as the Thames Gateway and Channel Ports corridor.

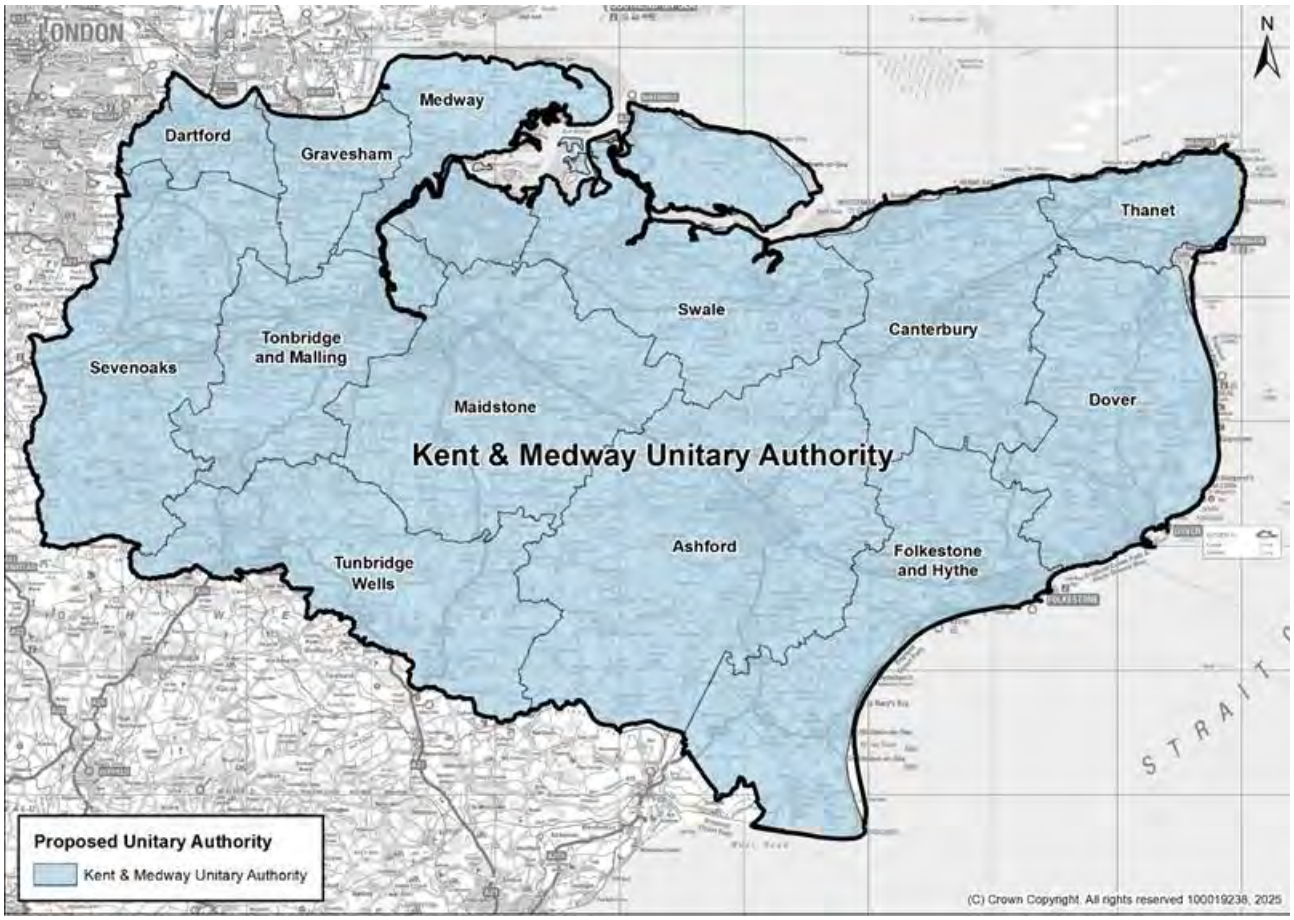
7.9 **A two unitary model creates an East and West Kent, with very different challenges, local identities and characteristics.** Due to these differing requirements of demand, it could be challenging for a MSA to not spend a disproportionate amount of time on one unitary, more than the other, due to issues such as greater deprivation.

7.10 **This option groups Swale and Thanet together in East Kent, which are two of the most deprived Kent Districts**.

7.11 **The majority of any coastal regeneration projects would be taking place in one unitary authority (East Kent) which would make coordinating a place-based approach easier to manage.**

7.12 **Larger SA's may create distance between residents and decision-makers and reduce perceptions of local responsiveness, engagement and accountability.** For example, there is a possibility that a two unitary model would lack the localised understanding to respond to planning and development and therefore would not be best placed to advise a MSA accordingly. However, community engagement mechanisms could be designed into new unitary operating models to mitigate this.

8. Consideration for a Single Unitary Model – Option 6 (Benchmark)



8.1 **The government criteria states that a single unitary council and Mayoral Strategic Authority (MSA) cannot be established on the same geographical footprint. Consequently, a single Kent and Medway unitary council would have to combine with a neighbouring authority to create an MSA. However, Kent is unable to do this as our neighbouring authorities are already either on the Devolution Priority Programme (DPP)** (Essex and East / West Sussex) **or on the LGR Fast-Track** (Surrey)**.**

8.2 **A single unitary model that sought to subsume Medway is unlikely to be supported by Medway or the Labour government.**

8.3 **Significant negotiation and lobbying would be required to put an argument to government that the new Kent and Medway unitary could get devolution as a single area, as this is against their current policy position and is unlikely to be successful.**

Population Criteria

8.4 **A single unitary structure would result in a population higher than the level identified in the Devolution White Paper (i.e. 500,000).** A result of this would be a negative impact on democratic representation.

8.5 **Kent and Medway's population size (estimated to be approximately 1,879,100[10]) would enable a Strategic Authority (SA) across the county footprint in accordance with government criteria (combined population of 1.5 million or above).**

Border Infrastructure

8.6 **This option would have the necessary capacity and resources to manage the nationally important border infrastructure between the UK and Europe.**

Capacity, Scale and Capability

8.7 **A single unitary authority would have sufficient leverage as a major employer and purchaser to play its part in driving local economic growth.**

8.8 This model would create one single unitary authority **of sufficient size to act as an effective anchor institution for Kent, with sufficient leverage as a major employer and purchaser to drive local economic growth**.

8.9 **This option would provide a single voice for the region, a more holistic view of the county and a greater capacity to respond on a regional and national level.**

8.10 **This model would provide coterminosity of local public service delivery and our strategic borders.**

8.11 **Larger unitary authorities may create distance between residents and decision-makers and give rise to perceptions of reduced local responsiveness and accountability**; however, it is suggested through the work identified in the Democracy and Local Identity assessment that appropriate mitigations, such as the use of community boards, could be a suitable mechanism to provide a more localised focus.

[10] 2023 Mid year population estimates Total population in Kent

9. Conclusion

9.1 In summary, the options under consideration are:

- A three unitary Model
- Three configurations of a four unitary Model
- A two unitary Model
- A single unitary Model

9.2 The conclusion of this assessment is that a **three unitary option best meets the government criteria** to support future devolution arrangements in Kent and Medway for the following reasons:

- It **meets the government's population criteria of 500,000 as a 'guiding principle'** for local government reorganisation; and this reflects the interim plan feedback.
- **It meets the government's population requirements for the size of a Strategic Authority (SA).**
- **This model would provide broad coterminosity of local public service delivery.**
- **Compared to the various four unitary options, three unitaries would create councils with the critical mass of capacity and resources to provide local services as well as sufficient scale to engage with a mayor and central government on strategic issues, particularly border infrastructure.**
- **Compared to the other options, fewer unitary authorities may potentially be easier for a MSA to work with in partnership across the geographic footprint of Kent and Medway.**
- **The proposed unitaries are of a configuration that communities would be able to relate to** (i.e. North / 'Greater Medway', East and West Kent).

Appendix 1h

Profiles for Unitary Geographies

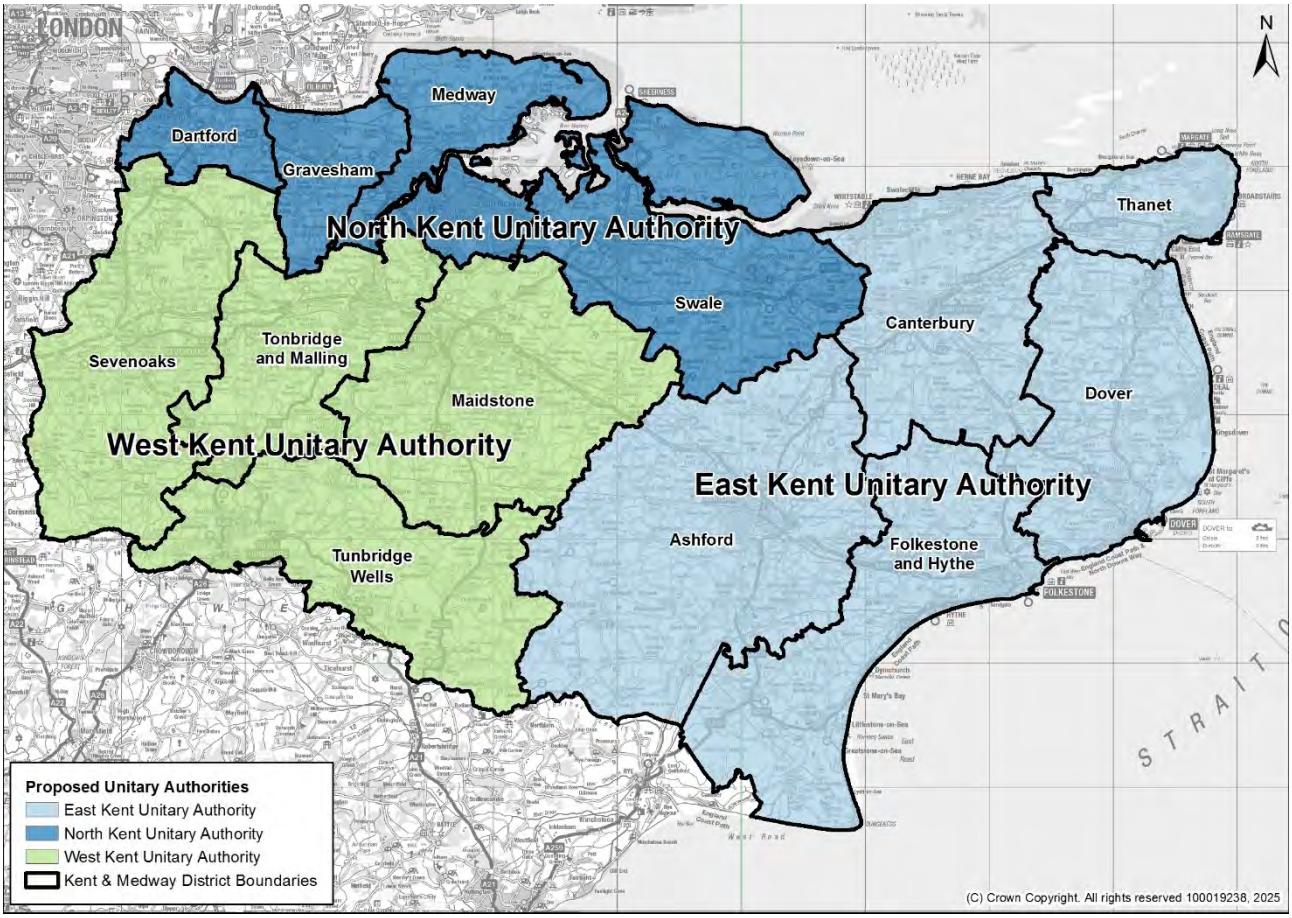
Model 1 (three unitaries)

Geography

North (Dartford, Gravesham, Medway, Swale)

East (Ashford, Canterbury, Dover, Folkestone and Hythe, Thanet)

West (Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells)

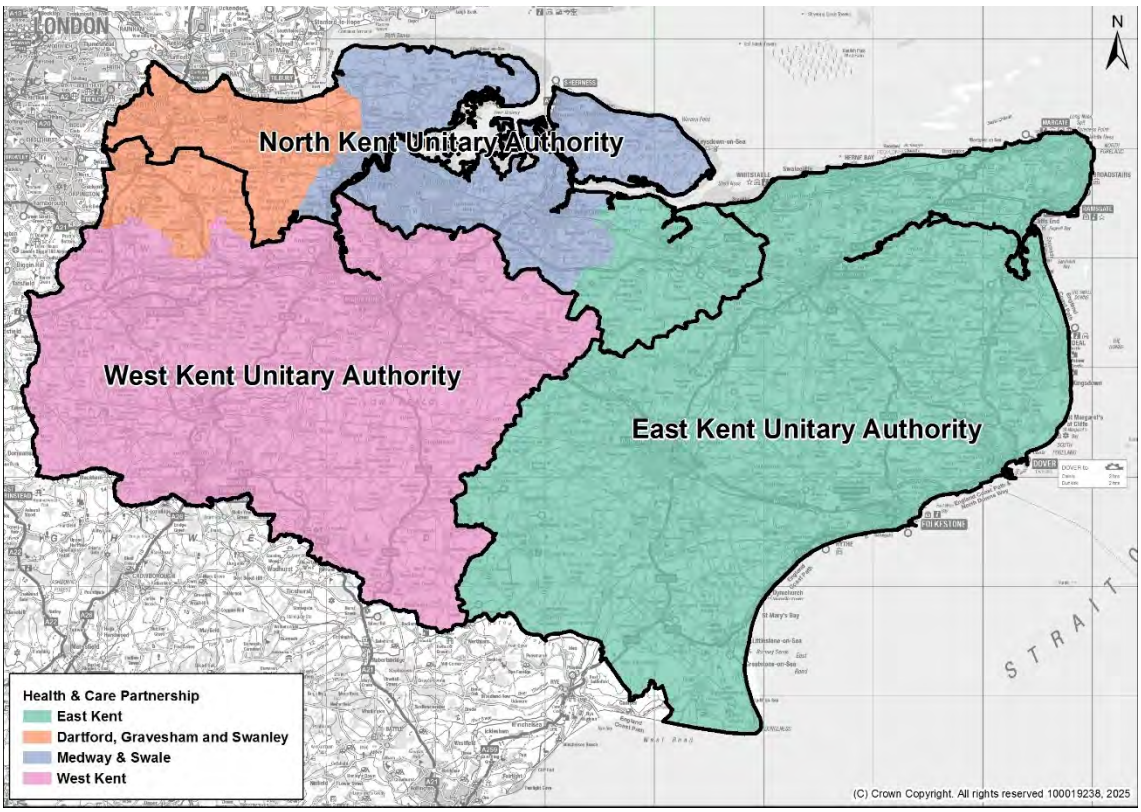


Population

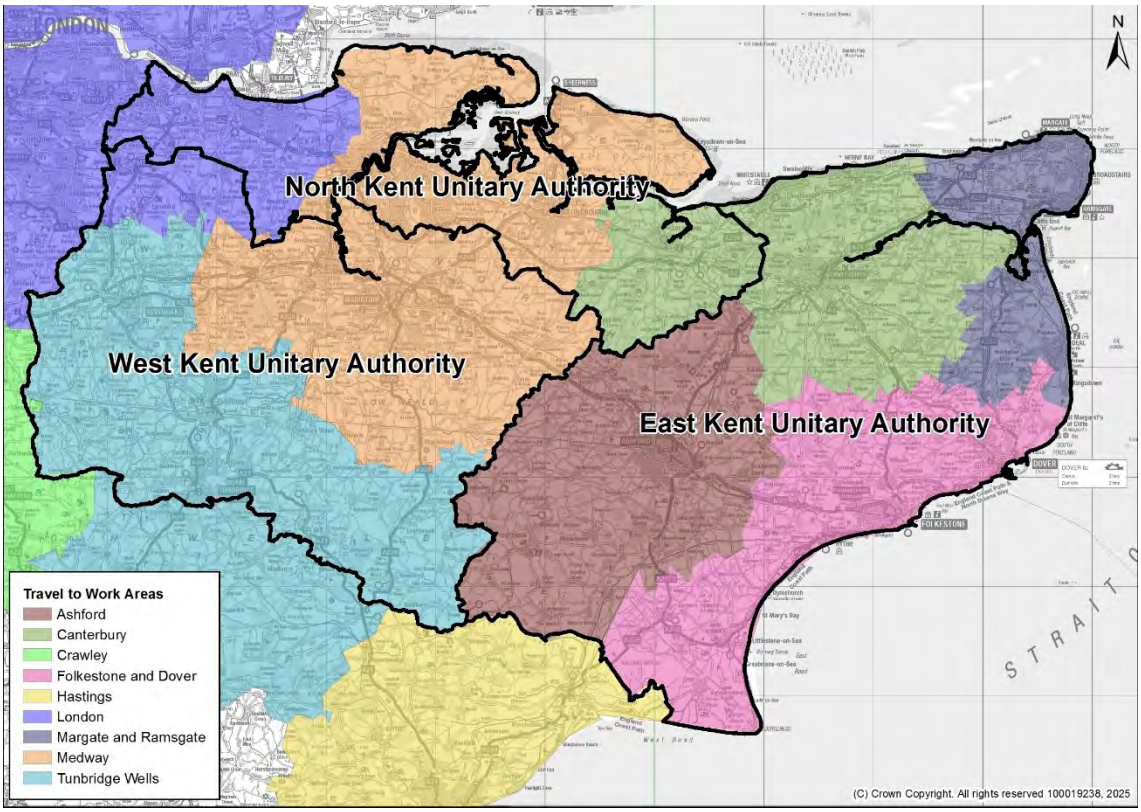
Potential Unitary	District	District population (mid-2022)	Unitary population (mid-2022)	Potential growth by 2035*
North Kent	Dartford	118,820	663,111	*41k to 96k*
	Gravesham	106,970		
	Medway	282,702		
	Swale	154,619		
East Kent	Ashford	135,610	661,559	*53k to 103k*
	Canterbury	157,550		
	Dover	117,473		
	Folkestone and Hythe	110,237		
	Thanet	140,689		
West Kent	Maidstone	180,428	551,223	*39k to 72k*
	Sevenoaks	121,106		
	Tonbridge and Malling	133,661		
	Tunbridge Wells	116,028		

**The two estimates for potential growth are based off the % growth between 2022 and 2035 for each district from: a) the 2018-based ONS Sub-National Population Projections and b) the KCC Housing Led Forecast. Weighted by each district's contribution towards the UA's total population (2022 MYE).*

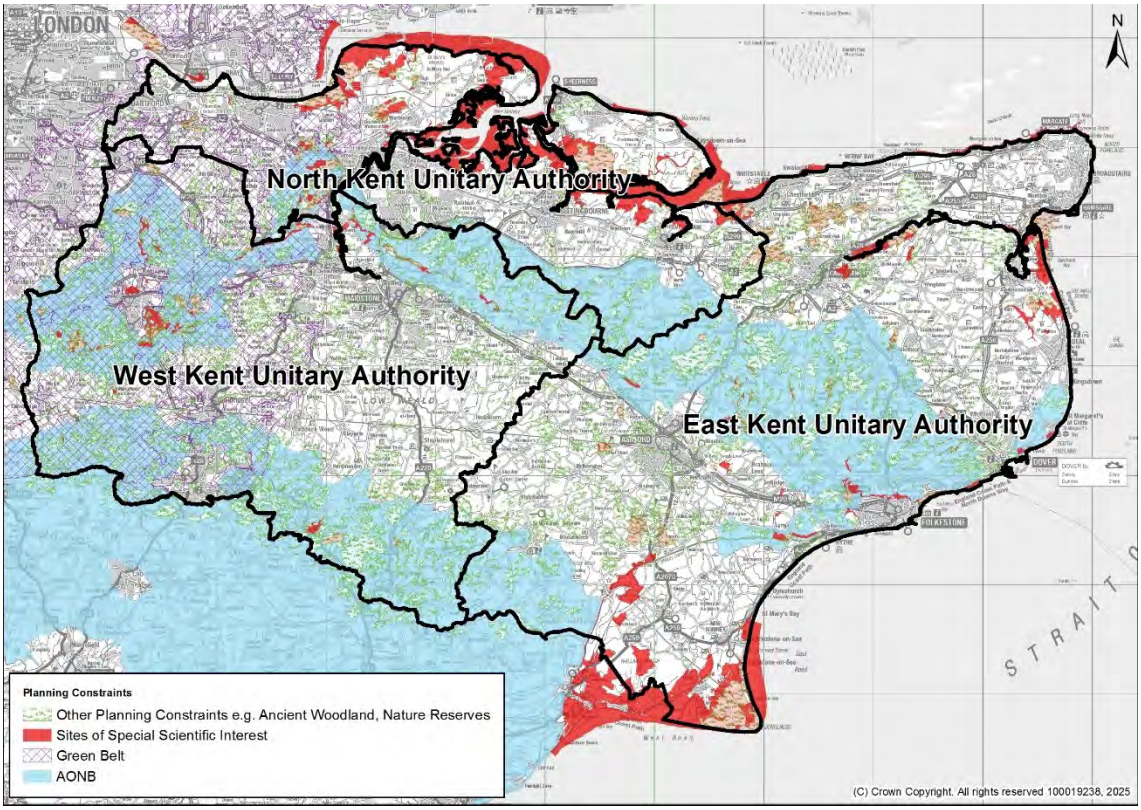
NHS Health & Care Partnership alignment



Travel to Work Areas:



Spatial planning constraints



Indicative Local Housing Need - annual (new standard method)

Potential Unitary	District	Indicative Local Housing Need (new method)		Estimated avg household size*
North Kent	Dartford	712	4,026	2.49
	Gravesham	672		
	Medway	1,594		
	Swale	1,048		
East Kent	Ashford	952	4,921	2.30
	Canterbury	1,216		
	Dover	746		
	Folkestone and Hythe	859		
	Thanet	1,148		
West Kent	Maidstone	1,358	4,700	2.42
	Sevenoaks	1,149		
	Tonbridge and Malling	1,096		
	Tunbridge Wells	1,098		

**Average household size was estimated by taking the average household size in each district (from Census 2021) and producing a weighted average based on the Indicative Local Housing Need.*

Population composition in mid-2023

	North	East	West	Kent	England & Wales
Population aged 0-15	21.0%	17.5%	19.8%	19.4%	18.4%
Population aged 16-64	62.3%	59.5%	60.2%	60.7%	62.8%
Population aged 65+	16.7%	23.0%	20.0%	19.9%	18.8%

**based on mid-2023 population estimate*

Deprivation

Index of Multiple Deprivation 2019 (combining indicators under seven different domains of deprivation: Income Deprivation; Employment Deprivation; Education Skills and Training Deprivation; Health Deprivation and Disability; Crime; Barriers to Housing and Services and Living Environment Deprivation).

	North	East	West	Kent
% LSOAs in top 10%	8.9%	7.8%	0.6%	6.1%

Disability benefit claimants

Proportion of working age people claiming disability benefits (AA+DLA+PIP) from the DWP in November 2024

	North	East	West	Kent	England & Wales
% of 16-64s claiming AA/DLA/PIP	17.8%	21.7%	14.6%	18.2%	17.2%

Unemployment

Proportion of people receiving benefits for unemployment (Jobseekers Allowance and out of work Universal Credit claimants) in May 2025

	North	East	West	Kent	England & Wales
Unemployment: % of 18-64s claiming	2.2%	2.2%	1.5%	3.7%	4.3%
Youth unemployment: % of 18-24s claiming	1.4%	1.7%	0.9%	6.1%	5.5%

Qualifications (from Census 2021)

Highest level of Qualification of people aged 16+ from the 2021 Census.

	North	East	West	Kent	England & Wales
% with Level 2 qualification or higher	65.5%	67.4%	71.6%	68.0%	69.4%
% with Level 4 qualification or higher	26.5%	29.0%	34.6%	29.8%	33.8%

Model 2 (four unitaries: North, East, South and West)

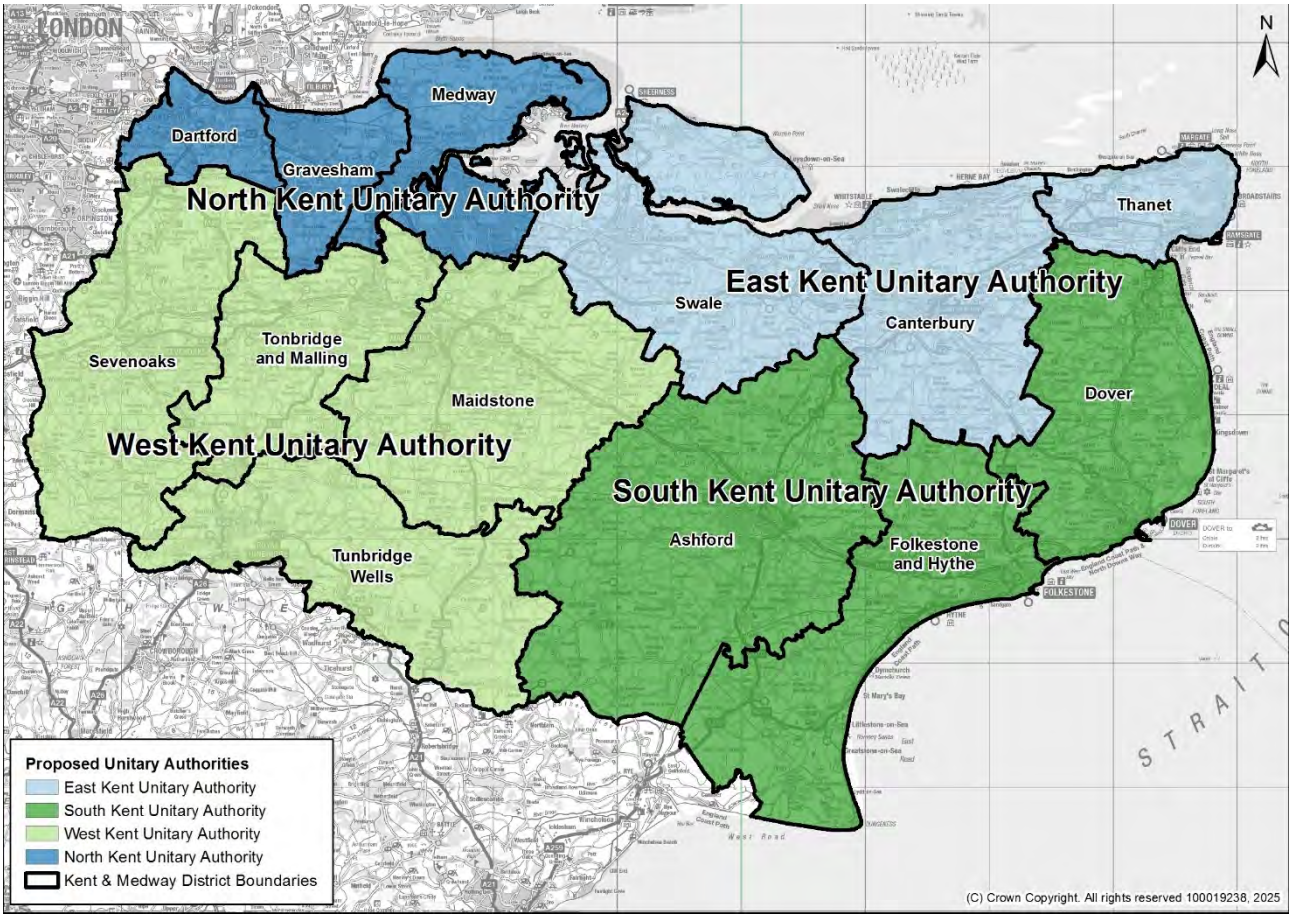
Geography

North (Dartford, Gravesham, Medway)

East (Canterbury, Swale, Thanet)

South (Ashford, Dover, Folkestone and Hythe)

West (Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells)

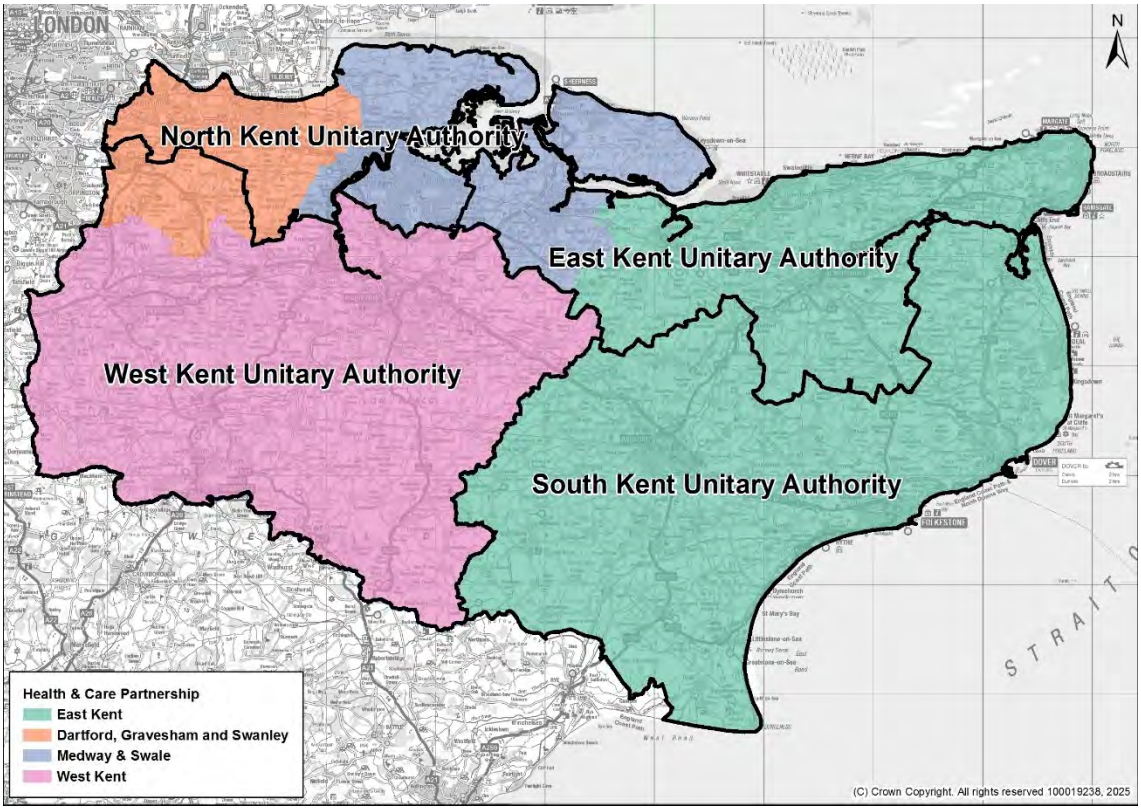


Population

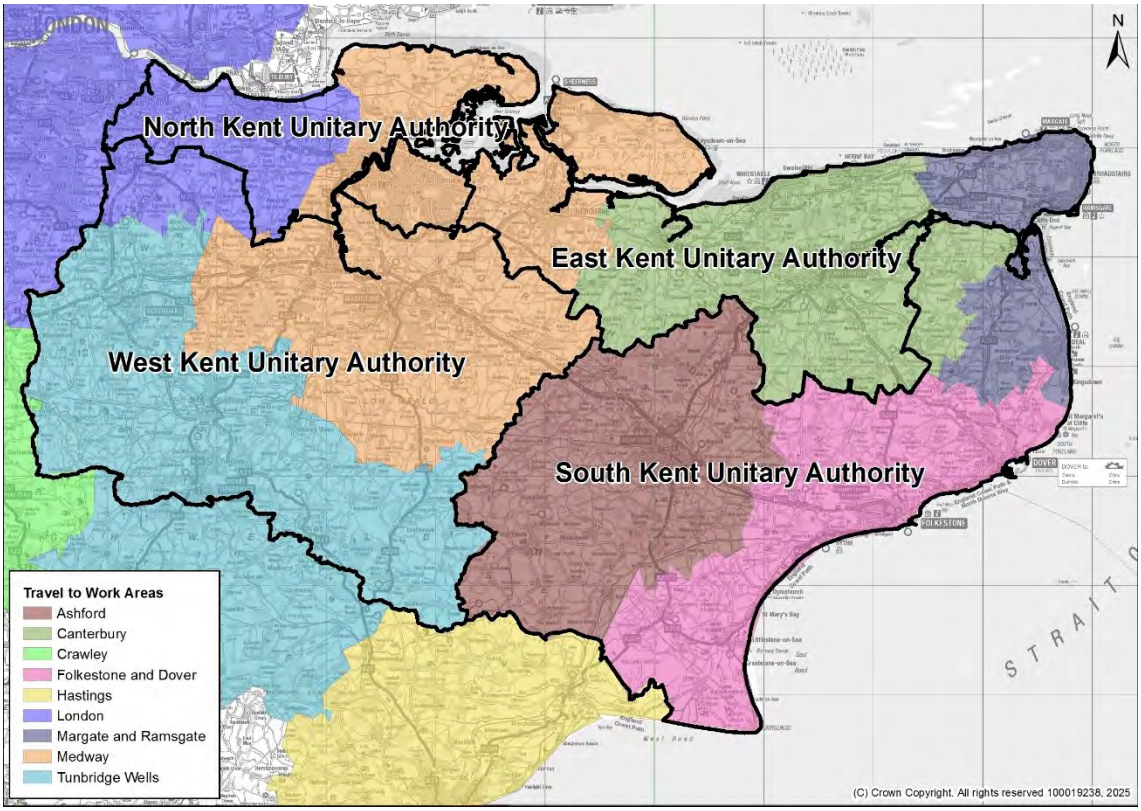
Potential Unitary	District	District population (mid-2022)	Unitary population (mid-2022)	Potential growth by 2035*
North Kent	Dartford	118,820	**508,492**	*26k to 77k*
	Gravesham	106,970		
	Medway	282,702		
East Kent	Canterbury	157,550	**452,858**	*32k to 69k*
	Swale	154,619		
	Thanet	140,689		
South Kent	Ashford	135,610	**363,320**	*35k to 53k*
	Dover	117,473		
	Folkestone and Hythe	110,237		
West Kent	Maidstone	180,428	**551,223**	*39k to 72k*
	Sevenoaks	121,106		
	Tonbridge and Malling	133,661		
	Tunbridge Wells	116,028		

**The two estimates for potential growth are based off the % growth between 2022 and 2035 for each district from: a) the 2018-based ONS Sub-National Population Projections and b) the KCC Housing Led Forecast. Weighted by each district's contribution towards the UA's total population (2022 MYE).*

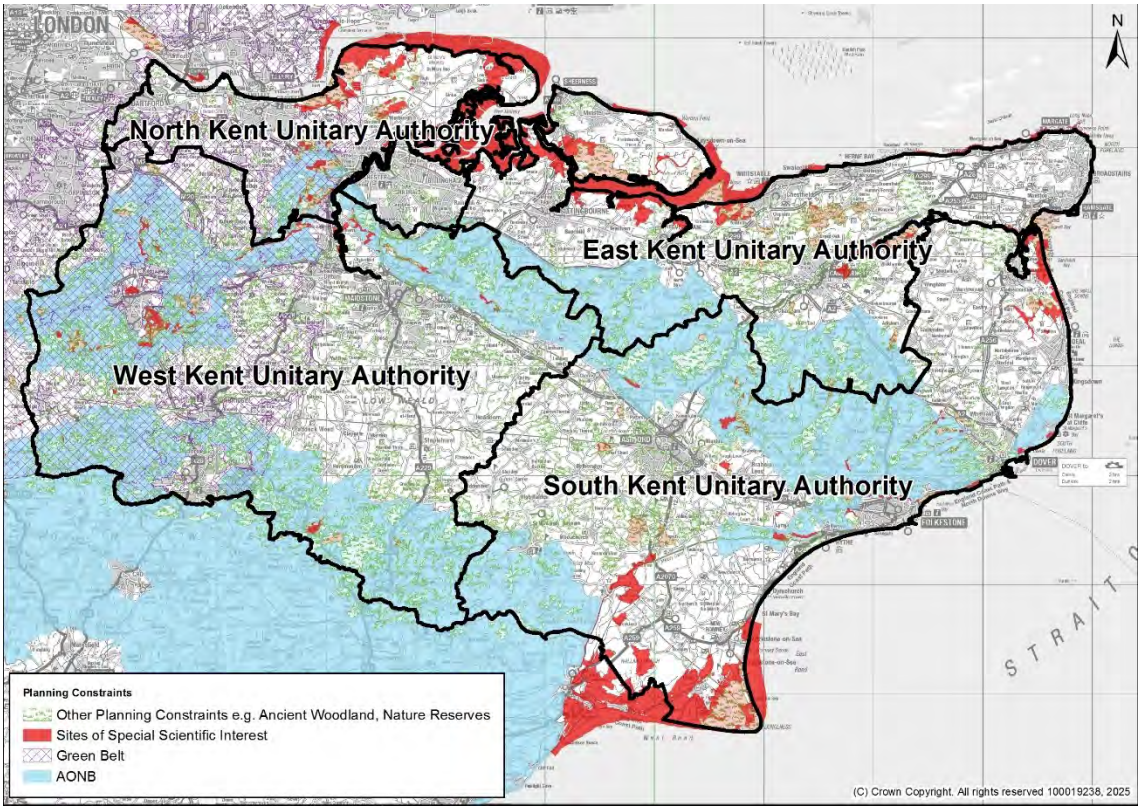
NHS Health & Care Partnership alignment



Travel to Work Areas



Spatial planning constraints



Indicative Local Housing Need - annual (new standard method)

Potential Unitary	District	Indicative Local Housing Need (new method)		Estimated avg household size*
North Kent	Dartford	712	**2,978**	*2.51*
	Gravesham	672		
	Medway	1,594		
East Kent	Canterbury	1,216	**3,412**	*2.33*
	Swale	1,048		
	Thanet	1,148		
South Kent	Ashford	952	**2,557**	*2.33*
	Dover	746		
	Folkestone and Hythe	859		
West Kent	Maidstone	1,358	**4,700**	*2.42*
	Sevenoaks	1,149		
	Tonbridge and Malling	1,096		
	Tunbridge Wells	1,098		

**Average household size was estimated by taking the average household size in each district (from Census 2021) and producing a weighted average based on the Indicative Local Housing Need.*

Population composition

	North	East	South	West	Kent	England & Wales
Population aged 0-15	21.4%	17.9%	18.0%	19.8%	19.4%	18.4%
Population aged 16-64	62.6%	60.4%	59.0%	60.2%	60.7%	62.8%
Population aged 65+	16.0%	21.7%	23.0%	20.0%	19.9%	18.8%

**based on mid-2023 population estimate*

Deprivation

Index of Multiple Deprivation 2019 (combining indicators under seven different domains of deprivation: Income Deprivation; Employment Deprivation; Education Skills and Training Deprivation; Health Deprivation and Disability; Crime; Barriers to Housing and Services and Living Environment Deprivation).

	North	East	South	West	Kent
% LSOAs in top 10%	6.0%	13.9%	4.7%	0.6%	6.1%

Disability benefit claimants

Proportion of working age people claiming disability benefits (AA+DLA+PIP) from the DWP.

	North	East	South	West	Kent	England & Wales
% of 16-64s claiming AA/DLA/PIP	16.7%	22.0%	21.3%	14.6%	18.2%	17.2%

Unemployment

Proportion of people receiving benefits for unemployment (Jobseekers Allowance and out of work Universal Credit claimants)

	North	East	South	West	Kent	England & Wales
Unemployment: % of 18-64s claiming	4.2%	4.2%	3.6%	2.8%	3.7%	4.3%
Youth unemployment: % of 18-24s claiming	7.1%	6.0%	6.8%	4.6%	6.1%	5.5%

Qualifications (from Census 2021)

Highest level of Qualification of people aged 16+ from the 2021 Census.

	North	East	South	West	Kent	England & Wales
% with Level 2 qualification or higher	66.3%	66.4%	66.8%	71.6%	68.0%	69.4%
% with Level 4 qualification or higher	27.4%	27.9%	28.2%	34.6%	29.8%	33.8%

Model 3 (four unitaries: North, East, Mid and West)

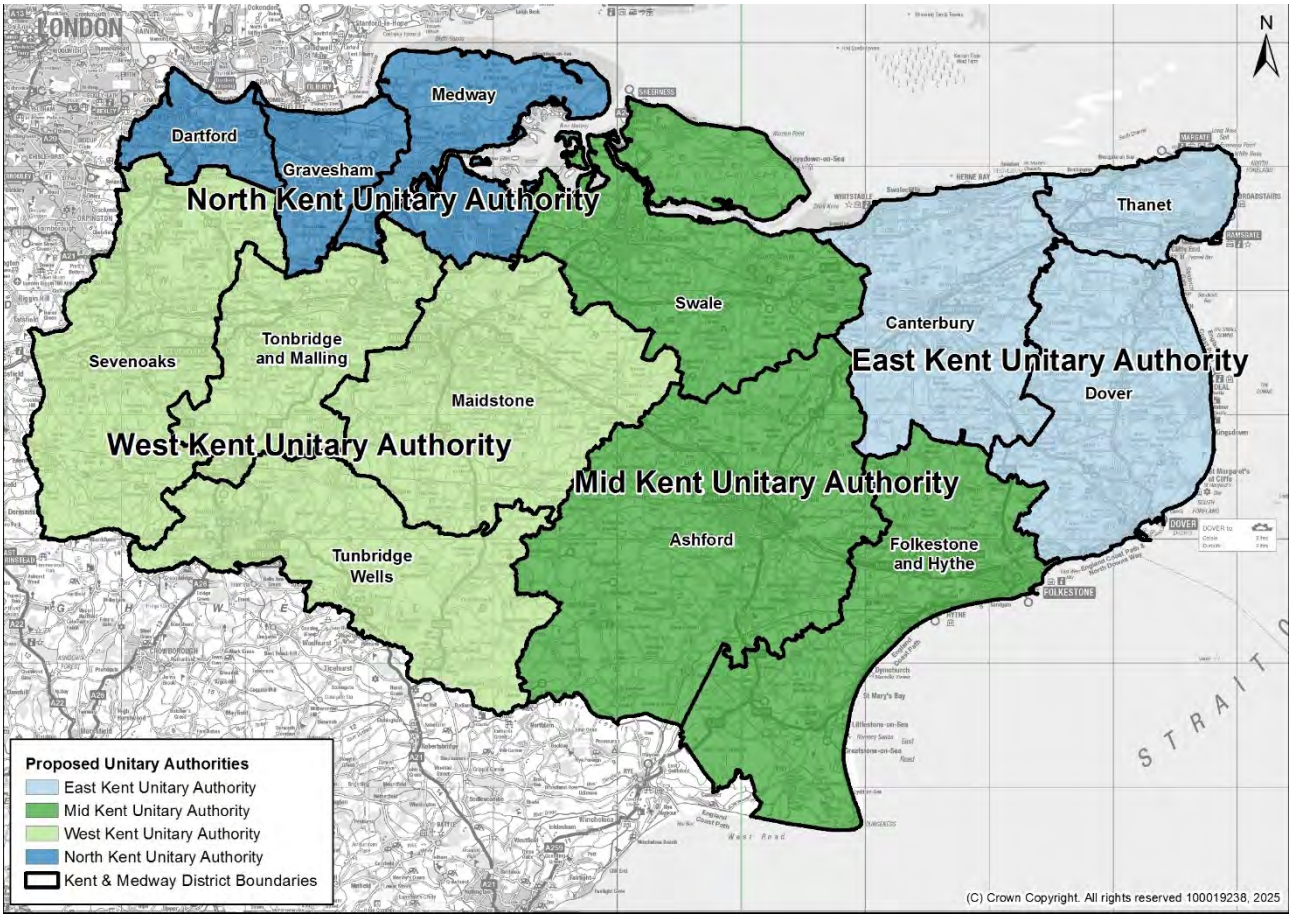
Geography

North (Dartford, Gravesham, Medway)

East (Canterbury, Dover, Thanet)

Mid (Ashford, Folkestone and Hythe, Swale)

West (Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells)

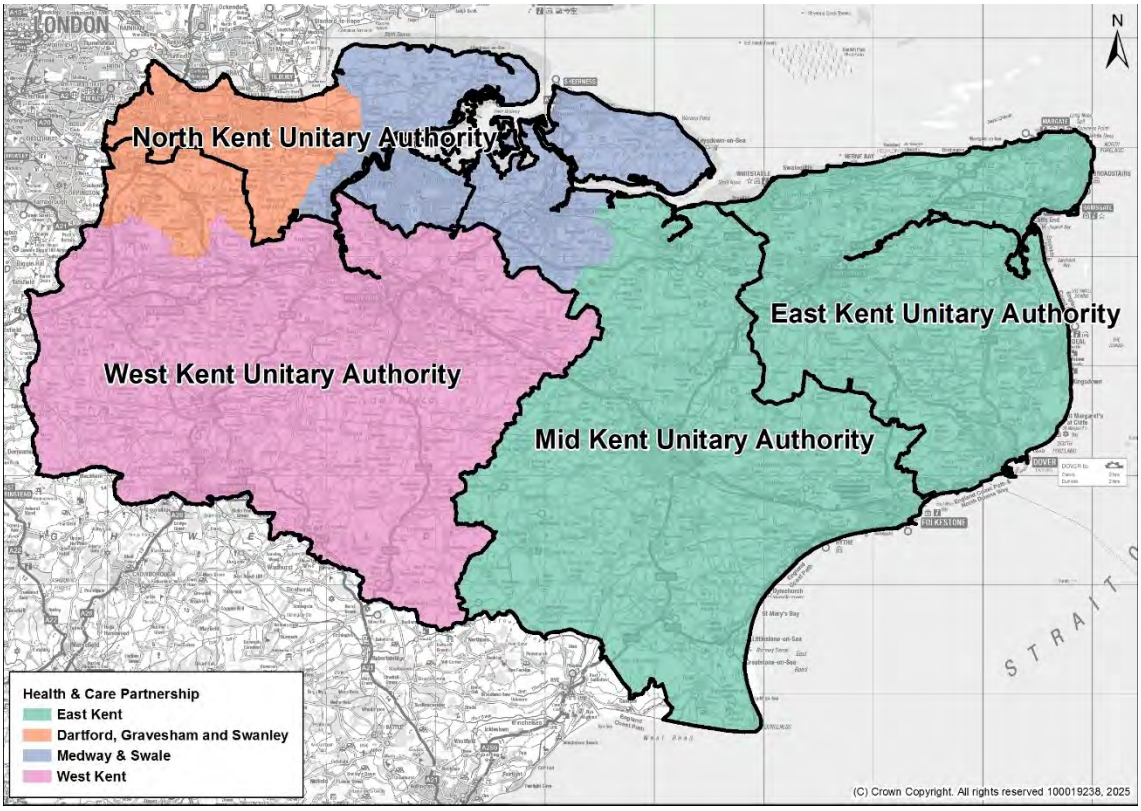


Population

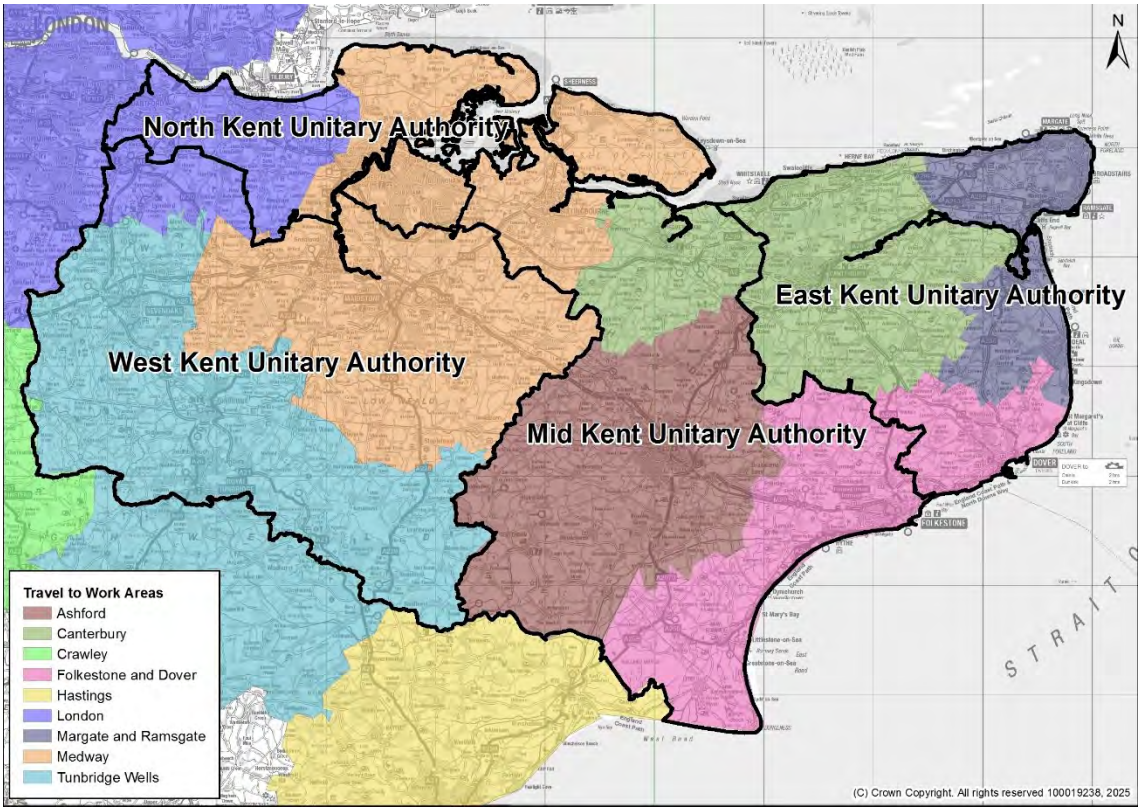
Potential Unitary	District	District population (mid-2022)	Unitary population (mid-2022)	Potential growth by 2035*
North Kent	Dartford	118,820	**508,492**	*26k to 77k*
	Gravesham	106,970		
	Medway	282,702		
East Kent	Canterbury	157,550	**415,712**	*30k to 61k*
	Dover	117,473		
	Thanet	140,689		
Mid Kent	Ashford	135,610	**400,466**	*38k to 60k*
	Folkestone and Hythe	110,237		
	Swale	154,619		
West Kent	Maidstone	180,428	**551,223**	*39k to 72k*
	Sevenoaks	121,106		
	Tonbridge and Malling	133,661		
	Tunbridge Wells	116,028		

**The two estimates for potential growth are based off the % growth between 2022 and 2035 for each district from: a) the 2018-based ONS Sub-National Population Projections and b) the KCC Housing Led Forecast. Weighted by each district's contribution towards the UA's total population (2022 MYE).*

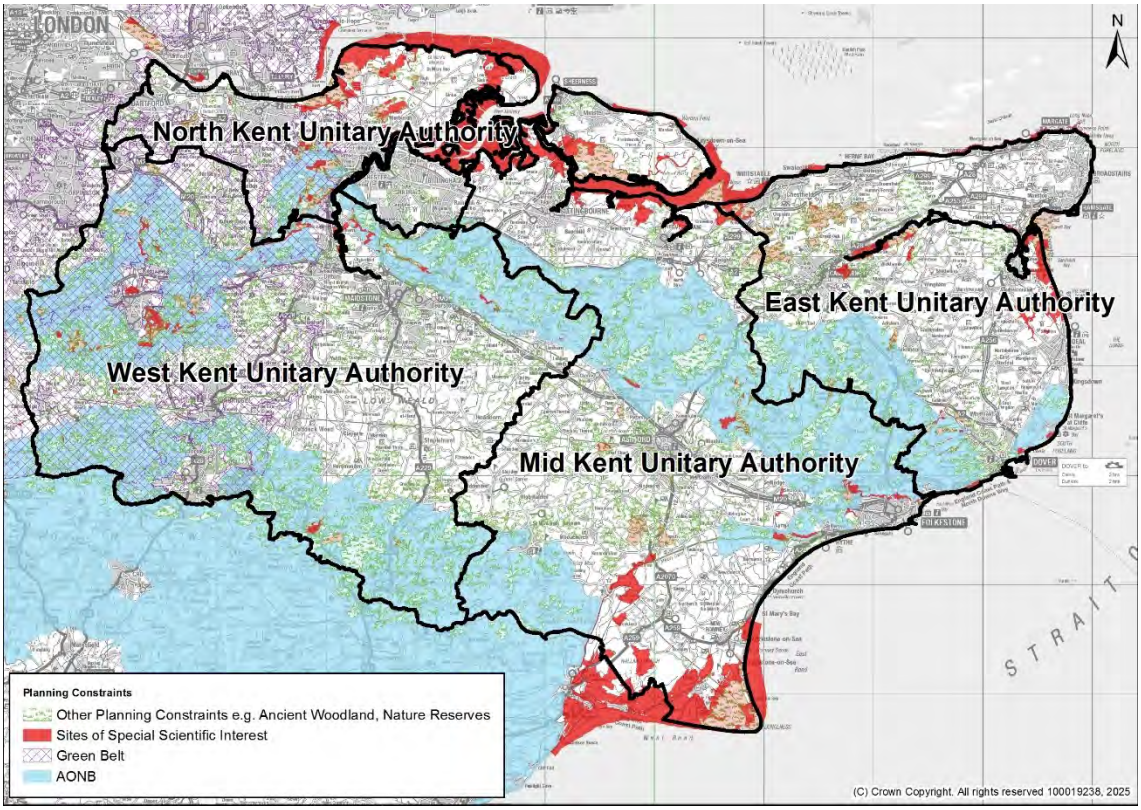
NHS Health & Care Partnership alignment



Travel to Work Areas



Spatial planning constraints



Indicative Local Housing Need - annual (new standard method)

Potential Unitary	District	Indicative Local Housing Need (new method)		Estimated avg household size*
North Kent	Dartford	712	**2,978**	*2.51*
	Gravesham	672		
	Medway	1,594		
East Kent	Canterbury	1,216	**3,110**	*2.28*
	Dover	746		
	Thanet	1,148		
Mid Kent	Ashford	952	**2,859**	*2.39*
	Folkestone and Hythe	859		
	Swale	1,048		
West Kent	Maidstone	1,358	**4,700**	*2.42*
	Sevenoaks	1,149		
	Tonbridge and Malling	1,096		
	Tunbridge Wells	1,098		

**Average household size was estimated by taking the average household size in each district (from Census 2021) and producing a weighted average based on the Indicative Local Housing Need.*

Population composition

	North	East	Mid	West	Kent	England & Wales
Population aged 0-15	21.4%	17.1%	18.8%	19.8%	19.4%	18.4%
Population aged 16-64	62.6%	59.5%	60.1%	60.2%	60.7%	62.8%
Population aged 65+	16.0%	23.5%	21.1%	20.0%	19.9%	18.8%

**based on mid-2023 population estimate*

Deprivation

Index of Multiple Deprivation 2019 (combining indicators under seven different domains of deprivation: Income Deprivation; Employment Deprivation; Education Skills and Training Deprivation; Health Deprivation and Disability; Crime; Barriers to Housing and Services and Living Environment Deprivation).

	North	East	Mid	West	Kent
% LSOAs in top 10%	6.0%	10.4%	9.1%	0.6%	6.1%

Disability benefit claimants

Proportion of working age people claiming disability benefits (AA+DLA+PIP) from the DWP.

	North	East	Mid	West	Kent	England & Wales
% of 16-64s claiming AA/DLA/PIP	16.7%	22.6%	20.8%	14.6%	18.2%	17.2%

Unemployment

Proportion of people receiving benefits for unemployment (Jobseekers Allowance and out of work Universal Credit claimants)

	North	East	Mid	West	Kent	England & Wales
Unemployment: % of 18-64s claiming	4.2%	4.3%	3.7%	2.8%	3.7%	4.3%
Youth unemployment: % of 18-24s claiming	7.1%	6.1%	6.6%	4.6%	6.1%	5.5%

Qualifications (from Census 2021)

Highest level of Qualification of people aged 16+ from the 2021 Census.

	North	East	Mid	West	Kent	England & Wales
% with Level 2 qualification or higher	66.3%	67.7%	65.4%	71.6%	68.0%	69.4%
% with Level 4 qualification or higher	27.4%	29.1%	26.9%	34.6%	29.8%	33.8%

Model 4 (four unitaries: North, East, Mid and West)

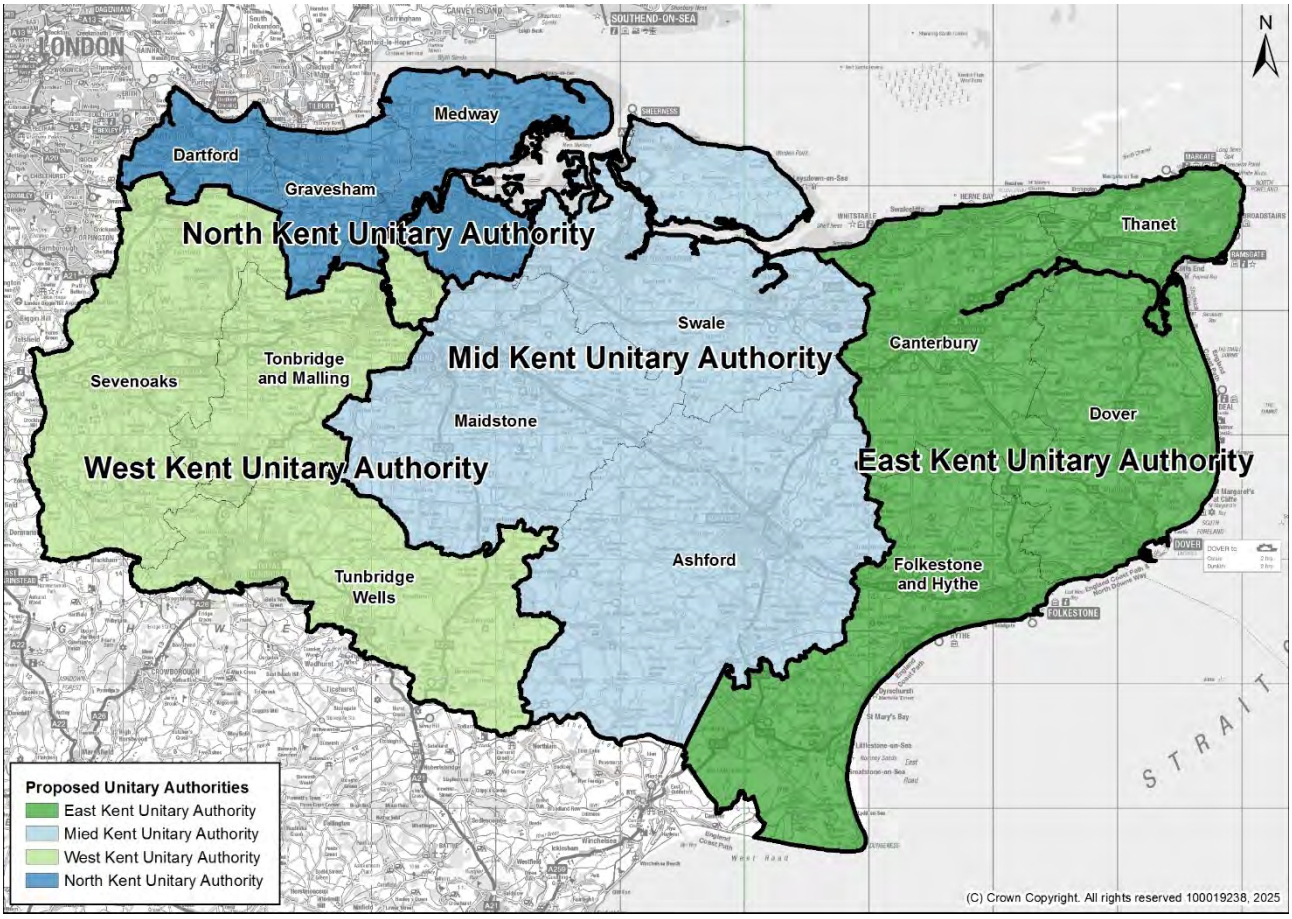
Geography

North (Dartford, Gravesham, Medway)

East (Canterbury, Dover, Folkestone and Hythe, Thanet)

Mid (Ashford, Maidstone, Swale)

West (Sevenoaks, Tonbridge and Malling, Tunbridge Wells)



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	Gravesham	106,970		
	Medway	282,702		
East Kent	Canterbury	157,550	**525,949**	*39k to 75k*
	Dover	117,473		
	Folkestone and Hythe	110,237		
	Thanet	140,689		
Mid Kent	Ashford	135,610	**470,657**	*46k to 66k*
	Maidstone	180,428		
	Swale	154,619		
West Kent	Sevenoaks	121,106	**370,795**	*21k to 52k*
	Tonbridge and Malling	133,661		
	Tunbridge Wells	116,028		

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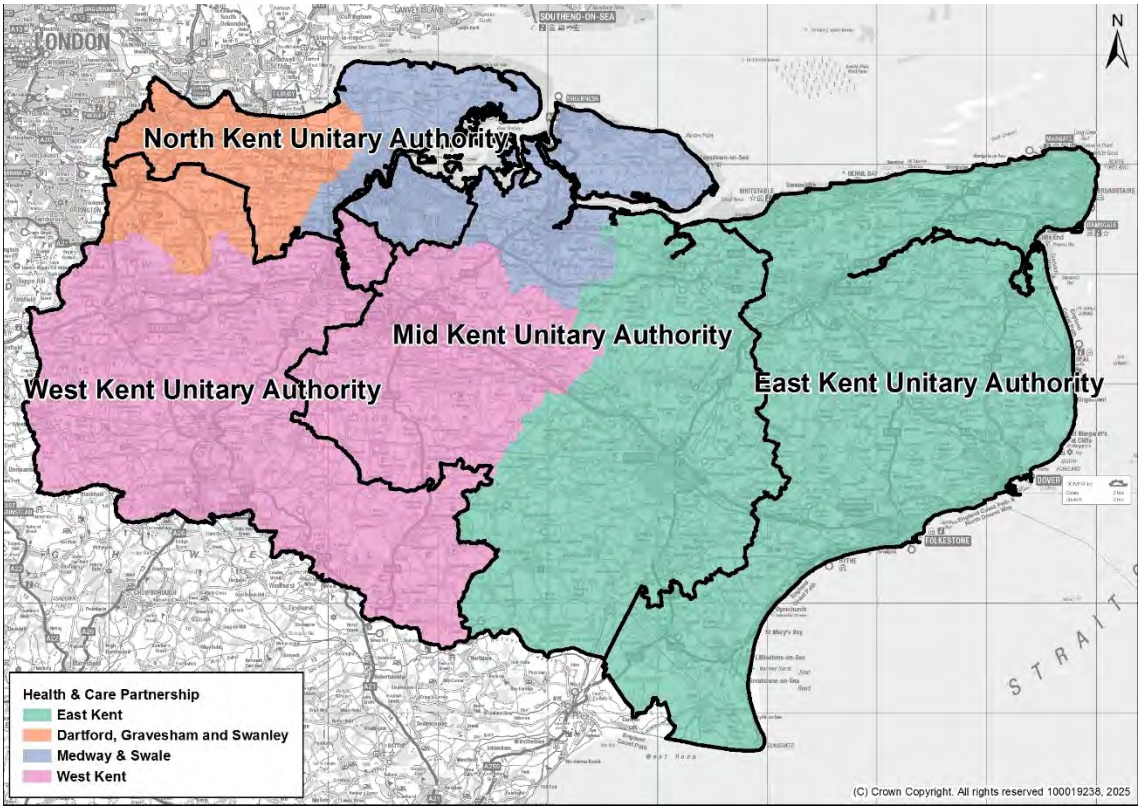
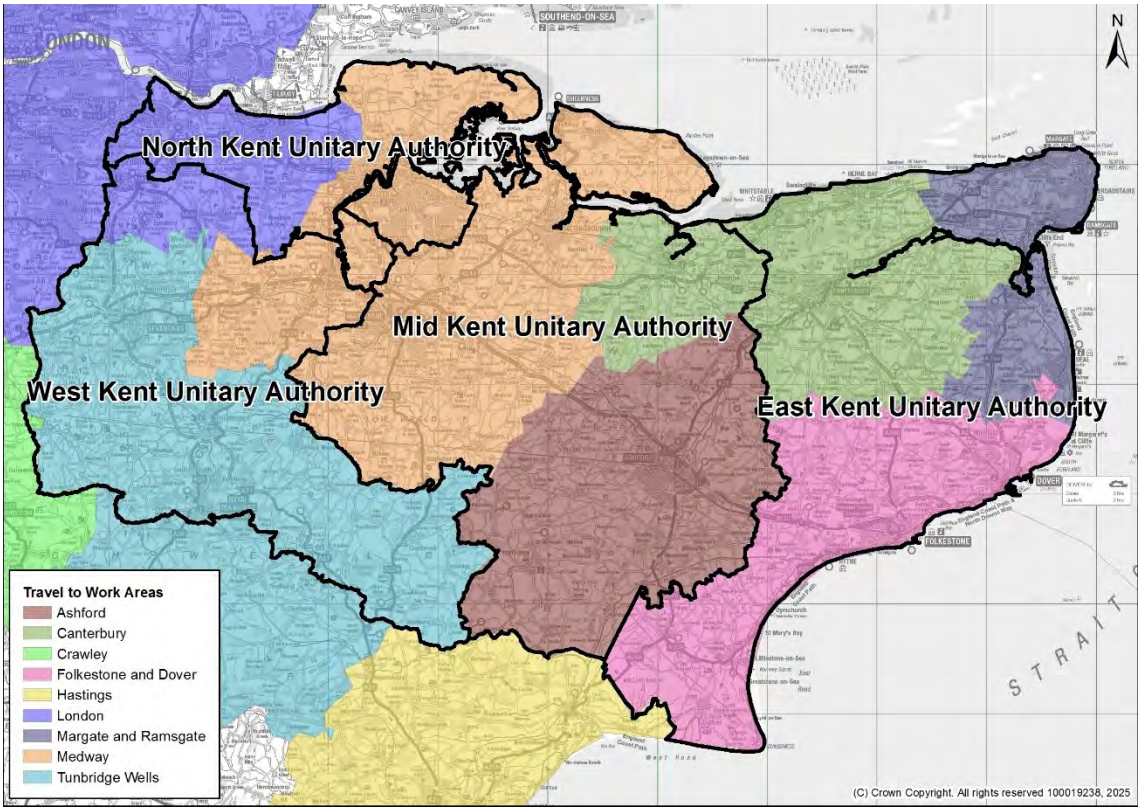
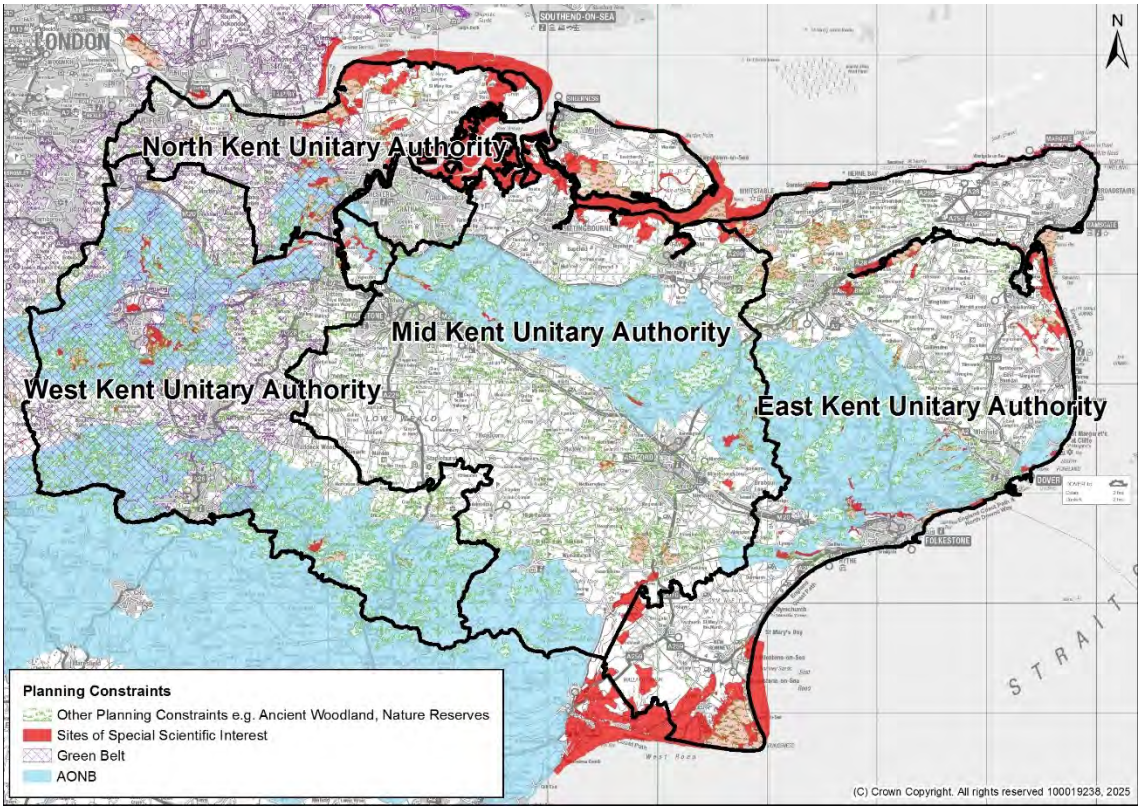
NHS Health & Care Partnership alignment



Travel to Work Areas



Spatial planning constraints



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	Medway	1,594		
East Kent	Canterbury	1,216	**3,969**	*2.27*
	Dover	746		
	Folkestone and Hythe	859		
	Thanet	1,148		
Mid Kent	Ashford	952	**3,358**	*2.45*
	Maidstone	1,358		
	Swale	1,048		
West Kent	Sevenoaks	1,149	**3,342**	*2.41*
	Tonbridge and Malling	1,096		
	Tunbridge Wells	1,098		

**Average household size was estimated by taking the average household size in each district (from Census 2021) and producing a weighted average based on the Indicative Local Housing Need.*

Population composition

	North	East	Mid	West	Kent	England & Wales
Population aged 0-15	21.4%	16.9%	19.7%	19.9%	19.4%	18.4%
Population aged 16-64	62.6%	59.2%	61.1%	59.6%	60.7%	62.8%
Population aged 65+	16.0%	23.9%	19.2%	20.5%	19.9%	18.8%

**based on mid-2023 population estimate*

Deprivation

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	North	East	Mid	West	Kent
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Disability benefit claimants

Proportion of working age people claiming disability benefits (AA+DLA+PIP) from the DWP.

	North	East	Mid	West	Kent	England & Wales
% of 16-64s claiming AA/DLA/PIP	16.7%	23.0%	17.7%	14.4%	18.2%	17.2%

Unemployment

Proportion of people receiving benefits for unemployment (Jobseekers Allowance and out of work Universal Credit claimants)

	North	East	Mid	West	Kent	England & Wales
Unemployment: % of 18-64s claiming	4.2%	4.3%	3.4%	2.5%	3.7%	4.3%
Youth unemployment: % of 18-24s claiming	7.1%	6.4%	6.2%	3.8%	6.1%	5.5%

Qualifications (from Census 2021)

Highest level of Qualification of people aged 16+ from the 2021 Census.

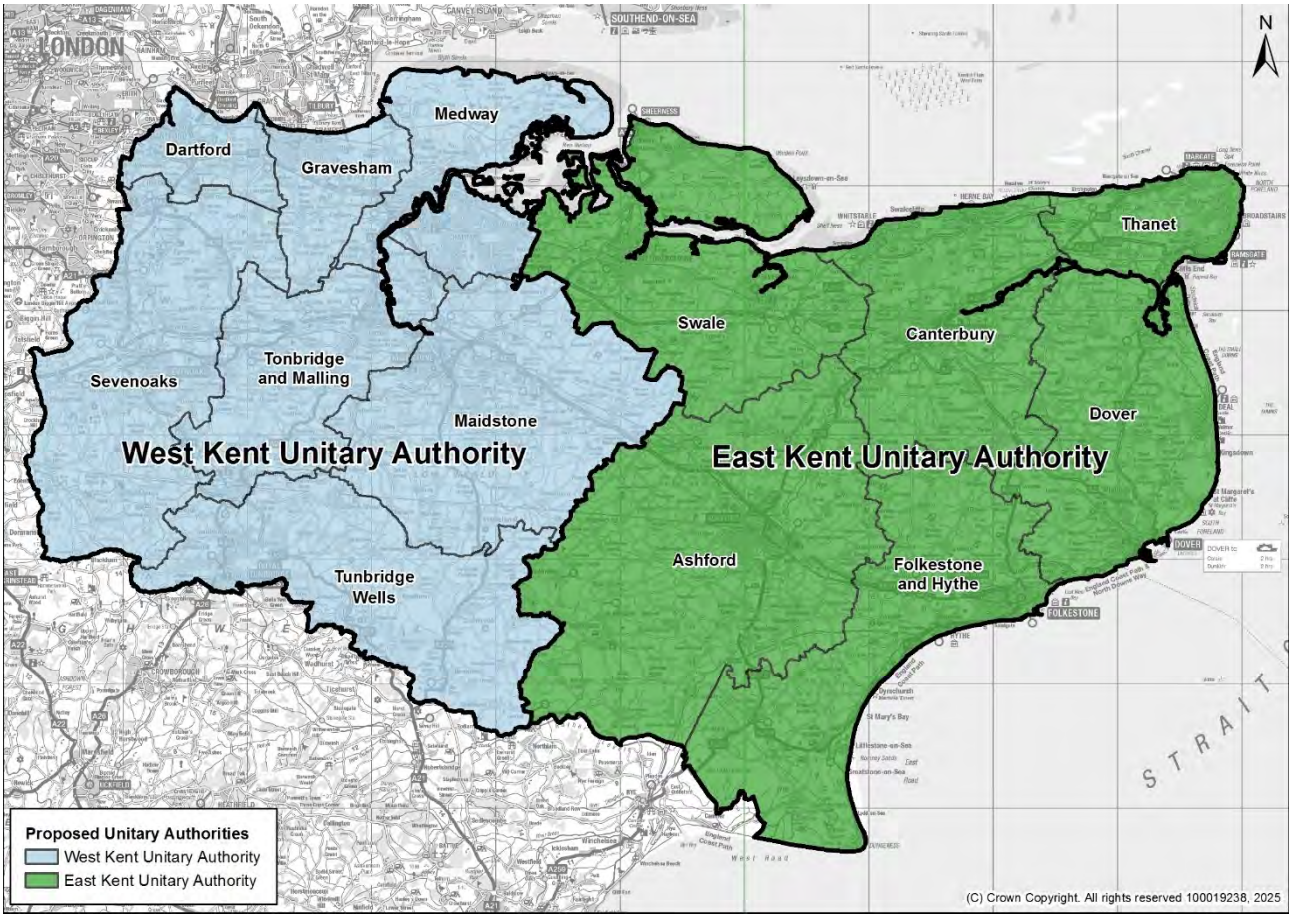
	North	East	Mid	West	Kent	England & Wales
% with Level 2 qualification or higher	66.3%	67.3%	66.6%	73.0%	68.0%	69.4%
% with Level 4 qualification or higher	27.4%	28.7%	27.9%	36.8%	29.8%	33.8%

Model 5 (two unitaries: East and West)

Geography

East (Ashford, Canterbury, Dover, Folkestone and Hythe, Swale, Thanet)

West (Dartford, Gravesham, Maidstone, Medway, Sevenoaks, Tonbridge and Malling, Tunbridge Wells)

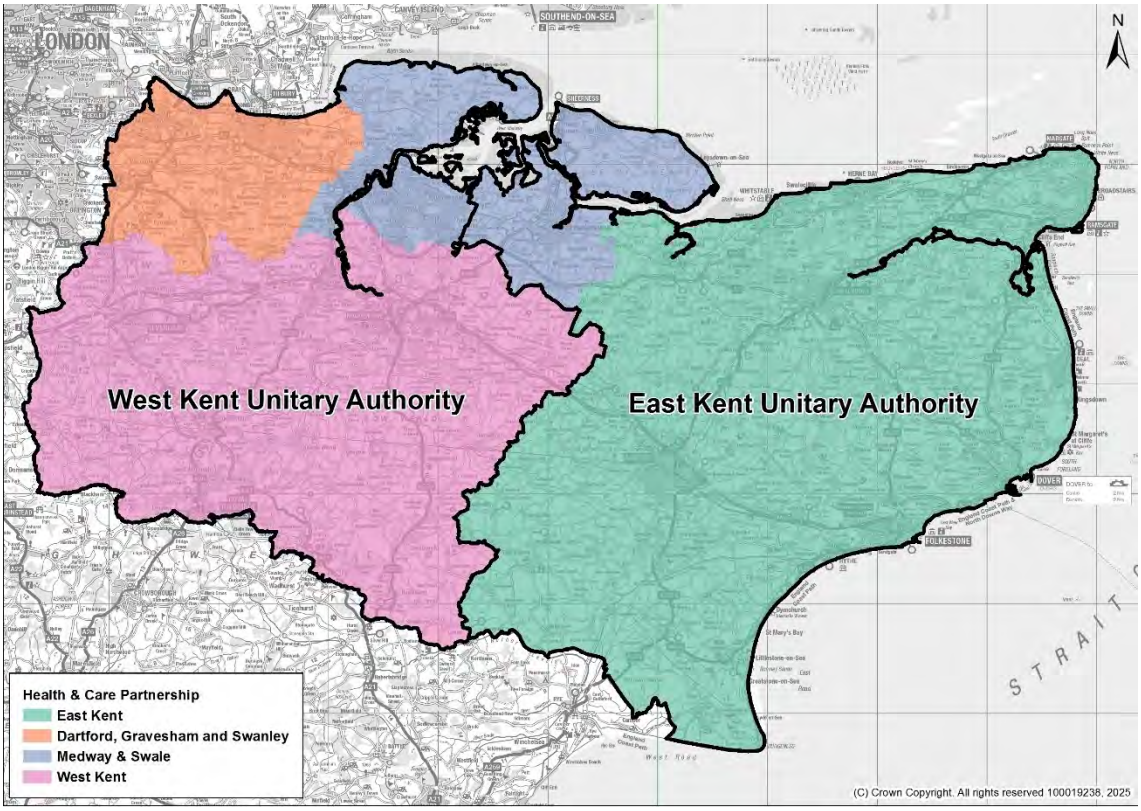


Population

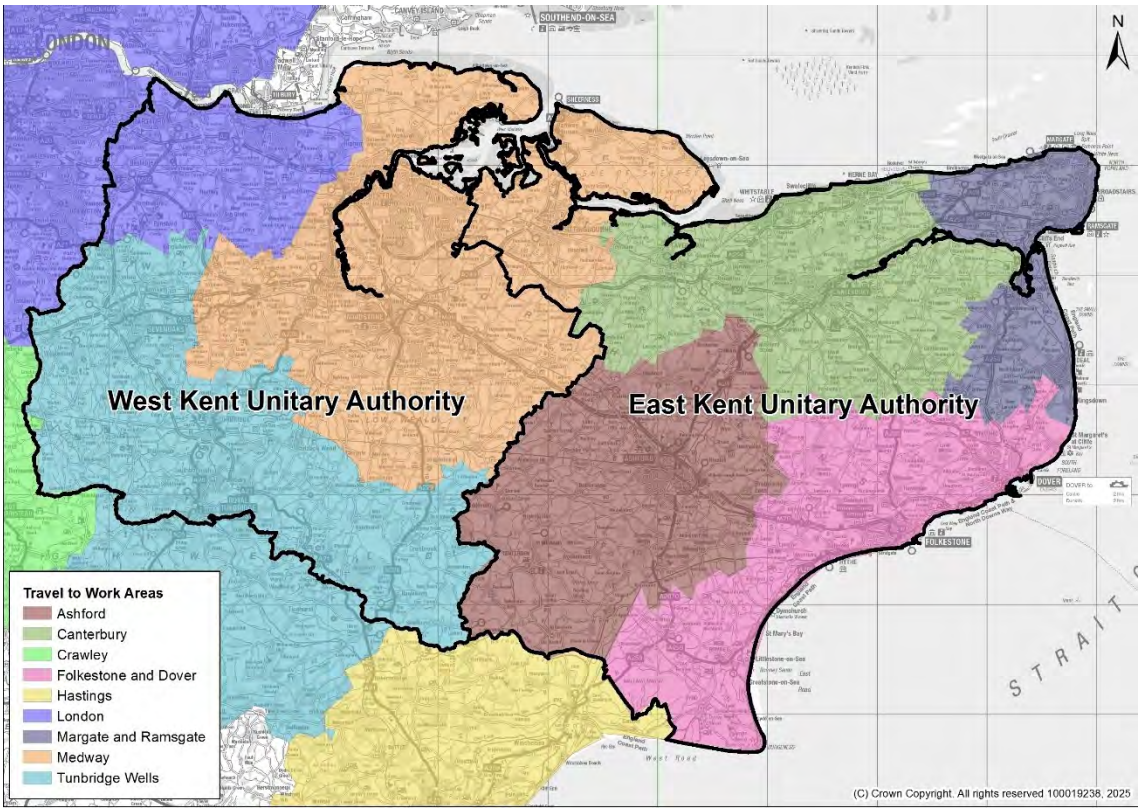
Potential Unitary	District	District population (mid-2022)	Unitary population (mid-2022)	Potential growth by 2035*
East Kent	Ashford	135,610	**816,178**	*67k to 121k*
	Canterbury	157,550		
	Dover	117,473		
	Folkestone and Hythe	110,237		
	Swale	154,619		
	Thanet	140,689		
West Kent	Dartford	118,820	**1,059,715**	*65k to 149k*
	Gravesham	106,970		
	Maidstone	180,428		
	Medway	282,702		
	Sevenoaks	121,106		
	Tonbridge and Malling	133,661		
	Tunbridge Wells	116,028		

**The two estimates for potential growth are based off the % growth between 2022 and 2035 for each district from: a) the 2018-based ONS Sub-National Population Projections and b) the KCC Housing Led Forecast. Weighted by each district's contribution towards the UA's total population (2022 MYE).*

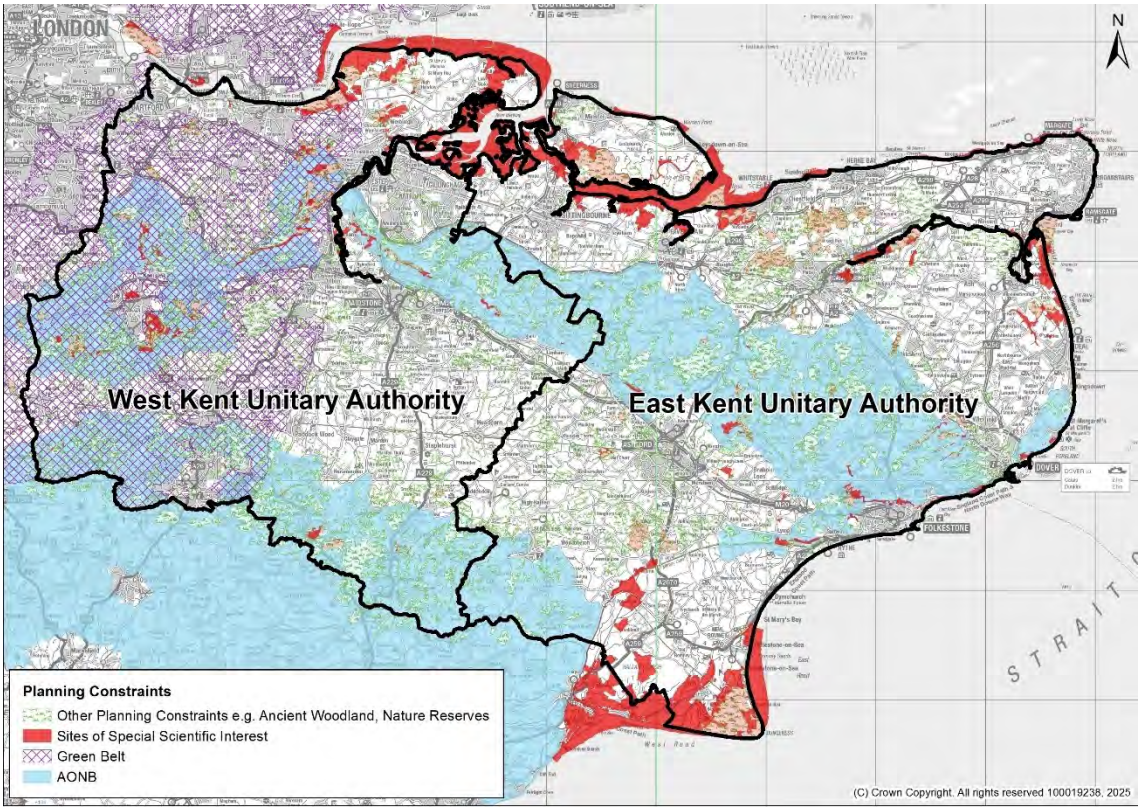
NHS Health & Care Partnership alignment



Travel to Work Areas



Spatial planning constraints



Indicative Local Housing Need - annual (new standard method)

Potential Unitary	District	Indicative Local Housing Need (new method)		Estimated avg household size*
East Kent	Ashford	952	5,969	*2.33*
	Canterbury	1,216		
	Dover	746		
	Folkestone and Hythe	859		
	Swale	1,048		
	Thanet	1,148		
West Kent	Dartford	712	7,677	*2.45*
	Gravesham	672		
	Maidstone	1,358		
	Medway	1,594		
	Sevenoaks	1,149		
	Tonbridge and Malling	1,096		
	Tunbridge Wells	1,098		

**Average household size was estimated by taking the average household size in each district (from Census 2021) and producing a weighted average based on the Indicative Local Housing Need.*

Population composition

	East	West	Kent	England & Wales
Population aged 0-15	17.9%	20.6%	19.4%	18.4%
Population aged 16-64	59.8%	61.4%	60.7%	62.8%
Population aged 65+	22.3%	18.1%	19.9%	18.8%

**based on mid-2023 population estimate*

Deprivation

Index of Multiple Deprivation 2019 (combining indicators under seven different domains of deprivation: Income Deprivation; Employment Deprivation; Education Skills and Training Deprivation; Health Deprivation and Disability; Crime; Barriers to Housing and Services and Living Environment Deprivation).

	East	West	Kent
% LSOAs in top 10%	9.8%	3.2%	6.1%

Disability benefit claimants

Proportion of working age people claiming disability benefits (AA+DLA+PIP) from the DWP.

	East	West	Kent	England & Wales
% of 16-64s claiming AA/DLA/PIP	21.7%	15.7%	18.2%	17.2%

Unemployment

Proportion of people receiving benefits for unemployment (Jobseekers Allowance and out of work Universal Credit claimants)

	East	West	Kent	England & Wales
Unemployment: % of 18-64s claiming	4.0%	3.5%	3.7%	4.3%
Youth unemployment: % of 18-24s claiming	6.3%	5.9%	6.1%	5.5%

Qualifications (from Census 2021)

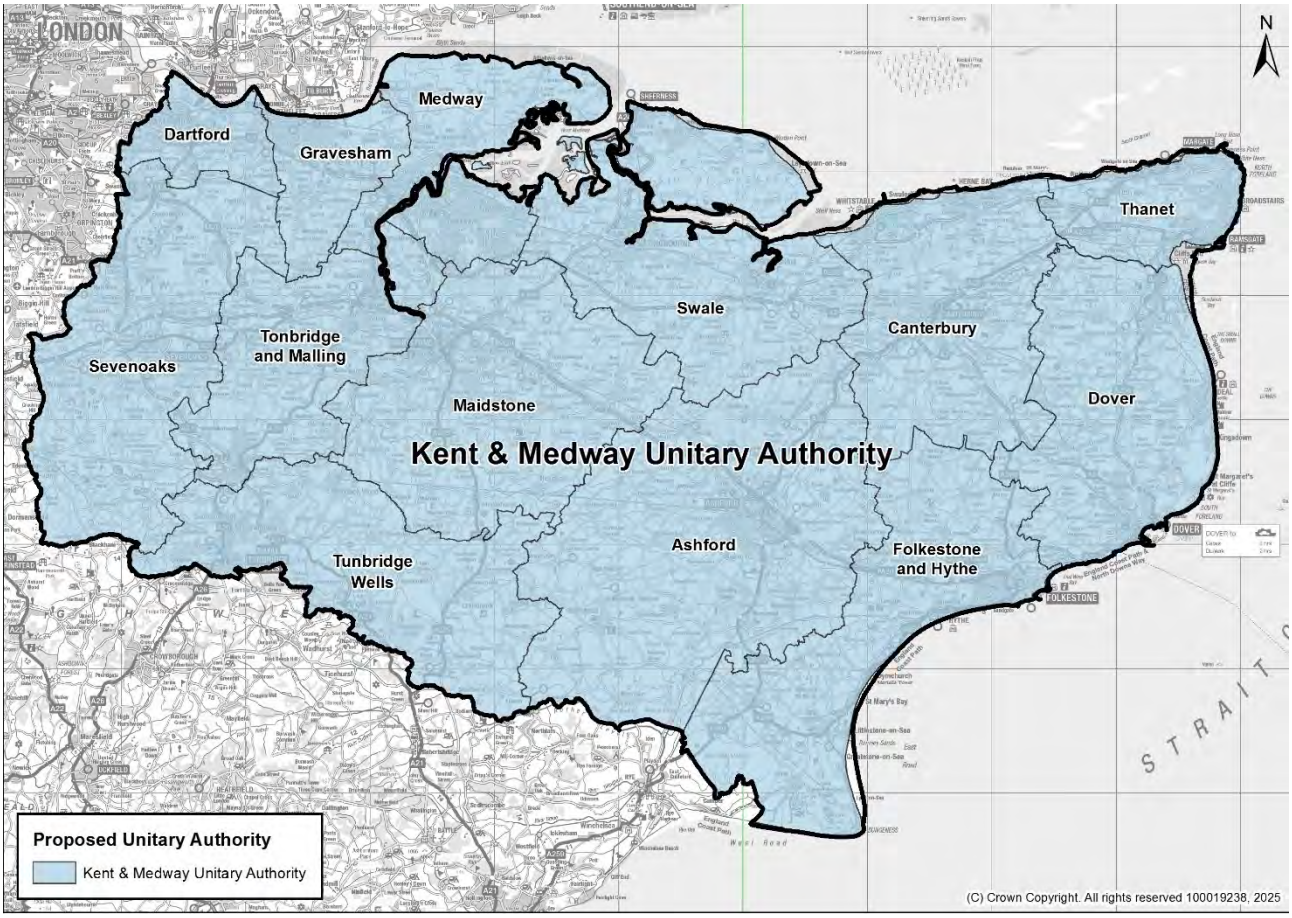
Highest level of Qualification of people aged 16+ from the 2021 Census.

	East	West	Kent	England & Wales
% with Level 2 qualification or higher	66.6%	69.1%	68.0%	69.4%
% with Level 4 qualification or higher	28.0%	31.1%	29.8%	33.8%

Model 6 (1 unitary: whole of Kent, including Medway)

Geography

Whole of Kent (including Medway)

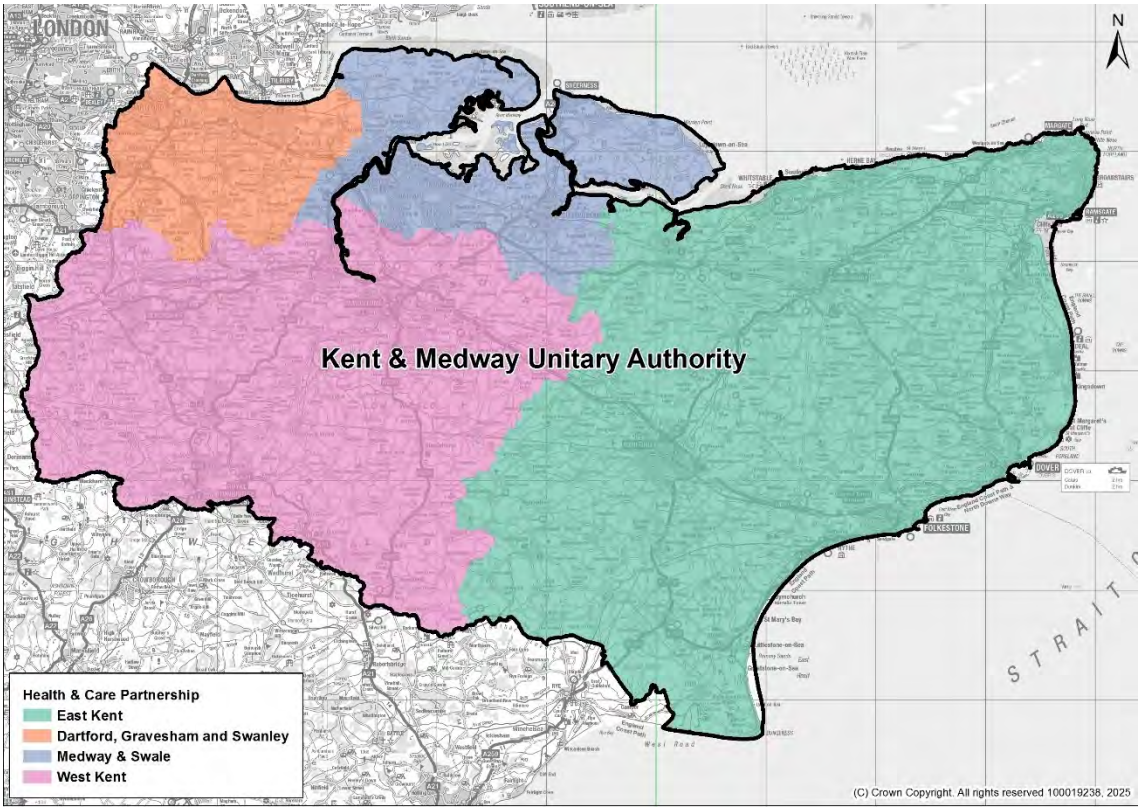


Population

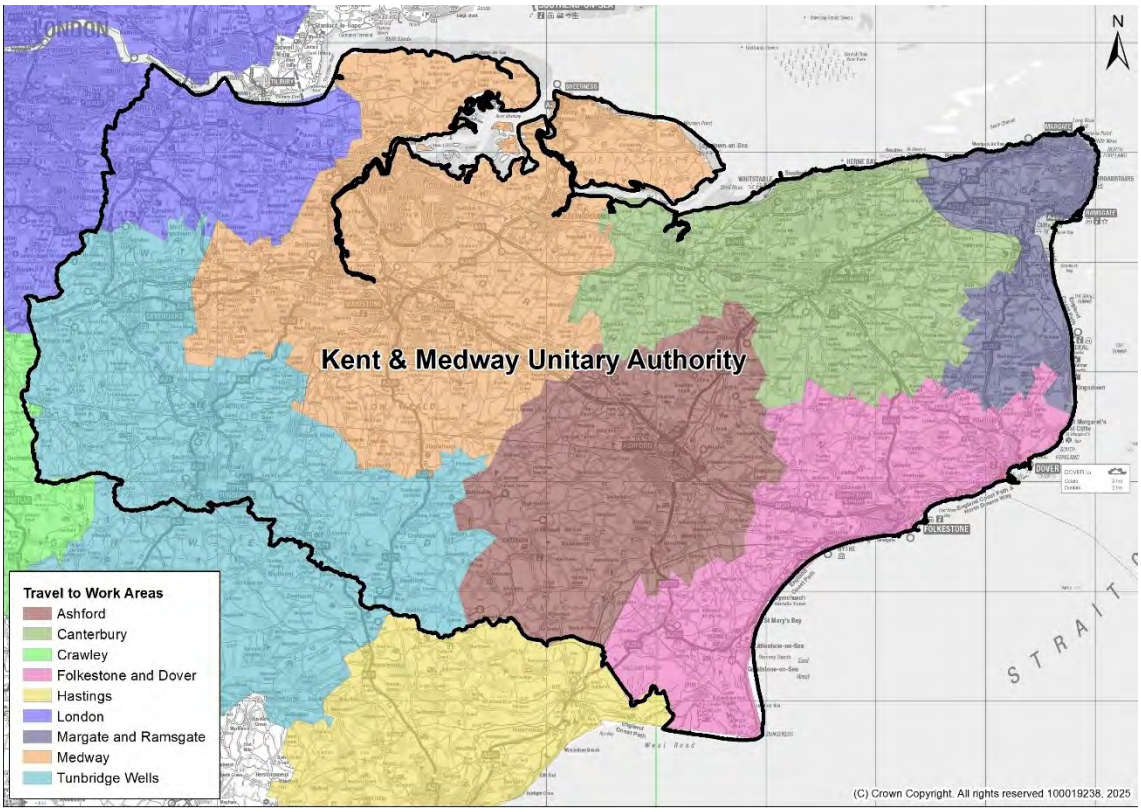
Potential Unitary	District	District population (mid-2022)	Unitary population (mid-2022)	Potential growth by 2035*
Kent	Ashford	135,610	1,875,893	*132k to 270k*
	Canterbury	157,550		
	Dartford	118,820		
	Dover	117,473		
	Folkestone and Hythe	110,237		
	Gravesham	106,970		
	Maidstone	180,428		
	Medway	282,702		
	Sevenoaks	121,106		
	Swale	154,619		
	Thanet	140,689		
	Tonbridge and Malling	133,661		
	Tunbridge Wells	116,028		

**The two estimates for potential growth are based off the % growth between 2022 and 2035 for each district from: a) the 2018-based ONS Sub-National Population Projections and b) the KCC Housing Led Forecast. Weighted by each district's contribution towards the UA's total population (2022 MYE).*

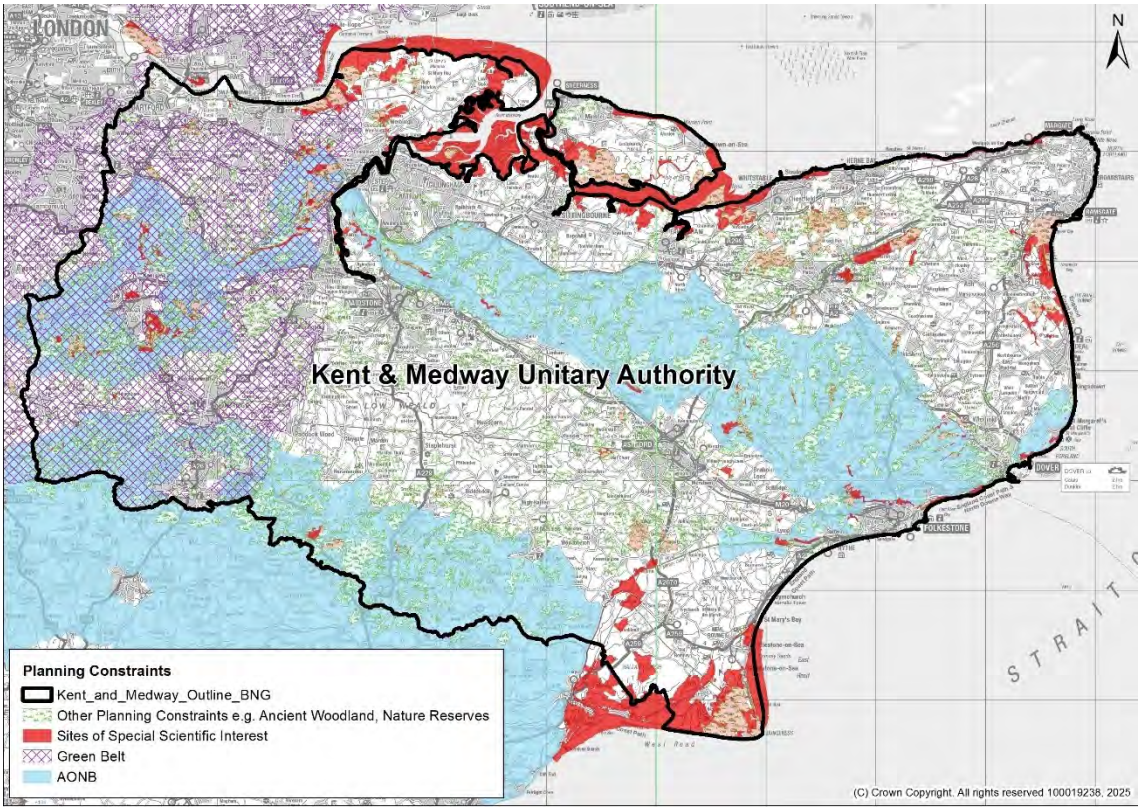
NHS Health & Care Partnership alignment



Travel to Work Areas



Spatial planning constraints



Indicative Local Housing Need - annual (new standard method)

Potential Unitary	District	Indicative Local Housing Need (new method)		Estimated avg household size*
Kent	Ashford	952	**13,647**	*2.40*
	Canterbury	1,216		
	Dartford	712		
	Dover	746		
	Folkestone and Hythe	859		
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	Maidstone	1,358		
	Medway	1,594		
	Sevenoaks	1,149		
	Swale	1,048		
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	Tonbridge and Malling	1,096		
	Tunbridge Wells	1,098		

**Average household size was estimated by taking the average household size in each district (from Census 2021) and producing a weighted average based on the Indicative Local Housing Need.*

Population composition

	Kent	England & Wales
Population aged 0-15	19.4%	18.4%
Population aged 16-64	60.7%	62.8%
Population aged 65+	19.9%	18.8%

**based on mid-2023 population estimate*

Deprivation

Index of Multiple Deprivation 2019 (combining indicators under seven different domains of deprivation: Income Deprivation; Employment Deprivation; Education Skills and Training Deprivation; Health Deprivation and Disability; Crime; Barriers to Housing and Services and Living Environment Deprivation).

	Kent
% LSOAs in top 10%	6.1%

Disability benefit claimants

Proportion of working age people claiming disability benefits (AA+DLA+PIP) from the DWP.

	Kent	England & Wales
% of 16-64s claiming AA/DLA/PIP	18.2%	17.2%

Unemployment

Proportion of people receiving benefits for unemployment (Jobseekers Allowance and out of work Universal Credit claimants)

	Kent	England & Wales
Unemployment: % of 18-64s claiming	3.7%	4.3%
Youth unemployment: % of 18-24s claiming	6.1%	5.5%

Qualifications (from Census 2021)

Highest level of Qualification of people aged 16+ from the 2021 Census.

	Kent	England & Wales
% with Level 2 qualification or higher	68.0%	69.4%
% with Level 4 qualification or higher	29.8%	33.8%

Appendix 1i

Local Government Reorganisation Models – Housing Targets, Delivery & Projections

Introduction

The aim of this document is to support KCC's internal research on Local Government Reorganisation in Kent and Medway. The ability of the proposed unitary authorities to deliver on housing targets is part of the evidence base that is required in the final proposal to government and is the focus of this report.

This document brings together data from the 12 districts councils in Kent, Medway Council and the Ministry of Housing, Communities and Local Government to examine the proposed housing targets for the 5 models, the developments that have been identified to meet these targets and the authorities' track record of delivering housing between 2017 and 2023. This analysis assumes that the proposed housing targets for new unitary authorities would reflect the targets of their constituent districts.

The 5 unitary authority models that are considered in this document are described below.

Model 1: A three unitary model made up as follows: West (Sevenoaks, Tonbridge and Malling, Tunbridge Wells and Maidstone); North (Dartford, Gravesham, Medway and Swale); East (Canterbury, Thanet, Ashford, Dover, Folkestone & Hythe).

Model 2: A four unitary model made up as follows: West (Sevenoaks, Tonbridge and Malling, Tunbridge Wells and Maidstone); North (Dartford, Gravesham, Medway); East (Canterbury, Swale, Thanet), South (Ashford, Dover, Folkestone & Hythe).

Model 3: A four unitary model made up as follows: Mid (Ashford, Swale, Folkestone and Hythe); West (Sevenoaks, Tonbridge and Malling, Tunbridge Wells and Maidstone,); North (Dartford, Gravesham, Medway); East (Canterbury, Dover, Thanet)

Model 4: A four unitary model made up as follows: Mid (Ashford, Swale, Maidstone); West (Sevenoaks, Tonbridge and Malling, Tunbridge Wells); North (Dartford, Gravesham, Medway); East (Canterbury, Dover, Folkestone and Hythe, Thanet)

Model 5: A two unitary authority model made up as follows: West (Sevenoaks, Tonbridge and Malling, Tunbridge Wells, Maidstone, Dartford, Gravesham and Medway); East (Canterbury, Swale, Ashford, Thanet, Dover, Folkestone and Hythe)

Analysis

In July 2024 the government released new proposed housing targets for local authorities for the 2025 calendar year onwards based on a new methodology.1 Table 1 shows the new annual housing targets for the 12 districts in Kent plus Medway which were finalised in the revised National Planning Policy Framework in December 2024[2].

Table 1: New Housing Targets per District/Local Authority (2025)

District/ Unitary Authority	New Annual Housing Target (2025)
Ashford	949
Canterbury	1,178
Dartford	716
Dover	789
Folkestone and Hythe	838
Gravesham	693
Maidstone	1,344
Medway	1,644
Sevenoaks	1,113
Swale	1,061
Thanet	1,145
Tonbridge and Malling	1,057
Tunbridge Wells	1,045

Table 2 shows what this new annual housing target would be for each of the 5 unitary authority models and compares this with the average number of dwellings completed each year between 2017-2023. This is based on data in the Housing Delivery Test[3] data from the Ministry of Housing, Communities and Local Government . This table shows the annual surplus/shortfall in each Unitary Authority model for the new housing targets if the average number of dwellings built annually over the last 6 years continued into the future.

Over the last 6 years, an average of 8,450 housing units have been completed across Kent & Medway each year compared to the new target of 13,572, a deficit of 5,122 houses with a completion rate of 62.3% of the new target. Model 4 has the biggest percentage point gap between the proposed unitary authority with the highest historic completion rate compared to the new target and the proposed unitary authority with the lowest completion rate, 88% compared to 45.3%. Model 5 has the smallest gap in the historic completion rate compared to this new target for the proposed unitary authorities, with East Kent and West Kent reporting 62.0% and 62.5% respectively. Model 1 has the second smallest gap with East Kent at 59.1% and North Kent at 67.5%.

[1] Mapped: Housing targets for each council under proposed method | Local Government Chronicle (LGC)
[2] National Planning Policy Framework
[3] Housing Delivery Test: 2023 measurement - GOV.UK

Table 2: New Annual Housing Target Compared to Average Annual Housing Units Delivered 2017-2023

LGR Model 1	New Annual Housing Target	Average Annual Housing Delivered (2017-2023)	Surplus/Shortfall Annual Average Housing Delivery 2017-2023 v New Target	% of New Annual Target Delivered Annually (2017-2023)
East Kent	4,899	2,895	-2,004	59.1%
North Kent	4,114	2,777	-1,337	67.5%
West Kent	4,559	2,778	-1,781	60.9%
Total	**13,572**	**8,450**	**-5,122**	**62.3%**

LGR Model 2	New Annual Housing Target	Average Annual Housing Delivered (2017-2023)	Surplus/Shortfall Annual Average Housing Delivery 2017-2023 v New Target	% of New Annual Target Delivered Annually (2017-2023)
East Kent	3,384	1,906	-1,478	56.3%
North Kent	3,053	1,977	-1,076	64.8%
South Kent	2,576	1,788	-788	69.4%
West Kent	4,559	2,778	-1,781	60.9%
Total	**13,572**	**8,450**	**-5,122**	**62.3%**

LGR Model 3	New Annual Housing Target	Average Annual Housing Delivered (2017-2023)	Surplus/Shortfall Annual Average Housing Delivery 2017-2023 v New Target	% of New Annual Target Delivered Annually (2017-2023)
East Kent	3,112	1,604	-1,508	51.6%
Mid Kent	2,848	2,090	-758	73.4%
North Kent	3,053	1,977	-1,076	64.8%
West Kent	4,559	2,778	-1,781	60.9%
Total	**13,572**	**8,450**	**-5,122**	**62.3%**

LGR Model 4	New Annual Housing Target	Average Annual Housing Delivered (2017-2023)	Surplus/Shortfall Annual Average Housing Delivery 2017-2023 v New Target	% of New Annual Target Delivered Annually (2017-2023)
East Kent	3,950	2,064	-1,886	52.3%
Mid Kent	3,354	2,951	-403	88.0%
North Kent	3,053	1,977	-1,076	64.8%
West Kent	3,215	1,457	-1,758	45.3%
Total	**13,572**	**8,450**	**-5,122**	**62.3%**

LGR Model 5	New Annual Housing Target	Average Annual Housing Delivered (2017-2023)	Surplus/Shortfall Annual Average Housing Delivery 2017-2023 v New Target	% of New Annual Target Delivered Annually (2017-2023)
East Kent	5,960	3,694	-2,266	62.0%
West Kent	7,612	4,755	-2,857	62.5%
Total	**13,572**	**8,450**	**-5,122**	**62.3%**

The 12 district councils and Medway Council provide Kent with information on the phased housing supply sites that has been identified for development over the next few years. This is collated in the Housing Information Audit[4]. Table 3 compares the total housing target[5] over the next four years (2025/26-2028/29) against this housing supply for the 5 unitary authority models. This shows that overall 48,532 units have been identified and are phased to be developed over this period compared to a target of 54,288, a deficit of 5,936 units.

The proposed unitary authorities East Kent and South Kent have sufficient sites identified to meet the proposed target in all scenarios, whereas West Kent reports significant shortfalls. Model 4 has the largest percentage point gap between the proposed unitary authority with the biggest surplus and the unitary authority with the biggest shortfall, a gap of 44.4 percentage points between East Kent (110.1%) and West Kent (63.6%). Model 5 has the smallest percentage point gap with East Kent reporting a forecast 105.9% completion rate compared to 75.9% for West Kent.

Table 3: New Annual Housing Target Compared to Phased Housing Supply 2017-2023

LGR Model 1	4 Year Housing Target*	4 Year Housing Supply 2025/2026 - 2028/2029	Surplus/Shortfall of 4 Year Target v Identified Sites	% of 4 Year Target Identified
East Kent	19,596	21,285	1,689	108.6%
North Kent	16,456	14,885	-1,571	90.5%
West Kent	18,236	12,182	-6,054	66.8%
Total	**54,288**	**48,352**	**-5,936**	**89.1%**

LGR Model 2	4 Year Housing Target*	4 Year Housing Supply 2025/2026 - 2028/2029	Surplus/Shortfall of 4 Year Target v Identified Sites	% of 4 Year Target Identified
East Kent	13,536	14,561	1,025	107.6%
North Kent	12,212	10,922	-1,290	89.4%
South Kent	10,304	10,687	383	103.7%
West Kent	18,236	12,182	-6,054	66.8%

[4] Five year land supply

[5]* This assumes that the current target is replicated over the next 3 years but are subject to revision by the MCHLG

Total	**54,288**	**48,352**	**-5,936**	**89.1%**

LGR Model 3	4 Year Housing Target*	4 Year Housing Supply 2025/2026 - 2028/2029	Surplus/Shortfall of 4 Year Target v Identified Sites	% of 4 Year Target Identified
East Kent	12,448	13,848	1,400	111.2%
Mid Kent	11,392	11,400	8	100.1%
North Kent	12,212	10,922	-1,290	89.4%
West Kent	18,236	12,182	-6,054	66.8%
Total	**54,288**	**48,352**	**-5,936**	**89.1%**

LGR Model 4	4 Year Housing Target*	4 Year Housing Supply 2025/2026 - 2028/2029	Surplus/Shortfall of 4 Year Target v Identified Sites	% of 4 Year Target Identified
East Kent	15,800	17,395	1,595	110.1%
Mid Kent	13,416	11,852	-1,564	88.3%
North Kent	12,212	10,922	-1,290	89.4%
West Kent	12,860	8,183	-4,677	63.6%
Total	**54,288**	**48,352**	**-5,936**	**89.1%**

LGR Model 5	4 Year Housing Target*	4 Year Housing Supply 2025/2026 - 2028/2029	Surplus/Shortfall of 4 Year Target v Identified Sites	% of 4 Year Target Identified
East Kent	23,840	25,248	1,408	105.9%
West Kent	30,448	23,104	-7,344	75.9%
Total	**54,288**	**48,352**	**-5,936**	**89.1%**

Summary of most challenging unitary areas

Table 4 shows the most challenging proposed unitary authority for each of the 5 models for the two key measures included in this report, the percentage of the new annual housing target that has been delivered on average over the last six years and the percentage of the four year housing target that has been identified for development and has been included in the Housing Information Audit.

Table 4: Most Challenging Unitary Authority for Each Local Government Reorganisation Option

LGR Model	% of New Annual Target Delivered Annually (2017-2023)	% of 4 Year Housing Target Identified in Housing Information Audit
Model 1 – 3 UAs	East Kent - 59%	West Kent - 67%
Model 2 – 4 UAs	East Kent - 56%	West Kent - 67%
Model 3 – 4 UAs	East Kent - 52%	West Kent - 67%
Model 4 – 4 UAs	West Kent - 45%	West Kent - 64%
Model 5 – 2 UAs	East Kent - 62%	West Kent - 76%
Kent & Medway	Kent - 62%	Kent - 89%

It should be noted that grouping up districts can result in housing delivery challenges in some areas to be masked by other more successful areas. This doesn't necessarily resolve local housing need in the areas that most need it when looking at a smaller geographical scale.

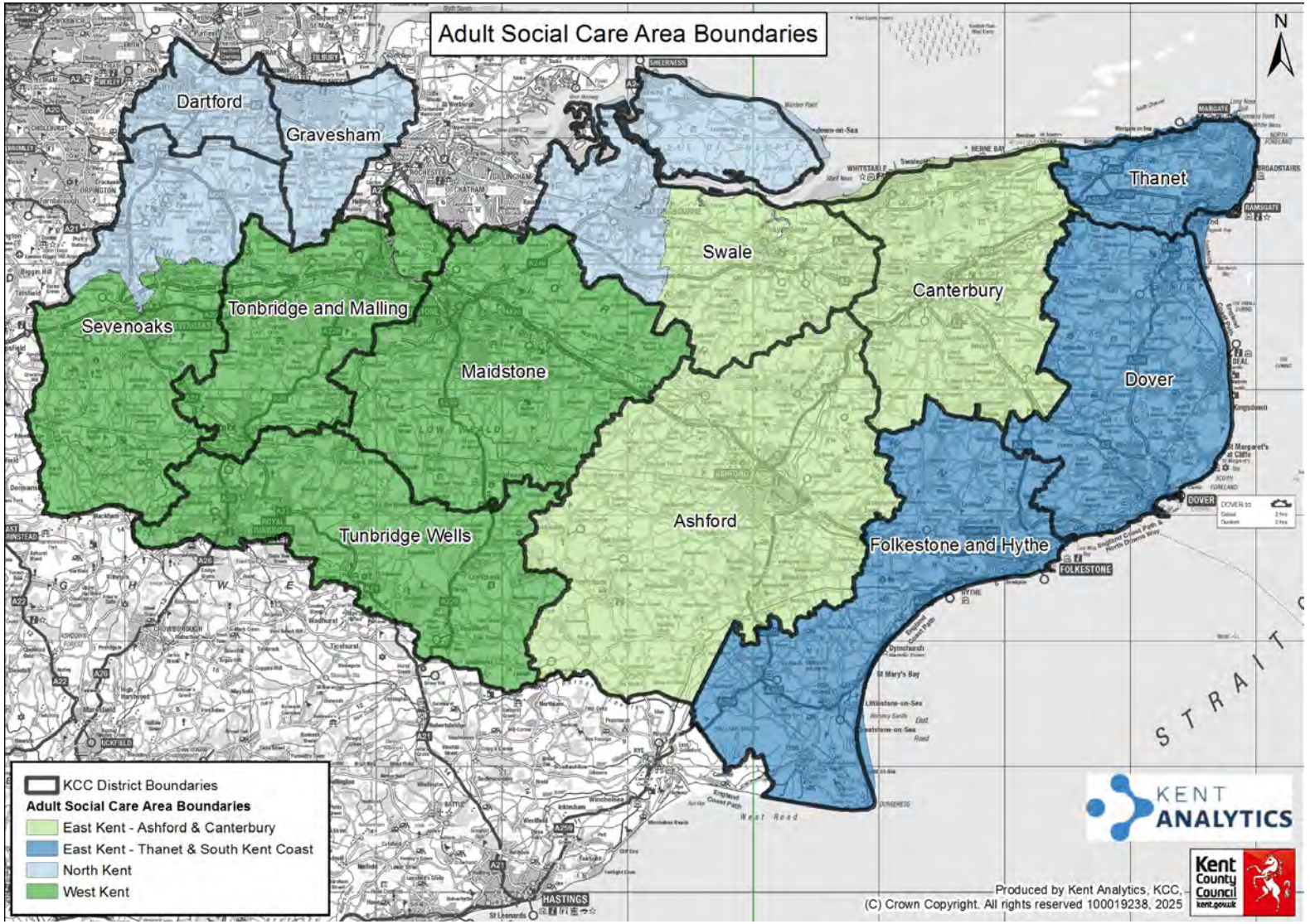
Appendix 1j

KENT ANALYTICS

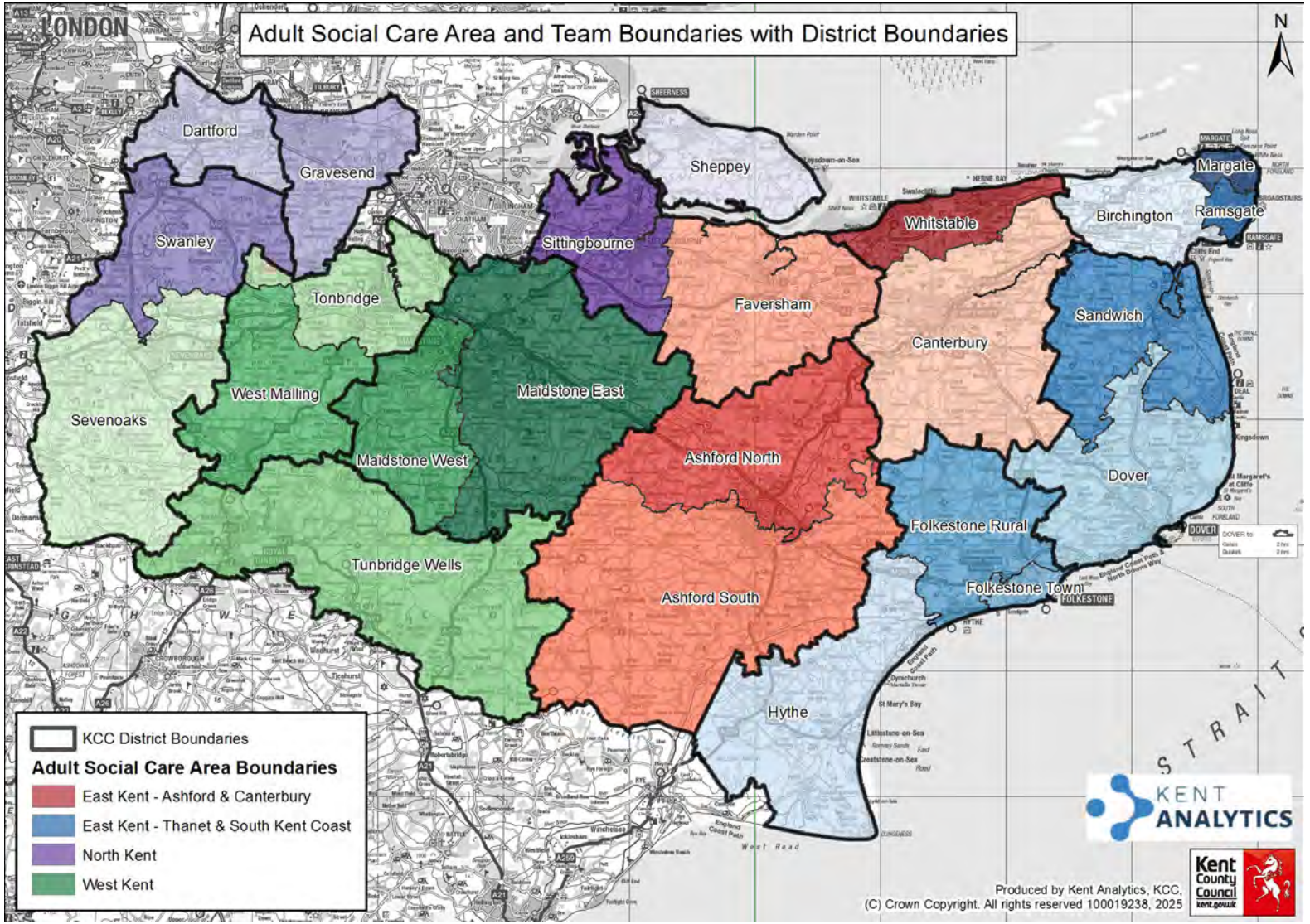
Service geography maps

Kent County Council kent.gov.uk

Adults social care: area split (KCC only)



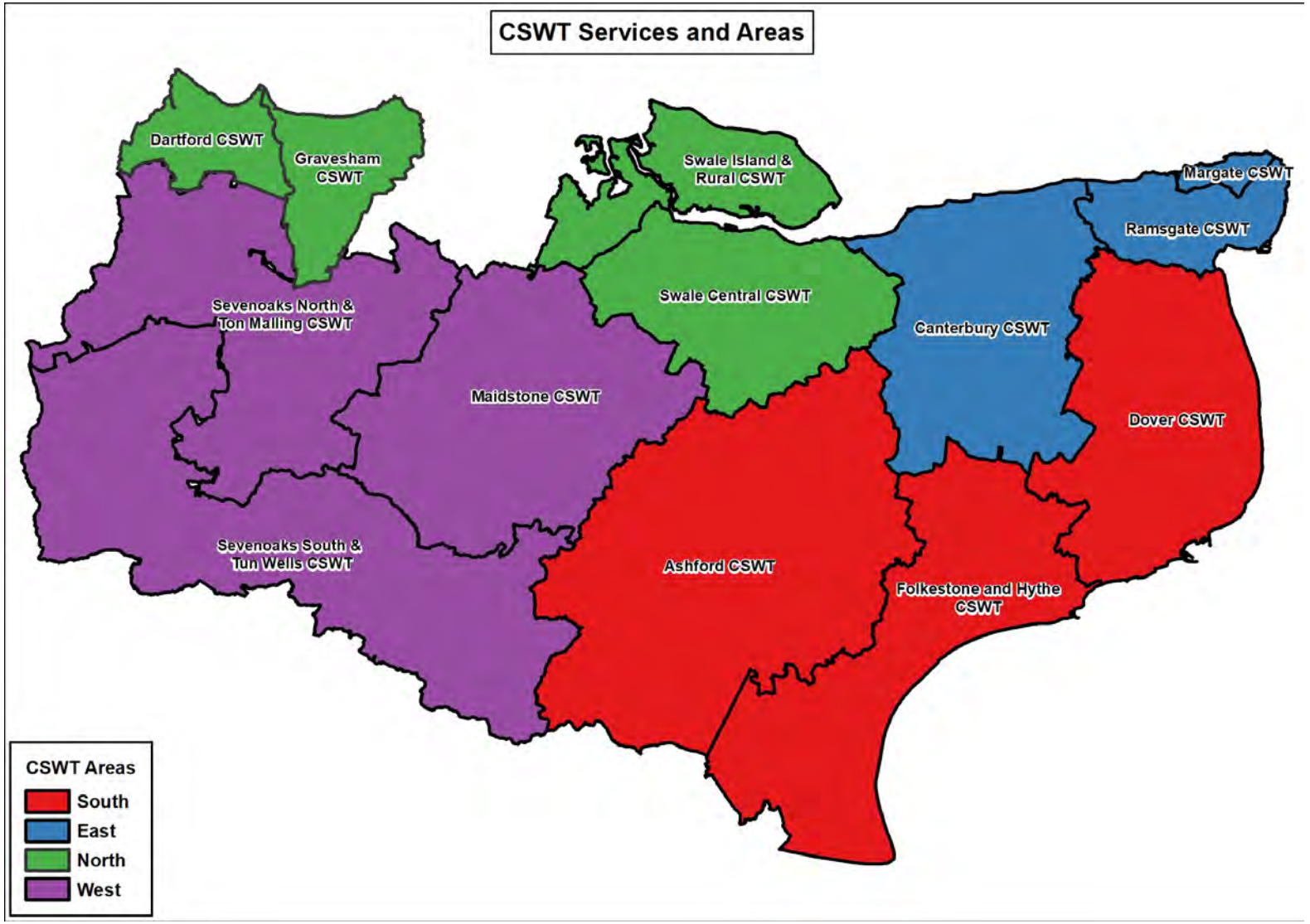
Adults social care: team split (KCC only)



KENT ANALYTICS

Kent County Council kent.gov.uk

Children's social care (KCC only)

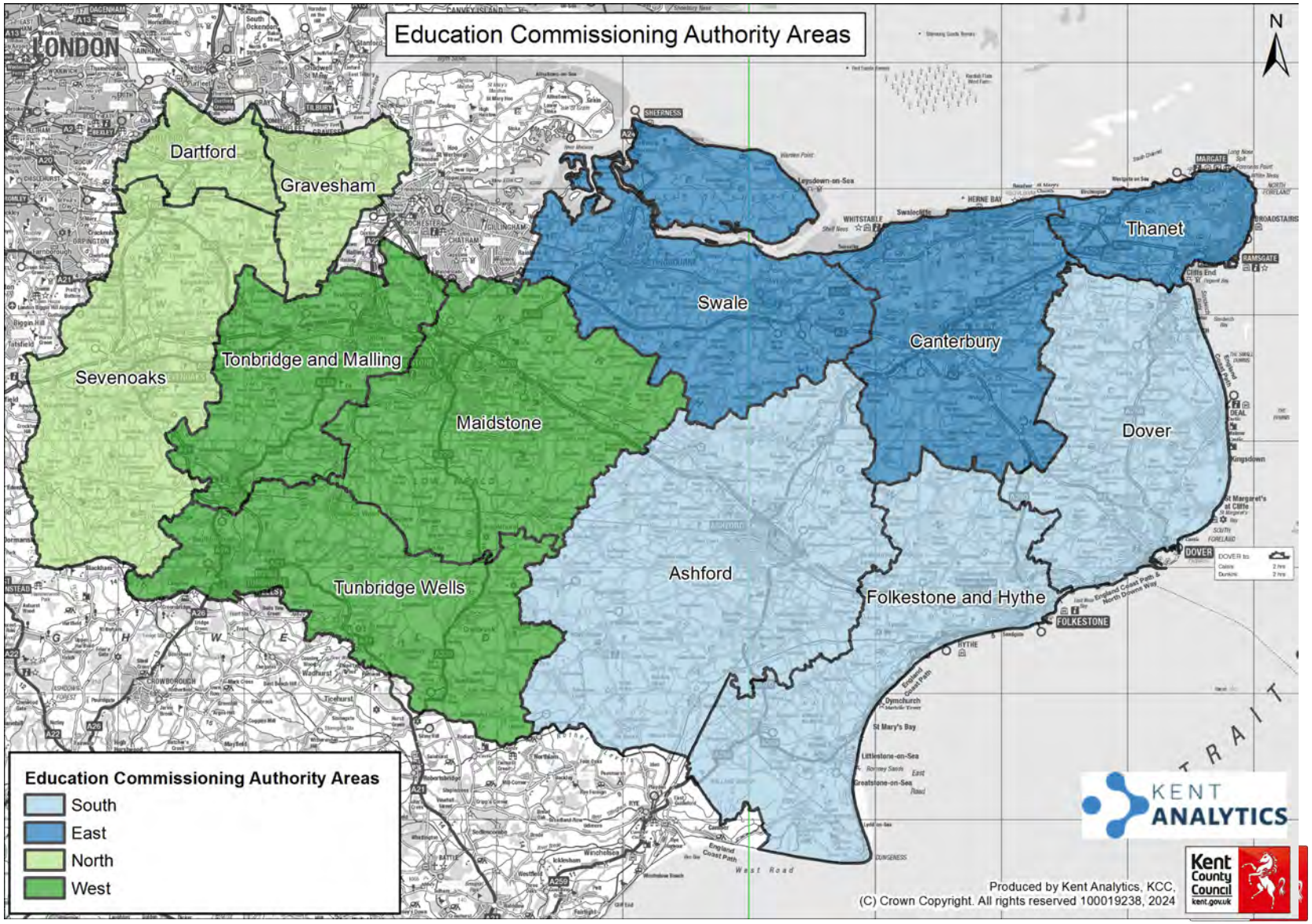


Education commissioning (KCC only)

There are various different geographies for education in KCC, including:

- Education commissioning authority areas
- Primary school planning areas
- Non-selective secondary school planning areas
- Selective secondary planning areas

These areas are not all contiguous – particularly for secondary education.



KENT ANALYTICS

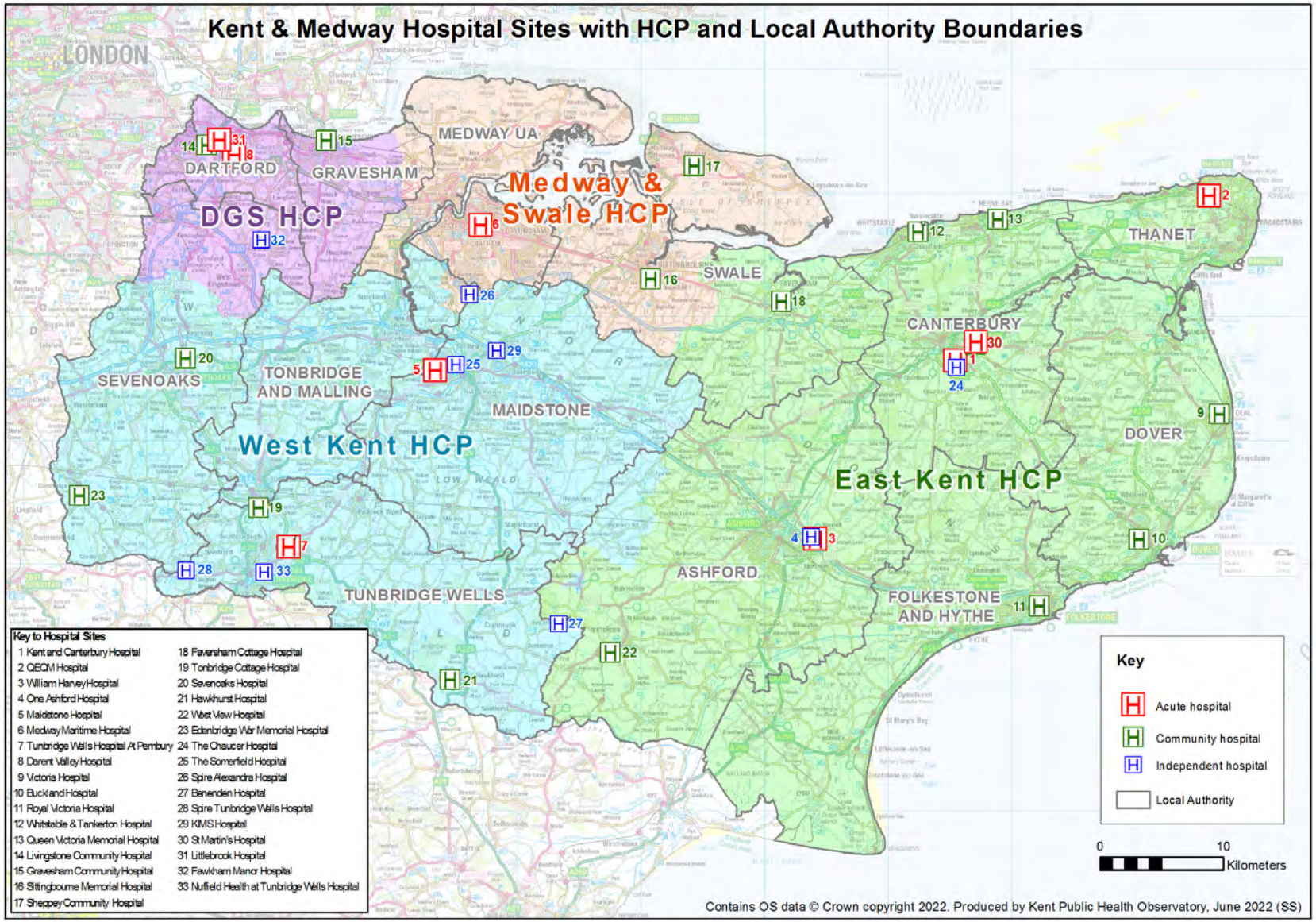
Health and care partnerships

There are some areas where HCPs are not contiguous with district boundaries. The most significant being:

- Faversham & east Swale
- Swanley & north Sevenoaks

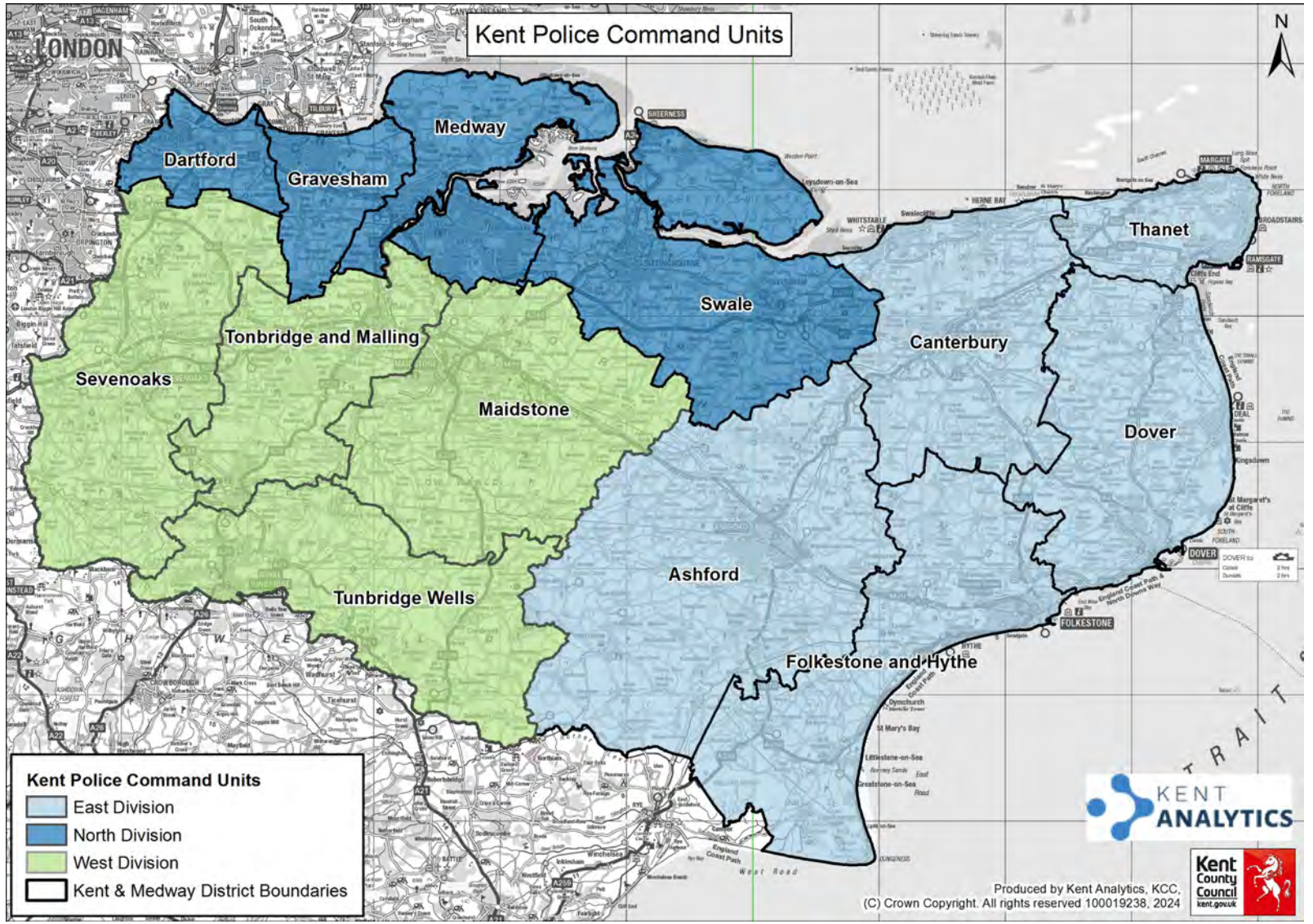
Smaller non-contiguous areas are:

- Higham (NE Gravesham)
- Blue Bell Hill (NE T&M)
- Smarden (NW Ashford)



KENT ANALYTICS

Police


Kent Police Command Units
LONDON
Medway
Dartford
Gravesham
Swale
Thanet
Canterbury
Tonbridge and Malling
Sevenoaks
Maidstone
Dover
Ashford
Tunbridge Wells
Folkestone and Hythe
N
Kent Police Command Units
East Division
North Division
West Division
Kent & Medway District Boundaries
KENT ANALYTICS
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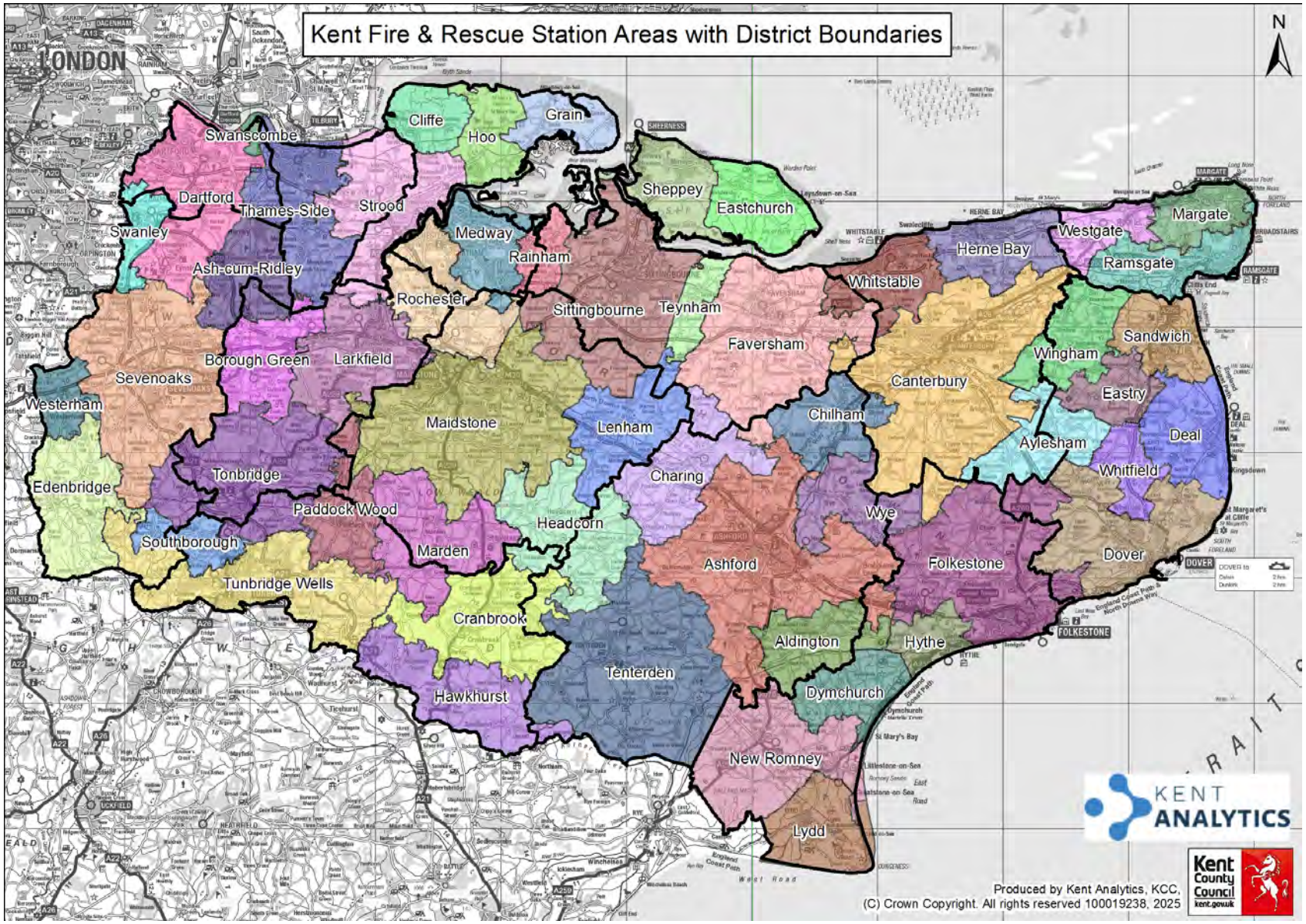
Fire and rescue

The station areas covered represent the station reporting areas only as Kent Fire & Rescue use dynamic mobilising based on the nearest appropriate and available resource.



KENT ANALYTICS

Appendix 1k

Initial Options Appraisal of single unitary with 3 Area Assemblies

An initial options appraisal against the government criteria for LGR proposals was conducted using the same assumptions, methodology and with reference to the same evidence base as was used in the KCC internal options appraisal that was presented to the Cabinet Committee on 28 July.

Criterion	Score (out of 5)	Ranking
A - A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government	4	Joint 2nd (with option 2b)
B - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks	4	Joint 2nd (with option 2b)
C - Unitary structures must prioritise the delivery of high-quality and sustainable public services to citizens	4	Joint 2nd (with options 1b, 2b and 3a)
D - Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views	4	Joint 1st (with option 3a)
E - New unitary structures must support devolution arrangements	1	Joint last (with option 1b)
F - New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment	3	Joint 2nd (with 3a and 4a)
TOTAL	**20**	Second (after 3a)

Initial options appraisal – main issues impacting scoring (1)

A. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government - Score = 4/5	B. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks - Score = 4/5	C. Unitary structures must prioritise the delivery of high-quality and sustainable public services to citizens - Score = 4/5
• A single unitary is the most effective way to ensure that the taxbase is appropriate for the area and there is no undue disadvantage for one part of the county over another. • Demand pressures, income and spend can be spread across the county rather than being concentrated in individual smaller unitaries, avoiding unmanageable demand in specific localities. • Would maximise the available area to manage housing demand and spatial planning constraints. • However, delegating planning decisions to Area Assemblies could mean some existing challenges of planning across LA boundaries remain.	• Population greatly exceeds Government's indicated range for LGR proposals. • Likely to provide significant efficiencies and value for money with short payback period. • Keeping social care and SEND services countywide eliminates large disaggregation costs; modelling suggests potential saving. • Strong financial resilience plus local responsiveness through Area Assemblies provides high potential for transformation and invest-to-save. • Transition costs are predicted to be low. • However, there would be some additional cost of setting up and operating as three Area Assemblies. • Legacy debt would be manageable by spreading it across the whole area.	• Economies of scale and local flexibility provides high potential for improving service delivery and tackling current challenges, assuming agreement between administration and Area Assemblies on key issues. • Removes unnecessary fragmentation – K&M can decide the most appropriate scale at which each service should be delivered. • High capacity to invest in Public Service Reform, and Area Assemblies follow some partner service delivery boundaries. • However, holding social care decision-making centrally could lead to 'bottlenecks' of decision-making and need to engage with multiple partnership arrangements, potentially slowing localised opportunities for PSR. • Manages impacts for crucial services well with minimal service disruption and risk.

Initial options appraisal – main issues impacting scoring (2)

D. Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views - Score = 4/5	E. New unitary structures must support devolution arrangements - Score = 1/5	F. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment - Score = 3/5
• Likely to provide efficiencies including in back-office costs, albeit there would be some costs in operating Area Assemblies. • Area Assemblies counter remoteness and provide local decision-making around visible services. • Could be perceived as 'fair' due to no disparities in Council Tax levels. • Retains the three-area (N, W and E) model for many services that some key partners indicated they preferred, although social care and HCP boundaries would not align unless delivery designed that way. • N, W, E split is sensitive to local identity and how people live, while the single unitary retains county identity.	• Would not support devolution – a single unitary and Strategic Authority cannot be established on the same geographical footprint. • There is no geographical neighbour for K&M to combine with. • Under current Government criteria, devolution opportunities would be very minimal / non-existent. • Population ratios between the local authority and a strategic authority are not 'sensible'. • Provides capacity to manage border issues and does not separate border infrastructure into separate authorities.	• Strong financial position would support resourcing of community engagement arrangements. • Resilient services would have more capacity to respond to the issues raised by communities. • Area Assemblies operate closer to communities and support place-based decision making, but the geographies are larger than proposed in some options - significant resource would be required to ensure meaningful engagement. • Area Assemblies could provide effective platforms for developing neighbourhood-level engagement arrangements that Government requires. • Number of elected Members required is far more than LGBCE's recommendation for new unitaries.

Detailed scoring table including sub-criteria (1)

Criteria	Score /5
A. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government	**4**
Sensible economic areas with an appropriate tax base, no undue advantage for one part of the area	5
Sensible geography which will help to increase housing supply and meet local needs	3
B. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks	**4**
Population of 500,000 or more	1
Delivers efficiencies and best possible value for money for taxpayers	4
Transition costs are manageable	4
Opportunities for transformation from existing budgets and invest-to-save projects	5
Debt is manageable within the new structures	5
C. Unitary structures must prioritise the delivery of high-quality and sustainable public services to citizens	**4**
Will improve local government and service delivery and avoid unnecessary fragmentation of services	5
Provides opportunities to deliver public service reform, including where this will lead to better value for money	3
Manages impacts for crucial services - social care, children's services, SEND and homelessness, and for wider public services including for public safety	5

Detailed scoring table including sub-criteria (2)

Criteria	Score /5
D. Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views	**4**
Supported by partners and residents	4
Sensitive to issues of local identity and cultural and historic importance	4
E. New unitary structures must support devolution arrangements	**1**
Will help unlock devolution	1
Sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities	1
F. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment	**3**
TOTAL	**20**

Scoring
5: Entirely meets the criteria
4: Strongly meets the criteria
3: Sufficiently meets the criteria
2: Partially meets the criteria
1: Does not meet the criteria

Appendix 1I

DRAFT Local Government Reorganisation in Kent

1UA Addition v0.3
July 2025

Contents

01	Context and Purpose
02	Financial Analysis Approach
03	Preliminary financial outputs
03	Detailed Assumptions
04	Council Tax Harmonisation
05	Balance Analysis

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Context and Purpose

Context and Purpose

Financial Modelling for Options Appraisal

This section outlines the financial modelling process for the Options Appraisal, detailing data sources, key assumptions, and limitations. The model prioritises Kent-specific data, using figures from Kent County Council, Medway, and district councils, alongside public records and past studies.

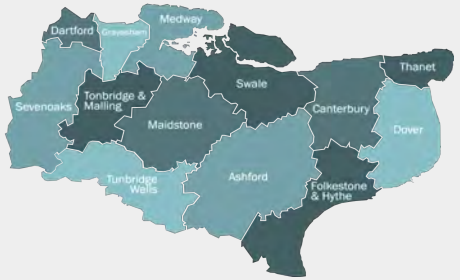
The model focuses on structural reorganisation costs, including one-off transition and disaggregation costs, but excludes service delivery transformation, which would be assessed in a future business case.

The balance analysis and council tax harmonisation examine geographical variations. Alongside the financial model, these inform the qualitative assessment, providing a broader understanding of financial and structural impacts.

Options Considered

One unitary authority

Kent: Ashford, Canterbury, Dover, Folkestone and Hythe, Swale and Thanet, Dartford, Gravesham, Maidstone, Medway, Sevenoaks, Tonbridge and Malling, Tunbridge Wells



Two unitary authority

East: Ashford, Canterbury, Dover, Folkestone and Hythe, Swale and Thanet

West: Dartford, Gravesham, Maidstone, Medway, Sevenoaks, Tonbridge and Malling, Tunbridge Wells

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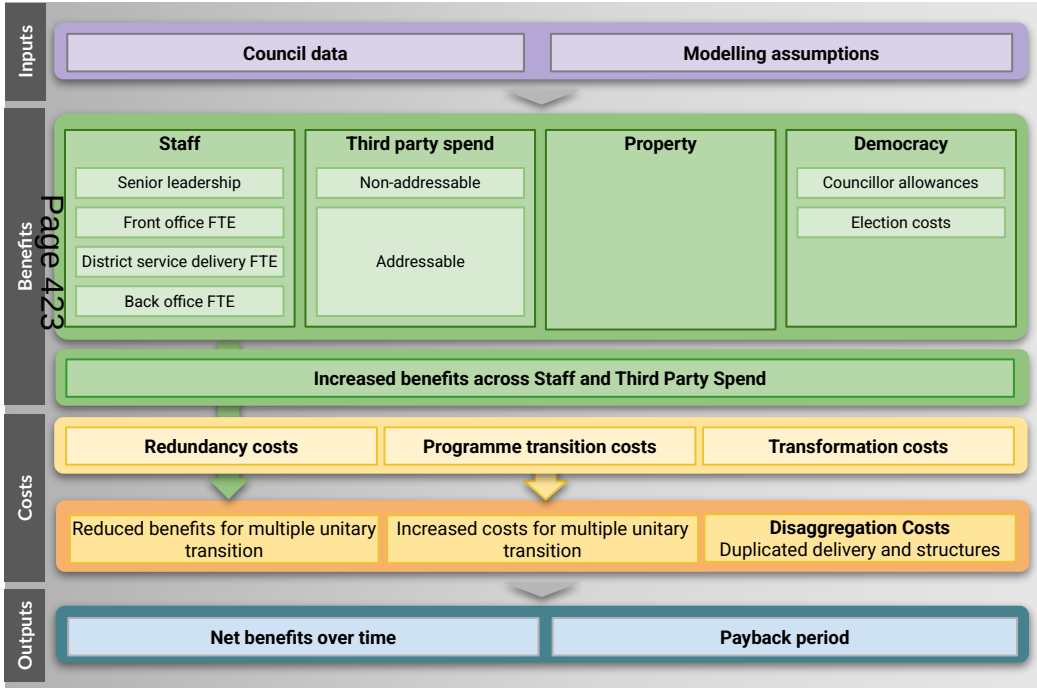
Financial analysis approach

Financial Analysis Approach

The financial analysis structure for each Local Government Reorganisation (LGR) option is outlined below. This section details the baseline data, assumptions, and calculations underpinning cost and benefit drivers. Wherever possible, actual figures from local or public sources are used instead of general estimates.



Inputs
Include data supplied by County and District councils, public data and assumptions based on prior LGR activity. This relates to General Fund only and excludes HRA.

Benefits of Reorganisation
Weightings applied to three types of spend, with proportionate percentage reductions applied. Democracy benefits are based on the number of councils involved in the analysis, and the cost per vote cast in most recent elections.

Benefits of Transformation
Increased leverage of the above benefits available through transformation.

Costs of Transition
Fixed costs and proportional redundancy costs incurred (excluding disaggregation).

Costs of Disaggregation
Assumed costs of providing county-wide services including public health, children's services and adult social care for scenarios resulting in multiple unitaries.

Outputs
Projected benefits from different re-organisation scenarios.

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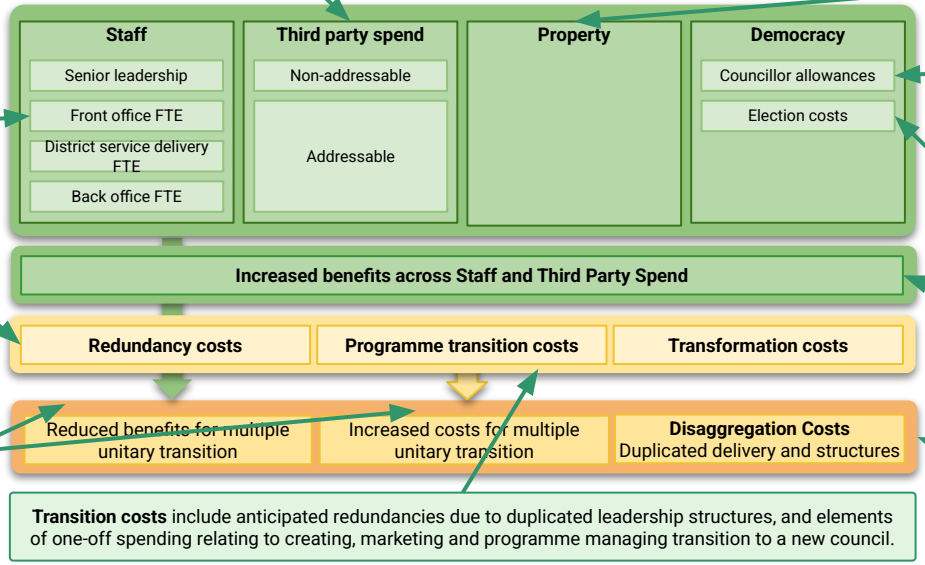
Assumptions in the financial analysis

The financial analysis model relies on a number of assumptions, primarily based on publicly available outturn data, information from each council's own transparency data, or by applying changes which have been demonstrated across previous LGR proposals.

Third-party spend refers to all payments made by local councils for goods and services from external suppliers, excluding grants, taxations, and other charges. Addressable spend is the portion of this expenditure that can be influenced through procurement or commissioning strategies such as negotiating contracts or seeking competitive bids. In contrast, non-addressable spend includes costs that are less flexible and mandated by law, making them harder to influence. This is the service expenditure as per the outturn reports.

Property expenditure relates to the cost associated with acquiring, maintaining, and managing both **operational** properties (used for delivering council services) and **investment** properties (held for income or capital appreciation). This includes expense such as maintenance, utilities, insurance and management fees. Property was calculated through an average percentage from previous work which was applied to the total Net Revenue of KCC.

FTE is calculated as a proportion of spend as supplied in public spending data. **Net revenue expenditure** is used to avoid double-counting any income or grant transfers. **Senior leadership** salaries are calculated across the top three organisational tiers as per transparency reporting.



Member allowances are based on rates of Basic and Special Responsibility payments published in transparency reporting. These costs are used to determine the likely cost of one or more new democratic structures in new authorities

Election costs use a total of votes cast in a previous election cycle across all council elections, and a cost-per-vote of £3 calculated by the Electoral Commission

Redundancy costs do not include actuarial strain as this is highly individualised. A payment of 30% of salary is assumed.

Benefits are profiled to be fully effective in Year 3, to account for the need to complete staff changes and undertake contract renegotiations.

Costs such as the creation of new councils, marketing, ICT and consultation are increased proportionately where more than one new council is to be formed. Similarly, fixed **benefits of transition** are shared across all new bodies.

Disaggregation Costs are incurred where an option involves dividing a county level authority into two or more unitaries, and represents the ongoing cost of duplicating management and operations of statutory services, including social care, education and public health. **An element of disaggregated costs therefore recur each year in options with more than one unitary authority**

Transition costs include anticipated redundancies due to duplicated leadership structures, and elements of one-off spending relating to creating, marketing and programme managing transition to a new council.

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Phasing of Costs and Benefits

Impact of Phasing

In modelling the impact of costs and benefits, assumptions have been made to reflect their realistic phasing. This ensures that one-off costs are spread over multiple years rather than being incurred immediately, alongside the ongoing costs of transition.

Benefits are phased over a 3 year period, recognising that some efficiencies —such as senior leadership reductions —can be realised quickly, while others, like contract realignment and third-party spend savings, will take longer to achieve. This approach accounts for operational complexities, contract obligations, and the time required for full implementation.

It is important to note that the benefits outlined here relate solely to system aggregation, rather than service transformation. The efficiencies modelled do not include potential improvements from broader service redesign, which would be considered separately.

The phasing of the annualised **benefits** is over three years, due to the varying timescales for different aspects of delivery, after 3 years the full annual benefit is assumed. This includes ongoing cost reduction programs, the timing of the next election, and the expiry of third-party contracts. No transformation benefits are included in this phasing.

Transition costs are spread over a longer period rather than being completed within a single year, ensuring a more realistic and feasible approach. Costs are incurred over three years, with Years 2 and 3 primarily covering recontracting, system migrations, workforce adjustments, and other transition-related expenditures. This phased approach accounts for contractual constraints, the complexity of workforce changes, and the time required to reorganise services, reducing financial risk and operational disruption.

Disaggregation costs arise from splitting county services into new councils, leading to ongoing expenses for duplicated leadership and operations but excluding service delivery costs.

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Preliminary financial outputs

Preliminary financial output (1/2)

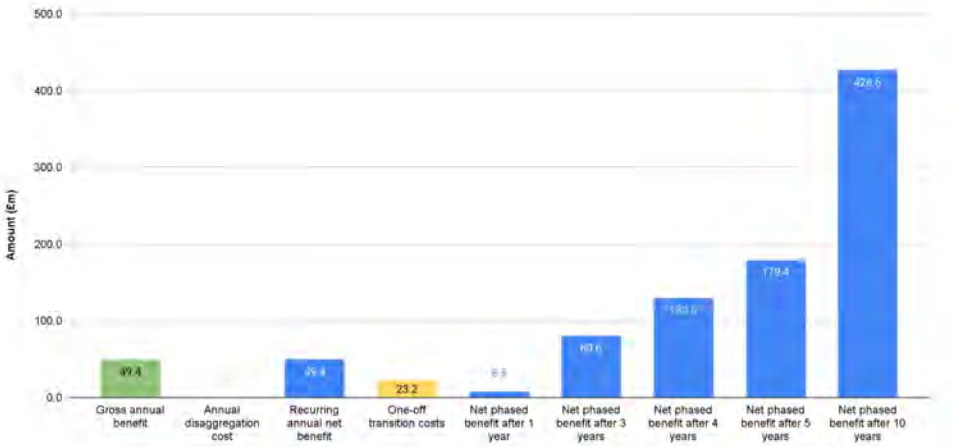
Comparison of options: 1 Unitary Authority

The outputs presented here are based on the model, which focuses on the costs of restructuring the existing system, while the balance analysis (slide 29) evaluates the impact across different geographical permutations. It is important to note that **actuarial strain has been omitted** as its inclusion would require a detailed level of analysis and should be addressed in a subsequent business case.

Our initial analysis indicates that a 1UA model would generate a net recurring benefit of £49.4m annually. A net benefit is projected to be realised in less than a year and onwards.

The upfront transition costs for establishing a 1UA are £23.2m, and the annual financial benefit of a 1UA system is £49.4m, cost would increase and financial benefit would decrease in a scenario which further fragmented the current model. Given the complexities involved in contract harmonisation and service realignment, these costs have been phased over a three-year period to reflect practical implementation challenges.

However, these benefits are based on assumptions in place of detailed analysis, particularly regarding workforce integration and third-party spend efficiencies. These aspects will need to be considered in greater detail as part of the full business case development.



These figures do not yet include the significant financial risks arising from social care disaggregation, the impact of the fair funding review and proposed changes to the business rate collection arrangements. These are major cost factors and require further detailed evaluation.

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Preliminary financial output (2/2)

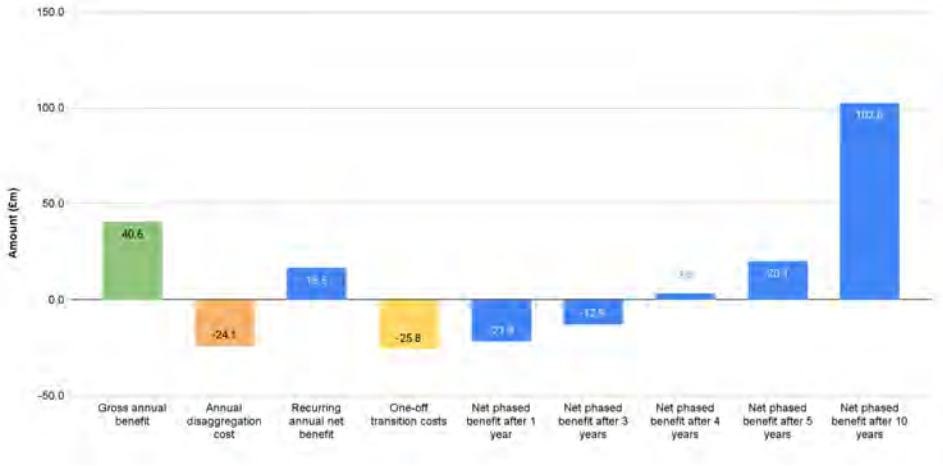
Comparison of options: 2 Unitary Authorities

The outputs presented here are based on the model, which focuses on the costs of restructuring the existing system, while the balance analysis (slide 30) evaluates the impact across different geographical permutations. It is important to note that **actuarial strain has been omitted** as its inclusion would require a detailed level of analysis and should be addressed in a subsequent business case.

Our initial analysis indicates that a 2UA model would generate a net recurring benefit of £16.5m annually. A net benefit is projected to be realised from Year 3.8 onwards.

The upfront transition costs for establishing a 2UA are £25.8m, and the annual financial benefit of a 2UA system is £40.6m, cost would increase and financial benefit would decrease in a scenario which further fragmented the current model. Given the complexities involved in contract harmonisation and service realignment, these costs have been phased over a three-year period to reflect practical implementation challenges.

However, these benefits are based on assumptions in place of detailed analysis, particularly regarding workforce integration and third-party spend efficiencies. These aspects will need to be considered in greater detail as part of the full business case development.



These figures do not include adjustments for any additional service risks from the process of disaggregating social care; nor the impact of the fair funding review; or any changes to the business rate collection arrangements. These would require further detailed evaluation to understand their impact on the financial analysis.

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Summary - Financial Analysis

Our analysis of the financial costs and benefits of the 1UA and 2UA options are based on the 2023/24 outturn expenditure figures for all County, District, and Unitary authorities in the Kent area. The financial model incorporates key structural and management costs, including redundancy estimates, senior leadership changes, and anticipated savings across cost categories.

However, certain cost implications—such as the full impact of service disaggregation, particularly in social care—have not been modelled in detail and will require further analysis in the business case. Additionally, some efficiency assumptions, such as third-party spend reductions and workforce savings, are indicative and should be refined through further assessment.

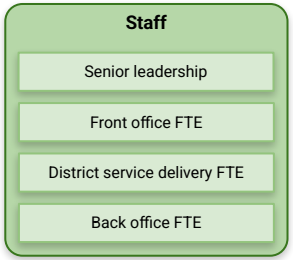
Option	Net Benefit after 1 year	Payback Period	Analysis of option
One Unitary Authority	£8.5m	< 1 year	This option offers the lowest transition costs and provides the greatest democracy and workforce savings compared to the 2UA model. The payback period for investment is less than a year, however delivery could be complex with the population greatly exceeding MHCLG size criteria. Moreover, it does not include any income gained forgone from Council Tax Harmonisation, if harmonised high net benefits would be realised sooner, this would generate £45.3m annual in additional income if harmonised in year 1. If harmonised to mid or low then income would be forgone and benefits would take longer to realise.
Two Unitary Authorities	-£21.9m	3.8 years	This option yields lower transition costs and delivers greater democracy and workforce savings, compared to a more fragmented model. The payback period for investment in the new structure is 3.8 years, however the net benefit could be realised sooner as the model does not take into account transformation savings. Moreover, it does not include any income gained forgone from Council Tax Harmonisation, if harmonised high net benefits would be realised sooner, this would generate £44.2m annual in additional income if harmonised in year 1. If harmonised to mid or low then income would be forgone and benefits would take longer to realise.

Note: These figures represent potential benefits and the estimated payback period, which are subject to change based on various influencing factors

Detailed assumptions

Reorganisation Benefits: Staff

Financial Analysis Element



Benefit Driver & Methodology

1	Staff expenditure has been estimated and categorised into front office, service delivery, and back office functions, using local authority averages as a baseline, then refined with Kent-specific knowledge to ensure assumptions reflect local operational structures.
2	Efficiency-driven percentage reductions have been applied to front office, district service delivery, and back office FTE to reflect savings from eliminating duplicate roles and streamlining operations.
3	Greater economies of scale are expected in the two-unitary model, compared to other options for more unitarites that may be considered as they would achieve fewer efficiencies due to a more fragmented structure.
4	Senior leadership reductions, including the removal of duplicated posts and associated on-costs, contribute to additional financial benefits.

Assumptions applied

Area	Key figures		Rationale
	1UA	2UA	
Proportion of net revenue expenditure spent on staff	26.0%	26.0%	Calculated through publicly available RO forms.
Front Office* FTE	36.0%	36.0%	Average proportions of effort, previously calculated by PwC through unitary authority activity analysis, this work conducted across 60+ local authorities.
Service Delivery FTE**	37.0%	37.0%	
Back Office FTE	27.0%	27.0%	

** **Front office staff** refers to staff who serve as the first point of contact for the public, handling inquiries, processing requests, and managing complaints. Their roles focus on customer service, including application processing, administrative procedures, and general support to ensure smooth communication between the council and residents.*
*** **Service delivery staff** refers to staff who are responsible for maintaining and executing council services such as waste collection, road maintenance, park services, and community safety. While they have limited direct interaction with the public, their work is essential to delivering effective and high-quality local services.*

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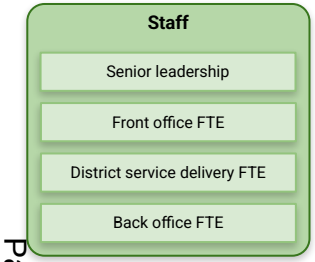
Reorganisation Benefits: Staff

Financial Analysis Element



Benefit Driver & Methodology

1	Staff expenditure has been estimated and categorised into front office, service delivery, and back office functions, using local authority averages as a baseline, then refined with Kent-specific knowledge to ensure assumptions reflect local operational structures.
2	Efficiency-driven percentage reductions have been applied to front office, district service delivery, and back office FTE to reflect savings from eliminating duplicate roles and streamlining operations.
3	Greater economies of scale are expected in the two-unitary model, compared to other options for more unitarites that may be considered as they would achieve fewer efficiencies due to a more fragmented structure.
4	Senior leadership reductions, including the removal of duplicated posts and associated on-costs, contribute to additional financial benefits.

Area	Key figures		Rationale - KCC Adjustment Used in the modelling
	1UA Assumption	2UA Assumption	
Reduction in front office FTE	3.1%	2.5%	Kent has a higher number of districts, which influences the scale of potential efficiencies. However, the assumed reduction in front office FTE is lower than in other areas due to the need for additional staff in the new authorities to manage service disaggregation. These disaggregation costs are accounted for separately, as separating services currently delivered by Kent County Council will require additional administrative capacity in the new unitary authorities.
Reduction in service delivery FTE	2.3%	1.0%	Percentage reductions are applied only to district staff spend, as it is assumed that current Kent County Council services will see limited efficiency gains from consolidation due to the need for additional staffing to manage service disaggregation. Given that some shared services are already in place, the model applies moderate efficiency assumptions to reflect these pre-existing arrangements. Disaggregation costs are detailed on slide 20.
Reduction in back office FTE	2.7%	2.0%	Kent has a larger footprint than most other areas, spanning 14 authorities, which creates potential for some efficiency savings. However, some districts have already implemented shared service arrangements, meaning that the scope for further back-office reductions is more limited compared to areas without existing collaboration. As a result, the percentage reduction assumptions have been tempered to reflect these pre-existing efficiencies.
Senior management team costs	£19.5m	£15.8m	This analysis captures gross savings from senior leadership reductions across the top three tiers of management in districts, County, and Medway councils, ensuring cost-benefits reflect varying team sizes and salary scales. To balance this, new unitary authorities (UAs) will incur leadership costs, modelled separately as a disaggregation cost. This ensures that while savings are realised, the necessary new leadership structures are accounted for.

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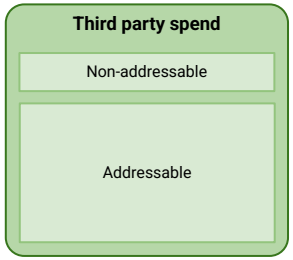
Reorganisation Benefits: Third Party Spend

Financial Analysis Element



Benefit Driver & Methodology

1	The total addressable third-party spend across County and District Councils, and Medway has been calculated using proportioned net expenditure as a baseline, ensuring it reflects local spending patterns. Third-party spend related to property has been excluded.
2	A percentage reduction has been applied to reflect savings from improved purchasing power and contract efficiencies achieved through consolidation.
3	In the two-unitary authority model, a greater percentage reduction is assumed, as larger combined authorities benefit from stronger economies of scale compared to a more fragmented structure with smaller units.

Assumptions applied

Area	Key figures		Rationale
	1UA	2 UA	
Proportion of net expenditure spent on third parties*	63.0%	63.0%	Calculated through publicly available Revenue Outturn returns to MHCLG.
Proportion of third party spend which is addressable**	60.0%	60.0%	It is assumed that the management of TPS within the County's commercial portfolio, used to deliver services on its behalf, is more mature than in other local authority areas. As a result it reasonable to assume that the proportion of TPS that is addressable is lower than what has been observed elsewhere.
Reduction in third party spend	1.6%	1.2%	Given the specific market in which Kent operates, the reduction in third-party spend has been adjusted to reflect the potential impact of reduced purchasing power arising from disaggregating the County. In a more fragmented model, lower savings are expected due to the potential impact of competition for services amongst the constituent Councils and reduced economies of scale. To account for this, a percentage factor has been applied to disaggregation costs, as detailed on slide 01.

** **Third-party spend** refers to all payments made by local councils for goods and services from external suppliers, excluding grants, taxations, and other charges.*
*** **Addressable spend** is the portion of this expenditure that can be influenced through procurement or commissioning strategies such as negotiating contracts or seeking competitive bids. In contrast, non-addressable spend includes costs that are less flexible and mandated by law, making them harder to influence.*

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Reorganisation Benefits: Property

Financial Analysis Element

Benefit Driver & Methodology

1	The combined net expenditure on property has been calculated using net expenditure figures for the County and District Councils and Medway.
2	This is spend relating to the ongoing running costs of office spaces such as energy, cleaning and repairs rather than from the one-off sale of capital assets, or rental income from available office space. Any council-owned housing stock has also been excluded from this calculation.
3	A percentage reduction has been applied to the property baseline to provide the estimated benefit of a consolidated property portfolio through shared occupation, reduced duplication of office locations and more efficient use of space.
4	The potential to rationalise and utilise office spaces more efficiently and innovatively is greater in a two-unitary authority model compared to a more fragmented structure.

Assumptions applied

Area	Key figures		Rationale
	1UA	2 UA	
Proportion of net expenditure spent on property	2.0%	2.0%	Based on a average of available national figures.
Reduction in property spend	12%	10%	This reduction is based on savings from other local authorities and national averages, and has been adjusted to take into account Kent's larger footprint and the consolidation of 14 authorities. However, estimates have been reduced to reflect the rationalisation already undertaken after the COVID-19 pandemic.

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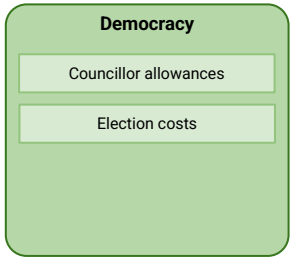
Reorganisation Benefit: Democracy

Financial Analysis Element



Benefit Driver & Methodology

1	A two-unitary authority model will require fewer councillors, resulting in savings on base and special responsibility allowances for elected members.
2	Fewer councils will also mean fewer elections, reducing the administrative costs of running local elections. However, some of these savings may be offset by the need for alternative local decision-making arrangements, such as area committees or devolved governance models.

Assumptions applied

Area	Key figures		Rationale
	1UA	2 UA	
SRA and base allowances incurred as part of the democratic structure	£7.5m		This figure represents the total cost of all base allowances and SRAs across County, District Councils, and Medway. The model assumes these costs are fully removed, with the expenses associated with the new member base reintroduced as a disaggregation cost, as detailed on slide 20.
Annual savings against elections	74%	63%	The percentage reflects savings **based on the current spend on elections per vote**, assuming 175 members in a 1UA model and 250 members in a 2UA model which over half the current member base of 672. While the transition to unitary authorities will result in fewer elections and some cost savings, these must be balanced against potential additional expenses, such as new governance structures, area committees, or alternative democratic engagement mechanisms. As a result, while there are some benefits, they remain limited and are not a significant driver of overall financial savings.
Cost per vote during an election	£3.00	£3.00	The cost per vote used to calculate the cost of an election has been estimated at £3 by HM Government based on previous General Elections.

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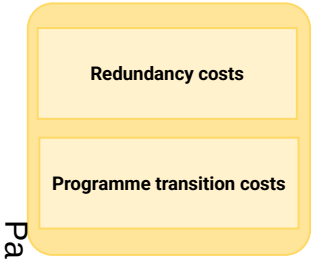
Transitions Cost: One-off Costs

Financial Analysis Element



Cost Driver & Methodology

1	One-off redundancy costs will be incurred as part of restructuring local authorities. These have been calculated as a proportion of savings from FTE reductions. Due to the variability among individual cases, using a general proxy for pension strain is not sufficiently reliable and has therefore been omitted from the analysis.
2	Transition costs will arise from closing down existing local authorities and establishing new unitary authorities. While efficiencies will be gained, the process requires investment in legal, financial, and administrative restructuring, with the majority of these costs impacting all new unitary authorities.
3	To enable transformation while maintaining service continuity, one-off costs will be incurred for external support and internal programme management. These will provide capacity and expertise for change management, governance structures, and operational transformation.
4	Further costs will relate to the safe and secure migration of information and consolidation of systems in order to maintain operational delivery. As transformation relies on technology to enable efficiencies, this requires substantial investment.

Assumptions applied

Area	Key figures		Rationale
	1UA	2 UA	
Contingency	£2.1m	£3.2m	Provision for extra expenses potentially incurred through reorganisation, uplifted by inflation in line with the Bank of England. Calculated as 40% of fixed costs, excluding ICT, as these costs have already been increased to account for the complexities specific to Kent.
Organisation Closedown	£0.2m	£0.3m	Costs involved with legally and financially closing down councils and create sound budgetary control systems, estimated through averages of similar costs for other councils. Closing down multiple organisations into multiple unitaries (2UA model) will require more work due to the complexity and efforts towards aligning the overall assets and liabilities, albeit 1UA option would also involve closedown of one upper tier.
Public consultation	£0.2m	£0.3m	Assuming costs for adverts in local media and surveys to consult public on proposed changes.
ICT costs	£7.8m	£8.0m	Costs reflect phased system migration, past LGR cases, and scaling complexity, factoring in reporting changes, security, licences, data migration, and cloud transition cost increases. Further analysis is needed to understand true value, this will referenced in the Forward Plan in the options appraisal.
Shadow Chief Exec/Member costs	£0.2m	£0.3m	This refers to the costs of establishing and running a shadow leadership team ahead of a new unitary authority taking control, with figures aligned to previous local government reorganisations
External support	£3.1m	£4.6m	Assuming costs for external Comms, branding, external implementation support, creation of the new council.
Internal Programme Management Costs	£1.3m	£1.9m	Aligned with previous local government reorganisations, uplifted for inflation and long-term programme management requirements. This assume continuing authority status and there remains some county wide services.

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Disaggregation Costs

Financial Analysis Element

- Duplicated Senior Leadership
- Duplicated County Service Delivery
- Duplicated Democratic Structures

Cost Driver & Methodology

1	Disaggregation costs apply only where multiple unitary authorities are created, arising from the need to replicate county-level services, such as Social Care, Education, and Public Health, across separate unitary areas. They reflect the cost of providing the structures needed to safely and legally deliver these services, but not the cost of commissioned or provided services.
2	Additional senior leadership teams will be required to manage the new unitary authorities. These costs have been estimated using Kent County Council and Medway's senior leadership salaries, based on the top three tiers of management in existing District Councils.
3	Disaggregating services currently provided at county level will require additional FTE to effectively lead and support high quality outcomes. The amount of effort used in service delivery management & supervision has been used as a proxy to estimate the size of the increase required under the new unitary authorities.
4	The cost of a representative democratic structure has been estimated as an additional requirement in the new unitary authorities.

Assumptions applied*

Area	Key figures		Rationale
	1UA	2 UA	
Duplicated County Service Delivery Teams	N/A	£12.57m	While some cost savings are assumed, the disaggregation of services in Kent has the potential to increase third-party spend, primarily due to diseconomies of scale from dividing the purchasing power of the County Council. This calculation reflects the management costs of delivering services rather than the overall cost of services either commissioned or delivered by new councils. *County FTE expenditure less management x proportion of FTE in front line management*
Senior management cost for additional unitaries	N/A	£7.6m	Cost of additional senior leadership teams, calculated as: *(cost of an average senior management team) x (number of new unitaries)*. Assumes five directorates per unitary authority.
Members across all unitaries	N/A	250	Previous work around local government reorganisation, has indicated that the number of members across new unitaries ranges between one councillor per 4k to 10k population. Within a 2UA model this assumes 1:7,800 ratio of members to population
Total members base allowance	N/A	£3.5m	Average base allowance acros County and Medway is £13,856, this number has been multiplied by the number of members needed within the new models.
Total SRA costs	N/A	£0.4m	Average base allowance across County and Medway is £7,478, we have assumed that there will be 10 cabinet members per unitary

*Disaggregation costs are not applicable to a 1UA model, as these costs only arise when services are split across multiple new authorities. These disaggregation costs do NOT include the costs of service delivery transformation that would typically occur following reorganisation. Any additional efficiency programmes, service realignments, or new delivery models would need to be considered separately in a future business case.

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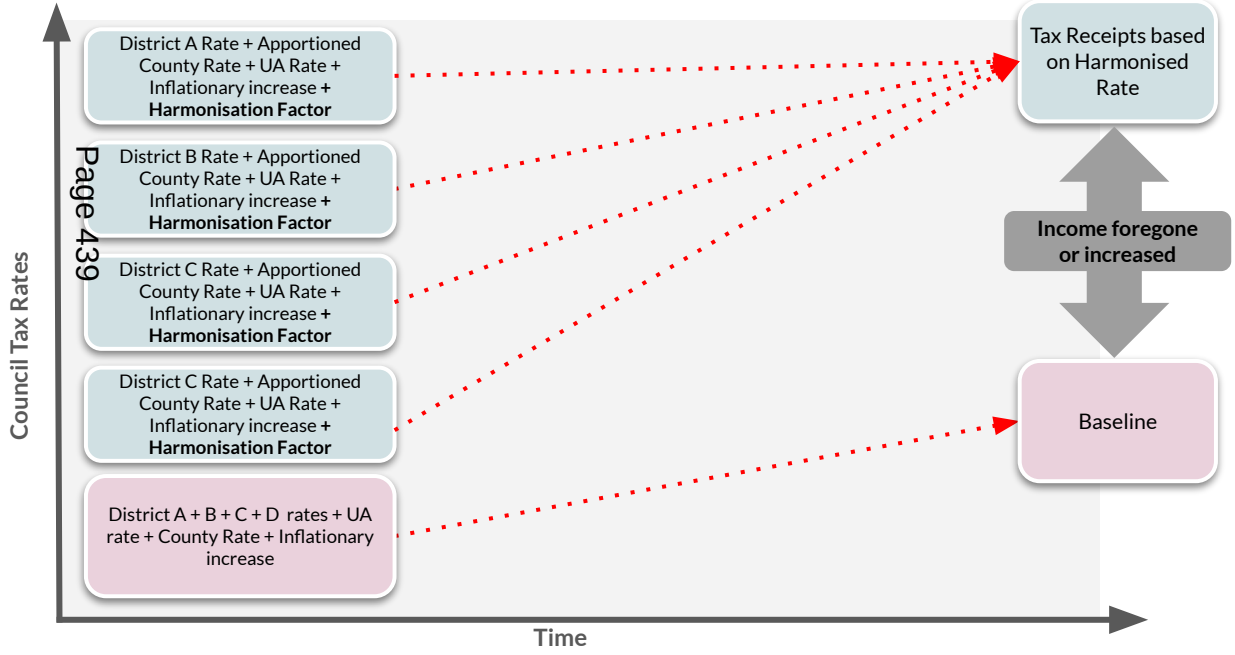
Council Tax Harmonisation

Council Tax Harmonisation approach

Council Tax Harmonisation is the process which brings the existing bands of tax payable across districts together to form a single future set of bands for a newly formed authority. This may involve increasing taxes to the highest among the current rates, reducing to the lowest, or bringing taxes towards a calculated median point. The time taken to make the adjustment will influence the difference between the income from current rates, and the harmonised rate which may represent income foregone or increased over the harmonisation period.



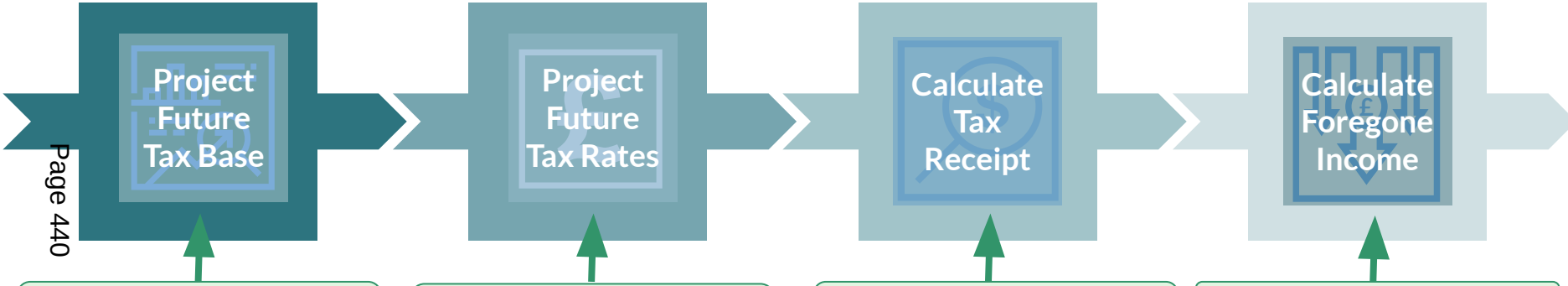
Harmonising to the highest current rate is likely to lead to larger increases for citizens paying less tax currently, but is also likely to forego less income - and potentially to generate additional income in some areas.

Harmonising to the median will result in changes to all rates (as the median is unlikely to exactly equal one of the existing rates). The overall impact will vary depending on the current tax structure.

Harmonising to the lowest current rate is likely to forego the greatest income, but has the lowest impact on rates in areas with lower taxation. This may be seen as more equitable but is more costly in terms of income

Council Tax Harmonisation approach

The approach used to predict the impacts of Council Tax Harmonisation include consideration of the growing population, expected increases required to meet growing demand for services, and an element which moves the rates towards harmonisation. The process undertaken to implement this is described below:



Using ONS population projections, the tax base of each District and Medway is adjusted to provide a cumulative increase in households for the coming years. At this point, the timescale for harmonisation (how many years the rates will take to become a single figure) and the rate to harmonise with (lowest, median or highest, can be chosen.

The county tax rate is then apportioned across Districts and Medway according to population to create a single rate for each. Both district, unitary and county rates are assumed to increase at an annual maximum of 1.99% each year to meet expected financial needs. **This analysis excludes the potential additional benefit from the Adult Social Care levy.**

The projected rates are multiplied by the increasing tax based, and are gradually incremented to approach harmonisation with either the lowest, highest or median rate among the group as selected. This calculates an annual tax receipt based on the rates as they harmonise.

The receipts are compared with a baseline projected by the original rates, incremented by 1.99% per year and multiplied by the projected tax base. The difference between this baseline and the harmonised receipts represents the income **foregone** or **gained** via the harmonisation process.

A shorter period of harmonisation will limit the impact on receipts for the new authorities, but may result in greater changes for residents

Harmonisation to the lowest rate will result in more income being foregone by the new authorities, but will limit the impact on residents tax bills

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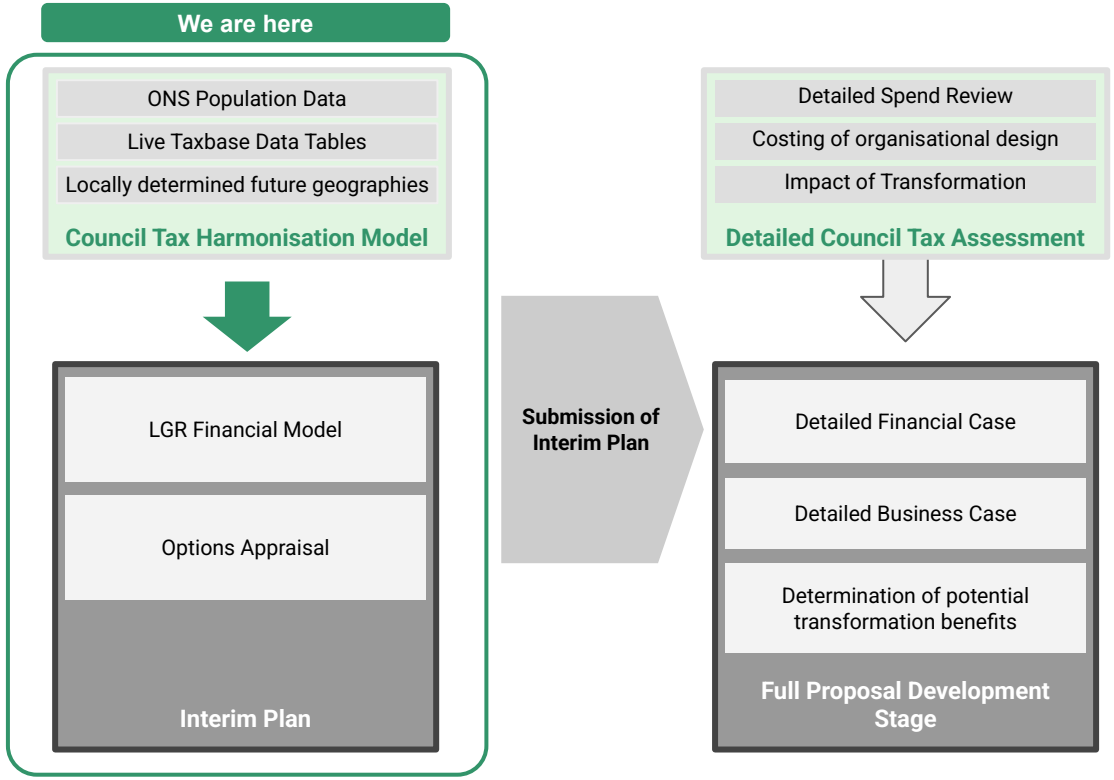
Council Tax Harmonisation approach

What the Council Tax Harmonisation model does:

- Provides a simplified model, based on publicly available data
- Accounts for predicted change in the taxbase using population as a factor
- Generates a 'final district rate' for each new geography which can be compared with the starting rates
- Provides a view of the scale of income potentially foregone/generated by options
- Enables comparison of the impact of changing the harmonisation period

...but, it doesn't:

- Account for predicted growth in need for, or cost of service delivery
- Take into account the organisational design of future unitary authorities
  Recognise the impact of transformation and spending reviews on tax requirements
- Excludes the potential additional benefit from the Adult Social Care levy.



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Council Tax Harmonisation initial findings

As part of the effort to harmonise council tax across Kent County Council, a detailed financial analysis has been undertaken to evaluate the potential impacts over a seven-year period (2025/26 to 2031/32). Income foregone, harmonising low, benefits the taxpayer, while income gained, harmonising high, has financial consequences for them. This analysis considers multiple scenarios, including harmonisation in the first year of transition and phasing over the maximum permitted period of seven years, assumptions are as per the previous slide.

The impact of council tax harmonisation on financial viability has been assessed in relation to income foregone, funding self-sufficiency, and service delivery sustainability. The council tax modelling also highlights that longer term approaches to harmonisation may require additional cost reductions elsewhere, while higher rates provide a stronger tax base but pose political challenges.

This work remains indicative and will require further refinement in a full proposal to assess the practical implications of different harmonisation strategies, their acceptability to residents, and long-term financial resilience. The qualitative analysis will consider the fiscal and political challenges associated with different harmonisation approaches, particularly the trade-off between maximising income for new authorities and the affordability of council tax increases for residents.

Initial Findings:
The column on the left hand present **harmosing in year one, acknowledging that a seven- year harmonisation period is likely unrealistic**. If harmonisation was done at a **high scenario** it would lead to an **income generated** of **£45.3m for 1UA** and **£44.2m for 2UA**. Harmonising to the **low scenario** would result i**n £268m income forgone by Year 7 for 1UA and £202m income foregone by Year 7 for 2UA.** In contrast, harmonising to **high** would lead to an **income generated of £193m for 1UA and £196m for 2UA**.

Income Foregone (£m)		Annual Cost/ Benefit of Harmonisation in Year One (£m) This represents the income gained in a single year if harmonisation is implemented immediately	Cumulative Cost/ Benefit of Harmonisation Over Seven Years (£m) This reflects the total income gained over seven years if harmonisation is phased in gradually
1UA	Low	-£60.1	-£268
	Mid	£1.7	£1
	High	£45.3	£193
2UA	Low	-£45.1	-£202
	Mid	-£8.2	-£36
	High	£44.2	£196

Key: Income Gained | Income Foregone

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Seven Year Scenario

The table below presents the findings of Council Tax Harmonisation, assuming a harmonisation period of seven years—the maximum legally permitted. It indicates whether income is foregone or gained, with the rightmost column summarising the total income impact over the seven-year period. However, as harmonisation is likely to occur sooner, scenarios that result in a financial benefit may yield a greater total gain than shown.

Income Foregone (£m)		2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Total
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Years 1-7
1UA (Option 1)	Low	-£8.8	-£18.0	-£27.6	-£37.5	-£47.9	-£58.7	-£69.9	**-£268**
	Mid	-£1.8	-£1.3	-£0.7	£0.01	£0.7	£1.4	£2.2	**£1**
	High	£4.3	£11.3	£18.8	£26.7	£35.0	£43.8	£53.1	**£193**
2UA (Option 2)	Low	-£6.7	-£13.5	-£20.7	-£28.2	-£36.0	-£44.1	-£52.5	**-£202**
	Mid	-£1.2	-£2.5	-£3.8	-£5.1	-£6.5	-£7.9	-£9.3	**-£36**
	High	£6.2	£12.8	£19.7	£27.1	£34.9	£43.1	£51.8	**£196**

Key: Income Gained | Income Foregone

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Impact of Harmonisation in Year one

This table presents the most financially advantageous scenario, harmonising to high in year one, acknowledging that a seven-year harmonisation period is likely unrealistic. Given the unique challenges in Kent including imbalanced tax rates across the county and Medway having a very low rate for a unitary authority, it was also expected that harmonising to the highest current rate would be preferred.

LGR Option	Annual Benefit of Harmonisation to High in Year One (£m)
	Income gained/(foregone)
1UA (Option 1)	£45.3m
2UA (Option 2)	£44.2m

Key: Income Gained | Income Foregone

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Balance Analysis

DRAFT Balance Analysis

Balance analysis is a method used to evaluate the distribution of factors in different scenarios, aiming for equitable outcomes. It examines measures like population, business rates revenue, and council tax receipts. A balance score near 1 indicates an optimal distribution with equitable resource allocation, while significant deviations highlight potential imbalances. The breakdown can be found below. This analysis equips decision-makers with insights to guide change, ensuring fair and efficient council structures

Key: Strong balance | Moderate balance | Significant imbalance

Option	Area	Total council tax receipts	Business rates revenue	Debt per head	Deprivation	Assets Per Head	Population	GVA
1 - 2UA	East	569,914	588,470	1,417	23	271,147	824,140	34
	West	788,576	810,286	917	17	352,994	1,072,911	39
	Balance*	**1.38**	**1.38**	**1.55**	**1.40**	**1.30**	**1.30**	**1.16**
Meta data		£'000, 2023/24	£'000, 2023/24	£, 2024	IMD score, 209	Total Reserves £'000	No. people 2023	£ per hour worked, 2022
Source		MHCLG	MHCLG	MHCLG	MHCLG	LA Data	ONS	ONS

Option	Area	Employment	GDHI	Digital connectivity (Low)	Digital connectivity (High)	Digital propensity	Life expectancy
1 - 2UA	East	54	22,248	4.5	86.8	93.3%	81
	West	61	25,974	3.3	88.0	94.5%	82
	Balance*	**1.13**	**1.17**	**1.4**	**1.0**	**1.01**	**1.01**
Meta data		%, 2024	£'000, 2024	% 2024	% 2024	DP score %, 2021	years , 2021/23
Source		ONS	ONS	ONS	ONS	ONS	ONS

[*] ***Balance ratio:*** *calculated as a Max-Min Ratio. A ratio close to 1 suggests increased balance. As the ratio increases, the greater the imbalance e.g. a ratio of 1.5 indicates a 50% difference.*
[1] ***Life expectancy:*** *Average life expectancy for both males and females*
[2] ***Debt per head:*** *Councils showing 0 or having a lower figure have not taken out loans for investments therefore bringing the average per district down. To note, the debt of Kent County Council has not been included in the debt per head and it will be covered in the next steps section of this report.*

Breakdown of outputs

Breakdown of outputs | **1UA**

Benefits								
Category	**Front office**	**Service delivery**	**Back office**	**Senior management**	**Third party spend**	**Property**	**Democracy**	**Annual gross benefits**
Assumption	*Front office FTE expenditure (less senior savings) x % reduction*	*District service delivery FTE expenditure (less senior savings) x % reduction*	*Back office FTE expenditure (less senior savings) x % reduction*	*District senior management costs x no. districts*	*Addressable TPS spend x % reduction*	*Property spend x % reduction*	*Election savings + total average district councillor costs + difference in Base & SRA costs*	£49,430,613
Saving (£)	£4,608,537	£364,227	£2,986,332	£19,540,806	£9,983,585	£3,961,740	£7,985,386	

Category	**Programme transition costs**	**Redundancy cost**	**One-off transition costs**
Assumption	*Total of external comms, rebranding, transition, implementation and internal project management*	*Redundancy cost as a proportion of salary (current assumption) x total FTE saving (all incurred in Y1)*	£23,217,446
Cost (£)	£14,967,476	£8,249,970	

Total net benefit after one year (£)	**Total net benefit after seven years (£)**	**Payback period (years)**
£8,463,094	**£179,448,067**	**Less than 1 year**

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Breakdown of outputs | **2UA**

Benefits								
Category	**Front office**	**Service delivery**	**Back office**	**Senior management**	**Third party spend**	**Property**	**Democracy**	**Annual gross benefits**
Assumption	*Front office FTE expenditure (less senior savings) x % reduction*	*District service delivery FTE expenditure (less senior savings) x % reduction*	*Back office FTE expenditure (less senior savings) x % reduction*	*District senior management costs x no. districts*	*Addressable TPS spend x % reduction*	*Property spend x % reduction*	*Election savings + total average district councillor costs + difference in Base & SRA costs*	**£40,583,281**
Saving (£)	£3,720,875	£172,356	£2,232,525	£15,757,948	£7,487,689	£3,301,450	£7,910,438	

Category	**Programme transition costs**	**Redundancy cost**	**One-off transition costs**
Assumption	*Total of external comms, rebranding, transition, implementation and internal project management*	*Redundancy cost as a proportion of salary (current assumption) x total FTE saving (all incurred in Y1)*	£25,820,551
Cost (£)	£19,255,440	£6,565,111	

Category	**New senior leadership**	**Duplicated county service delivery teams**	**Duplicated democratic structure (additional running costs)**	**Annual cost**
Assumption	*Management cost per directorate x no. of directorates + Chief Exec cost at county salary (multiplied by oncosts)*	*County FTE expenditure less management x proportion of FTE in front line management*	*Total base allowances + SRA*	£24,087,995
Cost (£)	£7,604,968	£12,573,977	£3,909,050	

Total net benefit after one year (£)	**Total net benefit after seven years (£)**	**Payback period (years)**
-£21,870,740	**£20,130,926**	**3.8**

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End of document.

Appendix 1m

Local Government Reorganisation in Kent: An interim proposal

25 March 2025 | Version 0.6

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1 Executive Summary

Executive Summary | Kent LGR

This interim proposal sets out the early case for Local Government Reorganisation (LGR) in Kent, in direct response to the national policy shift outlined in the Government's 2024 Devolution White Paper. The White Paper makes clear that the existing two-tier model is no longer deemed sustainable, and that significant structural change is expected, either through the creation of new unitary authorities or through wider strategic devolution. In this context, the document has three core purposes:

Context and Case for Reorganisation

First, it sets out the current Kent context and the strategic case for change, highlighting the financial, operational and democratic pressures facing Kent's local government system. These include rising demand for high-cost statutory services like social care and housing, fragmented governance arrangements, and a growing gap between income and delivery costs.

Appraisal of Options

Second, the document provides a high-level appraisal of structural options for reorganisation. Four models are assessed in detail, one with three new unitary authorities and three with four-unitary variations. Each is evaluated against the six MHCLG criteria, covering governance clarity, service delivery, local identity, and financial resilience. This is supported by quantitative analysis of costs, transition implications, council tax harmonisation, and balance analysis. **A summary of these findings is provided on the following slide.**

Forward Plan

Third, the proposal sets out a forward plan for developing a full business case. This includes technical work on debt disaggregation, service design, stakeholder engagement, and future governance arrangements, ensuring any proposal is both deliverable and responsive to Kent's complexity.

Scope and Limitations of this Interim Proposal:

This document provides a high-level appraisal of structural options for LGR in Kent. It offers an initial assessment of potential benefits, costs, and risks, and sets out a clear case for why reorganisation must be linked to wider reform. It begins to test what may be possible, financially, operationally and politically, under different unitary models.

But it does not present a final answer. The analysis is indicative, not definitive. Key issues, such as service disaggregation, transition design, and long-term sustainability, require further work. This proposal should be seen as a starting point for deeper engagement, evidence-building, and strategic thinking over the months ahead as a Full Proposal is developed.

Executive Summary | Overall alignment to Government Criteria

Each option demonstrates varying degrees of alignment with the MHCLG criteria and presents distinct strengths and risks. Some prioritise strategic delivery and resilience, while others emphasise local responsiveness. Key factors include financial sustainability, service coordination, and governance scale.

Key government criteria:

01 Sensible single tier of local government

02 'Right-sized' local local government

03 High quality, sustainable services

04 Meets local needs

05 Supports devolution arrangements

06 Local engagement and empowerment

Alignment of LGR options:

High Medium Low N/A*

A

This option supports strong strategic governance, financial sustainability, and efficient service delivery across three balanced authorities. It simplifies structures, reduces duplication, and aligns with economic growth. However, deprivation imbalances remain, East Kent carries higher debt, and Council Tax harmonisation may create financial pressure. Housing constraints in North Kent require careful planning.

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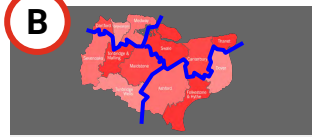

This option improves local responsiveness and accountability, with stronger Council Tax performance and opportunities for regional focus. However, it introduces significant financial and population imbalances, lacks a payback period, and increases service fragmentation. Strategic coordination is more complex, reducing long-term sustainability.

01 02 03 04 05 06

C

This option achieves the most balanced population and asset distribution, supporting place-based governance and service design. However, sub-threshold populations, limited financial return, and disparities in tax receipts reduce long-term viability. Smaller scale and administrative complexity may affect consistent delivery.

01 02 03 04 05 06

D

This option delivers strong financial balance across tax and assets and improves local accountability. It supports tailored service design but includes a sub-threshold authority and no net financial gain. Strategic fragmentation and urban pressure in North Kent present coordination and delivery challenges.

01 02 03 04 05 06

** Ratings have been applied to Criteria 1–3. Criteria 4–6 have been assessed, but due to limited information, ratings have not yet been assigned. Further analysis will need to be undertaken as part of the Full Proposal.*

2 Background and context

Background | National Context - Devolution & Reorganisation

The **Devolution White Paper (2024)** marks a fundamental shift in the government's approach to **local government reorganisation**. Rather than relying on voluntary devolution deals, the White Paper sets a clear expectation that **significant change is necessary** across England to improve service delivery and ensure long-term financial sustainability.

The government's ambitions are clear:

- **Greater powers vested in local and regional government** to enable more responsive decision-making.
- **Larger, more sustainable unitary authorities**, designed with logical boundaries that reflect local identity and avoid fragmented governance.
- **Rapid implementation**, with a focus on delivering benefits at pace.

To achieve this, the White Paper outlines **two key routes for change**:

1. **Reorganisation** – A shift away from the two-tier system through the creation of new **unitary authorities**. This could mean either:
   a. A **single county-wide unitary**, or
   b. A **multi-unitary model**, where county and district councils are replaced with unitary councils with shared or devolved county services.
2. **Devolution** – The formation of **Strategic Authorities**, with or without a mayor, to oversee regional economic development, transport, and infrastructure. These would involve collaboration between unitary authorities, similar to the **West Midlands Combined Authority** model.

Key Considerations for Kent - In light of this shift, Kent must consider:

- **The Future of the Multi-Tier System** – How to transition towards a model that ensures more efficient, joined-up service delivery.
- **Balancing Local Identity with Scale** – Ensuring new governance structures reflect community needs while also achieving financial and operational sustainability.
- **Strategic Collaboration** – Whether and how Kent should engage with wider regional structures to create inclusive and sustainable economic growth, health, wellbeing & care delivery and infrastructure investment - as well as intervene with issues early through partnership working.
- **Timing and Readiness** – With the government prioritising speed, Kent must be proactive in shaping its own future rather than having a model imposed.

The **White Paper** makes it clear that change is coming. Kent must now determine how best to **adapt, influence, and lead** this transformation to secure the best outcomes for its residents and businesses.

These routes to devolution can be considered on a continuum, with reorganised and unitarised authorities providing a necessary building block for the creation of future strategic authorities.

Reorganise → **Consolidate** → **Delegate**

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Background | Drivers for change

Challenges in the current system complex governance, financial pressures, and limited regional powers are driving Central Governments need for reorganisation. LGR offers a solution, creating a more efficient, resilient, and strategic model that strengthens services and unlocks new opportunities for Kent. However, without devolution, LGR alone may not fully maximise these benefits, limiting the potential for transformative change and local empowerment.

Drivers for change

Financial pressure
Local governments in the UK are facing significant financial challenges, with the LGA estimating a £4 billion funding gap over the next two years. These pressures are driven by rising demand for costly statutory services. Despite additional government funding, many councils must still make substantial cost savings. Increases in council tax to balance budgets are possible, affecting local service delivery, future planning, and standards of living for Kent residents. Structural reorganisation alone my be insufficient for Kent.

Demand for services
An ageing demographic, and increasingly complex community needs are driving demand for higher-cost services. Kent County Council (KCC) continues to face significant funding deficits in children's services, particularly concerning unaccompanied asylum-seeking children (UASC).

Social care costs
The rising costs of commissioning and delivering social care for adults and children is a significant financial pressures for KCC. In FY25/26, KCC's core spending power increased by £88.3 million (6.2%) compared to FY24/25, with the entire increase allocated to adult social care to address increased demand and complexity of support required alongside the additional cost of new placements. However, the demand for services continues to outpace funding. These services are heavily regulated, limiting local authorities' ability to cut costs while maintaining standards.

Benefits of LGR

Efficiency
With councils facing increasing financial pressures, LGR provides an opportunity to streamline operations, consolidate resources, and reduce duplication, creating a more financially sustainable model. By reducing administrative overheads, authorities can redirect resources towards frontline services, ensuring greater resilience in areas like social care and children's services.

Transparency
A simpler, unified governance structure makes it easier for residents to understand how council tax is spent, how services are delivered, and who is accountable. LGR should strengthen public confidence by improving oversight and reducing inefficiencies. Greater transparency also supports better financial planning, helping councils manage rising social care costs and increasing service demands more effectively.

Growth & prosperity
LGR can help councils better respond to demographic changes and growing demand for higher-cost services. A more strategic, region-wide approach will enhance investment planning, unlock opportunities through devolution, and support economic growth across Kent. With a governance structure that is more responsive and financially stable, councils will be better positioned to attract funding, develop infrastructure, and build a sustainable future for residents and businesses.

Background | Kent in the National Context

Kent's current two-tier local government structure comprises of the County Council, 12 District Councils, and one Unitary Authority serving approximately 1.9 million residents, making it one of the largest counties in England.

Why Governance Matters for Kent

A Unique Challenge: Unlike some counties that have transitioned to unitary models, Kent's governance is shaped by its sheer size, diverse geography, and urban-rural mix, making restructuring more complex.

Distinctive Growth Areas: Kent's unique growth areas, such as the Thames Estuary Growth Corridor, drive regeneration and economic expansion. Its seven key ports, including Dover and Folkestone, serve as vital UK-Europe gateways, making logistics and trade central to the county's economy.

Strong Local Identities: Each district has distinct communities and priorities, requiring a governance model that reflects and supports local needs.

Strategic Positioning: With extensive coastal links, cross-border transport routes, and proximity to London, Kent's infrastructure and economy are more interlinked with national and international networks than many other counties.

Medway's Role: Medway, an existing Unitary Authority, adds another layer of complexity to any potential restructuring, particularly in relation to service delivery and financial sustainability.

Comparative Examples:

- **Essex*:** Essex operates under a two-tier system with Essex County Council and 12 district councils, serving a population of around 1.8 million.
- **Hampshire*:** Hampshire's governance includes a county council and 11 district councils, serving approximately 1.85 million residents. Their plan includes establishing a mayoral combined authority to oversee strategic functions like transport and economic development.
- **Cornwall:** Cornwall operates as a single county unitary authority, serving a population of around 0.6 million. As a peninsula, Cornwall faces similar geographical considerations to Kent, with more limited cross-border access to services compared to other counties.

**It's worth noting that both Essex and Hampshire are part of the Devolution Partnership Programme and are actively progressing devolution plans. Kent, with a comparable population and governance structure, remains one of the few large counties not currently on this path.*

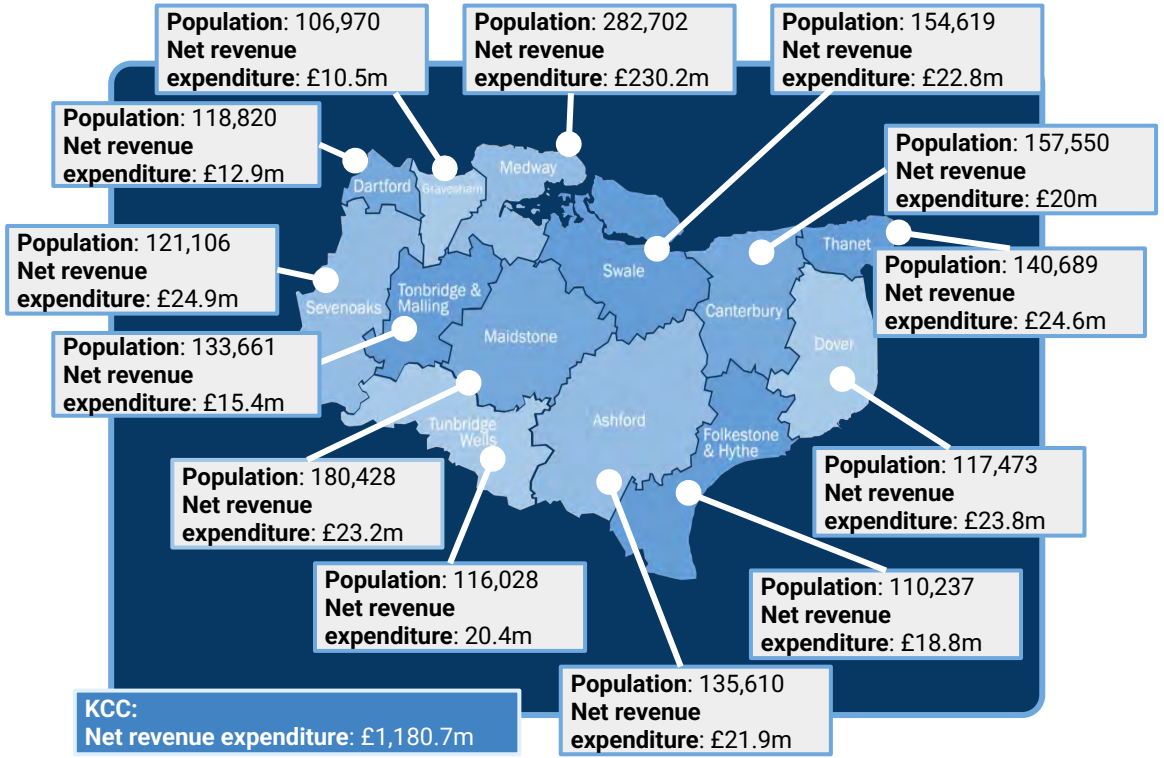
Background | Local Context - Geography and Governance

Local Context

The area is currently served by multiple tiers of local governance. Kent County Council (KCC) provides key strategic services such as education, social care, public health, and transport across the entire county, excluding Medway. Meanwhile, twelve second-tier district councils are responsible for housing, waste management, and other local services, creating a two-tier system of local government.

Medway, a unitary authority, is distinct from Kent in governance and service delivery but maintains close collaboration in areas such Kent and Medway Integrated Care Strategy and the local Integrated Care Partnership (ICP), as well as a shared out-of-hours response service for Social Care.

Kent is represented by 18 parliamentary constituencies, which broadly align with district boundaries. Geographically, Kent is bordered by the Thames Estuary to the north, the English Channel to the south, and Surrey and East Sussex to the west. Kent and Medway has a land area of 1,442 square miles and approximately 350 miles of coastline. It is known as the 'Garden of England', with at least 72.7% of the land in each of the 12 districts remaining undeveloped. [1]



Sources: *[1] Kent County Council: Summary of Kent facts and figures,* ***Net Expenditure Revenue:*** *Local authority revenue expenditure and financing England: 2023 to 2024 individual local authority data - outturn /* ***Population:*** *Mid 2022 Data*

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Background | People & Place

Kent's urban, rural, and coastal diversity brings both opportunities and challenges. While overall measures align with national averages, local disparities in rural access, coastal deprivation, and urban pressures require a targeted governance approach.

Population 1.9 million

Area 3,736 km²

Population Density 449 per km²

Population & Demographics:

- According to 2021 Census, Kent has **648,393 households.** The majority **(65.4%) of these are one family households**. The average household size is **2.39 people which is comparable to the national average.** [1]
- Over the past 10 years Kent's population has grown by 8.1% between 2013 and 2023. This is higher than the average both for the South East (7.6%) and for England (7%). [3]
- Kent has a greater proportion of young people aged 14 years and under and of people aged 50+ years than the England average. However, 20.5% of Kent's population is aged 65 and over. Forecasts show that the number of 65+ will increase by 40.7% between 2022 and 2040. The proportion of population aged under 65 is only forecast to increase by 12.3%.[4]

Housing:

- Data from Land Registry states that the **average house price in Kent during 2023 was higher than the national average.** However, lower than the average for the South East. [2]

Deprivation:

- Kent has remained within the same national decile for 2019 Index of Multiple Deprivation (IMD2019) as for IMD 2015 for 4 of the 5 summary measures. **Kent is ranked within the least deprived 50% of upper-tier local authorities in England for 4 out of 5 summary measures** of the IMD 2019. There are some areas within Kent that do fall **within the 20% most deprived in England.**[1]
- The most deprived area in Kent is Cliftonville Ward in Thanet. Nationally it is ranked as the 5th most deprived in the country.[5]

Economy and Employment:

- **60.3% of Kent's population are of working age (16-64).** 78.9% of Kent's working age population is economically active which indicates that they are employed or looking for opportunities**. 3.5% of residents are claiming unemployment benefits.** This is lower than the national average. [1]
- 39,660 Kent residents were claiming Universal Credit as at November 2023. Of those, 38.9% were in some form of employment. [6]

Sources: [1] Kent County Council: Summary of Kent facts and figures; [2] Kent Analytics: House Prices and Sales in Kent 2023; [3] Kent Analytics: Census 2021; [4] Kent Analytics: 2023 Mid-year population estimates (age and sex); [5] Kent Analytics: Children in Poverty; [6] Benefit Claimants in Kent

Background | Transport and Connectivity

Kent's strategic location near London and role in European trade make it a key player in the UK economy. With no single large urban centre, commuting patterns vary widely. To support population and economic growth, KCC has invested in infrastructure, transport, and connectivity to meet rising demand.

Strategic Location and Commuting Patterns	Kent's proximity to London and its role in European trade position it as a key economic area. The county lacks a single large urban centre, leading to diverse commuting patterns. Approximately 20% of residents work within 2km of their homes, with East Kent showing a higher tendency for local employment within 5km. In contrast, West Kent residents often commute longer distances, including to London. Notably, over 71% of Kent's workforce relies on cars for commuting, while walking is more prevalent in East Kent, and train travel is significant in West Kent areas like Dartford and Sevenoaks. The majority of these residents are travelling to London to work.[1]
Infrastructure and Environmental Considerations	Kent comprises multiple medium-sized towns without a dominant urban centre, resulting in intricate travel patterns further influenced by international road traffic and London orbital congestion. Kents main transport routes run East to West making travel between North and South complicated and time consuming. The county's rich heritage includes the Kent Downs, High Weald landscapes, protected marshes, coastlines, and UNESCO World Heritage Sites such as Canterbury and the White Cliffs of Dover. These features coexist with challenges arising from Kent's central role in UK-European trade and its integration with London's economy. Recent population and economic growth have heightened the need for effective transportation, prompting Kent County Council (KCC) to invest in highways, roads, and rail stations and multi direction rail travel across the county. [2]
Active Travel Initiatives	KCC's Active Travel Strategy aims to promote walking and cycling for short trips, reducing vehicle numbers, improving air quality, and decreasing urban journey times. Economic analyses indicate that such initiatives can yield returns of £13 to £19 for every £1 invested, offering cost-effective solutions to health, transport, and broader policy objectives.[3]
Digital Connectivity Enhancements	In collaboration with Medway, Kent has engaged in the UK Gigabit Programme (Project Gigabit), securing a £112.3 million contract with CityFibre to deliver gigabit-capable connections to areas not covered by existing telecom upgrades.[4]
Considerations for LGR	The proposed shift towards unitary authorities, as outlined in the English Devolution Bill, necessitates a strategic evaluation of Kent's transport and connectivity frameworks. Effective LGR should address the county's unique commuting patterns, infrastructure demands, and environmental assets to ensure that restructured governance enhances service delivery and meets the diverse needs of its urban, rural, and coastal communities. It is key to consider the impact LGR will have on BSIP (Bus Service Improvement Plan) and Operation Brock regarding the approach to border control.

Sources: [1] Travel to Work Patterns in Kent County; [2] Kent County Council: Project Gigabit; [3] Local Transport Plan 5; [4] Active Travel Strategy

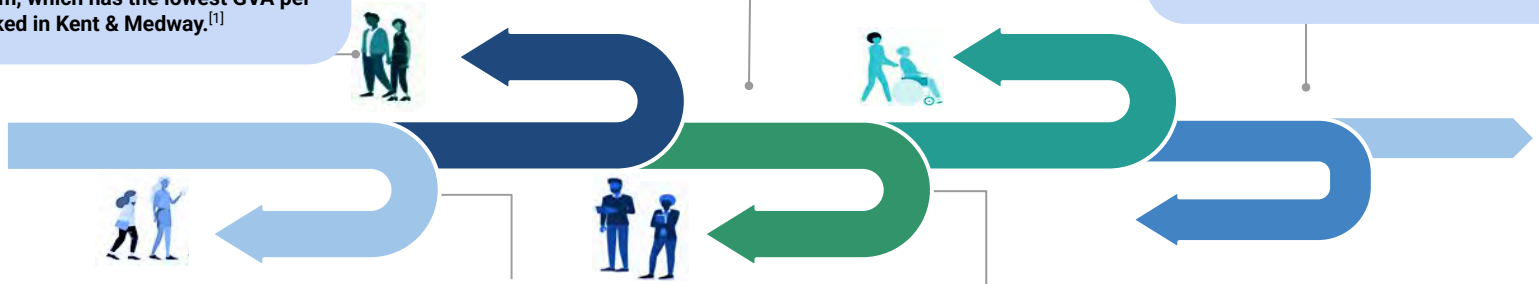
Background | Workforce and Economy

Kent has a diverse economy with key sectors including education, health, construction, and public administration. While small businesses thrive and earnings remain strong, productivity challenges and employment disparities persist. The region demonstrates economic resilience, but strategic intervention is needed to address imbalances and ensure inclusive growth through LGR.

The total amount of GVA generated in Kent & Medway in 2022 was an estimated **£50,692m. GVA grew in Kent by 8.5%** (£3,438m) since the previous year, a slightly smaller increase than seen nationally. **Productivity is particularly low in Gravesham, which has the lowest GVA per hour worked in Kent & Medway.**[1]

33% of all those in employment who live kent were employed in public administration, education and health industry. The construction industry accounts for the largest proportion of businesses in Kent (18.3%) providing 44,000 jobs.Kent had a much lower proportion of customer service occupations, leisure, travel and related personal service occupations, and science research engineering and technology professionals. [2]

Kent's average weekly full-time earnings (£751.80) exceed the national average, with **Sevenoaks (£912.50) the highest and Thanet (£685.20) the lowest.**[3] Microenterprises (0-9 employees) dominate the business landscape, making up 89.9% of enterprises, whole 99.4% operate in the private sector.[4]



In Kent in 2021 the total Gross Disposable Household Income (GDHI) was **£36,271 (million). This has increased by 4.2% since 2020 and 15.7% since 2016.** Over the last year GDHI has grown at a faster rate in Kent than seen regionally and nationally. **Maidstone had the highest total GDHI in Kent (£3,991m).**[5]

Employee jobs in Kent have increased by 0.8% over the previous year. This is lower than the national and regional increase. In Kent the biggest number increase was in Human health and social work activities jobs.[6] **The number of people who were unemployed in Kent has increased by 0.9%** since January 2025. **The unemployment rate in Kent is 3.5%. Thanet, Dover, Folkestone & Hythe, Swale, and Gravesham have some of the highest youth unemployment rates i**n the South East.[7]

Sources: [1] Kent Analytics: GVA in 2022 [2] Kent Analytics: Labour Force Profile ; [3] Kent Analytics: Earnings in Kent 2024; [4] Kent Analytics: UK Business Count 2024; [5] Kent Analytics: GDHI 2021; [6] Kent Analytics: Employee jobs in Kent 2023 ; [7] Kent Analytics: Unemployment in Kent

Background | Partnerships

Kent benefits from a range of strategic partnerships that facilitate collaboration across local government, public services, and community organisations. These partnerships play a crucial role in delivering services efficiently, fostering economic growth, and addressing key challenges. As Kent undergoes LGR, it is essential to ensure these collaborations remain effective, avoiding service disruption while seizing opportunities to enhance coordination and efficiency. The sections below highlight some of the main partnerships but this is not an exhaustive list.

Statutory Partners

Local government partnerships coordinate essential services. The Kent Resource Partnership coordinates initiatives to boost reuse and recycling, while the Kent and Medway Police and Crime Panel and Community Safety Partnership oversee crime prevention.

The Kent and Medway Integrated Care System (ICS) connects NHS services to improve healthcare, and Kents Safeguarding Partnerships (KSCMP & KASCP) protect vulnerable people. LGR must ensure these services remain coordinated and effective.

Economic Partnerships

The Kent and Medway Economic Partnership (KMEP) drives growth through the Kent & Medway Economic Framework, setting priorities until 2030.

Collaboration with Transport for the South East (TfSE) supports infrastructure investment. LGR presents an opportunity to streamline governance while ensuring economic strategies remain responsive to local needs.

VCSE Partnerships

Voluntary, Community, and Social Enterprise (VCSE) partnerships are vital in supporting vulnerable communities.

Local Children's Partnership Groups (LCPGs) focus on youth outcomes, while the Kent Learning Disability Partnership Board ensures better services for people with learning disabilities. LGR must safeguard these partnerships to prevent service disruption.

Why These Partnerships Matter for LGR

LGR will reshape governance, making it essential to:

- Maintain service continuity in policing, healthcare, waste management, and safeguarding.
- Optimise efficiency by reducing duplication and improving collaboration.
- Sustain economic growth through strong investment and infrastructure planning.
- Protect vulnerable communities by ensuring key services remain effective.
- Build public trust by reinforcing, not weakening, essential services.

By integrating these partnerships into LGR planning, Kent can enhance service delivery, economic resilience, and community support under a more efficient governance model.

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3

The case for reorganisation

The Case for Reorganisation | Why Kent & Why now?

Given Kent & Medway's unique geography, economic importance, and evolving governance landscape, Local Government Reorganisation (LGR) is timely. However, without accompanying Devolution, its value becomes questionable. Reorganisation presents an opportunity to streamline governance, improve or transform service delivery, and enhance financial sustainability, but to be truly effective and future-proof, it must be underpinned by meaningful Devolution.

Why Kent?

LGR in Kent presents an opportunity to align with the government's agenda by:

- **Creating more sustainable authorities** that are financially resilient and operationally efficient.
- **Unlocking economic growth** through a governance model that supports investment, innovation and long-term development.

LGR in Kent is a timely opportunity to simplify governance, improve service delivery, and strengthen financial resilience. The current two-tier system creates complexity and inefficiencies that may undermine effective decision-making and resource allocation.

However, LGR alone is not enough. Without meaningful Devolution, its impacts will be limited. Reorganisation should be the foundation for securing Devolution – enabling stronger local leadership and unlocking the powers, investment, and flexibility needed to drive economic growth and deliver better outcomes for Kent's communities.

Why now?

With financial pressures mounting and demand for services rising, maintaining the status quo is no longer viable. Reorganisation provides a chance to establish a governance model that is financially sustainable, strategically aligned, and better equipped to face future demands.

The government's emphasis on devolution and local empowerment means areas with strong, unified leadership are best placed to gain greater control over funding, transport, and economic growth. Policy shifts point to increased fiscal responsibility at the local level, with funding tied more closely to regional decision-making. Without reorganisation, Kent risks falling behind while others secure new powers and investment. Reorganisation and devolution must go hand in hand.

While LGR will involve the disaggregation of services, the longer-term aim is to reaggregate under a devolved model that enables more integrated and effective delivery. Now is the right time to begin this transition, but it must be approached with careful consideration of the impact on services. With effective planning, the process can protect frontline delivery, ensure continuity, and lay the foundations for a governance system that is sustainable and fit for the future.

Kent's strategic importance as a national gateway, with major trade routes such as the M2, M20, and HS1, means that an integrated and responsive governance model is essential for maintaining economic competitiveness.

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The Case for Reorganisation | Strengthening Local Government

This slide outlines the key benefits of how LGR can streamline governance, improve efficiency, and enhance financial sustainability in Kent. It highlights further opportunities reorganisation presents for for devolution, stronger partnerships, and a more resilient, future-proofed local government structure.

Step Towards Devolution

Reorganising local government in Kent and Medway presents an opportunity to streamline governance and strengthen the case for devolution. A simplified, more accountable structure would enhance Kent's ability to negotiate a devolution deal, securing greater local control over transport, infrastructure, skills, housing, and economic growth. A clearer governance model would also improve strategic planning and cross-authority collaboration, making Kent more attractive to central government for greater devolved powers.

Enhanced Efficiency & Financial Sustainability

Local government reorganisation in Kent aims to deliver greater efficiency and value for money for taxpayers. A restructured system could lead to financial savings, allowing reinvestment into frontline services to ensure their long-term sustainability. By reducing duplication, streamlining operations, and creating more resilient councils, reorganisation would help maintain high-quality public services while securing financial viability for the future.

Optimised Partnership Working

Kent and Medway have a unique advantage due to their coterminosity with key public services. Aligning new council boundaries with existing health, police, fire, and welfare service areas could enhance integration, improve service coordination, and accelerate public service reorganisation. Strengthening these partnerships would support more joined-up service delivery, ensuring that residents receive better, more efficient local services.

Further Opportunities

Previous Learnings: Medway became a unitary in 1998, LGR now offers a chance to assess the best structure for the future.

Stronger Regional Influence: A reorganised governance model could strengthen Kent's voice in national policy, improving transport, housing, and economic planning

A System Fit for the Future: LGR would ensure Kent can meet the challenges of its urban, rural, and coastal communities with a modern, efficient, and financially stable system.

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The Case for Reorganisation | Limitations

What This Means for reorganisation

Kent & Medway's two-tier system creates inefficiencies, service inconsistencies, and financial pressures. Overlapping responsibilities slow decision-making, while fragmented governance leads to uneven service provision.

Reorganisation offers the opportunity to:

- **Simplify governance** – reducing duplication and streamlining decision-making.
- **Improve service delivery** – ensuring consistency and accessibility.
- **Enhance financial sustainability** – enabling more efficient use of resources.
- **Strengthen strategic planning** – allowing for more integrated economic, transport, and housing policies.
- **Bring governance closer to residents** – making decision-making more transparent and accountable.

A multi-unitary model would create a more efficient, financially stable, and responsive system, better equipped to meet the Kent areas future needs.

Limitations of the Current Two-Tier System

Theme	Challenges in Kent & Medway	Opportunities for Reorganisation
Governance Complexity	KCC and 12 district councils have overlapping responsibilities, creating inefficiencies in decision-making and service delivery. Medway operates as a unitary authority but must coordinate with KCC for some services.	A multi-unitary model could simplify governance, providing clearer accountability and faster local decision-making.
Service Delivery	Differences in service provision across districts lead to inconsistencies in social care, planning, and housing. Residents receive varying levels of support depending on district boundaries. *(see Appendix 5.1)*	Reorganisation offers the opportunity to create consolidated authorities that can deliver more consistent and streamlined services, improving both access and quality for residents. *However, this must be approached with caution. The current distribution of social care clients is uneven across Kent and Medway, and any new unitary arrangements will need to account for this imbalance to avoid placing disproportionate pressure on certain areas and ensure fair, effective service provision.*
Financial Sustainability	Kent's councils face rising financial pressures, with projected funding gaps and growing demand for services such as adult social care and children's services, as well as increasing pressures as a result of homelessness and waste collection costs. Medway also has financial constraints.	Reorganisation could enhance financial resilience, reducing duplication and enabling better long-term financial planning.
Strategic Planning	Disjointed transport, housing, and infrastructure planning across multiple authorities makes it harder to address Kent's housing demand, road congestion, and economic growth.	Unitary authorities could align strategic planning with economic and housing priorities, ensuring more cohesive development across the region. This alignment would also lay the groundwork in support of future Mayoral Combined Authority ambitions, strengthening Kent's ability to secure devolved powers and drive region-wide growth.
Community Engagement	Residents can find decision-making distant and unclear, particularly in areas where county and district roles overlap. Parish and town councils have limited powers.	A new system could bring governance closer to communities, empowering local councils and increasing public involvement.

Devolution | Prerequisites for meaningful reorganisation in Kent

Devolution is crucial for Kent and Medway as they embark on Local Government Reorganisation (LGR). It ensures strategic oversight, operational excellence, and addresses specific needs like transport and education. By providing autonomy and resources, Devolution facilitates targeted investments and regional improvement. Additionally, it offers cohesive governance structures essential for tackling cross-region challenges and ensuring fair representation. Without it, there is a risk of fragmenting oversight and diminishing service excellence.

Strategic Importance of Devolution for Kent:

Transport & Infrastructure

As a national gateway via road, rail, and sea, including the Channel Tunnel and the Port of Dover, Kent requires strategic investment to support UK-wide economic flows. Devolution can channel resources into vital infrastructure projects.

UASC

Kent faces disproportionate pressure from UASCs (Unaccompanied Asylum-Seeking Children). A devolved arrangement would formalise funding and resources, crucial for managing these challenges efficiently

Skills & Education

Kent's educational outcomes are below national averages. A devolved approach must focus on aligning education with local industry needs to drive improvement

Housing & Growth

Major projects like Maidstone Garden Town and Otterpool Park need coordinated planning. Devolution can integrate efforts with Homes England and tackle planning constraints like nutrient neutrality.

Navigating Kent's Strategic Path: Challenges, Resilience, and Governance:

Geographical and Economic Challenge

Kent's strategic location poses unique issues, such as managing transport disruptions ('Operation Brock') and pressures from small boat crossings. Economic development functions like 'Visit Kent' and 'Locate in Kent' should be preserved through devolution in any Combined County Authority (CCA) or Mayoral Strategic Authority (MSA

Fiscal Resilience

Unitary authorities must remain financially self-sufficient amidst cost pressures in social care, education, and inflation. We're advocating for fiscal devolution to bolster financial resilience

Governance

A Mayoral Combined Authority model requires a fair voting mechanism to ensure balanced representation. Any structural change should align with service areas to avoid disruption in key sectors like healthcare and policing

Devolution provides Kent the framework to lead strategically on economic development, transport, and environmental resilience. Ensuring Kent's specific needs are central to LGR and devolution conversations is critical for effective governance and continued service excellence across the county

4 Options appraisal

4.1 Approach & options

Options for change | Assessment against MHCLG criteria

Our approach

We have assessed how each of the four selected options align with the qualitative criteria outlined in the MHCLG framework. The following slides detail how each option measures against the six criteria (shown opposite).

This options appraisal evaluates the acceptability and potential benefits of each reorganisation approach, considering both qualitative insights and quantitative analysis. It provides an initial assessment of the suitability of each option, potential complexities in implementation, and key costs and benefits. This assessment has also been informed by financial analysis and quantitative balance analysis (see appendices).

The findings from this appraisal support decision makers in identifying the most viable path moving forward for the development of a Full Proposal with detailed financial evaluation and an Interim Plan, as required by the Secretary of State.

01 **Sensible single tier of local government**
Options propose establishing a three and four UA model for local government for the Kent area, with sensible breakdowns (both economically and geographically) into unitary areas.

02 **'Right-sized' local government**
Options are composed of unitary areas of the 'right size' (>500,000 population size as a guiding principle) to achieve efficiencies, improve capacity and withstand financial shocks.

03 **High quality, sustainable services**
Options propose structures which prioritise delivery of high quality and sustainable public services, avoiding unnecessary service fragmentation and risk to critical services.

04 **Meets local needs**
Options meet local needs and are informed by local views - improving or mitigating risks to issues of local identity, cultural and historic importance, and addressing local concerns.

05 **Supports devolution arrangements**
Options support devolution arrangements and help to unlock devolution, with sensible population size ratios between local authorities and any strategic authority.

06 **Local engagement and empowerment**
Options compose of unitary structures which enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

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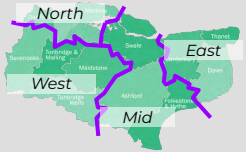
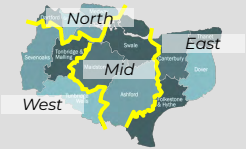
Options for Change | Summary of options

Our approach

Based on the geography and MHCLG guidance, four potential options have been identified, one three-unitary authority model and three four-unitary authority models. **This analysis does not include any proposed changes to the existing borough boundaries**, due to the significant increases in cost, complexity and risk this would cause.

This section evaluates these options through three key considerations: **alignment to MHCLG criteria, financial and council sustainability, and economic growth and identity**. Each model presents distinct advantages and challenges, with trade-offs depending on the emphasis placed on each criterion.

The table below outlines the geographical makeup of each option, along with the estimated population for each component area. This assessment provides a structured framework to support decision-makers in understanding the implications of each approach.

Option	Geography	Components (City / district / borough level)	Population [1]
A Three unitary model		**North:** Dartford, Gravesham, Medway, and Swale **East:** Thanet, Dover, Canterbury, Folkestone & Hythe, Ashford **West:** Maidstone, Tonbridge & Malling, Tunbridge Wells, Sevenoaks	**North:** 663,111 **East:** 661,559 **West:** 551,223
B Four unitary model		**North:** Dartford, Gravesham, Medway **East:** Canterbury, Swale, Thanet **South:** Ashford, Dover, Folkestone & Hythe **West:** Sevenoaks, Tonbridge & Malling, Tunbridge Wells and Maidstone	**North:** 508,492 **East:** 452,858 **South:** 363,320 **West:** 551,223
C Four unitary model		**North:** Dartford, Gravesham, Medway **East:** Canterbury, Dover, Thanet **Mid:** Ashford, Swale, Folkestone & Hythe **West**: Sevenoaks, Tonbridge and Malling, Tunbridge Wells and Maidstone	**North:** 508,492 **East:** 415,712 **Mid:** 400,466 **West:** 551,223
D Four unitary model		**North**: Dartford, Gravesham, Medway **East:** Thanet, Canterbury, Dover, Folkestone & Hythe **Mid:** Swale, Maidstone, Ashford **West:** Sevenoaks, Tonbridge & Malling and Tunbridge Wells	**North:** 508,492 **East:** 525,949 **Mid:** 470,657 **West:** 370,795

Source: [1] Mid 2022 Data

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Options for Change | Approach to appraisal

Our assessment of the three-unitary (3UA) and four-unitary (4UA) options follows a structured methodology to ensure clarity and consistency in evaluating each model independently. The approach reflects the level of variability and availability of information across the different MHCLG criteria, with a more detailed assessment for the 3UA models and a streamlined approach for the 4UA models.

Each option has been assessed against the six MHCLG criteria using a RAG (Red, Amber, Green) rating to indicate the degree of alignment. The RAG rating reflects alignment to the criteria, not the key factors: Green denotes strong alignment to most criteria, Amber indicates partial alignment, and Red reflects limited alignment.

Each option has been evaluated independently, rather than compared to one another. However, for Options B, C, and D, Criteria 4, 5, and 6 have been considered together due to their broad similarities.

This is an initial appraisal intended to support early-stage decision-making. It provides an impartial overview of how each option performs against the criteria. It is not a definitive assessment, and detailed evaluation across all criteria will be required at the Full Proposal stage.

Each option is presented with a summary page outlining key findings, followed by a high-level breakdown of advantages and disadvantages. This structured approach provides a clear and objective view of how each model aligns with the stated criteria.

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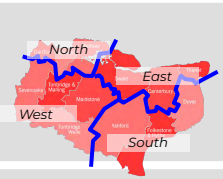
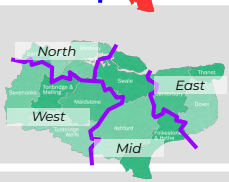
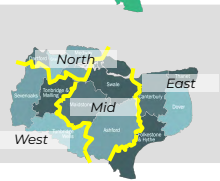
Option	Geography	Approach
A Three unitary model		**Criteria 1–6 – individually assessed** This option has been assessed against all six MHCLG criteria. A RAG (Red, Amber, Green) rating system has been applied to key factors aligned with criteria 1-3. Criteria 4-6 have also been assessed with commentary on page 30-32 but without a RAG rating due to insufficient information to make a robust judgement.
B Four unitary model		**Criteria 1-3 individually assessed** For criteria 1-3, each of the four unitary models has been assessed separately, with a RAG (Red, Amber, Green) rating applied. **Criteria 4–6 collectively assessed** (page 47-49) However, for criteria 4-6 the analysis has been consolidated across the three 4UA models. Due to the broad structural similarities between these options and the lack of sufficient evidence to meaningfully differentiate them, a collective assessment was conducted and RAG rating has not been assigned to them. Key differences have been noted where relevant, but a detailed standalone evaluation for each model was not deemed necessary.
C Four unitary model		
D Four unitary model		

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4.2 Summary view

Appraisal Summary | Overall alignment to Government Criteria

Each option demonstrates varying degrees of alignment with the MHCLG criteria and presents distinct strengths and risks. Some prioritise strategic delivery and resilience, while others emphasise local responsiveness. Key factors include financial sustainability, service coordination, and governance scale.

Key government criteria:

01 Sensible single tier of local government

02 'Right-sized' local local government

03 High quality, sustainable services

04 Meets local needs

05 Supports devolution arrangements

06 Local engagement and empowerment

Alignment of LGR options:

High Medium Low N/A*

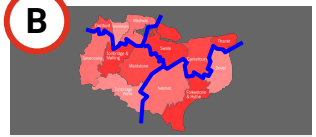
As seen previously this slide provides a summary of how each option aligns to the MHCLG criteria, drawing on the qualitative assessment and supporting analysis. The following summary slides offers a comparative view across all four models, with a focus on criteria 1–3, where key differences are most evident. While each option has been assessed against the overall criteria, individual factors within them have not been separately rated, but are included to support understanding of where strengths and trade-offs lie.

A

This option supports strong strategic governance, financial sustainability, and efficient service delivery across three balanced authorities. It simplifies structures, reduces duplication, and aligns with economic growth. However, deprivation imbalances remain, East Kent carries higher debt, and Council Tax harmonisation may create financial pressure. Housing constraints in North Kent require careful planning.

01 02 03 04 05 06

B



This option improves local responsiveness and accountability, with stronger Council Tax performance and opportunities for regional focus. However, it introduces significant financial and population imbalances, lacks a payback period, and increases service fragmentation. Strategic coordination is more complex, reducing long-term sustainability.

01 02 03 04 05 06

C

This option achieves the most balanced population and asset distribution, supporting place-based governance and service design. However, sub-threshold populations, limited financial return, and disparities in tax receipts reduce long-term viability. Smaller scale and administrative complexity may affect consistent delivery.

01 02 03 04 05 06

D

This option delivers strong financial balance across tax and assets and improves local accountability. It supports tailored service design but includes a sub-threshold authority and no net financial gain. Strategic fragmentation and urban pressure in North Kent present coordination and delivery challenges.

01 02 03 04 05 06

Appraisal Summary | Summary of Alignment to Criteria 1-3

Criteria	A	B	C	D
Sensible single tier of local government	*This option aligns well as it establishes a single-tier structure, enhances governance clarity, and simplifies financial management. While financial transition risks and housing constraints require mitigation, these do not fundamentally undermine the model's ability to meet the criterion, making Green the appropriate rating.*	*The option aligns with the single-tier objective and offers potential for more localised service delivery. However, significant financial and economic disparities between authorities limit its overall alignment with the criterion, warranting an amber rating.*	*While the option meets the basic requirement of establishing single-tier governance and supports local responsiveness, its poor financial performance, weaker economic balance, and coordination challenges reduce overall alignment. An amber rating is appropriate.*	*The option meets the structural requirement for a single-tier system and enables more locally responsive governance. However, the smaller size of the authorities, loss of scale efficiencies, and council tax pressures limit its alignment with the criterion, warranting an amber rating.*
'Right-sized' local government	*The model meets the population threshold across all three authorities, supports financial resilience through balanced resource distribution, and presents lower transition costs. While there are some risks related to inherited debt and deprivation, these do not significantly undermine overall alignment.*	*While the option reflects local identity and spreads employment, the failure to meet population thresholds, weaker financial position (as shown in the balance analysis), and reduced strategic capacity undermine its alignment with this criterion. A red rating is appropriate.*	*While the option shows balance in population spread and assets, it fails to meet the MHCLG population threshold, delivers no net financial gain, and introduces greater administrative complexity. Without a compelling case for the sub-threshold population, this option demonstrates limited alignment and warrants a red rating.*	*While the option demonstrates strong financial balance across tax and assets, it includes an authority that falls to meet the MHCLG population threshold. There is no net financial return, and the structure introduces higher administrative complexity, this option demonstrates limited alignment and warrants a red rating.*
High quality, sustainable services	*The option supports service stability, workforce capacity, and transition efficiency. However, risks around local responsiveness and managing diverse needs across large geographies mean alignment is partial, warranting an amber rating.*	*While the option allows for locally focused services and improved accountability, the fragmentation of core functions and challenges in maintaining consistency across authorities limit its ability to deliver high-quality, sustainable services. These trade-offs support an amber rating.*	*The option supports locally tailored services and clearer accountability but introduces operational and equity risks. Disparities in need and geography may limit consistent, high-quality service delivery across the authorities. These trade-offs support an amber rating.*	*The option allows for local service tailoring and improved engagement, but the complexity of meeting diverse needs, uneven urban pressures, and risks to strategic coordination limit its alignment with the criterion. An amber rating is appropriate.*
Meets local needs	*N/A*	*N/A*	*N/A*	*N/A*
Supports devolution arrangements	*N/A*	*N/A*	*N/A*	*N/A*
Local engagement & empowerment	*N/A*	*N/A*	*N/A*	*N/A*

Alignment of LGR options: *High* *Medium* *Low*

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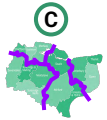
Appraisal Summary | Criteria and key factors comparison



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

Alignment to MHCLG criteria: H M L

** Indicative analysis has been included in this appraisal against criteria five, but an assessment cannot be made at this time as devolution plans are not yet defined*

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4.3 Qualitative assessment

Option A | Three Unitary Authority

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

The following section outlines the **3 unitary authorities** option *(A)* where the option will be assessed against **6 key criteria** and individually **RAG rated** where applicable.

North

Major industries are port and logistics, manufacturing, and health technology, supported by the Thames Estuary Growth Area. Infrastructure includes key roads like the M2 and A2, High-Speed 1 (HS1) railway, and proximity to the Thames Estuary for maritime access. The area is notable for its industrial zones and regeneration efforts, particularly in Medway.

Dartford | Gravesham | Medway | Swale

West

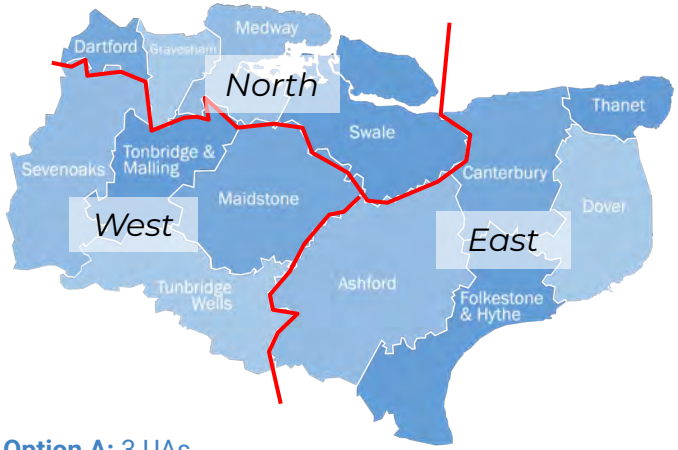
Key economic sectors include finance and business services, retail, and tourism, particularly heritage tourism due to its historical sites. Infrastructure features major roads like the M25 and M20, along with Southeastern Rail links serving commuter towns. Known for affluent commuter towns and a high quality of life, this region maintains strong economic ties to London.

Maidstone | Sevenoaks | Tonbridge and Malling | Tunbridge Wells

East

Sectors such as agriculture and food production, tourism, and maritime industries, including the Port of Dover, drive the economy. Infrastructure highlights important roads like the M20 and A256, along with rail links via Southeastern Rail reaching coastal towns. Rich in history and tourism, East Kent boasts sites like Dover Castle and Canterbury Cathedral attracting significant numbers of visitors.

Ashford | Canterbury | Dover | Folkestone and Hythe | Thanet



Option A: 3 UAs

North	663k Population	900 sq km
West	551k Population	1,200 sq km
East	661k Population	1,100 sq km

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Option A | Three Unitary Authority alignment to MHCLG criteria

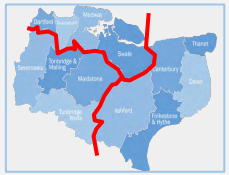
Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

A
3 Unitary Authorities

The merits of the option for 3 Unitary Authorities has been considered based on qualitative analysis against key differentiating factors in line with the key criteria.

Key

- Aligns to most criteria
- Aligns to some criteria
- Low alignment to criteria



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

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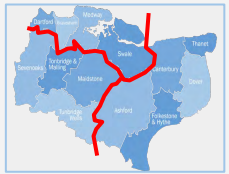
Option A | Criteria 1 | Single Tier of Local Government

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

A
3 Unitary Authorities

This section reviews option A three unitary authorities against criteria 1 single tier of local government.



Criteria 1

Single Tier of Local Government

1

Rating: High

- Aligns to most criteria
- Aligns to some criteria
- Low alignment to criteria

Alignment of option to criteria

Advantages of the Three Unitary Authorities Model for Kent:

- **Single Tier of Local Government:** The 3UA option effectively removes the complexity of the two-tier system, consolidating decision-making under fewer authorities. This provides greater accountability, reduces administrative duplication, and enables a more direct relationship between unitary councils and residents.
- **Economic and Financial Rationalisation:** A single-tier system eliminates the need for funding negotiations between district councils and KCC, creating a more direct and efficient financial structure. Business rate revenue is expected to remain balanced at a 1.12 ratio, supporting financial sustainability. Additionally, Medway's transition into a larger unitary authority offers potential efficiencies, particularly in the reduction of duplicated services, reinforcing this model's financial viability.
- **Alignment with Strategic Growth and Investment:** The 3UA option enhances the ability to coordinate infrastructure and economic development across a broader strategic area. This option aligns local decision-making with key growth opportunities, particularly in Ashford (leveraging high-speed rail connectivity) and North Kent (capitalising on regeneration opportunities and proximity to London). The consolidation of planning and housing responsibilities enables a more integrated approach to investment and development.

Disadvantages of the Three Unitary Authorities Model for Kent:

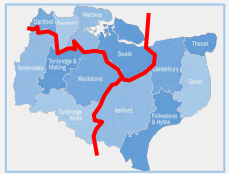
- **Financial Transition Risks and Council Tax Considerations:** While the option removes financial fragmentation, the process of disaggregating KCC services introduces transition risks that will need to be carefully managed. The model also results in Council Tax income forgone in the low and mid scenario, meaning robust financial management and clear tax harmonisation strategies will be essential.
- **Housing Constraints in the North UA:** The North unitary authority faces significant spatial limitations, including Green Belt restrictions, flood risks from the Thames Estuary and Swale, and growing commuter demand. While major regeneration projects such as Ebbsfleet Garden City provide a framework for future growth, ongoing population increases could intensify housing pressures. Strategic oversight and careful planning will be necessary to ensure sustainable development within these geographic constraints.

Option A | Criteria 2 | ‘Right-Sized’ Local Government

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

A
3 Unitary Authorities

This section reviews **option A three unitary** authorities against criteria 2 **‘right-sized’ local government.**



Criteria 2

‘Right-Sized’ Local Government

2

Rating: High

- *Aligns to most criteria*
- *Aligns to some criteria*
- *Low alignment to criteria*

Alignment of option to criteria

Advantages of the Three Unitary Authorities Model for Kent:

- **Geography & scale:** The 3UA option aligns well with the requirement for stable, right-sized authorities. Each unitary exceeds the 500,000 population threshold (N: 663k, E: 661k, W: 551k), supporting long-term governance resilience. The configuration reflects distinct regional identities, North Kent’s economic linkages with Medway, East Kent’s coastal focus, and West Kent’s commuter economy, allowing authorities to remain locally responsive while maintaining strategic capacity.
- **Economic alignment:** This option enables each authority to capitalise on key economic strengths, with business rate revenue distributed evenly across the three areas. This underpins financial resilience and supports sustainable local growth.
- **Equitable resource distribution:** Resource allocation is balanced, with a fair distribution of business rates and council tax, and a net assets per head model that provides each authority with a stable platform for service delivery and investment. While subject to council tax harmonisation, this structure promotes financial sustainability and equitable access to services across the geography.
- **Transition costs:** With an estimated one-off cost of £42.6m and a payback period of 8.2 years, this model offers a more cost-effective transition than the four-unitary alternative. Lower transition costs reduce financial risk and support a more manageable implementation process.

Disadvantages of the Three Unitary Authorities Model for Kent:

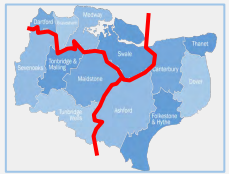
- **Financial viability risks:** While broadly balanced, there is variation in inherited liabilities. Some authorities, such as East Kent, would take on higher levels of existing debt, while West Kent may be more exposed to risks linked to changes in funding formulas.
- **Deprivation imbalance:** North and East Kent experience higher levels of deprivation than West Kent. Although financial resources are allocated equitably, differing levels of need may present challenges in targeting services effectively and could create disparities in outcomes.

Option A | Criteria 3 | High Quality, Sustainable Services

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

A
3 Unitary Authorities

This section reviews option A three unitary authorities against criteria 3 high quality, sustainable services.



Criteria 4

High Quality, Sustainable Services

3

Rating: Amber

- Aligns to most criteria
- Aligns to some criteria
- Low alignment to criteria

Alignment of option to criteria

Advantages of the Three Unitary Authorities Model for Kent:

- **Reduced service fragmentation:** The 3UA option limits fragmentation by consolidating services under three authorities, maintaining a balance between central oversight and local responsiveness. Fewer authorities reduce operational silos and enable more consistent delivery, although effective governance structures will be essential to ensure services adapt to local needs.
- **Capacity and workforce:** Larger authority footprints increase organisational capacity and reduce internal competition for key skills. Resource pooling across broader service areas supports workforce planning and enables better deployment of specialist roles.
- **Local area needs:** The option allows for targeted investment in high-need areas, such as Thanet and Dover, and aligns with existing economic and travel-to-work geographies. North Kent's ties to Medway and the Thames Gateway are supported, and regional priorities can be reflected, provided local structures like parish councils are retained.
- **Reduced disaggregation:** With fewer authorities, this option requires less service disaggregation than others, supporting a smoother transition and reducing operational disruption. This improves implementation efficiency and reduces the time required to re-establish service stability.

Disadvantages of the Three Unitary Authorities Model for Kent:

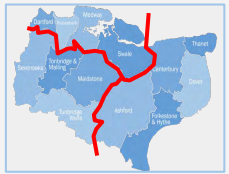
- **Lack of service flexibility:** While the option reduces fragmentation, its larger scale may lead to more standardised service models that do not fully account for local variation. Rural areas such as Tunbridge Wells may struggle to secure tailored provision where urban priorities dominate, requiring careful governance to maintain local relevance.
- **Risk of competing priorities:** Serving both urban and rural populations within a single authority introduces complexity. Competing needs, such as balancing urban growth in Dartford with rural pressures in Swale, could challenge equitable resource distribution. Addressing this will depend on strong regional planning and local engagement mechanisms.

Option A | Criteria 4 | Meets Local Needs

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

A
3 Unitary Authorities

This section reviews **option A three unitary** authorities against criteria 4 **meets local needs.**



Criteria 4

Meets Local Needs

4

Rating: N/A

- *Aligns to most criteria*
- *Aligns to some criteria*
- *Low alignment to criteria*

Alignment of option to criteria

Advantages of the Three Unitary Authorities Model for Kent:

- **Place-based economic focus:** This option enables economic strategies to be shaped around the specific needs of each area. North Kent benefits from Thames Estuary investment, East Kent capitalises on its tourism, regeneration and renewable energy potential, while West Kent supports its commuter economy.
- **Socio-economic alignment:** The grouping of districts with similar socio-economic profiles allows for more targeted and responsive policymaking. North and East Kent, which experience higher deprivation levels, can focus efforts on regeneration and social care, while West Kent maintains a more economically stable commuter profile.
- **Regionally tailored infrastructure planning:** Locally focused authorities support more coherent alignment between transport, housing, and growth priorities. West Kent can safeguard infrastructure aligned to its commuter base, while East Kent benefits from coordinated planning to support regeneration and improved connectivity.
- **Employment distribution and opportunity:** The option supports a balanced regional employment offer. Localised strategies can better address deprivation in North and East Kent while maintaining the economic strength of West Kent, promoting inclusive growth across the three areas.

Disadvantages of the Three Unitary Authorities Model for Kent:

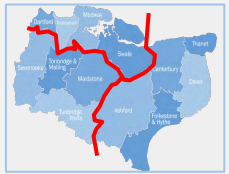
- **Governance and delivery complexity in East Kent:** East Kent's larger size under this option may pose service delivery challenges compared to other options that divide the area into smaller, more manageable units.
- **Socio-economic disparity within groupings:** The combination of Swale, Ashford, and Canterbury may limit the effectiveness of targeted deprivation strategies, particularly when compared to models that distribute these areas differently.
- **Uneven financial pressures:** North and East Kent have higher debt per head than West Kent. This creates an imbalance in financial starting points, and while service equity may be achievable, long-term financial sustainability may be harder to maintain without redistribution mechanisms.

Option A | Criteria 5 |Supports Devolution Arrangements

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

A
3 Unitary Authorities

This section reviews **option A three unitary** authorities against criteria 5 **supports devolution arrangements.**



Criteria 5

Supports Devolution Arrangements

5

Rating: N/A

- *Aligns to most criteria*
- *Aligns to some criteria*
- *Low alignment to criteria*

Alignment of option to criteria

Advantages of the Three Unitary Authorities Model for Kent:

- **Stronger platform for devolution negotiations:** This option creates three strategic authorities with sufficient scale and capacity to engage directly with central government. By reducing the existing structure (County, 12 districts, and one unitary) to three entities, it simplifies governance and enhances the region's ability to negotiate targeted investment, including for national priorities such as the Thames Gateway and Channel Ports corridor.
- **Strategic capacity for devolved functions:** The larger unitary authorities are well placed to take on devolved responsibilities in infrastructure, transport, and economic development. The removal of overlapping responsibilities between tiers reduces duplication and strengthens the potential for coherent regional planning and delivery.
- **Population alignment with devolution thresholds:** The proposed authorities (North: 663k, East: 661k, West: 551k) all exceed the government's minimum population expectations for devolution arrangements. This supports fair representation and provides a sustainable scale for delivering strategic functions under a combined authority or mayoral model.

Disadvantages of the Three Unitary Authorities Model for Kent:

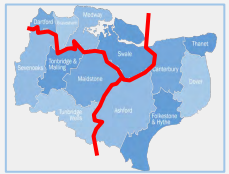
- **Uneven capacity to benefit from devolution:** While the option establishes a strong structural basis for devolution, variation in financial resilience, particularly in North and East Kent, may affect the ability of all areas to equally capitalise on devolved powers.
- **Risk of reduced local connection:** Larger strategic authorities may create distance between residents and decision-makers. Compared to smaller configurations, such as those in Options B and C, this may reduce perceptions of local responsiveness and accountability.
- **Dependency on governance design:** The success of devolution under this option depends on the clarity and effectiveness of new governance arrangements. Without well-defined roles and responsibilities, there is a risk that local priorities could be diluted in broader regional strategies.

Option A | Criteria 6 | Local Engagement and Empowerment

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

A
3 Unitary Authorities

This section reviews option A three unitary authorities against criteria 6 local engagement and empowerment



Criteria 6

Local Engagement and Empowerment

6

Rating: N/A

- Aligns to most criteria
- Aligns to some criteria
- Low alignment to criteria

Alignment of option to criteria

Advantages of the Three Unitary Authorities Model for Kent:

- **More locally focused decision-making:** Transferring key services such as Social Care, Housing, and Education from KCC to three unitary authorities enables decision-making to become more responsive to regional priorities. With fewer councillors and simplified structures, responsibilities may become clearer, while Parish and Town Councils could take on a greater role in neighbourhood-level engagement.
- **Potential to strengthen community participation:** Larger authorities may have greater capacity to support neighbourhood governance through area committees or expanded roles for town and parish councils. This could improve resident involvement in local decisions, provided appropriate governance mechanisms are in place. The extent to which this potential is realised would require further exploration at the Full Proposal stage.

Disadvantages of the Three Unitary Authorities Model for Kent:

- **Risk of reduced democratic connection:** With fewer councillors covering larger populations and geographies, there is a risk that residents, particularly in rural or coastal areas, may feel less connected to their representatives. Active use of local engagement structures and scrutiny mechanisms would be required to maintain community voice and accountability.
- **Dilution of Kent's collective influence:** Fragmenting representation into three separate authorities could weaken Kent's ability to speak with a unified voice on national policy issues, including those specific to its border and coastal context (e.g., UASC, Operation Brock). Coordination between authorities will be essential to mitigate this risk.
- **Local identity and representation challenges:** Residents in more rural areas, such as Swale (North) and parts of Ashford (East), may feel disconnected if authority centres are perceived as urban-dominated. Ensuring inclusive engagement and visibility across diverse communities will be critical, but the ability to deliver this remains uncertain without further detail on governance design.

Option B | Four Unitary Authority

Option A - 3UAs | **Option B - 4UAs** | Option C - 4UAs | Option D - 4UAs

The following section outlines the **4 unitary authorities** option *(B)* where the option will be assessed against **6 key criteria** and individually **RAG rated** where applicable.

North

Key industries are port logistics, manufacturing, and health technology, supported by the Thames Estuary Growth Area. The M2, A2, and HS1 railway provide critical links. This region, which includes Dartford, Gravesham, and Medway, focuses on industrial and regeneration projects

Dartford	Gravesham	Medway

East

Agriculture, food production, tourism, and maritime activities dominate the economy. Important road links like the A2 and rail services connect Canterbury, Swale, and Thanet. Known for cultural landmarks, it features Canterbury's World Heritage sites and Thanet's coastal attractions

Canterbury	Swale	Thanet

South

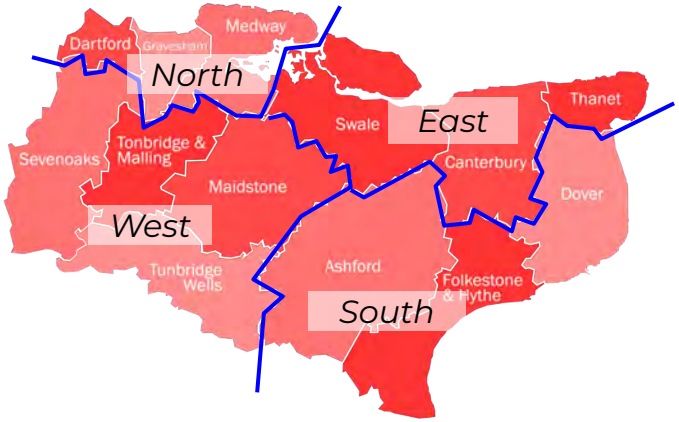
The economy is based on agriculture, tourism, and maritime sectors, centred in Dover, Ashford, and Folkestone & Hythe. The M20, A20, and the Port of Dover serve as major transport arteries. The region emphasises tourism with historic sites and coastal development projects

Ashford	Dover	Folkestone and Hythe

West

Economic activities revolve around finance, business services, retail, and heritage tourism. Major infrastructure includes the M25, M20, and Southeastern Rail, supporting commuter towns such as Sevenoaks and Maidstone. The area is known for its affluent communities and strong links to London

Sevenoaks	Tonbridge and Malling	Tunbridge Wells	Maidstone



Option B: 4 UAs

North	508k Population	450 sq km
East	452k Population	900 sq km
South	363k Population	1,050 sq km
West	551k Population	1,250 sq km

Option B | Four Unitary Authority alignment to MHCLG criteria

Option A - 3UAs | **Option B - 4UAs** | Option C - 4UAs | Option D - 4UAs

B
4 Unitary Authorities

The merits of the option for 4 Unitary Authorities has been considered based on qualitative analysis against key differentiating factors in line with the key criteria.

Key:
- Aligns to most criteria
- Aligns to some criteria
- Low alignment to criteria

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

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Option B | Criteria 1 | Single Tier of Local Government

Option A - 3UAs | **Option B - 4UAs** | Option C - 4UAs | Option D - 4UAs

B
4 Unitary Authorities

This section reviews **option B four unitary** authorities against criteria 1 **single tier of local government**

Criteria 1

Single Tier of Local Government

1

Rating: Amber

- Aligns to most criteria
- Aligns to some criteria
- Low alignment to criteria

Alignment of option to criteria

Advantages of the Four Unitary Authorities Model for Kent:

- **Simplified local governance structure:** The 4UA option meets the core requirement of replacing the current two-tier system with a single-tier structure. This reduces duplication, clarifies accountability, and creates the potential for more efficient and responsive local government.
- **Localised decision-making:** Smaller unitary authorities may be better placed to reflect local priorities and deliver services with greater agility. The reduced geographic scale of each authority could enable faster implementation of policies and more tailored service delivery, although this may be offset by the need for inter-authority coordination.
- **Improved council tax performance:** Analysis suggests this option performs well in terms of council tax income generation, particularly where harmonisation occurs at mid or high levels. It also reduces council tax income forgone by approximately £28m over seven years compared to the 3UA option, contributing to overall financial viability.

Disadvantages of the Four Unitary Authorities Model for Kent:

- **Financial imbalances across authorities:** This option introduces the highest level of financial disparity among the unitary areas, particularly in terms of net assets, council tax base, and debt levels. Without careful redistribution mechanisms, there is a risk of unequal service provision and diverging local outcomes.
- **Economic distribution challenges:** Significant differences in deprivation, economic resilience, and financial capacity between authorities, particularly between West Kent and coastal areas, may complicate efforts to allocate resources fairly and sustainably. While local tailoring is possible, managing consistency in core service standards will require robust cross-authority coordination.
- **Variable economic resilience:** Although the model reduces fragmentation, the wider economic variance between the four authorities creates additional complexity in achieving balanced growth and financial sustainability across the geography.

Option B | Criteria 2 | ‘Right-Sized’ Local Government

Option A - 3UAs | **Option B - 4UAs** | Option C - 4UAs | Option D - 4UAs

B
4 Unitary Authorities

This section reviews **option B four unitary** authorities against criteria 2 **‘Right-Sized’ Local Government**

Criteria 1

‘Right-Sized’ Local Government

2

Rating: Red

- *Aligns to most criteria*
- *Aligns to some criteria*
- *Low alignment to criteria*

Alignment of option to criteria

Advantages of the Four Unitary Authorities Model for Kent:

- **Local scale and autonomy:** The option seeks to align governance with local identity and economic geography, allowing each unitary authority greater autonomy over policy and service delivery. This enables more locally responsive decision-making and may support targeted investment in line with distinct regional priorities.
- **Employment distribution and economic potential:** Employment is broadly distributed across the four areas, with each authority hosting economic drivers relevant to its geography. West Kent’s higher Gross Disposable Household Income (GDHI) indicates capacity to sustain local economic growth, which could support regional development, provided disparities are managed effectively.

Disadvantages of the Four Unitary Authorities Model for Kent:

- **Population imbalance and threshold misalignment:** The population range between authorities is significant (West Kent: 551k vs South Kent: 363k). South Kent falls below the MHCLG’s 500k population benchmark, weakening alignment with national guidance on unitary size. This imbalance could create long-term pressures in funding and service provision across smaller authorities.
- **Financial viability and resilience challenges:** The financial modelling shows that this option does not deliver a net financial gain. While it generates an annual benefit of £34.7m, there as an annual net cost of £5.3m and no payback period, the overall financial case is weaker. Smaller authorities also present a narrower tax base and limited revenue diversity, making them more exposed to economic shocks. The balance sheet also highlights disparities in council tax receipts, which further undermine financial resilience.
- **Service disaggregation and operational risk:** Moving from a single county structure to four authorities may impact the current efficiency and consistency of service delivery. Disaggregating well-established countywide services introduces a risk that they may not operate as effectively once split, potentially leading to inconsistency, reduced performance, and increased administrative complexity over time.
- **Reduced strategic capacity:** Compared to a less fragmented structure, this option risks undermining strategic oversight across the county. Dispersed planning responsibilities could make collaboration on infrastructure, economic development, and public service reform more difficult, limiting the ability to take a joined-up approach to shared challenges.

Option B | Criteria 2 | ‘Right-Sized’ Local Government

Option A - 3UAs | **Option B - 4UAs** | Option C - 4UAs | Option D - 4UAs

B
4 Unitary Authorities

This section reviews **option B four unitary** authorities against criteria 3 **High quality, sustainable services**

Criteria 1

High quality, sustainable services

3

Rating: Amber

- *Aligns to most criteria*
- *Aligns to some criteria*
- *Low alignment to criteria*

Alignment of option to criteria

Advantages of the Four Unitary Authorities Model for Kent:

- **Tailored service delivery:** This option supports more localised approaches to service delivery, enabling each authority to respond to its specific demographic and economic needs. For example, North Kent could focus on urban development and transport, while South Kent may prioritise healthcare and social care.
- **Enhanced democratic accountability:** The smaller scale of each authority may strengthen connections between residents and decision-makers, improving responsiveness. However, this benefit is offset by the risk of inconsistency in service quality and access between authorities, which undermines the goal of seamless service provision.

Disadvantages of the Four Unitary Authorities Model for Kent:

- **Service disaggregation and operational pressure:** Creating four authorities requires the division of countywide services, which may reduce effectiveness. Fragmentation of key functions, such as social care or UASC support, risks uneven quality, resource duplication, and increased cost. In this option, East and South Kent, which include Dover and Folkestone as key UASC entry points, would bear a disproportionate financial and operational burden, making coordination and sustainability more complex.
- **Reduced ability to coordinate county-wide priorities:** Managing strategic or border-related challenges, such as Operation Brock or UASC provision, becomes harder across four separate entities. Coordination across authorities introduces risk of delay, misalignment, or inconsistency, particularly where collective action is required. Less prominent or lower-income areas may also struggle to maintain service visibility if competing priorities dominate locally.
- **Increased economic and service inequalities:** The option does not fully mitigate existing disparities between authorities. The balance analysis highlights that while some areas may benefit from local control, others, particularly more deprived parts of West Kent, could struggle to secure sufficient funding, leading to variation in service quality across the county.

Option C | Four Unitary Authority

Option C - 3UAs | Option B - 4UAs | **Option C - 4UAs** | Option D - 4UAs

The following section outlines the **4 unitary authorities** option *(C)* where the option will be assessed against **6 key criteria** and individually **RAG rated** where applicable.

North

Industries include port logistics, manufacturing, and health technology, backed by the Thames Estuary Growth Area. The M2, A2, and HS1 railway provide vital links, supporting significant regeneration projects in Medway

Dartford	Gravesham	Medway

East

Focus areas include agriculture, tourism, and maritime industries. Infrastructure such as the A2, M2, and raillines support vibrant transport and tourism activity, with Dover's port and Canterbury's cultural landmarks anchoring the region

Canterbury	Dover	Thanet

Mid

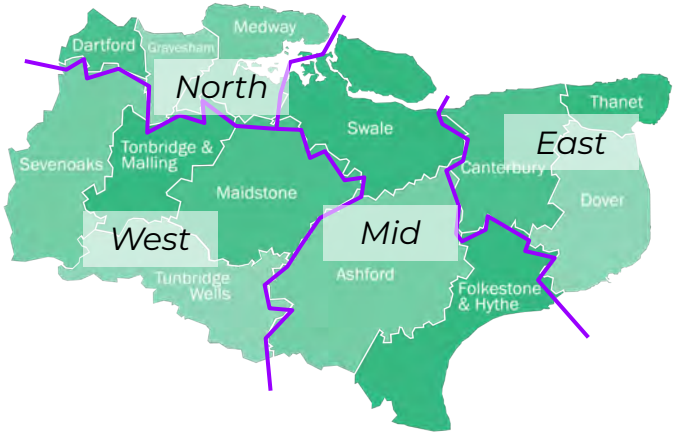
Economic activities include agriculture, light manufacturing, and tourism, supported by the M20 and A28. The Port of Sheerness and Folkestone's maritime development continue to enhance this area's diverse economic landscape

Ashford	Swale	Folkestone and Hythe

West

Key sectors comprise finance, business services, retail, and tourism with a heritage focus. Infrastructure like the M25, M20, and Southeastern Rail supports connections to London and affluent commuter towns, enhancing quality of life and economic ties

Sevenoaks	Tonbridge and Malling	Tunbridge Wells	Maidstone



Option C: 4 UAs

North	**508k Population**	**450 sq km**
East	**415k Population**	**950 sq km**
Mid	**400k Population**	**1,000 sq km**
West	**551k Population**	**1,250 sq km**

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Option C | Four Unitary Authority alignment to MHCLG criteria

Option C - 3UAs | Option B - 4UAs | **Option C - 4UAs** | Option D - 4UAs

C
4 Unitary Authorities

The merits of the option for 4 Unitary Authorities has been considered based on qualitative analysis against key differentiating factors in line with the key criteria.

Key:

- *Aligns to most criteria*
- *Aligns to some criteria*
- *Low alignment to criteria*

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

Option C | Criteria 1 | Single Tier of Local Government

Option C - 3UAs | Option B - 4UAs | **Option C - 4UAs** | Option D - 4UAs

C
4 Unitary Authorities

This section reviews **option C four unitary** authorities against criteria 1 **single tier of local government.**

Criteria 1

Single Tier of Local Government

1

Rating: Amber

- *Aligns to most criteria*
- *Aligns to some criteria*
- *Low alignment to criteria*

Alignment of option to criteria

Advantages of the Four Unitary Authorities Model for Kent:

- **Simplified governance structure:** The option removes the current two-tier system, establishing four single-tier authorities and reducing administrative complexity. This aligns with the objective of creating clearer accountability, streamlining local government, and improving responsiveness.
- **More agile local decision-making:** Smaller authorities may support more responsive policy-making and stronger community engagement. The reduced geographic footprint of each authority enables a more localised approach to services. However, coordination across multiple authorities may complicate strategic, county-wide initiatives, limiting the broader efficiency gains associated with fewer, larger units.

Disadvantages of the Four Unitary Authorities Model for Kent:

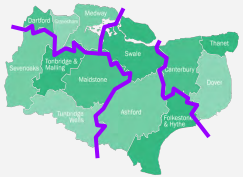
- **Weaker economic and financial balance:** While the option meets the structural requirement for single-tier government, it performs poorly in terms of financial sustainability. The council tax harmonisation analysis shows losses at all levels/low, mid, and high the worst of any option assessed. The balance analysis also identifies this option as having the second-highest number of moderate and significant financial imbalances, increasing exposure to long-term fiscal risks.
- **Challenging resource distribution:** Significant variation in net assets per head and digital infrastructure across the proposed authorities adds complexity to achieving fair and efficient resource allocation. West Kent, in particular, exhibits broader internal wealth dispersion, which may create uneven capacity to fund services without redistribution mechanisms.
- **Loss of economies of scale and housing delivery risks:** The fragmentation into smaller authorities reduces opportunities to leverage economies of scale, especially in planning, infrastructure investment, and procurement. Additionally, smaller authorities may face stronger local opposition to new housing developments, increasing the risk of delays and making it harder to deliver county-wide growth ambitions.

Option C | Criteria 2 | ‘Right-Sized’ Local Government

Option C - 3UAs | Option B - 4UAs | **Option C - 4UAs** | Option D - 4UAs

C
4 Unitary Authorities

This section reviews **option C four unitary** authorities against criteria 2 **‘Right-Sized’ Local Government.**



Criteria 1

‘Right-Sized’ Local Government

2

Rating: Low

- *Aligns to most criteria*
- *Aligns to some criteria*
- *Low alignment to criteria*

Alignment of option to criteria

Advantages of the Four Unitary Authorities Model for Kent:

- **Balanced population distribution:** The population spread across the four proposed authorities, ranging from 400k in Mid Kent to 551k in West Kent, supports alignment with local service needs and enables a more localised approach to governance. While some areas fall below MHCLG’s preferred threshold of 500,000, the overall configuration promotes sustainable structures and manageable service areas.
- **Asset distribution and access to resources:** The balance analysis highlights an equitable distribution of net assets per head across the authorities. This supports fair access to resources and promotes the financial foundations needed to deliver local services effectively.

Disadvantages of the Four Unitary Authorities Model for Kent:

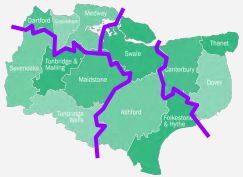
- **Administrative complexity and cost:** Establishing four separate authorities introduces a higher level of operational complexity. This may lead to increased administrative costs and service duplication. During transition, there is a risk of inconsistency in delivery and reduced strategic coordination, which could impact service efficiency and resident experience.
- **Council tax and financial planning disparities:** The balance analysis shows significant variation in council tax receipts across authorities, with West Kent generating a considerably higher share than Mid and East Kent. This creates challenges for equitable financial planning and may require robust fiscal management to maintain stability and consistency in service provision.
- **Limited financial return:** Although the option generates an annual benefit of £34.7m, it incurs a recurring cost of £5.3m and has no payback period. As noted in the balance analysis, the lack of net financial gain reduces the long-term sustainability of the option and adds pressure to already constrained budgets.
- **Population threshold misalignment:** Some of the authorities fall below the MHCLG population threshold of 500,000. This may reduce their resilience and capacity to absorb financial shocks, and raises questions about long-term viability without additional support or structural mitigation.

Option C | Criteria 3 | High quality, sustainable services

Option C - 3UAs | Option B - 4UAs | **Option C - 4UAs** | Option D - 4UAs

C
4 Unitary Authorities

This section reviews **option C four unitary** authorities against criteria 3 **High quality, sustainable services.**



Criteria 1

High quality, sustainable services

3

Rating: Amber

- *Aligns to most criteria*
- *Aligns to some criteria*
- *Low alignment to criteria*

Alignment of option to criteria

Advantages of the Four Unitary Authorities Model for Kent:

- **Tailored services to local context:** The structure allows each authority to shape services around the specific geographic and demographic needs of their area. For example, the North can focus on urban service delivery and make use of scale in areas like healthcare, education, and transport.
- **Localised expertise:** Authorities are able to develop specialised understanding of local priorities. The Mid region can focus on managing the balance between urban and rural development, as well as promoting sustainable tourism and agriculture, while the West can prioritise infrastructure and transport.
- **Enhanced accountability:** With fewer layers of government, residents may experience clearer lines of accountability. This may support more transparent and responsive local service delivery.
- **Flexible service delivery models:** The diverse profiles of each area create opportunities for service models that are adaptable to both urban and rural needs, as well as varying socio-economic contexts. This flexibility supports better alignment with local expectations and conditions.

Disadvantages of the Four Unitary Authorities Model for Kent:

- **Administrative complexity in mixed geographies:** Areas such as the Mid region contain a mix of urban centres, rural communities, and coastal areas, which creates complexity in designing and managing services that meet a broad range of needs. Balancing priorities across such diverse settings presents operational challenges.
- **Disparities in resource allocation:** The option introduces risks in achieving equitable distribution of funding and services. Variations in economic conditions between areas, including the potential underfunding of rural or less visible communities, could lead to service gaps. In areas like the West, where economic prosperity may mask deprivation, there is a risk that wider policies may overlook more vulnerable populations.
- **Risk of over-centralisation:** A focus on larger urban centres within each authority may result in the centralisation of services, reducing access for smaller or more remote communities. Without specific engagement and planning mechanisms, these areas may be underserved.

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Option D | Four Unitary Authority

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

The following section outlines the **4 unitary authorities** option *(D)* where the option will be assessed against **6 key criteria** and individually **RAG rated** where applicable.

North

Key sectors include port logistics, manufacturing, and health technology, driven by developments in the Thames Estuary Growth Area. Major infrastructure features the M2, A2, and HS1 railway, facilitating both industrial activity and commuter access, along with ongoing regeneration projects in Medway

Dartford	Gravesham	Medway

East

The economy focuses on agriculture, tourism, and maritime industries, with infrastructure including the A2/M2, and extensive rail connections. Dover's port, Canterbury's historic sites, and coastal attractions reinforce this area as a cultural and tourism hub

Canterbury	Dover	Thanet	Folkestone and Hythe

Mid

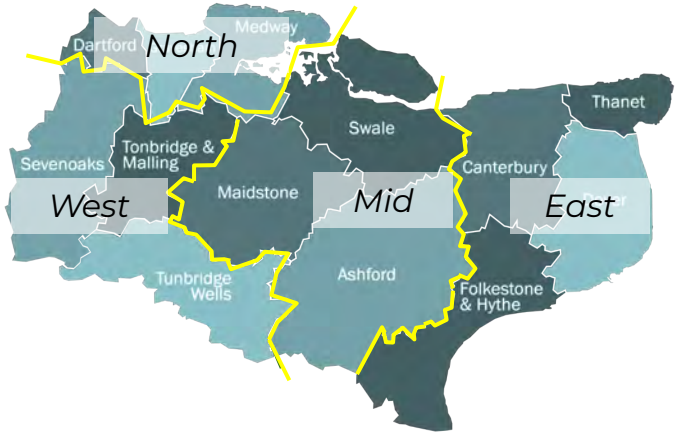
Economic activities span agriculture, commerce, and light manufacturing. Key infrastructure includes the M20, A249, and rail links, promoting connectivity and development. The area benefits from bustling market towns and strategic transport routes

Swale	Maidstone	Ashford

West

Core sectors are finance, business services, and retail, supported by heritage tourism. Infrastructure like the M25, M20, and Southeastern Rail ensure strong links to London and thriving commuter towns, contributing to a high quality of life

Sevenoaks	Tonbridge and Malling	Tunbridge Wells



Option D: 4 UAs

North	508k Population	380 sq km
East	525k Population	1,300 sq km
Mid	470k Population	1,150 sq km
West	370k Population	950 sq km

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Option D | Four Unitary Authority alignment to MHCLG criteria

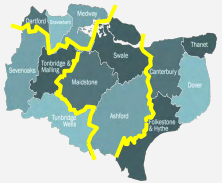
Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

D
4 Unitary Authorities

The merits of the option for 4 Unitary Authorities has been considered based on qualitative analysis against key differentiating factors in line with the key criteria.

Key

- Aligns to most criteria
- Aligns to some criteria
- Low alignment to criteria



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

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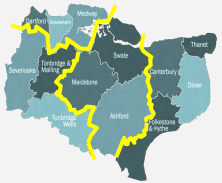
Option D | Criteria 1 | Single Tier of Local Government

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

D
4 Unitary Authorities

This section reviews option D four unitary authorities against criteria 1 single tier of local government.



Criteria 1

Single Tier of Local Government

1

Rating: Amber

- Aligns to most criteria
- Aligns to some criteria
- Low alignment to criteria

Alignment of option to criteria

Advantages of the Four Unitary Authorities Model for Kent:

- **Simplified governance structure:** The option establishes a single tier of local government, removing the two-tier structure and reducing bureaucratic complexity. This supports clearer accountability, more streamlined governance, and the potential for more efficient local service delivery.
- **More responsive decision-making:** The smaller size of the proposed authorities could enable faster, locally focused decisions by reducing internal layers of approval. This may lead to more responsive service design and closer alignment with local priorities, though the delivery of large-scale or strategic projects may require additional coordination mechanisms.
- **Potential for fairer financial management:** The inclusion of more economically diverse areas within individual authorities may offer opportunities to distribute resources more equitably and design budgets around localised needs. However, this depends on strong internal financial oversight and planning frameworks to manage varying economic conditions across districts.

Disadvantages of the Four Unitary Authorities Model for Kent:

- **Smaller authority scale and vulnerability:** The relatively small size of the proposed authorities introduces risks to financial sustainability. Smaller tax bases and limited economies of scale may reduce the ability of each authority to manage fiscal shocks or meet rising service demands, particularly in high-cost areas such as housing, highways, and adult social care.
- **Loss of scale efficiencies:** While tailored service delivery is possible, this configuration limits opportunities to realise efficiencies through scale. Higher operational costs and fragmented planning structures could reduce the long-term value of reorganisation.
- **Council tax harmonisation and financial viability risks:** The financial analysis shows council tax income forgone under both low and medium harmonisation scenarios, indicating pressure on long-term fiscal sustainability. Although the single-tier structure improves financial clarity, there are ongoing concerns about achieving a balanced and sustainable financial settlement across all authorities.

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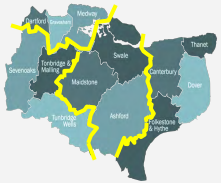
Option D | Criteria 2 | ‘Right-Sized’ Local Government

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

D
4 Unitary Authorities

This section reviews option D four unitary authorities against criteria 2 ‘Right-Sized’ Local Government.



Criteria 1

‘Right-Sized’ Local Government

2

Rating: Low

- Aligns to most criteria
- Aligns to some criteria
- Low alignment to criteria

Alignment of option to criteria

Advantages of the Four Unitary Authorities Model for Kent:

- **Business Rate Revenues:** Business rate revenues are similarly balanced, with a £50k difference, indicating stronger financial resilience and reduced exposure to localised economic shocks.
- **Even distribution of assets and income:** Net assets per head and business rates revenue are distributed equitably across the authorities. This promotes consistent access to resources, supports stable service delivery, and helps strengthen the overall financial sustainability of the structure.

Disadvantages of the Four Unitary Authorities Model for Kent:

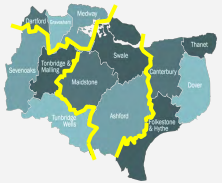
- **Sub-threshold population in West Kent:** While overall population distribution is relatively balanced, West Kent falls below the MHCLG 500,000 threshold, with a population of 370k. This may impact the authority’s long-term resilience, limiting its capacity to manage service pressures and deliver cost-effective governance at scale.
- **Limited financial return:** Although the option generates an annual benefit of £34.7m, it also incurs a recurring cost of £5.3m and has no payback period. As noted in the balance analysis, the lack of net financial gain places ongoing pressure on budgets and weakens the case for long-term financial sustainability.
- **Increased administrative complexity:** Establishing four authorities introduces higher operational costs and a greater risk of service duplication. Transitioning to a more fragmented structure may lead to inconsistencies in service provision and resident experience. Over time, reduced coordination may hinder efficient regional planning and service delivery.
- **Council Tax Yield:** The balance analysis shows council tax receipts are the most closely aligned across the four authorities models. There is a high variance between North and West Kent.

Option D | Criteria 3 | High quality, sustainable services

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

D
4 Unitary Authorities

This section reviews **option D four unitary** authorities against criteria 3 **High quality, sustainable services.**



Criteria 1

High quality, sustainable services

3

Rating: Amber

- *Aligns to most criteria*
- *Aligns to some criteria*
- *Low alignment to criteria*

Alignment of option to criteria

Advantages of the Four Unitary Authorities Model for Kent:

- **Tailored services to geographic and demographic needs:** The structure allows each authority to design services aligned to local challenges. East Kent, for example, can prioritise coastal services and tourism, while Mid Kent can focus on rural needs and sustainable agriculture. However, smaller authorities may have limited capacity to deliver specialised services consistently.
- **Localised expertise and responsiveness:** The reduced scale of each authority allows for more targeted focus on regional priorities. This may support innovation and problem-solving, although efficiency could be constrained by a lack of scale, potentially impacting the sustainability of high-quality provision.
- **Clearer accountability for residents:** With fewer layers of government, it becomes easier for residents to understand who is responsible for services, which could improve engagement and strengthen democratic accountability.

Disadvantages of the Four Unitary Authorities Model for Kent:

- **Concentrated urban pressures in specific authorities:** North Kent includes densely populated and fast-growing areas such as Dartford and parts of Medway, which require significant investment in housing, transport, and infrastructure. These pressures are not evenly distributed across the authorities, potentially leading to an imbalance in investment and delivery capacity.
- **Complexity in urban-rural service planning:** Each authority encompasses diverse communities with differing needs. For example, East Kent must balance service provision between urban Canterbury and more deprived rural areas like Thanet. Designing services that meet these varied demands may prove difficult, increasing the risk of service inconsistency or gaps.
- **Fragmented coordination and uneven resourcing:** Creating four authorities increases the risk of fragmented planning and service delivery, particularly for strategic functions such as infrastructure and social care. There is also a risk that more affluent areas may dominate decision-making within an authority, overshadowing the needs of less economically stable communities.

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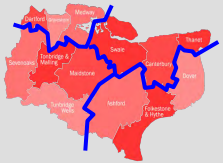
Four Unitary Model Options | Assessment of criteria 4, 5, 6

	Criteria 1-3	Criteria 4-6
	RAG ratings applied Each model evaluated independently	No RAG ratings assigned Broad similarities justified a consolidated review
	RAG ratings applied Each model evaluated independently	No RAG ratings assigned Broad similarities justified a consolidated review
	RAG ratings applied Each model evaluated independently	No RAG ratings assigned Broad similarities justified a consolidated review

Rationale:

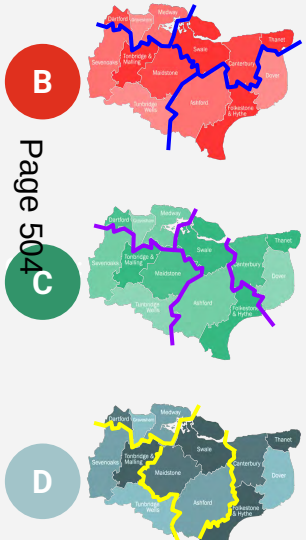
- Meeting Local Needs (Criteria 4): The core economic and social identities of North, East, and West Kent remain largely unchanged across the 4UA models. The grouping of mid and east Kent districts varies, but this does not significantly alter the ability of each authority to respond to local needs, particularly in areas like social care, transport, and employment.
- Supporting Devolution Arrangements (Criteria 5): The structural differences between the 4UA models do not fundamentally impact devolution opportunities, as all models create four strategic authorities with similar governance responsibilities. Each model retains sensible population sizes and the ability to negotiate investment and manage budgets at a local level.
- Local Engagement and Empowerment (Criteria 6): Governance challenges, such as democratic representation, community engagement, and national policy influence, are consistent across all three models. The variations in boundaries do not significantly alter the overall decision-making structure, justifying a collective assessment rather than separate evaluations.

Next Steps Identified: Further analysis will be conducted to fill evidence gaps and support the full business case (see *Forward Plan*).

Four Unitary Model Options | Criteria 4

Option A - 3UAs | **Option B - 4UAs** | Option C - 4UAs | Option D - 4UAs

Options:



Criteria 4 - Meeting Local Needs

Advantages of the Four Unitary Authorities Model for Kent:

- **More Localised Decision-Making:** Smaller authorities can respond more directly to local needs, ensuring services align with community priorities. This reduces the risk of local issues being overshadowed, which could be a challenge in Option A's larger unitary authorities. However, workforce capacity must be assessed to ensure smaller authorities can effectively manage service delivery.
- **Stronger Local Identity & Representation:** The model keeps governance closer to residents, helping to protect local identities and maintain a stronger connection between decision-makers and their communities. This could be particularly beneficial for areas with distinct cultural, historic, or economic identities, whereas Option A's larger units might risk diluting local voices.
- **Greater Democratic Accountability:** With smaller governance units, residents may find it easier to engage with their local authority, ensuring that concerns are heard and responded to more effectively. However, the ability of these smaller authorities to coordinate on county-wide issues needs further evaluation, as Option A may provide a more strategic, joined-up approach.
- **More Control Over Local Budgets & Services:** The 4UA model allows for more targeted financial decisions, ensuring resources are allocated based on local priorities rather than county-wide strategies. However, the impact of funding redistribution on different authorities requires further analysis, as West Kent may receive less funding than under Option A's larger authority model.

Disadvantages of the Four Unitary Authorities Model for Kent:

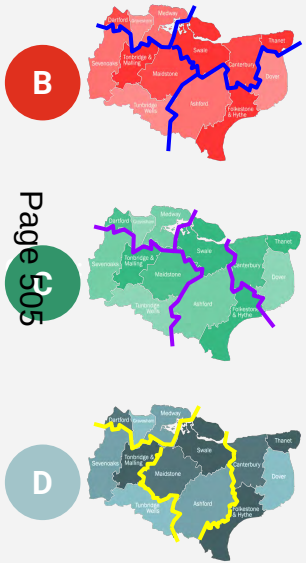
- **Efficiency & Workforce Capacity Risks:** Smaller authorities may struggle to achieve economies of scale, potentially leading to higher administrative costs, workforce shortages, and increased competition for skilled staff in a constrained job market. Option A's larger authorities may offer greater financial and operational resilience, reducing the risk of fragmented or under-resourced services.
- **Financial Sustainability Concerns:** Changes to funding allocations could create financial disparities between authorities. While some areas may benefit, others, such as West Kent, could receive less funding than under a larger authority model like Option A. Further financial modelling is needed to assess long-term viability.
- **Potential Delays in Housing & Infrastructure Delivery:** Smaller authorities may face stronger local opposition (NIMBYism) to housing development, leading to delays or restrictions on much-needed growth. Option A's larger authorities may be better positioned to push forward strategic infrastructure projects, ensuring housing and transport needs are met.

Summary: The 4UA model offers stronger local representation and identity retention, but it raises concerns about financial resilience, workforce capacity, and efficiency. While it may ensure more localised decision-making, Option A provides greater strategic oversight, economies of scale, and financial stability. Further analysis is needed to assess funding distribution, workforce challenges, and infrastructure delivery risks.

Four Unitary Model Options | Criteria 5

Option A - 3UAs | Option B - 4UAs | Option C - 4UAs | Option D - 4UAs

Options:



Criteria 5 - Supports Devolution Arrangements

Advantages of the Four Unitary Authorities Model

- **Greater Local Representation & More Targeted Governance:** With four authorities, governance could be more focused on local priorities, allowing each unitary to align its strategies more closely with devolution goals. A larger number of councils ensures more voices in local decision-making, potentially leading to a more nuanced and responsive approach to policy development. However, smaller authorities may lack the capacity to fully leverage devolved powers, requiring further analysis.
- **Enhanced Collaboration Opportunities:** While governance is divided, four authorities may be incentivised to collaborate on shared priorities such as transport, housing, and environmental concerns. This could strengthen regional investment strategies, particularly in economic corridors like the Thames Gateway (North Kent) and the Channel Ports (East Kent). However, ensuring cooperation across authorities will be crucial to maximising devolution opportunities.
- **Improved Population Ratios for Fairer Representation:** A four-unitary structure could create more evenly distributed populations, potentially enhancing democratic representation compared to a three-unit model. This could allow services to be better tailored to local demographic and geographic needs, improving community engagement and satisfaction. However, further analysis is required to determine if this improves service efficiency or introduces new administrative challenges.

Disadvantages of the Four Unitary Authorities Model

- **Smaller Authorities May Face Capacity Challenges:** While more localised, smaller authorities may lack economies of scale, potentially reducing efficiency in service delivery. Workforce shortages and administrative constraints could hinder the ability to take full advantage of devolved powers, whereas Option A's larger authorities may be more resilient.
- **Increased Complexity in Governance:** Four authorities introduce additional layers of coordination, increasing the risk of overlapping responsibilities and higher administrative costs. This could reduce the efficiency of decision-making compared to Option A, where fewer authorities simplify governance structures.
- **Fragmentation of Services & Influence:** Breaking Kent into four authorities may weaken its ability to secure national funding and infrastructure investment, as larger authorities typically have greater negotiating power. Services that benefit from county-wide coordination, such as strategic transport planning, could become more fragmented, making long-term planning more challenging.

Summary: The 4UA model enhances local representation and responsiveness, but smaller authorities may face capacity and financial challenges. It introduces governance complexity and risks weakening Kent's national influence. Compared to Option A, the three-unitary model may offer a better balance between local autonomy and strategic resilience. Further analysis is needed to assess financial sustainability and administrative capacity.

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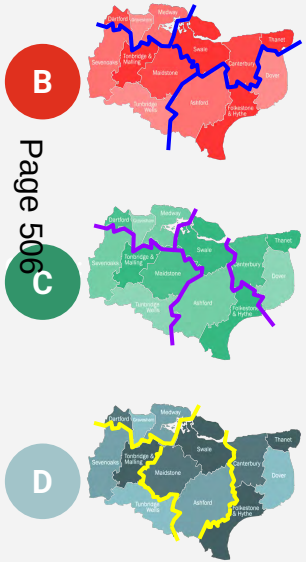
Four Unitary Model Options | Criteria 6

Option A - 3UAs | **Option B - 4UAs** | Option C - 4UAs | Option D - 4UAs

Options:



Criteria 6 - Local Engagement and Empowerment

Advantages of the Four Unitary Authorities Model

- **Stronger Community Engagement:** Smaller authorities can develop targeted engagement strategies that reflect local demographics and cultural identities. This closer connection between councils and residents may lead to more responsive decision-making compared to Option A, where larger authorities could feel more distant from local communities.
- **More Localised Decision-Making:** With decision-making closer to residents, councils can respond more effectively to local priorities and enhance trust and accountability. Residents may feel a stronger sense of influence over policies, encouraging participation in local governance. However, compared to Option A, smaller authorities may face greater challenges in sustaining service quality and retaining skilled staff, requiring further assessment of their long-term viability.
- **Empowered Councils with Greater Autonomy:** The 4UA model allows each authority to set policies tailored to its population while forming strategic partnerships with local organisations. This could enhance collaboration and innovation, but ensuring cross-authority coordination remains crucial to avoid fragmented services.

Disadvantages of the Four Unitary Authorities Model

- **Risk of Resource Duplication & Inefficiency:** Multiple authorities may lead to overlapping services, inconsistent policies, and higher administrative costs. Compared to Option A, where fewer, larger authorities may achieve greater economies of scale, four-unitary governance may strain financial and workforce capacity.
- **Uneven Representation Across Communities:** While the model enhances local decision-making, smaller or less organised communities may still struggle to have their voices heard. There is a risk that councils prioritise louder, better-organised groups, leaving some residents feeling marginalised.
- **Potential Resistance to Change:** Residents may perceive a loss of community identity or distrust in governance changes, particularly if service delivery feels fragmented. Ensuring effective public engagement and clear communication will be key to managing expectations and maintaining confidence in the new system.

Summary: The 4UA model enhances local engagement and decision-making but risks inefficiencies, service inconsistencies, and financial strain. While it improves autonomy and representation, smaller councils may struggle with capacity and coordination. Compared to Option A, the three-unitary model may offer better financial sustainability and streamlined governance. Further analysis is needed on service delivery efficiency and public perception.

4.4 Financial analysis summary

Preliminary financial output | Comparative Analysis (1/2)

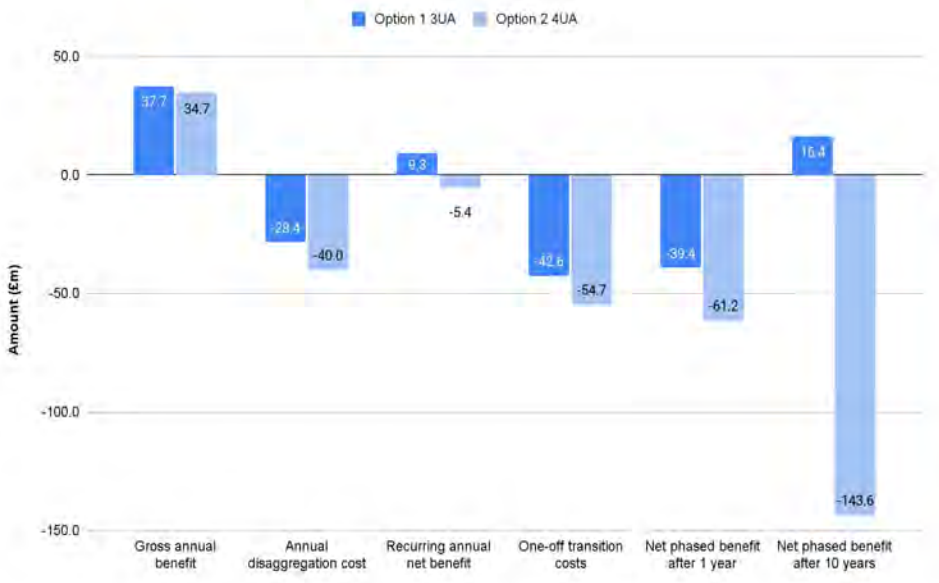
Comparison of options

The outputs presented here are based on the model, which focuses on the costs of restructuring the existing system, while the balance analysis (slides 26 & 27) evaluates the impact across different geographical permutations. It is important to note that **actuarial strain has been omitted** as its inclusion would require a detailed level of analysis and should be addressed in a subsequent business case.

Our initial analysis indicates that the 3UA option delivers a net recurring benefit of £9.3m annually, whereas the 4UA option results in a recurring cost of £5.4m per year.

Additionally, the upfront transition costs for establishing a 3UA are lower, at £42.6m, compared to £54.7m for a 4UA. Given the complexities of contract harmonisation and service realignment, these costs have been phased over a three year period to reflect practical implementation challenges.

Finally, the annual financial benefit of a 3UA system is £3.1m higher, with a projected annual benefit of £37.7m, compared to £34.7m for a 4UA. However, these benefits are based on assumptions in place of detailed analysis, particularly regarding workforce integration and third-party spend efficiencies. These aspects will need to be considered in greater detail as part of the full business case development.



These figures do not yet include the significant financial risks arising from social care disaggregation, the impact of the fair funding review and proposed changes to the business rate collection arrangements. These are major cost factors and require further detailed evaluation.

Preliminary financial output | Summary (2/2)

Our analysis of the financial costs and benefits of the 3UA and 4UA options is based on the 2023/24 outturn expenditure figures for all County, District, and Unitary authorities in the Kent area. The financial model incorporates key structural and management costs, including redundancy estimates, senior leadership changes, and anticipated savings across cost categories.

However, certain cost implications, such as the full impact of service disaggregation, particularly in social care, have not been modelled in detail and will require further analysis in the business case. Additionally, some efficiency assumptions, such as third-party spend reductions and workforce savings, are indicative and should be refined through further assessment.

Option	Net Benefit after 1 year	Payback Period	Analysis of option
Three Unitary Authorities	-£39.4m	8.2 years	This option results in lower transition costs while achieving greater democracy and workforce savings. The payback period for investment in the new structure is 8.2 years due to the phased realisation of benefits and the complexities and costs of disaggregation within Kent. However, benefits may materialise sooner from transformation benefits which are included in this analysis. Across all options, both 3UA and 4UA, different geographical permutations show minimal variation in the balance review. Regarding council tax harmonisation, aligning to a higher rate generates additional income, while low and medium harmonisation result in forgone revenue. When assessed purely on cost, this remains the preferable option.
Four Unitary Authorities	-£61.2m	N/A	This option incurs slightly higher transition costs, primarily due to IT expenses, and results in an ongoing annual cost rather than a financial benefit. There is no payback period, as significant disaggregation costs, such as the duplication of leadership structures and increased TPS due to diseconomies of scale, outweigh any savings. Among the various 4UA options, geographical permutations show minimal variation in the balance review. However, Option 3 results in forgone income regardless of whether harmonising to low, mid or high making it less viable than the other 4UA alternatives. Option 2 is the most favourable in terms of flexibility, as it allows harmonisation to both mid and high levels, generating additional income. Overall, when assessed purely on cost, none of the 4UA options are financially viable due to there being no payback period.

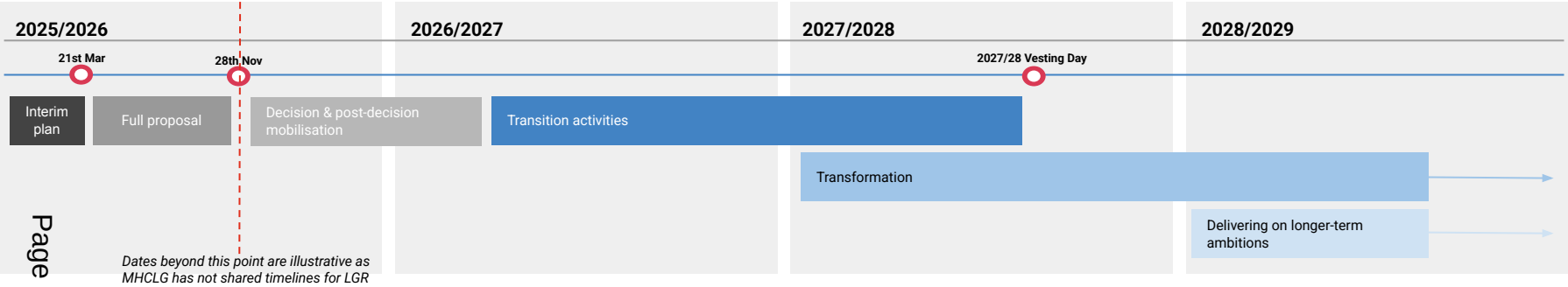
Note: These figures represent potential benefits and the estimated payback period, which are subject to change based on various influencing factors

5 Forward Plan

Forward Plan | Overview of Timelines

This slide outlines indicative timelines for LGR. The letter to Kent and Medway, dated 5th February, includes a timeline that extends only up to the business case submission. While dates beyond this point are unknown, this slide provides an indicative view of potential actions that may follow a decision.

Key Dates



Interim Plan	Full proposal development & submission	MHCLG consideration of proposals & Post-decision mobilisation	Transition activities	Transformation	Delivering on longer-term ambitions
The submission of a interim plan to MHCLG in March 2025 signals the start of this process. Note that there may be multiple proposals for an area, and coherence with the MHCLG criteria will be a significant factor in the next stages.	March to November will demand dedicated governance, time, and resources to develop detailed implementation plans, including financial and legal aspects, requiring coordination and collaboration across County and District councils.	Following the submission of the full proposal MHCLG will consider and decide whether to implement.	Following a decision, MHCLG will support the transition to shadow unitary councils. The council must establish a transition team, governance structures, clear communication, and resource alignment to ensure service continuity and manage risks.	This involves implementing and embedding new ways of working aligned to the new unitary structure - taking the opportunity to improve service provision. As part of this phase, there may be local elections.	Delivering on longer-term ambitions for public sector service reorganisation. The extent of the ambitions is to be determined by the new authority.

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Forward Plan | Proposal submission (2/2)

The options appraisal is the initial step in a complex process which will lead to a new system of local governance for Kent. There are a significant range of activities that will need to be completed prior to final submission of profiles in November 2025, this includes; stakeholder engagement legal, financial and organisational development activity, which will likely require specialist support.

1 Proposal

- An interim plan must be submitted to MHCLG by 21th March 2025. These plans should outline the proposed structure and how it will achieve efficiencies, improve capacity and withstand financial shocks.
- It is critical that these plans receive initial scrutiny via senior officers and elected members, and that they are endorsed by the submitting council or councils.
- Engagement should also take place with local MPs, parish council chairs and representatives of Police, Fire and Rescue, and the Integrated Care Board to understand the wider impact on public services.
- During this period Kent needs to develop a detailed plan to engage with local stakeholders, including residents, businesses, and voluntary sector groups, to gather input and build support for their proposals.

2 Decision

Based on **feedback** from the **interim plan,** Kent will need to **refine their proposals** to ensure they have **met all the criteria** set out by the **MHCLG**, including:

- ❏ *Agreeing the resources which each council will commit to funding the process*
- ❏ *A need to prepare for implementation of the new interim structures, including planning for any necessary changes to governance, staffing and service delivery*
- ❏ *Appointment of a responsible officer and cabinet member in each council. The members will form a LGR committee which may transition to be a shadow unitary council executive as vesting day approaches.*
- ❏ *Design the appropriate directorate and senior leadership structure for the new authority*
- ❏ *Finalise arrangements for HR changes and staff redundancy, including any provision for a voluntary scheme, and how this cost will be impact existing councils*
- ❏ *Determine a plan for disbursement of debt and reserves in consultation with joint S151 officers*
- ❏ *Agree and undertake a joint plan for consulting the public with Districts and for consulting staff, including engagement with Trades Unions.*
- ❏ *Agree an approach to harmonising council tax across Districts, including how Council Tax Relief will be harmonised*
- ❏ *Conduct equality impact assessments of proposed arrangements*
- ❏ *Plan for the costs and legal aspects of winding up existing authorities and creating a new statutory entity*
- ❏ ***Final proposals need to be submitted by 28th November 2025***

Forward Plan | LGR delivery roadmap

This implementation map provides an overview for the key activities which will need to be undertaken by officers and members following a decision by MHCLG and as vesting day approaches, and which will need to be accomplished alongside business-as-usual in terms of service delivery. Each of these may be a distinct programme or workstream in itself, and may require work across the County and District Councils and Medway.

Activities and phases aligned to timeline on p58

	Post-decision mobilisation	Transition	Transformation
Programme Management & Governance	• Funding arrangements agreed & consultation complete • Programme team recruited and trained • Governance arrangements established • Implementation plan produced	• Council structure and boards in place • Standing orders and financial regulations defined • Ongoing programme monitoring and reporting • Benefits realised • Programme closure	
Technology and Property	• Future IT architecture defined • IT architecture review complete and migration plan produced • Property plan produced	• Migration onto core systems • Identification of HQ(s) / Civic Buildings / Key Offices • Single IT function operational • Virtual teams established and teams co-located • Data cleansed and harmonised • Property stock rationalised • New IT apabilities delivered	
People and Culture	• Stakeholder engagement and consultation • Communications strategy and plan produced • HR transition management plan agreed • People and culture model designed	• Roles and T&Cs reviewed • External and internal communications delivered • Job matching, selection and recruitment into new structure • Single HR function • Cultural change implemented • Pay harmonised	• New culture and ways of working
Service Offer	• Key economic challenges and opportunities mapped across Kent and Medway • Future service offer designed for front line and back office services • Digital design and customer interaction model designed • Budget baseline defined	• Service improvements implemented and SLAs and performance metrics agreed • Services reorganised • Rebranding the organisation • Design offer implemented • Customer access strategy • Existing shared services reviewed and assessed for integration and scaling (e.g. audit, IT, legal, enforcement, revenues & benefits). • Governance and capacity aligned to deliver growth priorities (e.g. Thames Estuary, Freeports, Seven Ports strategy)	• Demand actively managed • Shared service models expanded and embedded across new authority to drive efficiency and resilience. • Strategic growth programme delivered in partnership with Government and business

Suggested order of activities

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Forward Plan | Next Steps (1/3)

The options appraisal provides an evaluation of different governance models, assessing their financial, operational, and strategic implications. This informs the development of the Interim Plan, which outlines the transition approach, key milestones, and risk management strategies. Together, these elements feed into the Full Proposal, which sets out the long-term vision, financial sustainability, and benefits of reorganisation, ensuring a robust foundation for decision-making.

Options appraisal

- Outlines the primary options for reorganisation in the area, testing them against the criteria developed by MHCLG.
- Draws on a mix of publicly available and council-supplied data to test the anticipated overall costs and financial benefits of the proposed options.
- Makes a recommendation on models to take forward to further consultation and engagement based on the fit with criteria, benefits and likely time to pay back implementation costs.

Complete

Interim Plan for MHCLG - March 2025

- Identifies **barriers and challenges** to reorganisation, including potential asks of MHCLG throughout the process.
- Describes the **costs and potential financing of future transformation** opportunities.
- Includes a **plan for wider local engagement**, and how this will support shaping of the proposals.
- Provide a view on how the proposed new structure will support **future devolution ambitions.**
- Will propose **voluntary arrangements** or **governance models** to support onward collaboration between councils.

In Progress

Full Proposal - November 2025

- Provides a deeper **financial assessment**, including the potential impact of **transformation activity beyond the base benefits** of reorganisation.
- Describes **future management of capital** costs and receipts.
- Includes analysis of the impact of **Council Tax Harmonisation** over time.
- Includes consideration of **local geography, demand pressures and population-level indicators**.
- Profiles **transformation costs and benefits** over time.
- Determines the likely **cost of developing and implementing reorganisation plans.**

Next Step

Forward Plan | Next Steps (2/3)

This appraisal evaluates the proposed options against the MHCLG criteria, assessing their alignment from the outset. It considers the costs of establishing a new governance structure and examines the geographical impacts of tax harmonisation and balance review. However, to progress towards a full proposal, Kent will need to undertake further detailed analysis and evaluation to fully understand the financial, governance, and service delivery implications. The areas identified so far as part of the options appraisal are not exhaustive, and additional considerations may emerge as the process develops.

Financial & Funding Considerations	
Area	**Why**
Legacy Debt management	Understanding this impact is key to ensuring new UAs are financially stable and economically viable, this would include how KCC and Medway debt is apportioned.
Housing Revenue Account (HRA)	Further analysis required to understand balance sheet and cross-charging implications across authorities (Maidstone under review).
Dedicated Schools Grant	A detailed assessment of the impact if the statutory override comes to an end.
KCC Trading Companies & District JVs	Financial position and transition implications need to be explored.
Pension Fund Administration	Assessment required on disaggregation for costing, with a later decision on whether to retain a countywide approach.
MTFS Forecasts	Review of assumptions in collaboration with s151 officers, including the role of reserves, grants, and future savings.
Capital Programme	Understanding of committed schemes and funding sources before LGR to assess financial risks.
Business Rates & Revenue Impact	Evaluation of the impact of losing a business rate pool and how it affects financial viability. Geographic differences in reliance on Council Tax vs. government grants need further modelling.
Asset & Income Transfers	The assumption that no transfers occur to new Town/Parish Councils via Community Governance Reviews before LGR must be validated.
Redundancy Costs & Pension Strain	A full financial impact assessment is required.
Financial Sustainability & Funding Distribution	Evaluation of the financial viability of each unitary authority, including debt per head, funding allocation, and long-term economic resilience.
ICT Costs	A full financial impact assessment is required.

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Forward Plan | Next steps (3/3)

Political & Governance Considerations	
Area	**Why**
Contracts & Third-Party Spend	Waste disposal, social care, and key service contracts require detailed review to understand financial and legal complexities. Long-term waste contracts identified as particularly challenging to novate across multiple authorities.
Public & Stakeholder Communications	A robust communication strategy is needed to ensure clarity on costs, benefits, and rationale for change.
Democratic Representation & Community Engagement	Examine how the model will maintain effective local representation, mitigate the risk of democratic deficit, and enhance community participation.
Impact on National Influence & Strategic Partnerships	Determine how the new authorities will retain Kent's collective voice on national issues, such as border-related challenges and infrastructure funding.

Service Delivery & Workforce Considerations	
Area	**Why**
Service Disaggregation & Delivery Models	High-cost, demand-led services (e.g., adult & children's social care) require in-depth financial and operational modelling. The impact of client placements on the financial viability of different unitaries must be assessed. Further work is needed to determine whether some services (e.g., children's social care) should remain countywide or be managed through joint arrangements to avoid excessive costs and risks. Review any outsourced arrangements and existing shared services.
Staffing & Organisational Design	Pay harmonisation across councils needs to be reviewed in detail (e.g., KCC operates on a different scale). Some functions (e.g., trading standards, port health) require analysis to determine whether they remain viable when split across multiple unitaries.
Implementation & Transition Planning	Outline the steps, costs, and risks involved in transitioning from the current system to the new unitary model, ensuring minimal service disruption.

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Forward Plan | Decisions

This table showcases a list of possible considerations that shadow authorities will need to note when making decisions on the LGR plan moving forward.

List of decisions that will be taken by shadow authorities:	
Decision	**Examples of Considerations**
Council Tax harmonisation	Phased vs. immediate harmonisation, need to consider fairness, public perception, and financial implications.
Budget-setting	Set the first consolidated budget for the new authority, covering both capital and revenue, and reflecting transitional and transformation costs.
Service delivery models	Determine how services will be structured, merged, retained, or redesigned, to ensure continuity and improve outcomes.
Workforce transitions	Manage transition processes, union engagement, staffing structures, and workforce communications to support a smooth transfer.
Governance & Leadership	Establish the political and decision-making framework, including cabinet, committees, scrutiny arrangements, and member allowances.
Policy Frameworks	Identify and harmonise key policies (e.g. HR, finance, planning, licensing) to ensure consistency across the new authority.
Assets, Infrastructure & estates	Decide on the use of council buildings and other physical assets, retain, repurpose, rationalise, or dispose, based on operational needs and community value.
Legal & Constitutional Arrangements	Draft and agree a new constitution, including governance rules, legal responsibilities, and transitional provisions.
Community & Public Engagement	Develop an engagement plan to involve communities, including town and parish councils, and communicate changes effectively.
Devolution & Strategic Partnerships	Consider not only how to engage with central government on devolution deals, but also establish a joint team to begin preparing detailed plans. With expectations that areas will need to propose Mayoral Combined Authorities (MCAs) before the next Parliament, early coordination and groundwork will be essential to shaping a credible and compelling case for devolution.
Clear Messaging	Ensure consistent and transparent messaging to stakeholders. Highlight commitment to service excellence and continuity during transition.

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6 Appendices

6.1 Services & Democracy

Services & Democracy | Services

The current two-tier system in Kent leads to overlapping responsibilities between county and district councils, causing inefficiencies, higher costs, and confusion for residents. Local Government Reorganisation offers an opportunity to simplify structures, reduce duplication, and improve service coordination. The table below provides a high-level snapshot of which services are delivered by different local authorities across Kent and Medway. It is based on RO (Revenue Outturn) returns. This is not a complete view, and some grant-funded activities such as welfare support are not fully captured. Smaller services have been grouped under broader headings for clarity.

Type	Name	Community Safety & Trading Standards	Economic Development	Education & Schools	Highways Roads & Transport	Housing	Licencing & Public Protection	Parks, Leisure & Culture	Planning & Building Control	Public Health	Social Services & Public	Waste disposal / recycling	Waste Collection	Border Responsibilities
Unitary Authority	Medway	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
County Council	Kent County Council	✓	✓	✓	✓	*		✓		✓	✓	✓		✓
District Authority	Sevenoaks	✓	✓			✓	✓	✓	✓				✓	
District Authority	Dartford	✓	✓			✓	✓	✓	✓				✓	
District Authority	Gravesham	✓	✓			✓	✓	✓	✓				✓	
District Authority	Tonbridge and Malling	✓	✓			✓	✓	✓	✓				✓	
District Authority	Maidstone	✓	✓			✓	✓	✓	✓				✓	
District Authority	Tunbridge Wells	✓	✓			✓	✓	✓	✓				✓	
District Authority	Swale	✓	✓			✓	✓	✓	✓				✓	
District Authority	Canterbury	✓	✓			✓	✓	✓	✓				✓	
District Authority	Folkestone and Hythe	✓	✓			✓	✓	✓	✓				✓	
District Authority	Thanet	✓	✓			✓	✓	✓	✓				✓	
District Authority	Dover	✓	✓			✓	✓	✓	✓				✓	**
District Authority	Ashford	✓	✓			✓	✓	✓	✓				✓	**

*Note:KCC provides housing services in the form of Strategic Housing **Note: Dover and Ashford provide Port Health Authority services

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Services & Democracy | Democracy

Democratic services across the County and District councils and Medway Unitary Authority oversee multiple sets of elections, registration, and governance activities. The current two-tier system results in electoral fragmentation, with separate elections for different councils and 672 councillors in total. Unitary councils would consolidate elections, reducing complexity, improving voter clarity, and enhancing democratic accountability.

Local Election	Number of Councillors	Election Cycle	Last Election	Votes Casted*	Electorate**
Kent County Council	81	4 years	2021	444,083	1,142,773
Medway	59	4 years	2023	63,324	206,075
Sevenoaks	54	4 years	2023	31,807	90,283
Dartford	42	4 years	2023	24,247	84,833
Gravesham	39	4 years	2023	22,460	76,516
Tonbridge and Malling	44	4 years	2023	38,124	100,052
Maidstone	49	4 years	2023	29,676	131,670
Tunbridge Wells	39	3 years	2024	26,575	85,162
Swale	47	4 years	2023	36,148	110,044
Canterbury	39	4 years	2023	44,208	108,317
Folkestone and Hythe	30	4 years	2023	33,543	70,194
Thanet	56	4 years	2023	37,373	103,386
Dover	32	4 years	2023	32,279	87,238
Ashford	52	4 years	2023	31,539	95,078

*Note: * as per last election, Note: ** as per ONS Electoral statistics for the UK December 2023. *** 2024 Tunbridge Wells LGBCE review resulted in reduction to the no of cllrs to 39 as their election cycle runs every 3 years rather than 4 years.*

6.2 Balance Analysis

Balance Analysis | Comparative Analysis (1/2)

Balance analysis is a method used to evaluate the distribution of factors in different scenarios, aiming for equitable outcomes. It examines measures like population, business rates revenue, and council tax receipts. A balance score near 1 indicates an optimal distribution with equitable resource allocation, while significant deviations highlight potential imbalances. We have undertaken the balance analysis for all four options of the Unitary Authority models. The breakdown can be found below. This analysis equips decision-makers with insights to guide reforms, ensuring fair and efficient council structures

Key: Strong balance | Moderate balance | Significant imbalance

Option	Area	Total council tax receipts	Business rates revenue	Deprivation	Population	GVA	Employment
A - 3UA	North	421,547	435,537	23	671,129	37	60
	West	465,598	476,879	13	557,675	42	60
	East	471,345	486,340	22	668,247	33	53
	Balance*	1.12	1.12	1.72	1.20	1.26	1.13
B - 4UA	North	322,978	333,407	21	515,236	36	61
	East	300,601	311,408	25	456,271	33	53
	South	269,313	277,062	21	367,869	35	55
	West	465,598	476,879	13	557,675	42	60
	Balance*	1.73	1.72	1.90	1.52	1.26	1.16
C - 4UA	North	322,978	333,407	21	515,236	36	61
	East	285,904	295,377	23	418,969	34	51
	Mid	284,010	293,093	23	405,171	34	56
	West	465,598	476,879	13	557,675	42	60
	Balance*	1.49	1.49	1.88	1.58	1.28	1.19
D - 4UA	North	322,978	333,407	21	515,236	36	61
	East	371,936	383,861	23	529,964	34	52
	Mid	340,644	351,140	21	478,363	36	59
	West	322,932	330,348	12	373,488	43	60
	Balance*	1.15	1.16	1.89	1.42	1.28	1.18
Meta data		£'000, 2023/24	£'000, 2023/24	IMD score, 209	No. people 2023	£ per hour worked, 2022	%, 2024
Source		MHCLG	MHCLG	MHCLG	ONS	ONS	ONS

***Balance ratio:** calculated as a Max-Min Ratio. A ratio close to 1 suggests increased balance. As the ratio increases, the greater the imbalance e.g. a ratio of 1.5 indicates a 50% difference.*

Balance Analysis | Comparative Analysis (2/2)

Balance analysis is a method used to evaluate the distribution of factors in different scenarios, aiming for equitable outcomes. It examines measures like population, business rates revenue, and council tax receipts. A balance score near 1 indicates an optimal distribution with equitable resource allocation, while significant deviations highlight potential imbalances. We have undertaken the balance analysis for all four options of the Unitary Authority models. The breakdown can be found below. This analysis equips decision-makers with insights to guide reforms, ensuring fair and efficient council structures

Key: Strong balance | Moderate balance | Significant imbalance

Option	Area	GDHI	Net assets per head	Digital connectivity (Low)	Digital connectivity (High)	Digital propensity	Life expectancy	Debt per head
A - 3UA	North	22,047	220,805	2.5	94.5	94.4%	81	927
	West	28,810	183,478	4.3	83.2	94.4%	82	21
	East	22,375	219,857	4.5	85.3	93.3%	81	1,385
	Balance*	1.31	2.25	1.8	1.1	1.0	1.02	64.60
B - 4UA	North	22,192	169,516	1.9	94.5	94.6%	81	895
	East	21,615	150,115	3.3	91.4	93.2%	80	345
	South	22,880	121,031	5.6	82.3	93.4%	81	1,072
	West	28,810	183,478	4.3	83.2	94.4%	82	21
	Balance*	1.33	2.57	3.0	1.1	1.01	1.02	50.02
C - 4UA	North	22,192	169,516	1.9	94.5	94.6%	81	895
	East	21,738	137,843	3.4	87.8	93.1%	81	709
	Mid	22,757	133,303	5.6	85.9	93.6%	81	708
	West	28,810	183,478	4.3	83.2	94.4%	82	21
	Balance*	1.40	2.77	2.9	1.2	1.02	1.03	33.06
D - 4UA	North	22,192	169,516	1.9	94.5	94.6%	81	895
	East	22,041	174,361	4.0	86.3	93.0%	80	929
	Mid	23,029	157,383	5.4	90.8	94.2%	81	488
	West	30,491	122,879	4.0	78.8	94.3%	83	21
	Balance*	1.38	2.81	2.8	1.2	1.02	1.03	43.35
Meta data		£'000, 2024	£', 2023/24	% 2024	% 2024	DP score %, 2021	years , 2021/23	£, 2024
Source		ONS	Financial stm	ONS	ONS	ONS	ONS	MHCLG

* ***Balance ratio:*** *calculated as a Max-Min Ratio. A ratio close to 1 suggests increased balance. As the ratio increases, the greater the imbalance e.g. a ratio of 1.5 indicates a 50% difference.*

[1] ***Life expectancy:*** *Average life expectancy for both males and females*

[2] ***Debt per head:*** *Councils showing 0 or having a lower figure have not taken out loans for investments therefore bringing the average per district down. To note, the debt of Kent County Council has not been included in the debt per head and it will be covered in the next steps section of this report.*

Balance Analysis | Data Source Key

Heading	Source	Description
Total council tax receipts	MHCLG	Receipts of council taxes in respect of 2023 to 2024
Business rates revenue	MHCLG	"Total estimated receipts of council taxes or non-domestic rates in 2023-24, irrespective of year to which the receipts relate (£ thousand)"
Deprivation	MHCLG	Index of Multiple Deprivation (IMD) Score
Population	ONS	Taken from 2023 population figures
GVA	ONS	Taken from 2023 population figures
Employment	ONS	% of people employed
GDHI	ONS	GDHI per head of population at current basic prices
Net assets per head	Financial stm	Usable & Unusable reserves / total population
Digital connectivity (Low)	ONS	Percentage of premises that do not have access to services above 30Mbps
Digital connectivity (High)	ONS	Percentage of area with 5G coverage from at least one mobile network provider
Digital propensity	ONS	Digital Propensity Score
Life expectancy	ONS	Avg Life expentancy
Debt per head	MHCLG	Outstanding borrowing by local authority and category, as at 31 December 2024, UK (Short and Longer Term Loans Local Authorities)

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6.3 Financial Analysis & assumptions

Approach Overview | **Context and Purpose (1/4)**

Financial Modelling for Options Appraisal

This section outlines the financial modelling process for the Options Appraisal, detailing data sources, key assumptions, and limitations. The model prioritises Kent-specific data, using figures from Kent County Council, Medway, and district councils, alongside public records and past studies.

The model focuses on structural reorganisation costs, including one-off transition and disaggregation costs, but excludes service delivery transformation, which would be assessed in a future business case.

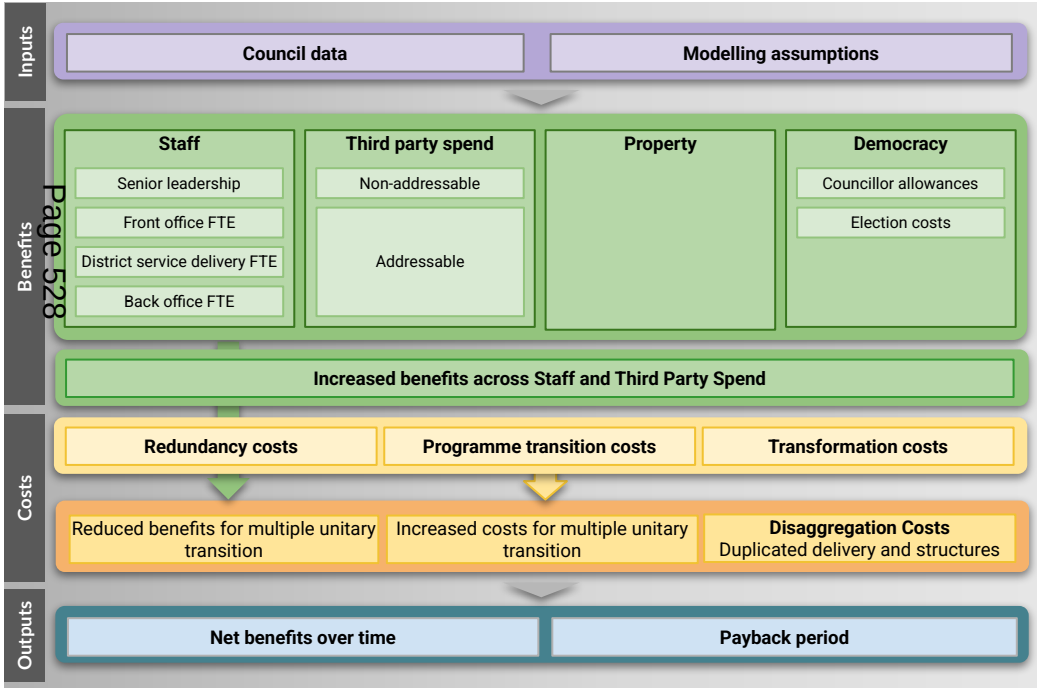
The balance analysis and council tax harmonisation examine geographical variations. Alongside the financial model, these inform the qualitative assessment, providing a broader understanding of financial and structural impacts.

Options Considered

Option A **Three unitary authority** North (Dartford, Gravesham, Medway, and Swale) East (Thanet, Dover, Canterbury, Folkestone & Hythe, Ashford) West (Maidstone, Tonbridge & Malling, Tunbridge Wells, Sevenoaks)	
Option B **Four unitary model** West (Sevenoaks, Tonbridge and Malling, Tunbridge Wells and Maidstone) North (Dartford, Gravesham, Medway) East (Canterbury, Swale, Thanet) South (Ashford, Dover, Folkestone & Hythe)	
Option C **Four unitary model** Mid (Ashford, Swale, Folkestone & Hythe) West (Sevenoaks, Tonbridge and Malling, Tunbridge Wells and Maidstone) North (Dartford, Gravesham, Medway) East (Canterbury, Dover, Thanet)	
Option D **Four unitary model** North (Dartford, Gravesham, Medway) East (Thanet, Canterbury, Dover, Folkestone & Hythe) Mid (Swale, Maidstone, Ashford) West (Sevenoaks, Tonbridge & Malling, Tunbridge Wells)	

Approach Overview | **Approach (1/3)**

The financial analysis structure for each Local Government Reorganisation (LGR) option is outlined below. This section details the baseline data, assumptions, and calculations underpinning cost and benefit drivers. Wherever possible, actual figures from local or public sources are used instead of general estimates.



Inputs
Include data supplied by County and District councils, public data and assumptions based on prior LGR activity. This relates to General Fund only and excludes HRA.

Benefits of Reorganisation
Weightings applied to three types of spend, with proportionate percentage reductions applied. Democracy benefits are based on the number of councils involved in the analysis, and the cost per vote cast in most recent elections.

Benefits of Transformation
Increased leverage of the above benefits available through transformation.

Costs of Transition
Fixed costs and proportional redundancy costs incurred (excluding disaggregation).

Costs of Disaggregation
Assumed costs of providing county-wide services including public health, children's services and adult social care for scenarios resulting in multiple unitaries.

Outputs
Projected benefits from different re-organisation scenarios.

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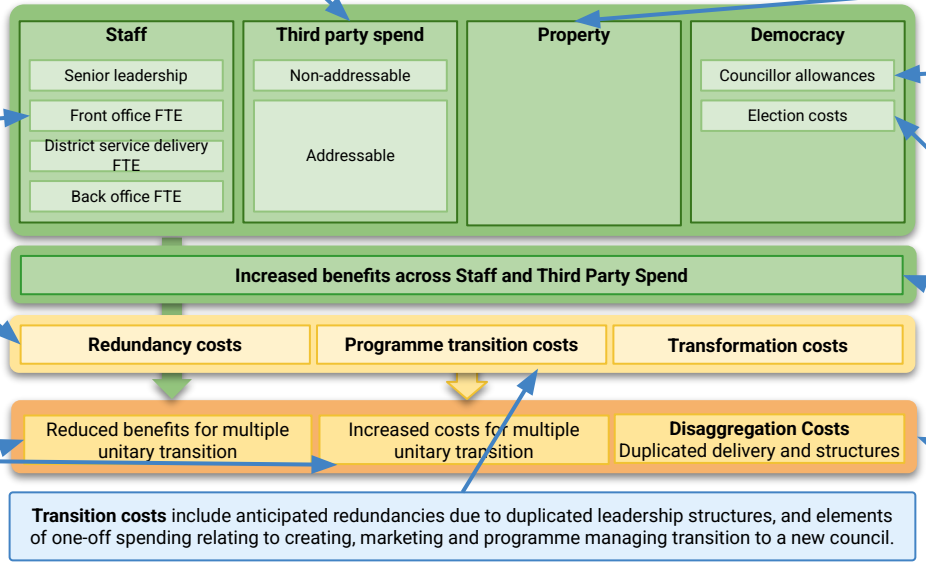
Approach Overview | **Assumptions Used (2/3)**

The financial analysis model relies on a number of assumptions, primarily based on publicly available outturn data, information from each council's own transparency data, or by applying changes which have been demonstrated across previous LGR proposals.

Third-party spend refers to all payments made by local councils for goods and services from external suppliers, excluding grants, taxations, and other charges. Addressable spend is the portion of this expenditure that can be influenced through procurement or commissioning strategies such as negotiating contracts or seeking competitive bids. In contrast, non-addressable spend includes costs that are less flexible and mandated by law, making them harder to influence. This is the service expenditure as per the outturn reports.

Property expenditure relates to the cost associated with acquiring, maintaining, and managing both **operational** properties (used for delivering council services) and **investment** properties (held for income or capital appreciation). This includes expense such as maintenance, utilities, insurance and management fees. Property was calculated through an average percentage from previous work which was applied to the total Net Revenue of KCC.

FTE is calculated as a proportion of spend as supplied in public spending data. **Net revenue expenditure** is used to avoid double-counting any income or grant transfers. **Senior leadership** salaries are calculated across the top three organisational tiers as per transparency reporting.



Member allowances are based on rates of Basic and Special Responsibility payments published in transparency reporting. These costs are used to determine the likely cost of one or more new democratic structures in new authorities

Election costs use a total of votes cast in a previous election cycle across all council elections, and a cost-per-vote of £3 calculated by the Electoral Commission

Redundancy costs do not include actuarial strain as this is highly individualised. A payment of 30% of salary is assumed.

Benefits are profiled to be fully effective in Year 3, to account for the need to complete staff changes and undertake contract renegotiations.

Costs such as the creation of new councils, marketing, ICT and consultation are increased proportionately where more than one new council is to be formed. Similarly, fixed **benefits of transition** are shared across all new bodies.

Disaggregation Costs are incurred where an option involves dividing a county level authority into two or more unitaries, and represents the ongoing cost of duplicating management and operations of statutory services, including social care, education and public health. **An element of disaggregated costs therefore recur each year in options with more than one unitary authority**

Transition costs include anticipated redundancies due to duplicated leadership structures, and elements of one-off spending relating to creating, marketing and programme managing transition to a new council.

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Approach Overview | **Phasing of Costs and Benefits (3/3)**

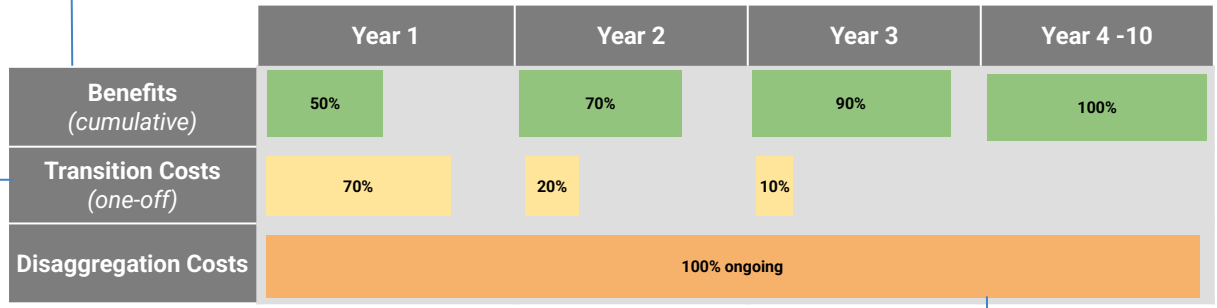
Impact of Phasing

In modelling the impact of costs and benefits, assumptions have been made to reflect their realistic phasing. This ensures that one-off costs are spread over multiple years rather than being incurred immediately, alongside the ongoing costs of transition in both the three- and four-unitary authority models.

Benefits are phased over a 3 year period, recognising that some efficiencies, such as senior leadership reductions, can be realised quickly, while others, like contract realignment and third-party spend savings, will take longer to achieve. This approach accounts for operational complexities, contract obligations, and the time required for full implementation.

It is important to note that the benefits outlined here relate solely to system aggregation, rather than service transformation. The efficiencies modelled do not include potential improvements from broader service redesign, which would be considered separately.

The phasing of the annualised **benefits** is over three years, due to the varying timescales for different aspects of delivery, after 3 years the full annual benefit is assumed. This includes ongoing cost reduction programs, the timing of the next election, and the expiry of third-party contracts. No transformation benefits are included in this phasing.



Transition costs are spread over a longer period rather than being completed within a single year, ensuring a more realistic and feasible approach. Costs are incurred over three years, with Years 2 and 3 primarily covering recontracting, system migrations, workforce adjustments, and other transition-related expenditures. This phased approach accounts for contractual constraints, the complexity of workforce changes, and the time required to reorganise services, reducing financial risk and operational disruption.

Disaggregation costs arise from splitting county services into new councils, leading to ongoing expenses for duplicated leadership and operations but excluding service delivery costs.

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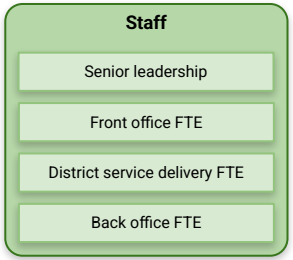
Reorganisation Benefits: Staff

Financial Analysis Element



Benefit Driver & Methodology

1	Staff expenditure has been estimated and categorised into front office, service delivery, and back office functions, using local authority averages as a baseline, then refined with Kent-specific knowledge to ensure assumptions reflect local operational structures.
2	Efficiency-driven percentage reductions have been applied to front office, district service delivery, and back office FTE to reflect savings from eliminating duplicate roles and streamlining operations.
3	Greater economies of scale are expected in the three-unitary model, leading to higher percentage reductions, whereas the four-unitary model achieves fewer efficiencies due to a more fragmented structure.
4	Senior leadership reductions, including the removal of duplicated posts and associated on-costs, contribute to additional financial benefits.

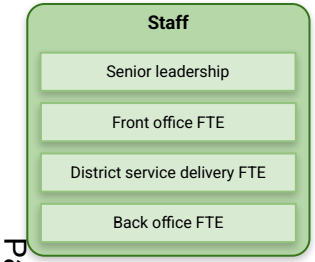
Assumptions applied

Area	Key figures		Rationale
	3UA	4 UA	
Proportion of net revenue expenditure spent on staff	26%		Calculated through publicly available RO forms. Numbers exclude any Dedicated Schools Grant funded posts.
Front Office* FTE	36.0%		Average proportions of effort, previously calculated by PwC through unitary authority activity analysis, this work conducted across 60+ local authorities.
Service Delivery FTE**	37.0%		
Back Office FTE	27.0%		

** **Front office staff** refers to staff who serve as the first point of contact for the public, handling inquiries, processing requests, and managing complaints. Their roles focus on customer service, including application processing, administrative procedures, and general support to ensure smooth communication between the council and residents.*
*** **Service delivery staff** refers to staff who are responsible for maintaining and executing council services such as waste collection, road maintenance, park services, and community safety. While they have limited direct interaction with the public, their work is essential to delivering effective and high-quality local services.*

Reorganisation Benefits: Staff

Financial Analysis Element



Benefit Driver & Methodology

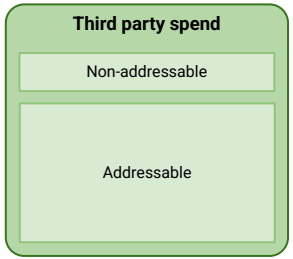
1	Staff expenditure has been estimated and categorised into front office, service delivery, and back office functions, using local authority averages as a baseline, then refined with Kent-specific knowledge to ensure assumptions reflect local operational structures.
2	Efficiency-driven percentage reductions have been applied to front office, district service delivery, and back office FTE to reflect savings from eliminating duplicate roles and streamlining operations.
3	Greater economies of scale are expected in the three-unitary model, leading to higher percentage reductions, whereas the four-unitary model achieves fewer efficiencies due to a more fragmented structure.
4	Senior leadership reductions, including the removal of duplicated posts and associated on-costs, contribute to additional financial benefits.

Assumptions applied

Area	Key figures		Rationale
	3UA	4 UA	
Back Office FTE	27.0%		Average proportions of effort, previously calculated by PwC through unitary authority activity analysis, this work conducted across 60+ local authorities.
Reduction in front office FTE	2.0%	1.5%	Kent has a higher number of districts than other counties, which influences the scale of potential efficiencies. However, the assumed reduction in front office FTE is lower than in other areas due to the need for additional staff in the new authorities to manage service disaggregation. These disaggregation costs are accounted for separately, as separating services currently delivered by Kent County Council will require additional administrative capacity in the new unitary authorities. Details on these costs are provided on slide 86.
Reduction in service delivery FTE	1.0%	0.8%	Percentage reductions are applied only to district staff spend, as it is assumed that current Kent County Council services will see limited efficiency gains from consolidation due to the need for additional staffing to manage service disaggregation. Given that some shared services are already in place, the model applies moderate efficiency assumptions to reflect these pre-existing arrangements. Disaggregation costs are detailed on slide 87.
Reduction in back office FTE	2.0%	1.5%	Kent has a larger footprint than most other areas, spanning 14 authorities, which creates potential for some efficiency savings. However, some districts have already implemented shared service arrangements, meaning that the scope for further back-office reductions is more limited compared to areas without existing collaboration. As a result, the percentage reduction assumptions have been tempered to reflect these pre-existing efficiencies.
Senior management team costs	£15.8m		This analysis captures gross savings from senior leadership reductions across the top three tiers of management in districts, County, and Medway councils, ensuring cost-benefits reflect varying team sizes and salary scales. To balance this, new unitary authorities (UAs) will incur leadership costs, modelled separately as a disaggregation cost. This ensures that while savings are realised, the necessary new leadership structures are accounted for. The projected senior management costs for future UAs are detailed on slide 87.

Reorganisation Benefits: Third Party Spend

Financial Analysis Element



Benefit Driver & Methodology

1	The total addressable third-party spend across County and District Councils, and Medway has been calculated using proportioned net expenditure as a baseline, ensuring it reflects local spending patterns. Third-party spend related to property has been excluded.
2	A percentage reduction has been applied to reflect savings from improved purchasing power and contract efficiencies achieved through consolidation.
3	In the three-unitary authority model, a greater percentage reduction is assumed, as larger combined authorities benefit from stronger economies of scale than the four-unitary model, where procurement would be more fragmented.

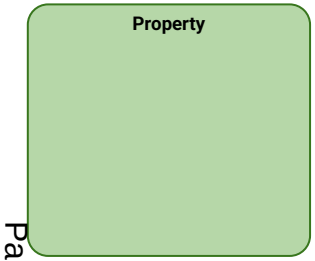
Assumptions applied

Area	Key figures		Rationale
	3 UA	4UA	
Proportion of net expenditure spent on third parties*	63%		Calculated through publicly available Revenue Outturn returns to MHCLG.
Proportion of third party spend which is addressable**	60.0%		It is assumed that the management of TPS within the County's commercial portfolio, used to deliver services on its behalf, is more mature than in other local authority areas. As a result it reasonable to assume that the proportion of TPS that is addressable is lower than what has been observed elsewhere.
Reduction in third party spend	1.0%	0.8%	Given the specific market in which Kent operates, the reduction in third-party spend has been adjusted to reflect the potential impact of reduced purchasing power arising from disaggregating the County. In a four-unitary authority model, lower savings are expected due to the potential impact of competition for services amongst the constituent Councils and reduced economies of scale. To account for this, a percentage factor has been applied to disaggregation costs, as detailed on slide 87.

** **Third-party spend** refers to all payments made by local councils for goods and services from external suppliers, excluding grants, taxations, and other charges.*
*** **Addressable spend** is the portion of this expenditure that can be influenced through procurement or commissioning strategies such as negotiating contracts or seeking competitive bids. In contrast, non-addressable spend includes costs that are less flexible and mandated by law, making them harder to influence.*

Reorganisation Benefits: Property

Financial Analysis Element



Benefit Driver & Methodology

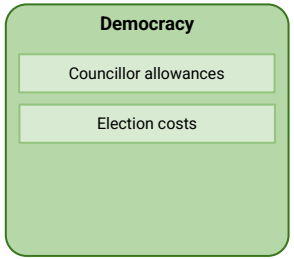
1	The combined net expenditure on property has been calculated using net expenditure figures for the County and District Councils and Medway.
2	This is spend relating to the ongoing running costs of office spaces such as energy, cleaning and repairs rather than from the one-off sale of capital assets, or rental income from available office space. Any council-owned housing stock has also been excluded from this calculation.
3	A percentage reduction has been applied to the property baseline to provide the estimated benefit of a consolidated property portfolio through shared occupation, reduced duplication of office locations and more efficient use of space.
4	The potential to rationalise and use office spaces more effectively and innovatively is increased in a three unitary authority scenario compare to a four unitary authority scenario.

Assumptions applied

Area	Key figures		Rationale
	3 UA	4 UA	
Proportion of net expenditure spent on property	2.0%		Based on a average of available national figures.
Reduction in property spend	7.5%	5.0%	This reduction is based on savings from other local authorities and national averages, and has been adjusted to take into account Kent's larger footprint and the consolidation of 14 authorities. However, estimates have been reduced to reflect the rationalisation already undertaken after the COVID-19 pandemic.

Reorganisation Benefit: Democracy

Financial Analysis Element



Benefit Driver & Methodology

1	A three or four unitary council model will require fewer councillors, therefore a saving can be made in terms of the base and special responsibility allowances paid to elected Members.
2	Fewer councils will also mean fewer elections, reducing the administrative costs of running local elections. However, some of these savings may be offset by the need for alternative local decision-making arrangements, such as area committees or devolved governance models.

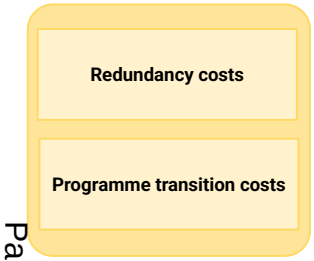
Assumptions applied

Area	Key figures		Rationale
	3 UA	4 UA	
SRA and base allowances incurred as part of the democratic structure	£7.5m		This figure represents the total cost of all base allowances and SRAs across County, District Councils, and Medway. The model assumes these costs are fully removed, with the expenses associated with the new member base reintroduced as a disaggregation cost, as detailed on slide 18.
Annual savings against elections [1]	55%	40%	The percentage reflects savings **based on the current spend on elections per vote**, considering that the number of members in each scenario (300 for 3UAs and 400 for 4UAs) is lower than the current member base of 672. While the transition to unitary authorities will result in fewer elections and some cost savings, these must be balanced against potential additional expenses, such as new governance structures, area committees, or alternative democratic engagement mechanisms. As a result, while there are some benefits, they remain limited and are not a significant driver of overall financial savings.
Cost per vote during an election	£3.00		The cost per vote used to calculate the cost of an election has been estimated at £3 by HM Government based on previous General Elections.

[1] This excludes the costs associated with Parliamentary, Town and Parish and Mayoral elections, which are generally recharged.

Transitions Cost: One-off Costs

Financial Analysis Element



Cost Driver & Methodology

1	One-off redundancy costs will be incurred as part of restructuring local authorities. These have been calculated as a proportion of savings from FTE reductions. Due to the variability among individual cases, using a general proxy for pension strain is not sufficiently reliable and has therefore been omitted from the analysis.
2	Transition costs will arise from closing down existing local authorities and establishing new unitary authorities. While efficiencies will be gained, the process requires investment in legal, financial, and administrative restructuring, with the majority of these costs impacting all new unitary authorities.
3	To enable transformation while maintaining service continuity, one-off costs will be incurred for external support and internal programme management. These will provide capacity and expertise for change management, governance structures, and operational transformation.
4	Further costs will relate to the safe and secure migration of information and consolidation of systems in order to maintain operational delivery. As transformation relies on technology to enable efficiencies, this requires substantial investment.

Assumptions applied

Area	Key figures		Rationale
	3 UA	4 UA	
Contingency	£6.9m	£8.8m	Provision for extra expenses potentially incurred through reorganisation, uplifted by inflation in line with the Bank of England CPI. Calculated as 40% of fixed costs, excluding ICT, as these costs have already been increased to account for the complexities specific to Kent.
Organisation Closedown	£0.9m	£1.2m	Costs involved with legally and financially closing down councils and create sound budgetary control systems, estimated through averages of similar costs for other councils.
Public consultation	£0.5m	£0.7m	Assuming costs for adverts in local media and surveys to consult public on proposed changes.
ICT costs	£12.0m	£18.0m	Costs reflect phased system migration, past LGR cases, and scaling complexity, factoring in reporting changes, security, licences, data migration, and cloud transition cost increases. Further analysis needed to understand true value, see Forward Plan.
Shadow Chief Exec/Member costs	£0.9m	£1.2m	This refers to the costs of establishing and running a shadow leadership team ahead of a new unitary authority taking control, with figures aligned to previous local government reorganisations
External support	£8.5m	£10.7m	Assuming costs for external Comms, branding, external implementation support, creation of the new council.
Internal Programme Management Costs	£3.8m	£4.8m	Aligned with previous local government reorganisations, uplifted for inflation and long-term programme management requirements.

Disaggregation Costs

Financial Analysis Element

- Duplicated Senior Leadership
- Duplicated County Service Delivery
- Duplicated Democratic Structures

Cost Driver & Methodology

1	Disaggregation costs apply only where multiple unitary authorities are created, arising from the need to replicate county-level services, such as Social Care, Education, and Public Health, across separate unitary areas. They reflect the cost of providing the structures needed to safely and legally deliver these services, but not the cost of commissioned or provided services.
2	Additional senior leadership teams will be required to manage the new unitary authorities. These costs have been estimated using Kent County Council and Medway's senior leadership salaries, based on the top three tiers of management in existing District Councils.
3	Disaggregating services currently provided at county level will require additional FTE to effectively lead and support high quality outcomes. The amount of effort used in service delivery management & supervision has been used as a proxy to estimate the size of the increase required under the new unitary authorities.
4	The cost of a representative democratic structure has been estimated as an additional requirement in the new unitary authorities.

Assumptions applied*

Area	Key figures		Rationale
	3 UA	4 UA	
Increased third party spend (TPS) due to disaggregation of services	4.2%	6.3%	While some cost savings are assumed, the disaggregation of services in Kent has the potential to increase third-party spend, primarily due to diseconomies of scale from dividing the purchasing power of the County Council. This calculation reflects the management costs of delivering services rather than the overall cost of services either commissioned or delivered by new councils. It is derived using the formula: ((proportion of spend on FTE * increased third-party spend) - new senior leadership costs) * net revenue expenditure.
Senior management cost for additional unitaries	£11.4m	£15.2m	Cost of additional senior leadership teams, calculated as: *(cost of an average senior management team) x (number of new unitaries)*. Assumes five directorates per unitary authority.
Members across all unitaries	300	400	Previous work around local government reorganisation, has indicated that the number of members across new unitaries ranges between one councillor per 4k to 10k population. Within a 3UA model this assumes 1:6,500 ratio of members to population and a 4UA model assumes 1:5,000 ratio.
Total members base allowance	£4.2m	£5.5m	Average base allowance across Kent County and Medway is £13,855, this number has been multiplied by the number of members needed within the new models.
Total SRA costs	£0.7m	£1.2m	Average base allowance across Kent County and Medway is £7,477, we have assumed that there will be 10 cabinet members per unitary

**These disaggregation costs do NOT include the costs or benefits of service delivery transformation that would typically occur following reorganisation. Any additional efficiency programmes, service realignments, or new delivery models would need to be considered separately in a future business case.*

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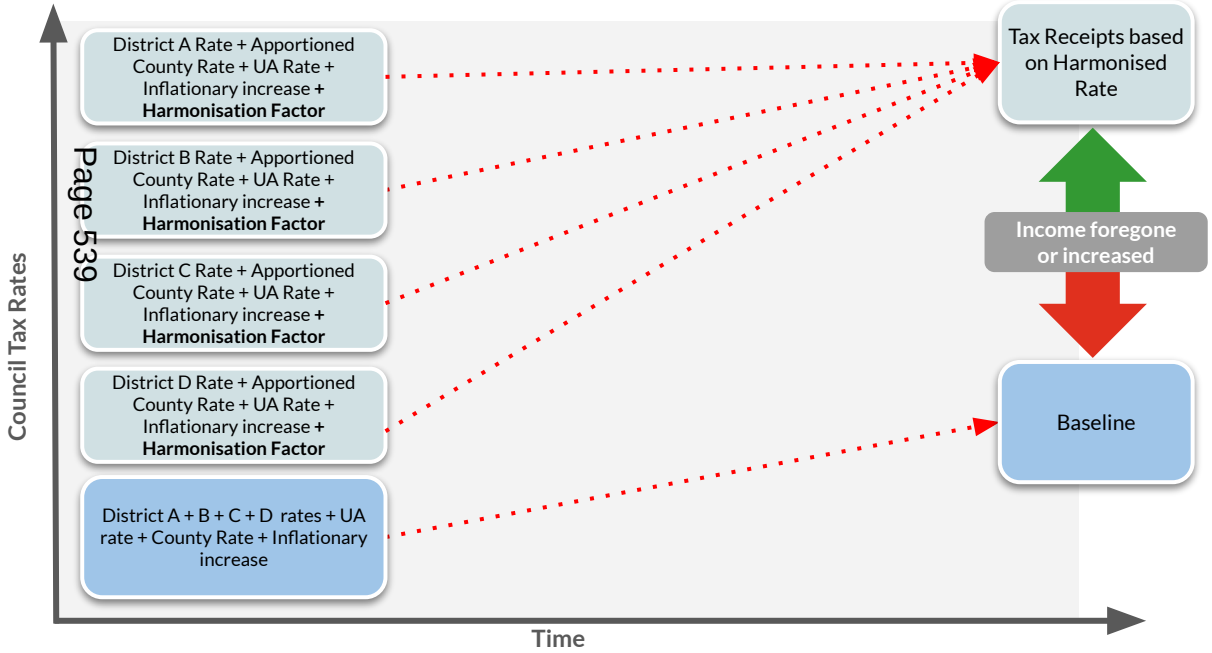
6.4 Council Tax Harmonisation

Council Tax Harmonisation | Approach (1/3)

Council Tax Harmonisation is the process which brings the existing bands of tax payable across districts together to form a single future set of bands for a newly formed authority. This may involve increasing taxes to the highest among the current rates, reducing to the lowest, or bringing taxes towards a calculated median point. The time taken to make the adjustment will influence the difference between the income from current rates, and the harmonised rate which may represent income foregone or increased over the harmonisation period.



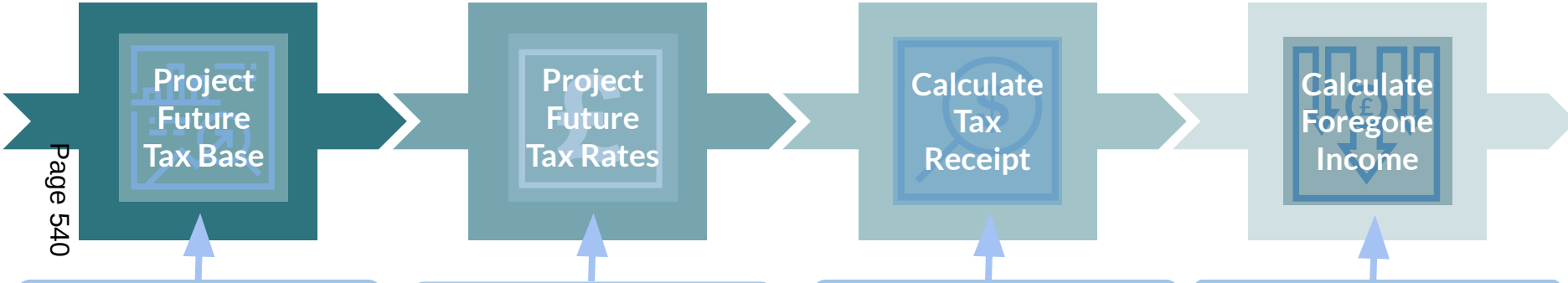
Harmonising to the highest current rate is likely to lead to larger increases for citizens paying less tax currently, but is also likely to forego less income - and potentially to generate additional income in some areas.

Harmonising to the median will result in changes to all rates (as the median is unlikely to exactly equal one of the existing rates). The overall impact will vary depending on the current tax structure.

Harmonising to the lowest current rate is likely to forego the greatest income, but has the lowest impact on rates in areas with lower taxation. This may be seen as more equitable but is more costly in terms of income

Council Tax Harmonisation | Approach (2/3)

The approach used to predict the impacts of Council Tax Harmonisation include consideration of the growing population, expected increases required to meet growing demand for services, and an element which moves the rates towards harmonisation. The process undertaken to implement this is described below:



Using ONS population projections, the tax base of each District and Medway is adjusted to provide a cumulative increase in households for the coming years. At this point, the timescale for harmonisation (how many years the rates will take to become a single figure) and the rate to harmonise with (lowest, median or highest, can be chosen.

The county tax rate is then apportioned across Districts and Medway according to population to create a single rate for each. All rates are assumed to increase at an annual maximum of 1.99% each year to meet expected financial needs. **This analysis excludes the potential additional benefit from the Adult Social Care levy.**

The projected rates are multiplied by the increasing tax base, and are gradually incremented to approach harmonisation with either the lowest, highest or median rate among the group as selected. This calculates an annual tax receipt based on the rates as they harmonise.

The receipts are compared with a baseline projected by the original rates, incremented by 1.99% per year and multiplied by the projected tax base. The difference between this baseline and the harmonised receipts represents the income **foregone** or **gained** via the harmonisation process.

A shorter period of harmonisation will limit the impact on receipts for the new authorities, but may result in greater changes for residents

Harmonisation to the lowest rate will result in more income being foregone by the new authorities, but will limit the impact on residents tax bills

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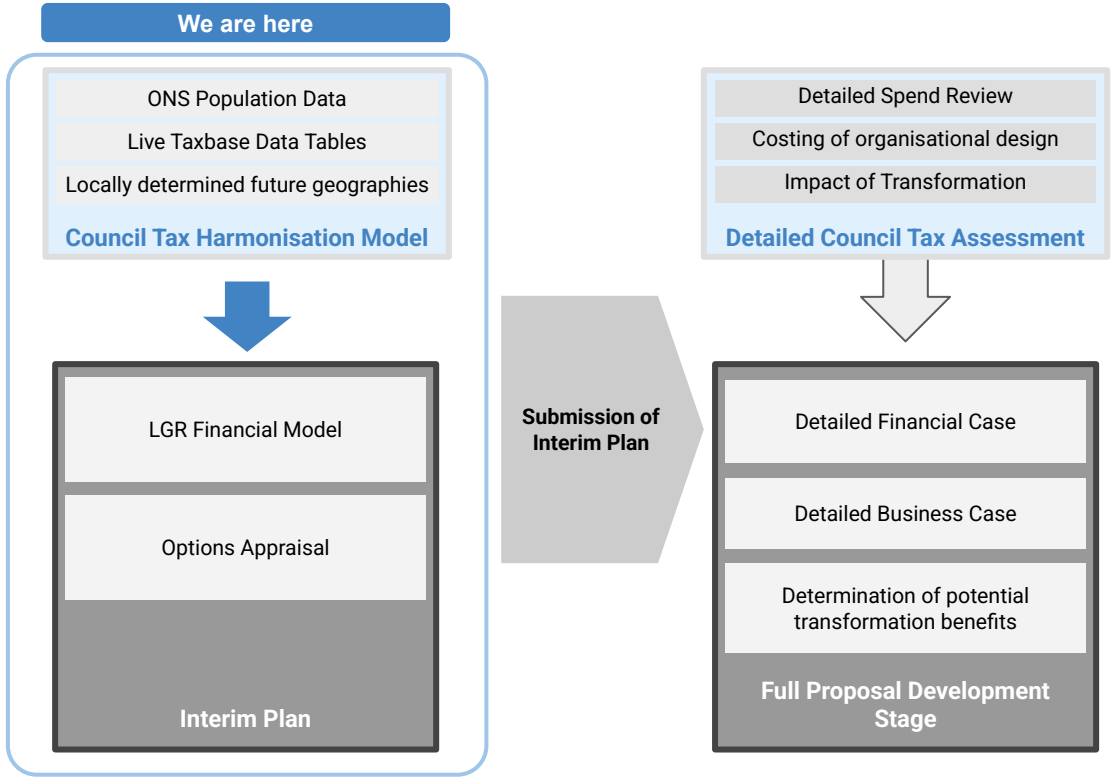
Council Tax Harmonisation | Approach (3/3)

What the Council Tax Harmonisation model does:

- Provides a simplified model, based on publicly available data
- Accounts for predicted change in the taxbase using population as a factor
- Generates a 'final district rate' for each new geography which can be compared with the starting rates
- Provides a view of the scale of income potentially foregone/generated by options
- Enables comparison of the impact of changing the harmonisation period

...but, it doesn't:

- Account for predicted growth in need for, or cost of service delivery
- Take into account the organisational design of future unitary authorities
  Recognise the impact of transformation and spending reviews on tax requirements
- Include the potential additional benefit from the Adult Social Care levy which could be realised by new unitary authorities.



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Council Tax Harmonisation | Findings

As part of the effort to harmonise council tax across Kent County Council, a detailed financial analysis has been undertaken to evaluate the potential impacts over a seven-year period (2025/26 to 2031/32). Income foregone, harmonising low, benefits the taxpayer, while income gained, harmonising high, has financial consequences for them. This analysis considers multiple scenarios, including harmonisation in the first year of transition and phasing over the maximum permitted period of seven years, assumptions are as per the previous slide.

The impact of council tax harmonisation on financial viability has been assessed in relation to income foregone, funding self-sufficiency, and service delivery sustainability. The council tax modelling also highlights that longer term approaches to harmonisation may require additional cost reductions elsewhere, while higher rates provide a stronger tax base but pose political challenges.

This work remains indicative and will require further refinement in a full proposal to assess the practical implications of different harmonisation strategies, their acceptability to residents, and long-term financial resilience. The qualitative analysis will consider the fiscal and political challenges associated with different harmonisation approaches, particularly the trade-off between maximising income for new authorities and the affordability of council tax increases for residents.

Initial Findings:

- Only Option A and Option B generate net income in both the high and medium scenarios, helping to offset the financial risks of setting Council Tax too low. These options provide a positive cumulative benefit over seven years in a high scenario and mid for Option B, ensuring greater financial resilience.
- Option C and Option D show more limited financial benefits. Option C does not generate any cumulative income over seven years in the high scenario, it will take over 7 years to see the net benefit, gains from year 5 onwards (see next slide). Option D, while showing a high-scenario gain, results in a negative cumulative balance in low and medium cases. Both show harmonising to high in year one will see a benefit.

Income Foregone (£m)		Annual Benefit of Harmonisation in Year One (£m) This represents the income gained in a single year if harmonisation is implemented immediately	Cumulative Benefit of Harmonisation Over Seven Years (£m) This reflects the total income gained over seven years if harmonisation is phased in gradually
3UA (Option A)	Low	-£32.9	-£132.3
	Mid	-£3.3	-£40.3
	High	£29.0	£148.7
4UA (Option B)	Low	-£28.6	-£107.2
	Mid	-£1.3	£28.1
	High	£27.2	£140.4
4UA (Option C)	Low	-£26.8	-£99.2
	Medium	-£7.6	-£13.8
	High	£14.2	-£0.1
4UA (Option D)	Low	-£26.9	-£99.7
	Medium	-£14.3	-£11.6
	High	£15.5	£54.9

Key: Income Gained | Income Foregone

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Council Tax Harmonisation | Seven Year Scenario

The table below presents the findings of Council Tax Harmonisation, assuming a harmonisation period of seven years, the maximum legally permitted. It indicates whether income is foregone or gained, with the rightmost column summarising the total income impact over the seven-year period. However, as harmonisation is likely to occur sooner, scenarios that result in a financial benefit may yield a greater total gain than shown.

Income Foregone (£m)		2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Total
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Years 1-7
3UA (Option 1)	Low	-£6.9	-£11.3	-£14.9	-£18.6	-£22.6	-£26.8	-£31.2	**-£132.3**
	Mid	-£2.6	-£4.7	-£5.3	-£5.9	-£6.6	-£7.2	-£7.9	**-£40.3**
	High	£2.0	£7.9	£14.1	£20.6	£27.5	£34.6	£42.0	**£148.7**
4UA (Option 2)	Low	-£6.4	-£9.1	-£11.9	-£15.0	-£18.2	-£21.6	-£25.1	**-£107.2**
	Mid	£1.1	£2.1	£3.0	£4.0	£5.0	£6.0	£6.9	**£28.1**
	High	£1.6	£7.3	£13.2	£19.5	£26.0	£32.8	£40.0	**£140.4**
4UA (Option 3)	Low	-£6.1	-£8.5	-£11.1	-£13.9	-£16.8	-£19.8	-£23.1	**-£99.2**
	Medium	-£3.3	-£2.9	-£2.4	-£1.9	-£1.5	-£1.1	-£0.7	**-£13.8**
	High	-£9.5	-£6.7	-£3.7	-£0.5	£3.0	£6.6	£10.5	**-£0.1**
4UA (Option 4)	Low	-£6.1	-£8.6	-£11.2	-£13.9	-£16.8	-£19.9	-£23.2	**-£99.7**
	Medium	-£3.3	-£2.7	-£2.2	-£1.6	-£1.1	-£0.6	-£0.1	**-£11.6**
	High	-£7.6	-£2.9	£2.1	£7.3	£12.8	£18.6	£24.6	**£54.9**

Key: Income Gained | Income Foregone

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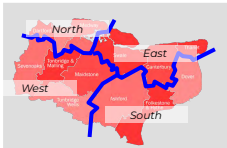
Council Tax Harmonisation | Impact of Harmonisation in Year one

LGR Option		Annual Benefit of Harmonisation to High in Year One (£m)		Final Rates
		Income gained/(foregone)	Impact of 5% maximum unitary increase*	
3UA (Option A)		£29.0m	£1.3m	North: £1,790 East: £1,852 West: £1,835
4UA (Option B)		£27.2m	£1.5m	North: £1,790 East: £1,848 South: £1,835 West: £1,852
4UA (Option C)		£14.2m	£1.6m	North: £1,790 East: £1,861 Mid: £1,835 West: £1,852
4UA (Option D)		£15.5m	£1.6m	North: £1,790 East: £1,861 Mid: £1,835 West: £1,852

This table presents the most financially advantageous scenario, harmonising to high in year one, acknowledging that a seven-year harmonisation period is likely unrealistic. Given the unique challenges in Kent including imbalanced tax rates across the county and Medway having a very low rate for a unitary authority, it was also expected that harmonising to the highest current rate would be preferred.

This approach also provides the potential for each new unitary to seek the maximum 5% increase in rates in future years, should government policy on Adult Social Care precepts continue to be in place. This could result in an additional £1.3-1.6m in income during the first year.

* *Source: KCC Finance Team, 17/03/2025*

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Key: Income Gained | Income Foregone

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Appendix 2 – Joint Options Appraisal

Kent Council Leaders have worked with strategic partner KPMG to undertake the joint options appraisal on behalf of all councils in Kent and Medway. This was presented to Kent Council Leaders in September 2025.

Kent
COUNCIL LEADERS

Kent LGR Options Appraisal

01.09.2025

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01

Scope, purpose and context

Scope of this report

The options appraisal summarised in this report has been completed to enable the fourteen councils of Kent to contribute to making an informed decisions regarding shortlisting appropriate unitary options for the development of full business case(s) to submit to government.

Options appraisal scope

- Objective, evidence-based approach to analysis of potential unitary options for local government reorganisation (LGR) in Kent.
- Review and build on existing analysis and work undertaken locally as well as the interim plan submitted to MHCLG on 21 March 2025.
- Review publicly available data sources and structure an appraisal of options in line with Government criteria set out in the letter dated 6th February 2025.

Government's six criteria for LGR

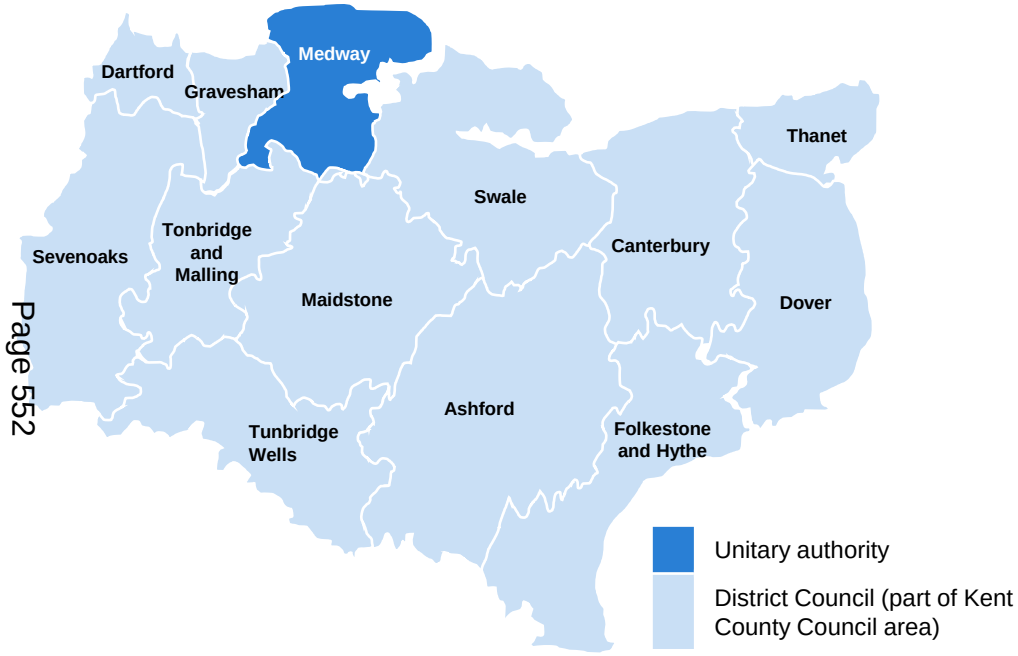
1. Establishing a single tier of local government	2. Efficiency, capacity and withstanding shocks	3. High quality and sustainable public services	4. Working together to understand and meet local needs	5. Supporting devolution arrangements	6. Stronger community engagement and neighbourhood empowerment

Not in scope

- Subjective judgement is excluded from the report as far as possible, whilst noting that a certain level of interpretation is impossible to avoid. This is particularly in relation to government criterion 4, 5 and 6, where more of qualitative assessment is required.
- Detailed analysis on any specific topics (e.g. economic, service) beyond review of relevant metrics.
- This report does not produce a ranking of options or conclude on overall preferred options. Councils, collectively and individually will make conclusions and decisions with reference to this options appraisal and other relevant factors.

Current local government setup in Kent

There are 14 local authorities in Kent: 12 districts, Kent County Council and one existing unitary (Medway).



Key context relevant to this appraisal:

- The 14 local authorities are collaboratively completing this options appraisal to support decision making on which LGR options proceed to the business case stage.
- New unitary authorities are expected to be in place from April 2028, with elections to shadow authorities in May 2027.
- Kent councils applied to become part of the Devolution Priority Programme (DPP) but were not successful and will therefore not have mayoral elections in May 2026. The assumption is that devolution could be achieved one year behind the DPP areas, with potential mayoral elections in May 2027.

Metric	Medway (unitary)	District councils												Kent County Council	Kent total
		Ashford	Canterbury	Dartford	Dover	Folkestone and Hythe	Gravesham	Maidstone	Sevenoaks	Swale	Thanet	Tonbridge and Malling	Tunbridge Wells		
Population (mid-2024)	292,655	140,936	162,100	125,011	119,768	112,411	110,671	187,767	122,748	158,379	142,691	136,853	119,694	1,639,029	1,931,684
Geographic area (sq km) (2024)	194	581	309	73	315	357	99	393	370	373	104	240	331	3,545	3,739
Population density (people per sqkm) (2024)	1,509	243	525	1,712	380	315	1,118	478	332	425	1,372	570	362	462	517
Net revenue expenditure (£m)	3.6	24.4	21.0	28.3	14.8	18.2	17.8	28.2	18.7	29.4	35.1	21.7	16.7	1,635	1,913
Councillors (including County allocation)	59	54	47	48	39	36	44	58	60	54	63	51	45	(81)	658

Options in scope

Seven options are in scope for the options appraisal.

Single unitary

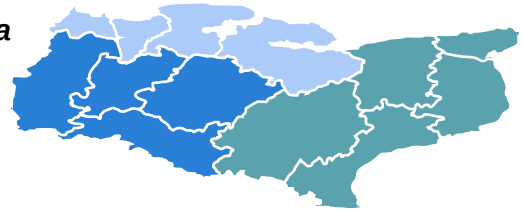
1a

1a
1,931,684

Not included in interim plan but raised in KCC Cabinet Committee meeting.
1a Single unitary with three area assemblies

Three unitaries

3a

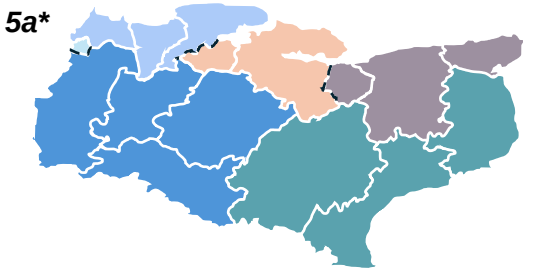


A three unitary option with a north, east and west unitary.

N	W	E
686,716	567,062	677,906

Five unitaries

5a*



N	W	E	M	S
330,536	544,814	342,934	340,286	373,115

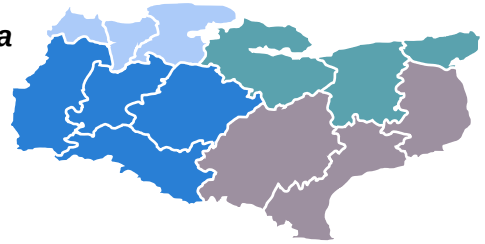
Key:
White line – District Boundary
Dotted line – Boundary Change

Not included in interim plan. Referenced as a preference by Gravesham and Dartford.

The 5-unitary model proposes the following areas: Dartford, Gravesham, parts of Medway west of the River Medway, and Swanley; Sevenoaks, Tonbridge & Malling, Tunbridge Wells, and Maidstone (excluding Swanley); the remainder of Medway with the western part of Swale (Sittingbourne area); the rest of Swale (Faversham area) combined with Canterbury and Thanet; and finally, Ashford, Folkestone & Hythe, and Dover.

Four unitaries

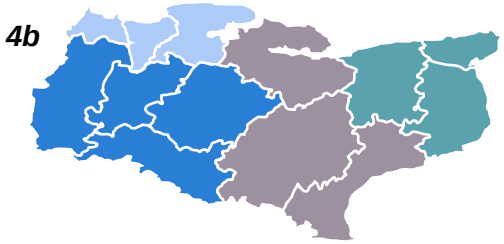
4a



N	W	E	S
528,337	567,062	463,170	373,115

A four unitary option with unitaries in the north west, north east, south west and south east.

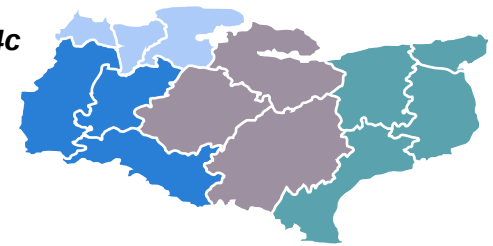
4b



N	W	E	M
528,337	567,062	424,559	411,726

A four unitary option with unitaries in the north, west, centre and east with Folkestone and Hythe in the central unitary.

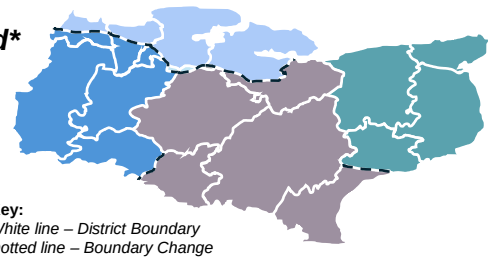
4c



N	W	E	M
528,337	379,295	536,970	487,082

A four unitary option with unitaries in the north, west, centre and east with Maidstone in the central unitary.

4d*



Key:
White line – District Boundary
Dotted line – Boundary Change

N	W	E	M
615,931	402,914	497,034	415,805

Not included in interim plan. Referenced as a preference by Medway. A four unitary option with unitaries in the north, west, centre and east with boundary changes.

**To match the current total population of 1,931,684, we applied a proportional multiplier to the original figures for options with boundary changes. This preserves the relative population distribution across each area while ensuring the total aligns with up-to-date data.*

02

Options appraisal approach

Options appraisal approach

Set out below are the five steps which have been carried out to complete the options appraisal that we have agreed with Kent CEOs at the LGR Programme Board.

1

Selecting options for appraisal

To build upon the existing analysis and options development, a longlist of ten options was created, including all options raised during analysis to date, initial interviews and follow-up discussion with Council Leaders.

Following a meeting with Council Leaders from each council, it was agreed to carry forward seven options for appraisal.

2

Data sets gathered and modelled

Data was collected for each current council though a combination of publicly available sources and council data requests.

Data was then consolidated to create a view of all potential unitaries for each of the options in scope.

For options including boundary changes specific assumptions were made.

3

Set evaluation criteria and "What good looks like"

With direct reference to government criteria and linked guidance, 14 evaluation criteria were defined for options to be assessed against.

For each evaluation criteria, a series of metrics were identified. For each metric, a statement of 'what good looks like" has been agreed.

4

Determine assessment parameters

For every metric, a definition of 'High', 'Medium' and 'Low' was determined. For most metrics the assessment is determined by the level of balance, which is calculated through a statistical analysis of ranges for each option.

For metrics not assessed on balance a specific definition of 'High', 'Medium' and 'Low' was set.

5

Assessment of options against metrics

All options were scored against all metrics with average results for each metric presented on an overall dashboard.

Supporting commentary has been prepared to provide explanation and relevant context.

Note: no weighting has been applied evaluation criteria.

See following pages for further explanation of each step.

Points to note:

- Additional analysis has been carried out in relation to Option 1A (the single unitary) on the basis that the majority of metrics (specifically those relating to balance) cannot be assessed in the same way as other options given we are assessing only one unitary.
- Additional supporting analysis has been prepared for specific metrics where required (see Section 5).

Step 1: Selecting options for appraisal

Ten potential options were raised at the start of the options appraisal, but Leaders jointly agreed to rule out three options, with seven remaining in scope for the options appraisal.

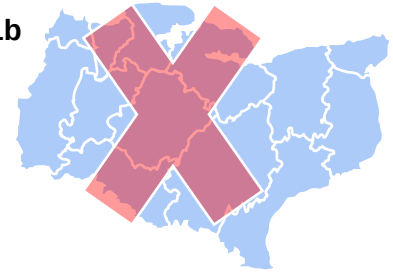
Single unitary

1a

1a
1,931,684

Not included in interim plan but raised in KCC Cabinet Committee meeting.
1a Single unitary with three area assemblies

1b

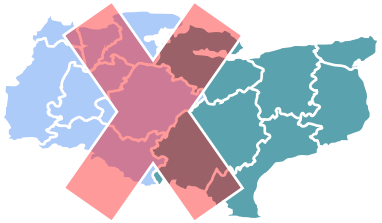


1b
1,931,684

Not included in interim plan, but in KCC options analysis.
1b A single large unitary across the whole of Kent.

Two unitaries

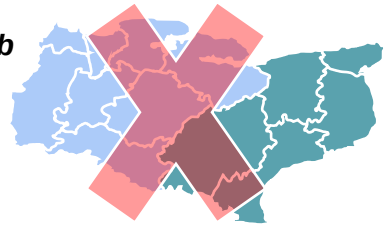
2a



Not included in interim plan, but in KCC options analysis. An east and west two unitary option with Swale in the east.

W	E
1,095,399	836,285

2b

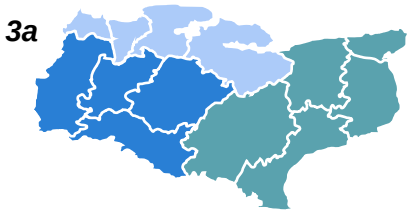


Not included in interim plan. Referenced by Swale in response to 2 unitary proposal in KCC report. An east and west two unitary option with Swale in the west.

W	E
1,253,778	677,906

Three unitaries

3a

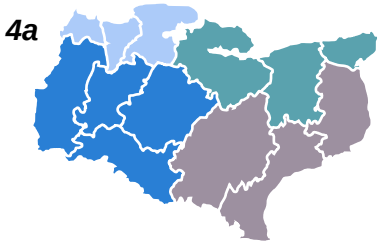


A three unitary option with a north, east and west unitary.

N	W	E
686,716	567,062	677,906

Four unitaries

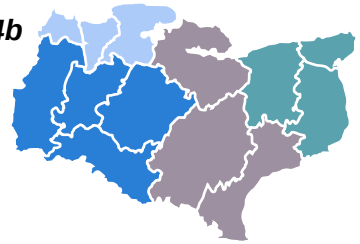
4a



N	W	E	S
528,337	567,062	463,170	373,115

A four unitary option with unitaries in the north west, north east, south west and south east.

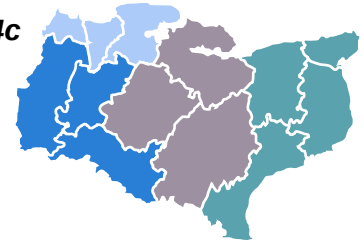
4b



N	W	E	M
528,337	567,062	424,559	411,726

A four unitary option with unitaries in the north, west, centre and east with Folkestone and Hythe in the central unitary.

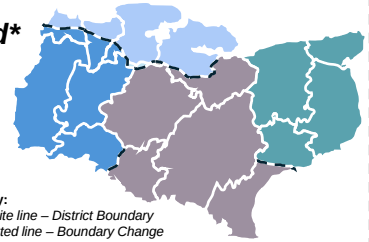
4c



N	W	E	M
528,337	379,295	536,970	487,082

A four unitary option with unitaries in the north, west, centre and east with Maidstone in the central unitary.

4d*



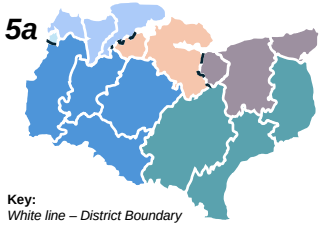
Key:
White line – District Boundary
Dotted line – Boundary Change

N	W	E	M
615,931	402,914	497,034	415,805

An undisclosed option proposed by Medway. **No detail provided for discussion in interviews. Expected to be a four unitary option with boundary changes.**

Five unitaries

5a



Key:
White line – District Boundary
Dotted line – Boundary Change

Not included in interim plan. Referenced as a preference by Gravesham though with acknowledgement that a five unitary model is unlikely to be financially viable.

N	W	E	M	S
330,536	544,814	342,934	340,286	373,115

The 5-unitary model proposes the following areas: Dartford, Gravesham, parts of Medway west of the River Medway, and Swanley; Sevenoaks, Tonbridge & Malling, Tunbridge Wells, and Maidstone (excluding Swanley); the remainder of Medway with the western part of Swale (Sittingbourne area); the rest of Swale (Faversham area) combined with Canterbury and Thanet; and finally, Ashford, Folkestone & Hythe, and Dover.

**To match the current total population of 1,931,684, we applied a proportional multiplier to the original figures for options with boundary changes. This preserves the relative population distribution across the four areas while ensuring the total aligns with up-to-date data.*

Step 2: Data sets gathered and modelled

Date was collected for each current council though a combination of publicly available sources and council data requests to build a set of comprehensive inputs for the assessment model.

Example metrics gathered across all current authorities

Metric	Medway (unitary)	District councils												Kent County Council	Total / Average
		Ashford	Canterbury	Dartford	Dover	Folkestone and Hythe	Gravesham	Maidstone	Sevenoaks	Swale	Thanet	Tonbridge and Malling	Tunbridge Wells		
Population (mid-2024)	292,655	140,936	162,100	125,011	119,768	112,411	110,671	187,767	122,748	158,379	142,691	136,853	119,694	1,639,029	1,931,684
Geographic area (sq km) (2024)	194	581	309	73	315	357	99	393	370	373	104	240	331	3,545	3,739
Population density (people per sq km) (2024)	1,509	243	525	1,712	380	315	1,118	478	332	425	1,372	570	362	462	517
Total GVA (£m) (2023)	7,657	3,939	4,352	4,343	3,277	2,802	2,206	5,550	5,098	3,633	2,588	5,406	4,114	47,308	54,965
GVA per capita (£) (2023)	26,164	27,949	26,848	34,741	27,361	24,926	19,933	29,558	41,532	22,939	18,137	39,502	34,371	28,863	28,454

See Appendix A4 for all data gathered for current authorities.

Data was then consolidated to create a view of all potential unitaries for each of the options in scope.

Metrics consolidated by potential future unitary authority for options in scope

Metric	Option 1A	Option 3A (example)			Option 4A (example)				Option 5A (example)				
		N	W	E	N	W	E	S	N	W	E	M	S
Population (mid-2024)	1,931,684	686,716	567,062	677,906	528,337	567,062	463,170	373,115	330,536	544,814	342,934	340,286	373,115
Geographic area (sq km) (2024)	3,739	739	1,334	1,666	366	1,334	786	1,253	287	1,267	503	429	1,253
Population density (people per sq km) (2024)	517	929	425	407	1,444	425	589	298	1,151	430	682	793	298
Total GVA (£m) (2023)	54,965	17,839	20,168	16,958	14,206	20,168	10,573	10,018	9,373	19,244	7,815	8,515	10,018
GVA per capita (£) (2023)	28,454	25,977	35,566	25,015	26,888	35,566	22,827	26,850	28,356	35,322	22,788	25,024	26,850

See Appendix A3 for all data by future unitary for all seven options in scope

Note: where options do not align to current authority boundaries, metrics have been calculated on a pro-rata basis by population. See following page for further details.

Data for options with boundary changes

Options 4D and 5A require new boundaries to be drawn. As such, the datasets at current authority level cannot be applied directly. To address this, population data from mid-2022 by LSOA has been used to identify LSOA population estimates for 2023 by (i) calculating the proportion of a district's population in 2022 in each LSOA and then (ii) multiplying the relevant proportion for an LSOA by the total population of a district in 2024.

The other data sets that are generally not available at LSOA level have been pro-rated based on the split of population of current districts into future unitary geographies. Where appropriate, different assumptions can be made for specific data sets.

Current Authority	Total Population	Option 4D – population splits					Option 5A – population splits					
		Boundary change?	North	West	East	Mid	Boundary change?	North	West	East	Mid	South
Ashford	140,936	NO				140,936	NO					140,936
Canterbury	162,100	NO			162,100		NO			162,100		
Dartford	125,011	YES	98,003 **(78%)**	27,008 **(22%)**			NO	125,011				
Dover	119,768	NO			119,768		NO					119,768
Folkestone and Hythe	112,411	YES			72,475 **(64%)**	39,936 **(36%)**	NO					112,411
Gravesham	110,671	YES	96,566 **(87%)**	14,105 **(13%)**			NO	110,671				
Maidstone	187,767	YES	3,794 **(2%)**			183,973 **(98%)**	NO		187,767			
Medway	292,655	YES	285,873 **(98%)**	6,782 **(2%)**			YES	72,606 **(25%)**			220,049 **(75%)**	
Sevenoaks	122,748	NO		122,748			YES	22,248 **(18%)**	100,500 **(82%)**			
Swale	158,379	YES	127,544 **(81%)**			30,835 **(19%)**	YES			38,143 **(24%)**	120,236 **(76%)**	
Thanet	142,691	NO			142,691		NO			142,691		
Tonbridge and Malling	136,853	YES	4,151 **(3%)**	132,702 **(97%)**			NO		136,853			
Tunbridge Wells	119,694	YES		99,568 **(83%)**		20,126 **(17%)**	NO		119,694			
Total	1,931,684		615,931	402,914	497,034	415,805		330,536	544,814	342,934	340,286	373,115

Step 3: Set evaluation criteria & "what good looks like"

Fourteen evaluation criteria have been defined by direct reference to Government guidance in the letter dated 6th February 2025 and the guidance provided by Government in June 2025.

The letter includes clear requirements to be included within LGR proposals. These have been used to develop the evaluation criteria shown here where they enable comparison between options.

Some of the government requirements are not included in the evaluation criteria where they have been deemed to be statements of requirements for proposals rather than differentiating factors for LGR unitary options..

Evaluation criteria defined to structure options analysis

Headline Government Criteria	Evaluation criteria based on Government guidance
1. Establishing a single tier of local government	1.1 Sensible economic areas with an appropriate tax base
	1.2 Sensible geography to increase housing supply and meet local needs
	1.3 Single tier governance structures
2. Efficiency, capacity and withstanding shocks	2.1 Appropriate population size
	2.2 Efficiencies to improve council finances and taxpayer value for money
	2.3 Transition costs and transformation opportunities
	2.4 Putting local government finances on a firmer financial footing
3. High quality and sustainable public services	3.1 Improving service delivery and avoiding unnecessary service fragmentation
	3.2 Public service reform and better value for money
	3.3 Impact on crucial services such as social care, children's services, SEND and homelessness
4. Working together to understand and meet local needs	4.1 Local identity, culture and historical importance
	4.2 Views expressed through local engagement, and ability to address any concerns
5. Supporting devolution arrangements	5.1 Sensible population ratios between local authorities and any strategic authority
6. Stronger community engagement and neighbourhood empowerment	6.1 Enabling strong community engagement

Example of metrics to be assessed
(1.1: Sensible economic areas with an appropriate tax base)

Metrics/factors	What does good look like?
Gross Value Added (GVA) per capita (2023) (£)	Balanced GVA per capita between unitaries, suggesting balanced levels of productivity and positive implications for the distribution of economic prosperity among residents
Total Gross Value Added (GVA) (2023) (£m)	Each unitary has a sufficient GVA to generate tax and there is balance between unitaries, meaning good long-term prospects for all future authorities
Council tax base (number of properties at Band D equivalent)	All authorities with a sufficient number and profile of properties to provide a council tax base which can sustainably support services, with a reasonable balance between authorities
Council Tax harmonisation / difference in Band D rates	District areas within a unitary have low to no difference between council tax rates. The least difference between councils within a unitary would provide minimal administrative and resident disruption in harmonising rates
Alignment to major Kent industries	Unitaries demonstrate alignment to one or more of the key industries

Step 4: Determine assessment parameters

Across the 14 evaluation criteria, most metrics are assessed through a balance analysis (i.e. determining which options produce the most balanced outcomes). Some metrics have other specific criteria and some involve qualitative assessment.

Assessing balance

The assessment process is designed to evaluate how well each option achieves balance across the proposed unitary authorities. If one unitary performs exceptionally well under a given option, it is likely at the expense of another. Therefore, the goal is not to maximise metrics for individual unitaries, but to achieve equitable outcomes across all unitaries for the county area within an option.

Please note:

- This is a comparative model, meaning except for Option 1a we are not judging and assessing whether an option is objectively good or bad against a given metric. We are comparing how each option performs relative to others in the shortlist. The frame of reference is the set of options under consideration (the current shortlist).
- Where differences between options are very small, this approach will still result in at least one option scoring 'High' and at least one option scoring 'Low'.
- Some of the ranges may change slightly once data for all options is fully incorporated into the model

Generating High / Medium / Low scores for each metric based on balance

A standard formula, summarised below, is used to assign scores for each option against each metric.

Step	Description
1. For each metric, identify the range of unitary values	For all options, identify the difference between the highest and lowest values between unitaries
2. Determine parameters for High / Medium / Low	The range of differences between unitaries is divided into percentiles. • **High**: Range <33rd percentile • **Medium**: Range between 33rd and 66th percentiles. • **Low**: Range >66th percentile
3. Assign scores for each option	Assign each option a score of High, Medium or Low depending on how large the variance is between the highest and lowest.

See Appendix A3 for assessment parameters for all metrics across all evaluation criteria

Step 5: Assessment of options

All options were scored against all metrics with average results for each metric presented on an overall dashboard. Supporting commentary has been prepared to provide explanation and relevant context. No weighting has been applied to specific metrics or evaluation criteria.

Each option is scored against each individual metric, producing an average score for each criteria.

Note: to provide further ability to differentiate between options, average score include *'Medium / High'* and *'Medium / Low'.*

Metrics	Assessment (example)
Gross Value Added (GVA) per capita (2023) (£)	High
Total Gross Value Added (GVA) (2023) (£m)	Medium
Council tax base (number of properties at Band D equivalent)	Medium
Council Tax harmonisation / difference in Band D rates	Medium
Alignment to major Kent industries	High
Average for criteria (1.1)	**Medium / High**

The average scores for all metrics, for each option is presented on the overall dashboard.

Headline Government Criteria	Evaluation criteria based on Government guidance	Summary assessment by option						
		1A*	3A	4A	4B	4C	4D	5A
1. Establishing a single tier of local government	1.1 Sensible economic areas with an appropriate tax base	M	H	M/L	M	M/H	M	M/L
	1.2 Sensible geography to increase housing supply and meet local needs	M	H	M	M	L	M	M
	1.3 Single tier local government structures	L	L	M	M	M	H	M
2. Efficiency, capacity and withstanding shocks	2.1 Population of 500,000 or more as a guiding principle	M	H	M	H	M	L	L
	2.2 Efficiencies to improve council finances and taxpayer value for money	H	H	M/L	M/L	M/L	M/L	L
	2.3 Transition costs and transformation opportunities	H	H	M	M	M	M/L	L
	2.4 Putting local government finances on a firmer financial footing	H	M	M/L	M/H	M/H	M/L	M
3. High quality and sustainable public services	3.1 Improving service delivery and avoiding unnecessary service fragmentation	M	H	M	M/H	M/L	M/L	M/L
	3.2 Public service reform and better value for money	M	M	M	M	M/L	M/L	M
	3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	M	M	M/H	M	L	L	M
4. Working together to understand and meet local needs	4.1 Issues of local identity and cultural and historic importance	M/L	M	M	M	M	M	M
	4.2 Views expressed through local engagement, and ability to address any concerns	-	-	-	-	-	-	-
5. Supporting devolution arrangements	5.1 Sensible population ratios between local authorities and any strategic authority	L	H	H	H	H	M	M
6. Stronger community engagement and neighbourhood empowerment	6.1 Enabling strong community engagement	L	M	L	H	M	H	L

Note: Option 1A has been assessed differently as it cannot reasonably be assessed against criteria related to balance due to there being a single unitary.

03

Options appraisal summary findings

Summary assessment by government criteria

Set out below is a dashboard of assessment scores based on averages of all metrics assessed. The detail and commentary on the options is presented later in this section and in the supporting sections. Most metrics are relative (i.e. they compare the relative merits of each option).

Headline Government Criteria	Option 1a	Option 3a	Option 4a	Option 4b	Option 4c	Option 4d	Option 5a
1. Establishing a single tier of local government	M	M	M/L	M	M	M/H	M/L
2. Efficiency, capacity and withstanding shocks	H	H	M	M	M	L	L
3. High quality and sustainable public services	M	M	M	M	M/L	M/L	M
4. Working together to understand and meet local needs	M/L	M	M	M	M	M	M
5. Supporting devolution arrangements	L	H	H	H	H	M	M
6. Stronger community engagement and neighbourhood empowerment	L	M	L	H	M	H	L

* **Option 1a** appraised separately due to it proposing a single unitary and an innovative model of local government which is not suited to the appraisal methodology. See Section 5.

Summary assessment by evaluation criteria

Kent COUNCIL LEADERS

Set out below is a dashboard of assessment scores based on averages of all metrics assessed. The detail and commentary on the options is presented later in this section and in the supporting sections. Most metrics are relative (i.e. they compare the relative merits of each option).

Headline Government Criteria	Evaluation criteria based on Government guidance	Summary assessment by option						
		1A*	3A	4A	4B	4C	4D	5A
1. Establishing a single tier of local government	1.1 Sensible economic areas with an appropriate tax base	M	H	M/L	M	M/H	M	M/L
	1.2 Sensible geography to increase housing supply and meet local needs	M	H	M	M	L	M	M
	1.3 Single tier local government structures	L	L	M	M	M	H	M
2. Efficiency, capacity and withstanding shocks	2.1 Appropriate population size	M	H	M	H	M	L	L
	2.2 Efficiencies to improve council finances and taxpayer value for money	H	H	M/L	M/L	M/L	M/L	L
	2.3 Transition costs and transformation opportunities	H	H	M	M	M	M/L	L
	2.4 Putting local government finances on a firmer financial footing	H	M	M/L	M/H	M/H	M/L	M
3. High quality and sustainable public services	3.1 Improving service delivery and avoiding unnecessary service fragmentation	M	H	M	M/H	M/L	M/L	M/L
	3.2 Public service reform and better value for money	M	M	M	M	M/L	M/L	M
	3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	M	M	M/H	M	L	L	M
4. Working together to understand and meet local needs	4.1 Issues of local identity and cultural and historic importance	M/L	M	M	M	M	M	M
	4.2 Views expressed through local engagement, and ability to address any concerns	-	-	-	-	-	-	-
5. Supporting devolution arrangements	5.1 Sensible population ratios between local authorities and any strategic authority	L	H	H	H	H	M	M
6. Stronger community engagement and neighbourhood empowerment	6.1 Enabling strong community engagement	L	M	L	H	M	H	L

* **Option 1a** appraised separately due to it proposing a single unitary and an innovative model of local government which is not suited to the appraisal methodology. See Section 5.

Summary scoring and narrative:
1. Establishing a single tier of local government

Evaluation criteria based on Government guidance	Scoring by option						
	1A	3A	4A	4B	4C	4D	5A
1.1 Sensible economic areas with an appropriate tax base	M	H	M/L	M	M/H	M/L	M/L
1.2 Sensible geography to increase housing supply and meet local needs	M	H	M	M	L	M	M
1.3 Single tier local government structures	L	L	M	M	M	H	M

Commentary

- **Option 1a** rated Medium due to retaining the whole tax base and economic area of Kent but council tax harmonisation across the whole county is likely to result in the greatest increase in council tax of any model.
- **Option 3a** rated High because of good balance between unitaries in GVA, GVA per capita and council tax.
- **Option 4a** rated Medium/Low primarily due to an imbalance between unitaries in total GVA and council tax base,
- **Option 4b** rated Medium due to good balance between unitaries in GVA per capita and reasonable balance across all other metrics.
- **Option 4c** rated Medium/High despite imbalance in GVA per capita due to good balance in total GVA, council tax and the impact of council tax harmonisation.
- **Option 4d** rated Medium/Low due to imbalance in GVA per capita, business rates and the impact of council tax harmonisation.
- **Option 5a** rated Medium/Low despite scoring well regarding the impact of council tax harmonisation because of imbalance in total GVA and council tax base.

- **Option 1a** rated Medium due to maximising the space available in Kent for strategic housing planning decisions but offset by the practicality of service delivery over such a large area and the need for the council to operate at both the strategic and very local level.
- **Option 3a** rated High due to strong balance of population density, geographic area and historic housing delivery.
- **Option 4a** rated Medium despite imbalance in population density due to strong balance in historic housing delivery and homelessness.
- **Option 4b** rated Medium due to reasonable balance across metrics despite imbalance in population density.
- **Option 4c** rated Low due to imbalance in geographic area, historic housing delivery and homelessness.
- **Option 4d** rated Medium due to good balance in population density, geographic area and transport connectivity despite imbalance in historic housing delivery and green-belt designation.
- **Option 5a** rated Medium due to some imbalance in geographic area and green-belt designation.

- **Option 1a** rated Low as while it establishes one council it requires a new layer of local government (area assemblies) to be effective which would potentially still maintain a two-tier local government structure.
- **Option 3a** rated Low as it has an average electorate ration of 8,853 and the East authority would have 113 members, above the LGBCE recommended range.
- **Option 4a, 4b and 4c** rated Medium as they have a reasonable elector ratios and ranges of elector ratios between unitaries.
- **Option 4d** rated High as it has the lowest range of elector ratios between unitaries and a reasonable average elector ratio.
- **Option 5a** rated Medium as it has the lowest range of elector ratios between unitaries and a reasonable average elector ratio.

Summary scoring and narrative:
2. Efficiency, capacity and withstanding shocks

Evaluation criteria based on Government guidance	Scoring by option						
	1A	3A	4A	4B	4C	4D	5A
2.1 Appropriate population size	M	H	M	H	M	L	L
2.2 Efficiencies to improve council finances and taxpayer value for money	H	H	M/L	M/L	M/L	M/L	L
2.3 Transition costs and transformation opportunities	H	H	M	M	M	M/L	L

Commentary

- This metric is based purely on balance of population between unitaries.
- As this metric is based on balance **Option 1a** was appraised separately and rated Medium due to meeting the government's 'guiding principle' of 500,000 but the population over 1.9m would be over 3 times larger than the population size of the largest current unitary.
- **Options 3a and 4b** rated High due to the most balanced populations between unitaries.
- **Options 4a and 4c** rated Medium due to reasonable balance of population between unitaries.
- **Options 4d and 5a** rated Low due to the largest imbalance in population between unitaries.

- **Option 1a** rated High due to efficiencies in the corporate back office and statutory roles though there will be duplication in member and officer roles through Area Assemblies.
- **Option 3a** rated High due to comparatively high levels of savings expected to be achieved through reorganisation and only requiring one additional top-tier authority.
- **Options 4a, 4b, 4c and 4d** scored Medium/Low due to savings still being expected to be achieved from reorganisation but this is impacted by requiring the establishment of two additional top tier local authorities.
- **Option 5a** scored Low due to lower expected savings and requiring the establishment of three additional top tier local authorities. The initial benchmarking for the options appraisal indicates that the efficiencies from this model are not likely to outweigh the additional costs.

- **Option 1a** rated High due to lower implementation costs though with a risk that a single unitary reduces innovation and transformation opportunities aligned to local needs.
- **Option 3a** rated High due to proportionately lower transition costs and complexity and no requirement for boundary review.
- **Options 4a, 4b and 4c** rated Medium due to manageable transition costs and no requirement for boundary review.
- **Option 4d** rated Medium/Low due to transition cost and complexity being increased through requiring boundary review.
- **Option 5a** rated Low due to highest transition costs and complexity as well as boundary review.

Summary scoring and narrative:
2. Efficiency, capacity and withstanding shocks

Evaluation criteria based on Government guidance	Scoring by option						
	1A	3A	4A	4B	4C	4D	5A
2.4 Putting local government finances on a firmer financial footing	H	M	M/L	M/H	M/H	M/L	M

Commentary

- This metric is based purely on balance of general fund reserves, debt affordability and gross budget gaps (current) between unitaries. More detail on indicative efficiencies, disaggregation costs and implementation costs can be found in Appendix A1.
- **Option 3a** was rated Medium due to a reasonable balance between all metrics
- **Option 4a** was rated Medium/Low despite balanced reserves due to imbalance in debt affordability and gross budget gap.
- **Option 4b** was rated Medium/High due to well balanced reserves.
- **Option 4c** was rated Medium/High due to well balanced debt affordability and budget gap despite an imbalance in reserves.
- **Option 4d** was rated Medium/Low despite well balanced debt affordability due to imbalance in reserves and gross budget gap.
- **Option 5a** was rated Medium due to well balanced gross budget gaps despite imbalance in reserves.
- As this metric is based on balance **Option 1a** was appraised separately and rated High due to maximising reserves and assets in a single unitary to be allocated across Kent and Medway and minimising ongoing disaggregation costs. Though an additional level of bureaucracy would potentially be required to allocate resources to Area Assemblies.

Summary scoring and narrative:
3. High quality and sustainable public services

Evaluation criteria based on Government guidance	Scoring by option						
	1A	3A	4A	4B	4C	4D	5A
3.1 Improving service delivery and avoiding unnecessary service fragmentation	M	H	M	M/H	M/L	M/L	M/L
3.2 Public service reform and better value for money	M	M	M	M	M/L	M/L	M

Commentary

- **Option 1a** rated Medium due to limited service fragmentation though this model of reorganisation will require the unitary to work at regional, local and neighbourhood levels for different services. It either requires reorganisation or risks missing transformation opportunities through retaining status quo.
- **Option 3a** rated High due to good balance in deprivation levels and working age adults.
- **Option 4a** rated Medium for all metrics, except for 65+ population balance where it scores high.
- **Option 4b** rated Medium/High due to most metrics rating medium despite good balance of deprivation levels
- **Option 4c** rated Medium/Low due to imbalance in deprivation levels and the older adults population.
- **Option 4d** rated Medium/Low despite scoring highly on manageable geography for service delivery due to imbalance in deprivation and working age adults population and fragmenting services.
- **Option 5a** rated Medium/Low despite scoring highly on manageable geography for service delivery because of imbalance in older and working age adult population and additional service fragmentation due to creating 3 additional top tier authorities.

- **Option 1a** rated Medium as it provides significant capacity and scale to deliver public service reform but it is a large footprint to deliver effective public service reform and relational public services, particularly with People services operating at a county level.
- **Option 3a** rated Medium due to good alignment with partner boundaries but challenges to enable localism over such large unitary footprints.
- **Option 4a and 4b** rated Medium for enabling localism and alignment with partners
- **Option 4c and 4d** rated Medium/Low due to alignment with partner boundaries
- **Option 5a** rated Medium due to enabling localism despite lack of alignment with partner boundaries.

Summary scoring and narrative:
3. High quality and sustainable public services

Evaluation criteria based on Government guidance	Scoring by option						
	1A	3A	4A	4B	4C	4D	5A
3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	M	M	M/H	M	L	L	M

Commentary

- Difference driven by balance between metrics.
- **Option 1a** rated Medium due to enabling a county-wide strategic approach to children's services across Kent and Medway. Adult social care area teams do not align with Area Assembly boundaries so will not align with members or will require reorganisation.
- **Option 3a** rated Medium despite imbalance in households in temporary accommodation and adult social care and children's services spend data due to good balance of adults in social care, children in social care, the older adults population and registered pupils with SEND.
- **Option 4a** rated Medium/High despite good balance of children in low income families and adult social care spend due to imbalance in registered pupils with SEND.
- **Option 4b** rated Medium despite good balance of adults and children in social care due to imbalance of registered pupils with SEND.
- **Option 4c** rated Low due to imbalance of children in low income families, adults in social care, social care spend and children in social care.
- **Option 4d** rated Low due to imbalance of children in low income families, households in temporary accommodation, adults and older adults in social care and children's services spend.
- **Option 5a** rated Medium despite good balance of children's services spend due to imbalance of children in social care.

Summary scoring and narrative:
4. Working together to understand and meet local needs

Evaluation criteria based on Government guidance	Scoring by option						
	1A	3A	4A	4B	4C	4D	5A
4.1 Local identity, culture and historical importance	M/L	M	M	M	M	M	M
4.2 Views expressed through local engagement, and ability to address any concerns	-	-	-	-	-	-	-

Commentary

- Option 1a rated Medium/Low due to the scale of a single unitary presenting significant challenges in representing a local identity, while it does represent the historic boundaries of Kent.
- All other options scored Medium as all options included strong local identities which were maintained within new unitaries but also local identities or connections which risk being disrupted through local government reorganisation and the establishment of unitary authorities.
- We do not have credible local engagement regarding all options to feed into the options appraisal.

Summary scoring and narrative:
5. Supporting devolution arrangements

Evaluation criteria based on Government guidance	Scoring by option						
	1A	3A	4A	4B	4C	4D	5A
5.1 Sensible population ratios between local authorities and any strategic authority	L	H	H	H	H	M	M

Commentary

- **Option 1a** rated Low due to not having multiple constituent members, so no population ratio, in a Combined/Strategic authority requiring an exception from government. This additional complexity is unlikely to enable devolution of powers and funding to Kent rapidly compared to areas proposing standard unitary and strategic authority structures.
- **Option 3a** rated High despite 3 being a relatively small number of constituent authorities within a strategic authority because of balance population ratios.
- **Option 4a** rated High due to establishing four unitaries as constituent authorities despite population ratios being less balanced than other options.
- **Option 4b** rated High due to establishing four unitaries as constituent authorities with balanced population ratios.
- **Option 4c** rated High due to establishing four unitaries as constituent authorities despite population ratios being less balanced than other options.
- **Option 4d** rated Medium due to imbalance in population ratios despite establishing four unitaries as constituent authorities.
- **Option 5a** rated Medium due to imbalance in population ratios despite establishing five unitaries as constituent authorities.

The options are not differentiated based on even or odd numbers of constituent members as this can be resolved through the constitution and Mayors typically have non-voting chair rights within current combined authorities.

Summary scoring and narrative:
6. Stronger community engagement and neighbourhood empowerment

Evaluation criteria based on Government guidance	Scoring by option						
	1A	3A	4A	4B	4C	4D	5A
6.1 Enabling strong community engagement	L	M	L	H	M	H	L

Commentary

- This metric is based purely on balance of existing civic engagement between unitaries. Strong community engagement depends much more on how the council operates rather than the geography it covers so this is a relevant proxy measure to identify where an option would create a unitary with currently low levels of civic engagement.
- As this metric is based on balance **Option 1a** was appraised separately and rated Low due to a very large authority and still large Area Assemblies. Community Councils proposed alongside Town and Parish Councils which risks a complex local government landscape without clear accountabilities.

04

Metric level assessment

Criteria 1: Establishing a single tier of local government

Kent COUNCIL LEADERS

Establishing a single tier of Local Government

1.1 Sensible economic areas with an appropriate tax base

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Gross Value Added (GVA) per capita (2023) (£)	Balanced GVA per capita between unitaries, suggesting balanced levels of productivity and positive implications for the distribution of economic prosperity among residents.		H	M	H	L	L	M	• ***Options 3a and 4b*** *score highest with the smallest GVA per capita differences (~£10,500 - £11,500), possibly indicating more equitable economic productivity.* ***Options 4a and 5a*** *are moderate (~£12,500 - £12,700).* • ***Options 4c and 4d*** *show the greatest disparities (£13,400 - £14,300).* ***Option 4c*** *has the largest disparity, signalling uneven economic productivity.*
Total Gross Value Added (GVA) (2023) (£m)	Each unitary has a sufficient GVA to generate tax and there is balance between unitaries, meaning good long-term prospects for all future authorities.		H	L	M	H	M	L	• *There is a high variation in total GVA between councils, owing to high variations in population sizes and economic activity/ deprivation.* • ***Option 4c and Option 3a*** *rank highest, with the smallest GVA differences (£1,599m and £3,210m), reflecting balanced economic strength and sustainable tax bases.* ***Options 4d and 4b*** *show moderate balance (£4,240m difference).* • ***Options 4a and 5a*** *have larger GVA disparities (~£10,000m+), suggesting uneven economic power and potential financial pressure on weaker unitaries.*
Council tax base (number of properties at Band D equivalent)**	All authorities with a sufficient number and profile of properties to provide a council tax base which can sustainably support services, with a reasonable balance between authorities.		H	L	M	H	M	L	• ***Option 3a*** *has the smallest gap between tax bases indicates good balance across the three unitaries, with* ***option 4c*** *also being strongly balanced between unitaries.* ***Options 4d and 4b*** *are moderately balanced, with some disparity in tax base size.* • ***Option 4a*** *has a large variation in tax base size across unitaries.* • ***Option 5a*** *has the highest difference among options. Considerable imbalance could raise concerns over the financial resilience of smaller tax base areas.*
Council Tax harmonisation / difference in Band D rates**	District areas within a unitary have low to no difference between council tax rates. The least difference between councils within a unitary would provide minimal administrative and resident disruption in harmonising rates.	L	M	M	M	H	L	H	• ***Options 1a and 4d*** *create the largest increase in council tax across Kent (>£45m) due to including districts with currently lower council tax rates in a unitary.* • ***Options 3a, 4a and 4b*** *entail a similar moderate increase in council tax income (£32-35m) so have been rated Medium.* • ***Options 4c and 5a*** *maintain areas with aligned council tax rates within unitaries so the total increase in council tax is lower (<£30m)* • *Additional analysis can be found in Appendix A1.*
Alignment to major Kent industries*	Unitaries demonstrate alignment to one or more of the key industries	M	M	M	M	M	M	M	• ***Option 5a*** *offers the alignment with Kent's key industries by combining geographic coherence with economic logic, enabling targeted economic development across distinct regional markets (e.g. coastal, commuter, logistics corridors).* • ***Options 3a, 4a, 4b, 4c and 4d*** *also demonstrate consistent alignment, with strong internal industry links, although* ***option 4d*** *would require effective management of boundary transitions and inter-unitary collaboration.* • ***Option 1a,*** *aligns by default due to being a single unitary, but risks oversimplifying the county's diverse economic landscape. Economic identity could be diluted with significant differences between coastal and inland economies.* • *Additional analysis can be found in Appendix A1.*
Summary		M	H	M/L	M	M/H	M	M/L	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Kent COUNCIL LEADERS

Establishing a single tier of Local Government

1.2 Sensible geography to increase housing supply and meet local needs

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Population density (people per sq km) (2024)	Relatively balanced population density between unitaries, ensuring that each unitary has sufficient space for housing development.		H	L	L	M	H	M	• ***Options 3a and 4d*** *score highest on the difference in population density between unitaries indicating balanced population spread* • ***Options 4a, 4b*** *score low due to large density gaps (the difference exceeding 1,100 people per km).* • ***Options 4c and 5a*** *show medium balance with moderate variation.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Geographic area (people per sq km) (2024)	Relatively balanced geographical area between unitaries, ensuring that each unitary has sufficient space for housing development.		H	M	M	L	H	L	• ***Options 3a and 4d*** *score high, with relatively even land distribution supporting development.* ***Options 4a and 4b*** *score medium, with slightly higher variation but still within acceptable range for balanced growth potential.* • ***Options 4c and 5a*** *score low, with some unitaries have significantly less or more land area.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Housing delivery test (HDT) measurement	Housing delivery targets reflect the ability of a proposed option to meet the housing needs of its population and government quotas. Relatively balanced HDT measurements between unitaries will help ensure a more even distribution of housing development across Kent		H	H	M	L	L	M	• ***Options 3a and 4a*** *rank high on HDT balance, with a difference ranging from 7-29%. Indicative of a relatively even ability across unitaries to meet housing supply targets, supporting balanced development.* ***Option 4b*** *scores medium, showing moderate imbalance but still within the acceptable range.* • ***Options 4c and 4d*** *score low with HDT differences exceeding 51% (Option 4c: ~65.5%, Option 4d: ~61.3%).* • ***Option 5*** *is medium with an HDT difference near 31%.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Homelessness per 1,000 households	Balanced between unitaries, avoiding disproportionately high homelessness rates in each unitary. Unitaries with disproportionately high homelessness rates will have resource allocation and financial planning implications.		L	H	M	L	M	M	• ***Option 4a*** *scores high, with a difference below 1.34 per 1,000 households, indicating a relatively even distribution of homelessness rates across unitaries. This reflects a mix of urban and rural areas without a single authority bearing excessive demand for housing support.* • ***Option 4b, 4d and 5a*** *score medium. Slightly greater variation in homelessness rates may relate to higher urban concentration or economic deprivation in particular unitaries.* • ***Low scoring options (3a and 4c)*** *suggest significant imbalance and one or more unitaries may have more acute housing pressure.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Transport connectivity and travel times*	Good travel links within authorities and ease of travel across future unitaries without needing to enter other unitary areas, indicating logical geographic footprints that take account of how local people travel.		M	M	M	M	H	M	• *Using the public transport / walking average travel time to key services as the comparison metric provides a focused and equitable proxy for intra-unitary connectivity.* • ***Option 4d*** *offers the best internal transport cohesion across unitaries – ideal for efficient service delivery and coherent policy implementation.* • *The remaining options* ***(3a, 4a, 4b, 4c, 5a)*** *provide varying levels of balance, all landing in the medium category, indicating manageable connectivity with localised variation.* • *No option scored low, suggesting none would severely compromise internal mobility.* • *Additional analysis can be found in Appendix A1.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Area of land that is protected, including land designated as Green Belt (%)	Relatively balanced protected land area sizes between unitaries, ensuring that each unitary has sufficient space for housing development		H	M	M	L	L	M	• ***Option 3a*** *scored high with a difference of ~35%, suggesting a relatively balanced distribution of protected land across units.* • ***Option 4a, 4b, and 5a*** *scored medium indicating some variation in protected land distribution.* • ***Option 4c and 4d*** *score low indicating a significant imbalance in protected land. Some unitaries have very high protection, which may severely restrict housing development and create uneven growth pressures.*
Summary		M	H	M	M	L	M	M	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Kent COUNCIL LEADERS

Establishing a single tier of Local Government

1.3 Single tier local government structures

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Councillor to electorate ratio*	Ability to establish a councillor to electorate ratio within each authority that allows for a workable number of councillors and maintains an acceptable ratio of councillor to electorate. The LGBCE expects no council proposals to contain fewer than 30, nor more than 99, councillors.	L	L	M	M	M	H	M	***Option 1a** is rated low as it would either require an elector to service 13,906 electors (assuming maintaining current wards) or would require 270 councillors to enable a ratio of 5,000 electors to member (as per KCC analysis). This would create challenges in open and democratic debate at Council.* ***Option 3a** is rated low as it has an average electorate ration of 8,853 and the East authority would have 113 members, above the LGBCE recommended range.* ***Options 4a, 4b and 4c** are rated medium as they have reasonable elector ratios and ranges of elector ratios between unitaries.* ***Option 4d** has the lowest range of elector ratios between unitaries and a reasonable average elector ratio so is rated high.* ***Option 5a** has the lowest average elector ratio but a significant difference in elector ratio between the Mid and South unitaries so is rated Medium.*
Summary		L	L	M	M	M	H	M	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Criteria 2: Efficiency, capacity and withstanding shocks

Kent COUNCIL LEADERS

Efficiency, capacity and withstanding shocks

2.1 Appropriate population size

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Population size (mid-2024)	Populations are balanced and of an appropriate size to support service delivery, improvement and financial resilience. Government indication of 500,000 as a guiding principle, not a target.		H	M	H	M	L	L	• ***Option 3a*** *provides the best balance of population size with a difference of ~120k. Rural and urban districts are reasonably clustered in this option for balanced service delivery and financial resilience.* • ***Option 4b*** *also scores high reflecting some balance with a difference of ~155k.* • ***Options 4a and 4c*** *present moderate balance with differences ranging between ~157-190k.* • ***Options 4d and 5a*** *have the most imbalance with population differences exceeding 210k.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Summary		M	H	M	H	M	L	L	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Kent COUNCIL LEADERS

Efficiency, capacity and withstanding shocks

2.2 Efficiencies to improve council finances and taxpayer value for money

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Estimated savings through integration**	Greatest reduction in overall net revenue expenditure as a result of LGR (calculated as a combination of the benefits of aggregation less the costs of disaggregation).	H	H	M	M	M	M	L	• *Based on high level financial assumptions and initial benchmarking, a comparative analysis of the financial impact of each option has been completed. The analysis has applied benchmarking from past LGR cases adjusted for the the number of unitary authorities being created.* • *Disaggregation costs exist for all options where more than two unitaries are being proposed, given there is already a unitary authority (Medway) in addition to Kent County Council.* • ***Option 3A** score high, **four unitary options** score medium and **Option 5A** scores low as:* o *The level of aggregation benefits through economies of scale reduces with each additional local authority added* o *The level of disaggregation costs increase with every additional set of 'upper tier' services compared to the current position* • *Note, for **Option 1A** there are no costs of disaggregation. It could be argued that some of the benefits of aggregation could be lost if an additional tier of management is needed to manage a large population over a large geographic area, and to deliver the requirements of area committees.* • *Additional analysis can be found in Appendix A1.*
Avoiding duplication of statutory roles / management teams*	No increase to the number of authorities delivering top tier services (County and Unitaries), on the basis that this does not introduce the need for additional statutory roles. Duplication of roles due to more authorities suggests the need to hire additional resources/management and relies on available expertise.	H	M	L	L	L	L	L	• ***Option 1a** scores high, as a single authority could minimise duplication of statutory roles and governance structures. It could potentially reduce overhead and complexity while maintaining local input via area assemblies.* • ***Option 3a** scores medium due to only requiring one additional set of statutory roles and key posts.* • ***Options 4a, 4b, 4c, 4d and 5a** score low with potential governance duplication, increasing costs, recruitment demands, and coordination complexity.*
Summary		H	H	M/L	M/L	M/L	M/L	L	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Efficiency, capacity and withstanding shocks

2.3 Transition costs and transformation opportunities

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Transition costs and complexity	Minimising the complexity and costs associated with establishing new local authority structures	H	H	M	M	M	M	L	• *Under any option the LGR implementation process will be complex and incur significant one-off costs.* • *Initial benchmarking against past LGR cases has been used to consider relative one-off implementation costs for each model. The biggest driver of additional transition complexity and cost are the number of unitary authorities being proposed, with additional one-off costs incurred for boundary changes.* • ***Option 5a** incurs the highest costs of implementation, and will incur some additional cost due to boundary changes (assessed separately)* • ***Options 4a, 4b, 4c and 4d** score medium and 4d will incur some additional cost due to boundary changes (assessed separately)* • ***Option 3a and 1a** score high* • *See Appendix A1 for further details.*
Need for boundary reviews*	No changes to existing local authority boundaries which increases costs and complexity of reorganisation.	M	M	M	M	M	L	L	• *Government has been clear that boundary changes will be considered within proposals where there is clear justification.* • *Boundary changes add complexity into an already complex programme of local government reorganisation.* • ***Options 1a, 3a, 4a, 4b, and 4c** are based on existing council boundaries. No new boundary reviews are required, helping to avoid additional cost, legal processes, or risk of service disruption.* • ***Option 4d** changes eight current authority boundaries and **Option 5a** changes 3 current authority boundaries. Both options propose changes to the boundary of the existing unitary authority (Medway), which adds additional complexity.* • *See Appendix A1 for further details.*
Summary		H	H	M	M	M	M/L	L	

**Qualitative measures*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Kent COUNCIL LEADERS

Efficiency, capacity and withstanding shocks

2.4 Putting local government finances on a firmer financial footing

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
General fund balance (£)	Balanced between Unitaries, without any authorities at a level of reserves which would impact the ability to deal with financial shocks.		M	H	H	L	L	M	• *General fund balances from individual council financial returns (including KCC apportionment) have been analysed for balance* • *The total general fund balance across all 14 councils is £171m, £79m of which is the KCC general fund balance.* • *All options produce a relatively significant range* • ***Options 4a and 4b** are the most balanced with a range of £31m and £38m between the highest and lowest unitaries.* • ***Option 4c and 4d** are the least balanced as they combine all or parts of Ashford with Maidstone (the two districts with the highest general fund balances at £49m and £26m respectively), leaving other authorities with significantly lower general fund levels.* • ***Option 1a** not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Debt affordability - financing costs as %	No unitaries exceeding 10% for debt financing as a percentage of net revenue expenditure. Whilst there is no single accepted level, 10% is quoted as a manageable level of financing costs as a percentage of net revenue expenditure (NRE). A balance of financing costs as a percentage of net revenue expenditure across authorities suggests a serviceable debt portfolio and prudence within capital financing.		M	L	M	H	H	L	• *Total financing costs across Kent are £65m, which is around 3% of Net Revenue Expenditure (NRE). This relatively healthy overall position is helped by KCC and Medway each having low financing cost levels of 2% and 1%.* • ***Options 4a and 5a** score lower because they combine Ashford, Folkestone & Hythe and Dover, each of which exceeds 10% for debt financing as a percentage of NRE, creating a less balanced position.* • ***Options 4c and 4d** are the most balanced, but across other options the differences between ranges are not significant (all between 1% and 3%).* • ***Option 1a** not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Gross budget gap (£m)**	An equitable split of budget deficit will provide the best starting point for all unitaries within a configuration to build on through efficiencies		M	L	M	H	L	H	• *Based on individual financial returns, the gross budget gap across Kent is £124m, with £50m of this in KCC, £59m in Medway and a combined £15m across the Districts. Therefore, across all options, unitaries that include Medway have the highest gross budget gap.* • ***Option 5a** scores high because it divides Medway into two authorities and therefore spreads the budget gap more evenly with a range of £38m.**Option 4c** also scores high.* • *Across other options the differences between ranges are not significant (£56m to £58m) with small differences in ranges driving the assessment results.* • ***Option 1a** not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Summary		H	M	M/L	M/H	M/H	M/L	M	

**Qualitative measures*
***From financial model/ finance data request*
****Awaiting verification*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Criteria 3: High quality & sustainable public services

Kent COUNCIL LEADERS

High quality & sustainable public services

3.1 Improving service delivery and avoiding unnecessary service fragmentation (1/2)

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Income deprivation rate	Avoiding higher levels of deprivation and demand being clustered within individual unitaries Large differences would suggest areas with significant service delivery challenges, impacting resource allocation and financial planning.		H	M	H	L	L	M	• ***Options 3a and 4b*** *show the smallest differences (~0.054 and 0.059), indicating a more even distribution of deprivation across unitaries. High deprivation areas are paired with districts of moderate deprivation, avoiding concentration.* • ***Option 4a and Option 5a*** *score medium with differences around 0.064. This is likely due to some unitaries containing more deprived areas (e.g., urban centres like Canterbury or Dartford), paired with less deprived rural districts.* • ***Options 4c and 4d*** *score low with differences of 0.065 and 0.086.* ***Option 4d*** *notably has the highest spread due to combining areas with very low deprivation (e.g., Sevenoaks or Tonbridge & Malling) with relatively high deprived districts like parts of Thanet or urban Dartford.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
65+ Population (mid-2024)	Balanced proportion of older people between unitaries, avoiding excessive pressure and strain on services in one area		M	H	H	L	M	L	• ***Options 4a and 4b*** *score high, reflecting the best balance.* • ***Options 3a and 4d*** *score medium and generally feature a better balance of older populations, helping to spread demand for age-related services more evenly.* • ***Options 4c and 5a*** *score low and have unitaries with large variation in older population sizes, which could potentially result in uneven service pressure, especially in unitaries with significantly higher elderly populations.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
20-64 Population (mid-2024)	Balanced proportion of adult population between unitaries, avoiding excessive pressure and strain on services in one area		H	M	M	M	L	L	• ***Option 3a*** *scores high with the smallest difference of 80,156, this option shows the most balanced distribution of working-age population across its unitaries.* • ***Options 4a, 4b, and 4c*** *score medium, with differences ranging between approximately 86,000 and 112,000.* • ***Options 4d and 5a*** *score low, with differences over 114,000 indicating larger disparities in working-age populations. These options may experience uneven pressures, potentially affecting service planning and resource allocation.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
0-19 Population (mid-2024)	Balanced proportion of 0-19 population between unitaries, avoiding excessive pressure and strain on services in one area		H	L	M	M	L	M	• ***Option 3a*** *scores high with the smallest difference of 38,953, this option shows the most balanced distribution of 0-19 aged population across its unitaries.* • ***Options 4b, 4c, and 5a*** *score medium, with differences ranging between approximately 43,000 and 54,000.* • ***Options 4a and 4d*** *score low, with differences over 55,000 indicating larger disparities in the 0-19 aged populations. These options may experience uneven pressures, potentially affecting service planning and resource allocation.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Avoiding service fragmentation*	Avoiding splitting of service structures. Options should aim to minimise service fragmentation due to risk, complexity and cost.	H	M	M	M	M	L	L	• ***Option 1a*** *scores high and could potentially avoid service fragmentation entirely by maintaining a single top-tier authority. It ensures continuity of service delivery, simplifies governance, and reduces transition risk.* • ***Options 3a, 4a, 4b and 4c*** *score medium potentially introducing some service fragmentation.* • ***Options 4d and 5a*** *scores low with the highest level of service fragmentation, requiring significant restructuring. It increases the risk of inconsistent service delivery and raises transition costs and complexity.*

Continues on the following page

**Qualitative measures*
***From financial model/ finance data request*

High quality & sustainable public services

3.1 Improving service delivery and avoiding unnecessary service fragmentation (2/2)

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Manageable geography for service delivery*	Travel within all future unitary geographies is manageable for service delivery teams that allows service delivery to be conducted effectively.	L	M	M	M	M	H	H	• *Average travel times to key services is a strong proxy for manageable geography because it reflects how easily service teams can reach essential locations across each area. Shorter travel times indicate well-connected, compact geographies that support efficient service delivery, while longer times suggest challenges due to size or infrastructure.* • ***Option 1a** scores low, as a single large authority would have extensive geographical spread and high average travel times for many areas, particularly rural and coastal zones. The sheer size risks uneven service delivery and reduced responsiveness.* • ***Options 3a, 4a, 4b and 4c** score medium, as they retain several councils with varying travel times. Some units like Swale and Ashford still face higher travel times, but grouping remains coherent enough for manageable service delivery with some coordination challenges. For 3a, east and north groups are more compact with better infrastructure, supporting moderately efficient delivery.* • ***Options 4d and 5a** score high. Smaller, more compact areas such as Dartford, Gravesham, and Medway individually have lower travel times and well-connected infrastructure. This leads to more manageable geographies for efficient, responsive service delivery with fewer logistical barriers.*
Summary		M	H	M	M/H	M/L	M/L	M/L	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Kent COUNCIL LEADERS

High quality & sustainable public services

3.2 Public service reform and better value for money

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Enabling localism and place-based public service reform*	Appropriate geography for service delivery and place based public service reform in each unitary. Place based public service reform will require the ability to operate in neighbourhoods and localities with community partners at a more local level than any proposed unitary geographies.	L	L	M	M	M	M	H	• *Population size has been used as a proxy for assessing the suitability of unitary geographies for localism and place-based reform. While useful for broad comparison, this metric does not capture other factors such as community cohesion, service infrastructure, or governance capacity, which also influence the ability to deliver localised public services effectively.* • ***Option 5a** scores high, with smaller average population sizes which supports more localised service delivery and better opportunities for place-based public service reform through closer collaboration with community partners.* • ***Options 4a, 4b, and 4c** score medium providing a moderate balance, allowing some flexibility for localism while maintaining economies of scale, but may face challenges in delivering highly localised services uniformly.* • ***Options 1a and 3a** score low, with average population sizes exceeding 500,000. Larger unitaries in these configurations may struggle to effectively operate at the neighbourhood or locality level, potentially limiting the effectiveness of place-based public service reform and local community engagement.*
Alignment with existing public sector boundaries	Unitary boundaries align with all public sector partners, enabling stronger relationships and coworking and removing duplication of partnering arrangements.	H	H	M	M	L	L	L	• *Kent Police operates across all of Kent and Medway. It operates through a North division (Dartford, Gravesham, Medway and Swale), East division (Ashford, Canterbury, Thanet, Dover) and West division (Sevenoaks, Tonbridge and Malling, Tunbridge Wells and Maidstone) This aligns with the unitaries in **Option 3a** and the Area Assemblies of **Option 1a** (though People services will not be delivered by Area Assemblies.* • *NHS Kent and Medway covers the whole area. There are four health and care partnerships within the ICB: Dartford, Gravesham and Swanley , Medway and Swale, West Kent (this matches the West unitaries in **Options 3a, 4a and 4b**) and East Kent (this matches the East unitaries in **Option 3a**).* • *There are 9 acute Trusts in Kent (in Thanet, Dover, Folkestone and Hythe, Canterbury, Ashford, Maidstone, Medway, Tunbridge Wells and Dartford. This would provide an acute hospital in each unitary in all options.* • *Kent Community Health NHS Trust operates community hospitals: Faversham Cottage Hospital, Hawkhurst Community Hospital, Queen Victoria Memorial Hospital, Sevenoaks Hospital, Tonbridge Cottage Hospital, Victoria Hospital, Deal, West View Hospital, Whitstable and Tankerton Hospital and Minor injury units.* • *South East Coast Ambulance Service NHS Foundation Trust covers the whole area of Kent and Medway so does not differentiate between options. Kent Fire and Rescue operates across the whole area.* • ***Option 1a** aligns with existing ICB boundaries and the footprint of many partners.* • ***Options 4a and 4b** match some partner boundaries so have been rated Medium.* • ***Option 4c** does not align with public sector boundaries so has been rated low.* • ***Options 4d and 5a** change local authority boundaries which potentially increases the complexity for partners and joined up service delivery.* • *Additional analysis can be found in Appendix A1.*
Summary		M	M	M	M	M/L	M/L	M	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Kent COUNCIL LEADERS

High quality & sustainable public services

3.3 Impact on crucial services such as social care, children's services, SEND & homelessness

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Number of older adults in adult social care as % total population (2023-2024)	Balanced caseload or demand between unitaries.		H	M	M	L	L	M	• ***Option 3a*** *scores high, reflecting the lowest variation in the proportion of older adults in care (difference of 0.71%). This suggests strong balance in demand across the three proposed unitaries, supporting consistent service delivery and manageable resourcing.* • ***Options 4a, 4b and 5a*** *score medium with moderate variations, suggesting reasonably balanced caseloads.* ***4a*** *has a difference of 0.72%,* ***4b*** *has a difference of 0.79% and* ***5a*** *has a difference of 0.87%.* • ***Options 4c and 4d*** *score low with the highest variation with differences of ~0.90%, suggesting more uneven demand and potential resource planning challenges.*
Number of adults in adult social care as % total population (2023-2024)	Balanced caseload or demand between unitaries.		H	M	H	L	L	M	• ***Options 3a and 4b*** *have the smallest variation (difference of 0.50%) in adult social care caseload across proposed unitaries, indicating a strongly balanced demand profile.* • ***Options 4a and 5a*** *score medium with differences ranging between 0.54-0.55%, indicating a moderately balanced spread of adult social care demand.* • ***Options 4c and 4d*** *show greater disparity (differences ranging between 0.58% and 0.62%), suggesting challenges in distributing adult social care resources evenly.*
Adult social care total spend (£m)	Balanced caseload or demand between unitaries.		L	H	M	L	M	M	• ***Option 4a*** *has the smallest variation (£12.2m) in adult social care spend across the proposed unitaries, suggesting a well-balanced allocation of resources and relatively even demand.* • ***Options 4b, 5a, and 4d*** *show moderate spend variation (£13.7m–£91.2m). While not as tightly aligned as 4a, these options maintain a reasonable distribution, though some areas may face more significant cost pressures.* • ***Options 3a and 4c*** *exhibit the largest variations (£106.7m–£162.3m) in spend between unitaries, indicating significant disparity in service demands or population needs.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Number of children in children's social care as % total population (2023-2024)	Balanced caseload or demand between unitaries.		H	M	H	L	M	L	• ***Options 4b and 3a*** *scores high with the lowest variation across unitaries (difference of 0.32%), suggesting strong alignment in caseload levels and a well-balanced demand profile.* • ***Option 4a and 4d*** *score medium with differences ranging between 0.33-0.35%.* • ***Options 4c and 4a*** *scow low with differences ranging between 0.36%-0.43% indicating the most uneven distribution of children's social care demand across unitaries, which could strain some areas disproportionately.*
Children's services total spend (£m)	Balanced caseload or demand between unitaries.		L	M	M	M	L	H	• ***Option 5a*** *shows the smallest spend variation (range: £42M–£91M)* • ***Options 4a, 4b, and 4c*** *have moderate spend variation (range: approx. £51M–£124M), reflecting some unevenness in demand but still generally within a manageable range.* • ***Options 3a and 4d*** *show the greatest variation in spend (up to approx. £152M or more), indicating significant differences in demand and/or service cost between unitaries.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Number of registered pupils with SEND as % total population (2023-2024)	Balanced caseload or demand between unitaries.		H	L	L	M	M	M	• ***Option 3a*** *has the smallest variation in SEND rates (difference of 1.37%), suggesting the most balanced caseload.* • ***Options 4c, 4d, and 5a*** *show moderate variation in SEND prevalence (difference ranging between 1.62%–1.85%), indicating some unevenness* • ***Options 4a and 4b*** *show the greatest variation in SEND pupil proportions (differences of 2.31% and 1.96%, respectively).* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*

Continues on the following page

**Qualitative measures*

***From financial model/ finance data request*

Kent COUNCIL LEADERS

High quality & sustainable public services

3.3 Impact on crucial services such as social care, children's services, SEND & homelessness

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Proportion of children in relative low-income families (under 16s) (FYE24) (%)	Balanced caseload or demand between unitaries.		M	H	M	L	L	M	• ***Option 4a*** *provides the most even distribution with the smallest difference of 7.87%, supporting more balanced service demand.* • ***Options 3a, 4b, and 5a*** *show moderate disparities with differences ranging between about 7.9% and 9.46%.* • ***Options 4c and 4d*** *score low with differences above 9.46% showing greater disparities across unitaries, which may create challenges in service delivery and require targeted interventions.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Proportion of children in absolute low-income families (under16s) (FYE24) (%)	Balanced caseload or demand between unitaries.		M	H	M	L	L	M	• ***Option 4a*** *scores high with the smallest difference (6.43%), this option has the most balanced distribution of children in absolute low-income families.* • ***Options 3a, 4b, and 5a*** *score medium with differences between 6.55% and 7.85%.* • ***Options 4c and 4d*** *score low with differences above 7.85% showing larger disparities.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Households in TA per 1,000 (Jan-Mar 25)	Significant variations in the number of householders in TA per 1,000 population could indicate disparities in resource allocation, leading to potential inefficiencies and financial pressures.		L	H	H	M	L	M	• ***Options 4a and 4b*** *score high, with the smallest difference demonstrating good balanced level of housing needs across proposed unitaries.* • ***Options 4c and 5a*** *score medium demonstrating relatively balanced levels of housing need, with moderate differences in TA rates between unitary areas. While not fully equal, the spread in figures suggests more equitable distribution of housing pressure and manageable service coordination.* • ***Options 3a and 4d*** *score low and show the greatest variation in TA levels, with significant gaps between high- and low-need areas.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Summary		M	M	M/H	M	L	L	M	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Criteria 4: Working together to understand and meet local needs

Kent COUNCIL LEADERS

Working together to understand & meet local needs

4.1 Issues of local identity and cultural and historic importance

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Sense of identity*	Unitary geographies reflects factors including culture, sense of place, common geographical features and historical links between areas.	L	M	M	M	M	M	M	• ***Option 1a*** *risks the potential loss of local identity due to the large scale of a single unitary. While area assemblies might help retain some place-based connection, concerns were raised about dilution of local voices.* • ***Option 3a*** *appears to align well with North, West, and East Kent identities.* • ***Options 4a, 4b, 4c*** *have some boundaries aligning with historic ties, but others combine areas with less shared identity.* • ***Options 4d and 5a*** *can have some benefits in more granular local control, but the configuration can be seen to overcomplicate existing cultural/geographic lines. New groupings could potentially weaken historical cohesion between some communities.*
Travel to Work Areas (TTWA)*	Unitary boundaries minimise splitting of existing TTWA areas. Unitary boundaries that align with established travel to work areas would represent areas where the majority of residents live and work, indicating a greater sense of place and community.		M	M	M	M	M	M	• *No configuration maps perfectly to existing TTWA boundaries. TTWAs are complex and overlapping by nature, shaped by real commuting patterns rather than administrative convenience. As such, all unitary options involve some degree of compromise in preserving these boundaries.* • ***Options 3a, 4a, 4b, 4c, 4d and 5a*** *deliver a moderate level of alignment, with some TTWAs maintained within single unitaries but others split across multiple geographies, potentially impacting the effectiveness of place-based policy and services.* • ***Option 1a*** *not assessed against this metric as the unitary includes all TTWAs.* • *Additional analysis can be found in Appendix A1.*
Maintaining history and tradition*	All unitary options should preserve local tradition and sense of history, to maintain important connections between communities and local government.	M	M	M	M	M	M	M	• ***Option 1a*** *could potentially maintain the historic identity of Kent.* • ***Option 3a*** *appears to reflect historic divisions of North, West, and East Kent, this model generally aligns well with identities and administrative geography.* • ***Options 4a, 4b, 4c*** *have some unitaries partially preserving historic relationships, particularly where district groupings follow existing local government structures.* • ***Option 4d and 5a*** *could be seen as disruptive to tradition in some areas, particularly where existing authorities are split or absorbed.*
Summary		M/L	M	M	M	M	M	M	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Kent COUNCIL LEADERS

Working together to understand & meet local needs

4.2 Views expressed through local engagement, and ability to address any concerns

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Views expressed through engagement*	Proposals should align as far as possible with the views expressed through engagement with both the public and partners. Where concerns are raised there should be confidence that these can be adequately mitigated.	-	-	-	-	-	-	-	• *There is currently no consistent engagement evidence across Kent and Medway to enable us to appraise these options.*
Summary		-	-	-	-	-	-	-	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Criteria 5: Supporting devolution arrangements

Kent COUNCIL LEADERS

Supporting devolution arrangements

5.1 Sensible population ratios between local authorities and any strategic authority

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Population ratios between members of a strategic authority	Balanced population ratio between all unitaries within a future strategic authority. Unitaries should seek balanced population sizes resulting in even power balance in authorities.		H	M	H	M	L	L	• ***Options 3a and 4b*** *have the most even population ratios between constituent members so have been rated High.* • ***Options 4a and 4c*** *have been rated Medium as having population ratios in the middle of the range.* • ***Options 4d and 5a*** *have the greatest imbalance in population ratios between constituent members so have been rated Low.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Number of constituent members in strategic authority	Higher numbers of constituent authorities provides stronger decision-making within the strategic authority.	L	M	H	H	H	H	H	• ***Option 1a*** *has been rated low as only providing one constituent member which would require an exception from government to enable a devolution deal.* • ***Option 3a*** *has been rated medium as 3 is a relatively small number of constituent authorities within a strategic authority.* • ***Options 4a, 4b, 4c, 4d and 5a*** *have been rated high as providing a relatively high number of constituent authorities within the strategic authority.* • *The options are not differentiated based on even or odd numbers of constituent members as this can be resolved through the constitution and Mayors typically have non-voting chair rights within current combined authorities.*
Summary		L	H	H	H	H	M	M	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

Criteria 6: Stronger community engagement & neighbourhood empowerment

Kent COUNCIL LEADERS

Stronger community engagement & neighbourhood empowerment

6.1 Enabling strong community engagement

Metric	What does good look like?	1A	3A	4A	4B	4C	4D	5A	Commentary
Level of civic participation (2023-2024) (%)	Strong existing civic participation, community networks and potentially town and parish councils across all proposed unitary authorities.		M	L	H	M	H	L	• ***Option 4b and 4d*** *score high, showing relatively balanced and strong civic participation levels across unitary areas. This suggests these configurations may support meaningful community engagement and effective local representation.* • ***Option 3a and 4c*** *fall into the medium category, indicating some variation in civic participation between unitaries. While they maintain a community involvement, there may be challenges ensuring equitable engagement across all areas.* • ***Option 4a and Option 5a*** *score low, with significant disparities in civic participation rates between unitary areas. This suggests potential difficulties in fostering consistent community networks and effective engagement at scale, possibly due to less manageable geographies or fragmented local identities.* • ***Option 1a*** *not assessed against this metric as this is based on balance which can not be achieved by a single unitary.*
Summary		L	M	L	H	M	H	L	

**Qualitative measures*
***From financial model/ finance data request*
Note: Option 1a summary scoring based on specific analysis in Section 5.

05

Option 1A appraisal

Option 1A appraisal

Option 1A was proposed at the Kent County Council Devolution and Local Government Reorganisation Cabinet Committee on 28th July 2025 and has since been developed by KCC officers. It proposes a single unitary encompassing Kent and Medway with three Area Assemblies which are an innovative approach to local government. The unitary would set budget and strategy and be responsible for strategic and people services while area assemblies would be responsible for place-based services.

As an innovative model of local government involving a single unitary, it does not fit with the comparative methodology based on the MHCLG criteria. If data corresponding with the Area Assemblies is required, the boundaries align with the three unitaries proposed in option 3a.

Headline Government Criteria	Evaluation criteria based on Government guidance	Rating	Strengths (specific to Option 1A)	Challenges (specific to Option 1A)
1. Establishing a single tier of local government	1.1 Sensible economic areas with an appropriate tax base	M	▪ Retains economic area of Kent. ▪ Maximises existing tax base (council tax and business rates) for allocation across area committees.	▪ Likely to entail highest council tax increases (harmonising council tax levels between the lowest and highest districts in Kent).
	1.2 Sensible geography to increase housing supply and meet local needs	M	▪ Maximises geographic footprint for housing planning.	▪ Very large footprint to deliver both strategic and delivery services.
	1.3 Single tier local government structures	L	▪ Establishes a single council across Kent and Medway.	▪ Does not establish a single tier of local government structures (unitary authority and area assemblies). ▪ Lack of clarity for residents and government regarding accountability. ▪ Complexity entailed in developing and establishing a new approach to local government ▪ Challenge to address local concerns with either a very low member:elector ratio or a very large number of members (est. 260).
2. Efficiency, capacity and withstanding shocks	2.1 Appropriate population size	M	▪ Meets government's 'guiding principle' of 500,000.	▪ Population over 1.9m would be significantly larger than the population size of the largest current unitary.
	2.2 Efficiencies to improve council finances and taxpayer value for money	H	▪ A single unitary would reduce corporate back office costs and the need for statutory roles. ▪ Greater efficiencies expected through larger economies of scale.	▪ If area assemblies are responsible for local service delivery there could be duplication of roles reducing the efficiencies that can be achieved.
	2.3 Transition costs and transformation opportunities	H	▪ Expected to entail lower implementation costs due to lower levels of disaggregation.	▪ Potential for transformation opportunities to not be aligned with local needs.
	2.4 Putting local government finances on a firmer financial footing	H	▪ Maximises reserves and assets in a single entity. ▪ Minimises ongoing costs of disaggregation through single approach to People services.	▪ Challenge regarding how funding and resources are allocated across area committees increasing bureaucracy.

Option 1A appraisal

Headline Government Criteria	Evaluation criteria based on Government guidance	Rating	Strengths (specific to Option 1A)	Challenges (specific to Option 1A)
3. High quality and sustainable public services	3.1 Improving service delivery and avoiding unnecessary service fragmentation	M	▪ Single unitary minimises service fragmentation though services typically operate on smaller footprints.	▪ Potential for transformation opportunities to not be aligned with local needs. ▪ Some service change required to align with area assembly boundaries.
	3.2 Public service reform and better value for money	M	▪ A single unitary would reduce corporate back office costs through minimising duplication. ▪ Capacity to invest in public service reform and alignment with ICB footprint.	▪ Large footprint to deliver effective public service reform and relational public services. ▪ Risk that a single unitary reduces the agility and autonomy of Area Assemblies to meet local needs.
	3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	M	▪ Supports strategic approach to children's services (social care, unaccompanied asylum seekers and SEND) across Kent and Medway.	▪ Adult social care operates on 4 area teams which do not align with the Area Assembly requiring reorganisation.
4. Working together to understand and meet local needs	4.1 Issues of local identity and cultural and historic importance	M/L	▪ Retains Kent identity and Area Assemblies reflect recognised communities in Kent.	▪ Challenge regarding how local issues can be addressed over such a large unitary.
	4.2 Views expressed through local engagement, and ability to address any concerns	N/A	▪ N/A – no results of local engagement available across Kent and Medway	
5. Supporting devolution arrangements	5.1 Sensible population ratios between local authorities and any strategic authority	L	▪ Single council managing border issues	▪ A single constituent authority may prevent a devolution deal. ▪ A single constituent authority would create challenges for decision-making and is not aligned with the government approach to standardising devolution arrangements.
6. Stronger community engagement and neighbourhood empowerment	6.1 Enabling strong community engagement	L	▪ N/A – to be determined how area committees will engage with and empower communities.	▪ Large population with a risk that community engagement and empowerment is lost through operating too remotely from residents and partners. ▪ Community Councils coexisting with Town and Parish councils risks lack of clarity on roles in local government.

A1

Supporting analysis linked to metrics

Supporting analysis has been included in this section where appropriate to support assessment of specific metrics in the metric level assessment (Section 4).

Council tax harmonisation (1.1)

- Council tax rates in Kent range from £1,754.69 to £1,906.78 in the current system. Council tax harmonisation is a political choice for the new unitaries as it impacts councils income and resident tax rates. It can be harmonised up to the highest council tax rate in the council area but this takes time as annual increases are subject to the usual limits.
- We have modelled council tax harmonisation based on increasing Band D rates to the highest rate within a unitary (shown below to reflect the highest possible impact on residents), standardising to the lowest rate and based on a weighted average.
- As Options 4d and 5a do not use existing boundaries, and therefore council tax rates and income, it is not possible to do comparable analysis of total income raised. The modelled Band D rates are based on the new unitary authority for the majority of residents where a unitary boundary splits a current district.

	Current Tax Yield	1A*	3A	4A	4B	4C	4D	5A
Increase in council tax	£1,231,758,632	£ 49,171,419	£ 34,327,196	£ 32,675,002	£ 32,986,194	£ 29,703,060	£ 45,043,817	£ 28,298,300
Options appraisal assessment		L	M	M	M	H	L	H

				Total difference in Band D rates						
	2024-25 final taxbase	Current combined Band D rate	Current Tax Yield	1A*	3A	4A	4B	4C	4D	5A
Folkestone & Hythe	40,466	£1,907	£77,159,931	£0	£0	£0	£0	£0	£0	£0
Maidstone	68,264	£1,904	£129,958,194	£3	£0	£0	£0	£0	£3	£0
Thanet	46,454	£1,874	£87,054,908	£33	£33	£0	£0	£33	£33	£0
Sevenoaks	52,395	£1,855	£97,168,160	£52	£49	£49	£49	£0	£19	£49
Canterbury	53,348	£1,851	£98,732,177	£56	£56	£23	£23	£56	£56	£23
Tonbridge & Malling	53,478	£1,849	£98,879,623	£58	£55	£55	£55	£6	£25	£55
Gravesham	35,995	£1,842	£66,296,691	£65	£0	£0	£0	£0	£62	£0
Dover	40,875	£1,825	£74,604,137	£82	£82	£82	£49	£82	£82	£82
Tunbridge Wells	48,361	£1,816	£87,822,911	£91	£88	£88	£88	£39	£91	£88
Swale	50,368	£1,812	£91,242,368	£95	£30	£62	£95	£92	£92	£30
Ashford	49,832	£1,799	£89,636,805	£108	£108	£108	£108	£105	£108	£108
Dartford	41,029	£1,796	£73,679,473	£111	£46	£46	£46	£46	£108	£46
Medway	90,913	£1,755	£159,523,255	£152	£87	£87	£87	£87	£149	£57

Kent COUNCIL LEADERS

Alignment to major Kent industries (1.1)

	Medway	Ashford	Canterbury	Dartford	Dover	Folkestone and Hythe	Gravesham	Maidstone	Sevenoaks	Swale	Thanet	Tonbridge and Malling	Tunbridge Wells	Kent County Council
1	Human Health & Social Work Activities	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Education	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Administrative & Support Service Activities	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Human Health & Social Work Activities	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles
2	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Human Health & Social Work Activities	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Administrative & Support Service Activities	Human Health & Social Work Activities	Accommodation & Food Service Activities	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Human Health & Social Work Activities	Construction	Manufacturing	Wholesale & Retail Trade; Repair Of Motor Vehicles & Motorcycles	Administrative & Support Service Activities	Human Health & Social Work Activities	Human Health & Social Work Activities
3	Education	Administrative & Support Service Activities	Human Health & Social Work Activities	Human Health & Social Work Activities	Transportation & Storage	Human Health & Social Work Activities	Accommodation & Food Service Activities	Administrative & Support Service Activities	Professional, Scientific & Technical Activities	Transportation & Storage	Education	Human Health & Social Work Activities	Professional, Scientific & Technical Activities	Administrative & Support Service Activities
4	Administrative & Support Service Activities	Manufacturing	Accommodation & Food Service Activities	Transportation & Storage	Education	Public Administration & Defence; Compulsory Social Security	Education	Public Administration & Defence; Compulsory Social Security	Administrative & Support Service Activities	Education	Accommodation & Food Service Activities	Transportation & Storage	Education	Education
5	Manufacturing	Education	Administrative & Support Service Activities	Construction	Manufacturing	Other Service Activities	Human Health & Social Work Activities	Education	Human Health & Social Work Activities	Accommodation & Food Service Activities	Manufacturing	Construction	Accommodation & Food Service Activities	Accommodation & Food Service Activities
6	Construction	Construction	Professional, Scientific & Technical Activities	Accommodation & Food Service Activities	Accommodation & Food Service Activities	Administrative & Support Service Activities	Construction	Construction	Education	Professional, Scientific & Technical Activities	Construction	Professional, Scientific & Technical Activities	Administrative & Support Service Activities	Construction
7	Transportation & Storage	Accommodation & Food Service Activities	Construction	Education	Professional, Scientific & Technical Activities	Education	Transportation & Storage	Accommodation & Food Service Activities	Accommodation & Food Service Activities	Administrative & Support Service Activities	Administrative & Support Service Activities	Education	Financial & Insurance Activities	Professional, Scientific & Technical Activities
8	Accommodation & Food Service Activities	Professional, Scientific & Technical Activities	Information & Communication	Manufacturing	Public Administration & Defence; Compulsory Social Security	Transportation & Storage	Public Administration & Defence; Compulsory Social Security	Professional, Scientific & Technical Activities	Manufacturing	Human Health & Social Work Activities	Professional, Scientific & Technical Activities	Manufacturing	Manufacturing	Transportation & Storage
9	Professional, Scientific & Technical Activities	Transportation & Storage	Public Administration & Defence; Compulsory Social Security	Professional, Scientific & Technical Activities	Construction	Manufacturing	Manufacturing	Manufacturing	Information & Communication	Construction	Transportation & Storage	Accommodation & Food Service Activities	Information & Communication	Manufacturing
10	Public Administration & Defence; Compulsory Social Security	Public Administration & Defence; Compulsory Social Security	Financial & Insurance Activities	Information & Communication	Administrative & Support Service Activities	Construction	Professional, Scientific & Technical Activities	Transportation & Storage	Arts, Entertainment & Recreation	Agriculture, Forestry & Fishing	Public Administration & Defence; Compulsory Social Security	Water Supply; Sewerage, Waste Management & Remediation Activities	Construction	Public Administration & Defence; Compulsory Social Security

- **Option 5a:** Strong alignment, sensible geographic and economic logic supporting distinct regional markets such as wholesale & retail (Dartford, Sevenoaks), health & social care (Medway, Thanet), and logistics/transport (Swale, Ashford).
- **Options 3a, 4a, 4b, 4c:** Strong alignment, clear industry clusters like wholesale & retail, health & social care, and education are well-represented.
- **Option 4d:** Four unitary councils reflecting boundary changes, strong industry alignment with clusters in wholesale & retail (Dartford, Gravesham), health & social care (Medway), and manufacturing (Maidstone), though transitional coordination challenges may arise.
- **Option 1a:** Meets metric but risks oversimplifying diverse economic areas, potentially diluting targeted support for key sectors such as wholesale & retail, health & social care, and professional services.

Source: *Kent Economy | Labour Market & Industries*

**Top industries based on total number of jobs*

Transport connectivity and travel times (1.2)

Using the public transport / walking average travel time as the comparison metric provides a focused and equitable proxy for intra-unitary connectivity, particularly for populations who rely on public services and do not drive. This mode reflects the accessibility of key services (like schools, healthcare, and employment) via the most commonly used and publicly available transport options, especially in urban and semi-rural areas. It offers a balanced view of how well residents can move within a unitary.

Benchmark: Kent average public transport + walking travel time to key services = 19.3 minutes.

- **High balance:** Most or all unitary areas consist of councils with below-average times (<19.3 min).
- **Medium balance:** A mix of better and worse councils around the average.
- **Low balance:** Most councils have slower travel times (>19.3 min), indicating weaker internal connectivity.

Average minimum travel time[1] to reach the nearest key services by mode of travel, Local Authority, England, 2019

Local authority	Minutes walking (average of 8 key services) [2]			
	Public transport / Walking	Cycle	Car	Walking
Medway	15.7	13.2	9.6	22.2
Kent	19.3	17.6	10.9	32.5
Ashford	21.4	18.4	11.5	36.5
Canterbury	18.6	16.1	10.5	30.5
Dartford	15.6	12.6	9.3	22.1
Dover	21.5	22.9	12.4	38.3
Gravesham	17.5	15.1	10.3	29.2
Maidstone	19.9	16.4	10.9	31.1
Sevenoaks	21.6	20.2	11.8	41.6
Shepway	22.0	23.4	11.8	39.2
Swale	20.6	21.3	12.8	36.3
Thanet	15.2	12.7	8.8	22.5
Tonbridge and Malling	18.5	16.5	10.5	33.2
Tunbridge Wells	19.5	16.7	10.8	32.0

1. A maximum value of 120 minutes is used where journey times exceed 120 minutes. This means that for some service by mode combinations (particularly for walking and smaller destination sets), the average provided is lower than would actually be the case in reality.
2. The average of minimum journey times to medium sized centres of employment (500-4999 jobs), primary schools, secondary schools, further education, GPs, hospitals, food stores and town centres.

Source: *Journey Time Statistics (https://www.gov.uk/government/collections/journey-time-statistics)*

**Top industries based on total number of jobs*

Councillor to electorate ratio (1.3): current

There are currently 658 councillors in Kent serving an electorate of 1,348,857.

This provides a current ratio of 2,043 electors per councillor (average across Kent and Medway).

Local government reorganisation typically increases that ratio due to removing the two tiers of local government.

It is important to preserve democratic representation while balancing it with a number of members that enables functional, healthy democratic debate at Council.

There are 73 County Council divisions and 279 wards across Districts and Medway.

Current councillor position and electorate per councillor

Council	District/ Unitary councillors	Kent County councillors	Total councillors	Electorate	Electorate per councillor	Divisions	Wards
Medway	59		59	206,075	3,493		24
Ashford	47	7	54	95,087	1,761	7	39
Canterbury	39	8	47	108,317	2,305	8	21
Dartford	42	6	48	84,833	1,767	6	20
Dover	32	7	39	87,238	2,237	5	17
Folkestone and Hythe	30	6	36	70,194	1,950	7	13
Gravesham	39	5	44	76,516	1,739	3	17
Maidstone	49	9	58	131,670	2,270	8	22
Sevenoaks	54	6	60	90,283	1,505	6	26
Swale	47	7	54	110,044	2,038	6	24
Thanet	56	7	63	103,386	1,641	5	23
Tonbridge and Malling	44	7	51	100,052	1,962	6	19
Tunbridge Wells	39	6	45	85,162	1,892	6	14
Total	**577**	**81**	**658**	**1,348,857**	**2,043**	**73**	**279**

Kent COUNCIL LEADERS

Councillor to electorate ratio (1.3): per option

We have estimated the electorate ratio of the unitaries based on existing wards.

Option 1a is rated low as it would either require an elector to service 13,906 electors (assuming maintaining current wards) or would require 270 councillors to enable a ratio of 5,000 electors to member. This would create challenges in open and democratic debate at Council.

Option 3a is rated low as it has an average electorate ration of 8,853 and the East authority would have 113 members, above the LGBCE recommended range.

Options 4a, 4b and 4c are rated medium as they have reasonable elector ratios and ranges of elector ratios between unitaries.

Option 4d has the lowest range of elector ratios between unitaries and a reasonable average elector ratio so is rated high.

Option 5a has the lowest average elector ratio but a significant difference in elector ratio between the Mid and South unitaries so is rated Medium.

1a	Ward-based	Division-based	Range of ratio	Average elector ratio	Scoring
Members	279	97			
Electorate	1,348,857	1,348,857			
Ratio	4,835	13,906	N/A	N/A	L

3a	North	West	East	Range of ratio	Average elector ratio	Scoring
Wards	85	81	113			
Electorate	477,468	407,167	464,222			
Ratio	9,037	7,629	9,893	2,264	8,853	L

4a	North	West	East	Mid	Range of ratio	Average elector ratio	Scoring
Wards	61	81	68	69			
Electorate	367,424	407,167	321,747	252,519			
Ratio	6,023	5,027	4,732	3,660	2,364	5,261	M

4b	North	West	East	Mid	Range of ratio	Average elector ratio	Scoring
Wards	61	81	61	76			
Electorate	367,424	407,167	298,941	275,325			
Ratio	6,023	5,027	4,901	3,623	2,401	5,317	M

4c	North	West	East	Mid	Range of ratio	Average elector ratio	Scoring
Wards	61	59	74	85			
Electorate	367,424	275,497	369,135	336,801			
Ratio	6,023	4,669	4,988	3,962	2,061	5,227	M

4d	North	West	East	Mid	Range of ratio	Average elector ratio	Scoring
Wards	74	63	69	72			
Electorate	428,883	290,998	344,197	284,778			
Ratio	5,796	4,619	4,988	3,955	1,840	5,134	H

5a	North	West	East	Mid	South	Range of ratio	Average elector ratio	Scoring
Wards	48	76	50	36	69			
Electorate	228,839	390,803	238,205	238,491	252,519			
Ratio	4,767	5,142	4,764	6,625	3,660	2,965	4,891	M

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Estimated savings through integration (2.2)

All things being equal, a smaller number of unitaries will result in a lower costs base.

Recurring revenue savings (or costs) from LGR will be calculated by netting off:

Reorganisation savings (gross)	Disaggregation costs
The estimated annual savings from efficiencies achieved through reorganisation, moving from two tiers to one tier of local government, by removing duplication, consolidating services and operating at greater scale.	The estimated additional recurring expenditure that results from dividing upper tier (i.e. county level) services into multiple new unitary authorities.

Option(s)	Estimated savings through integration	Commentary
1a	**Highest**	• No disaggregation costs as there will be fewer 'upper tier' services than currently • Some of the benefits of aggregation could be lost if an additional tier of management is needed to manage a large population over a large geographic area. This has not been adjusted for within initial modelling.
3a	**Medium** (higher savings potential than 4 unitary models)	• Some disaggregation costs as one additional set of 'upper tier' services compared to current position
4a, 4b, 4c, 4d	**Medium** (lower savings potential than 3a)	• Significant disaggregation costs as two additional sets of 'upper tier' services compared to current position
5a	**Lowest**	• Most significant disaggregation costs due to three additional sets of 'upper tier' services • Greatest risk of not achieving payback

DRAFT

Transition costs and complexity (2.3)

Implementation costs definition: The estimated one-off transition costs associated with moving to a new unitary model.

Method of calculation:

1. Benchmarked past LGR cases to arrive at an average implementation cost per capita
2. Used the per capita figure to arrive at an estimated implementation cost for Kent LGR
3. Adjusted for the number of unitary authorities being created, with additional costs incurred for each additional unitary authority
4. Made specific adjustments for one-off costs associated with boundary changes

Estimated implementation costs based on benchmarking

Option(s)	Transition costs	Commentary
1a	Lower	• A single programme of integration with no disaggregation at the council level. • There is no precedent for an LGR implementation of the nature of option 1A, which makes it challenging to estimate implementation costs.
3a	Lower	• Three unitaries means significant implementation complexity, but relatively lower than four and five unitary options • No boundary changes
4a, 4b, 4c	Medium	• Four unitaries means a relatively high implementation complexity and therefore cost • No boundary changes
4d	Medium	• Four unitaries means a relatively high implementation complexity and therefore cost • Increased complexity and cost due to boundary changes (see following page)
5a	Higher	• Five unitaries means high implementation complexity and therefore cost • Increased complexity and cost due to boundary changes (see following page)

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Need for boundary reviews (2.3)

Options 4D and 5A each require boundary changes, which will increase implementation complexity and cost.

Additional costs will be incurred to disaggregate current districts and unitary (Medway), on top of the current implementation costs. This is a one-off, rather than recurrent, cost to be factored into implementation costs.

The cost relates to:

- additional complexity in staffing allocations
- data transfers between case management systems
- work with the LGBCE
- additional programme and project management
- electoral changes
- additional engagement and communication
- contract and license management
- changes to policies and processes

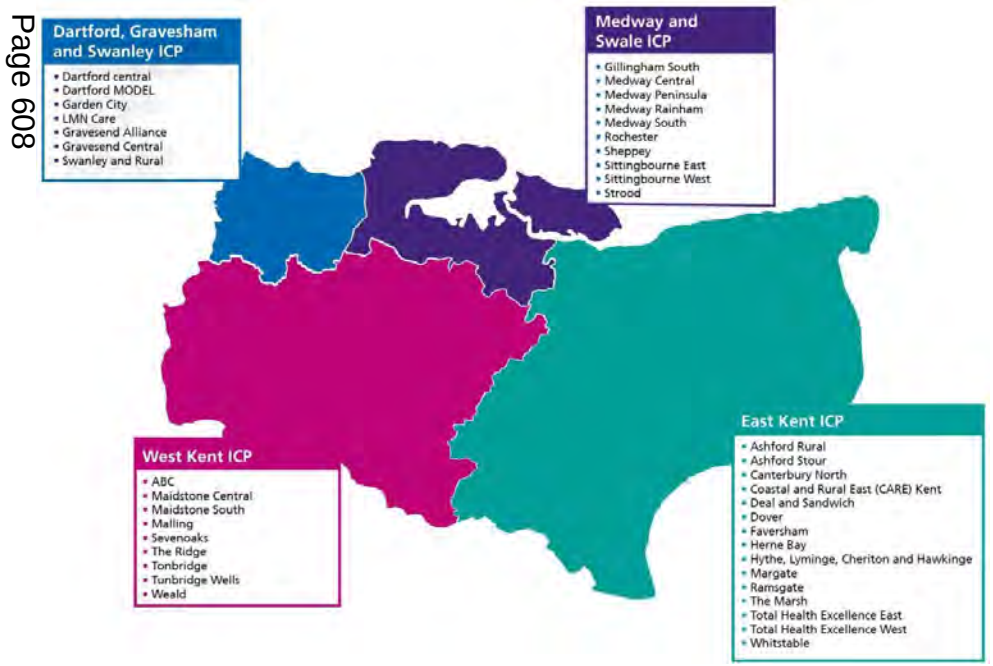
Previous local government reorganisations have used existing council boundaries so there is not a historic evidence base that can be used to calculate the additional cost.

Current authority	Option 4D Boundary change?	Option 5A Boundary change?
Ashford	NO	NO
Canterbury	NO	NO
Dartford	YES	NO
Dover	NO	NO
Folkestone and Hythe	YES	NO
Gravesham	YES	NO
Maidstone	YES	NO
Medway	YES	YES
Sevenoaks	NO	YES
Swale	YES	YES
Thanet	NO	NO
Tonbridge and Malling	YES	NO
Tunbridge Wells	YES	NO
TOTAL	**8 in total**	**3 in total**

Alignment with existing boundaries (3.2)

- *Kent Police operates across all of Kent and Medway. It operates through a North division (Dartford, Gravesham, Medway and Swale), East division (Ashford, Canterbury, Thanet, Dover) and West division (Sevenoaks, Tonbridge and Malling, Tunbridge Wells and Maidstone) This aligns with the unitaries in **Option 3a** and the Area Assemblies of **Option 1a** (though People services will not be delivered by Area Assemblies.*
- *NHS Kent and Medway covers the whole area. There are four health and care partnerships within the ICB: Dartford, Gravesham and Swanley , Medway and Swale, West Kent (this matches the West unitaries in **Options 3a, 4a and 4b**) and East Kent (this matches the East unitaries in **Option 3a**).*

ICP boundaries



Police division boundaries

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Adult social care and children's services spend data (3.3)

Analysis has been carried out to analyse the actual cost incurred by different councils for key County-wide services. This was led by KCC and tested with finance officers across Kent.

Adult Social Care spend

The calculation for Adult Social Care shows an estimated breakdown of spend across 24 community teams, which is how Adult Social Care operations are organised and how the vast majority of spend is managed. These community areas all sit within one individual current district area. These 24 areas are grouped into four broader areas which match health boundaries.

Key points to note include:

- The majority of spend is commissioned with few in house placements
- Spend levels in different areas are largely driven by where adult clients are living, but may not have come from that area originally
- Care homes are more predominant in coastal areas
- Cost of running care homes in West Kent is higher
- Funding formula (Relative Need Formula) is based largely on health, wealth and people living alone. This will not fundamentally change in the new funding formula.

Children's Services spend

An equivalent calculation for Children's Services cost data has been mapped based on child's home address (i.e. where family live)

Key points to note include:

- The new funding formula for children's services is expected to have some impact on allocation of costings and overall is more closely aligned to actual demand compared to adult social care spend.
- However, there will remain significant variance between funding and costs, so no option comes out well and there is no obvious conclusion

Key conclusions:

- Across all multi-unitary options being analysed there is significant misalignment between costs and funding for both Adult Social Care and Children's Services.
- This disparity is important for all council across Kent to be aware of and to take appropriate mitigating steps in LGR planning. The potential to share funding appropriately based on actual demand and costs could be discussed.

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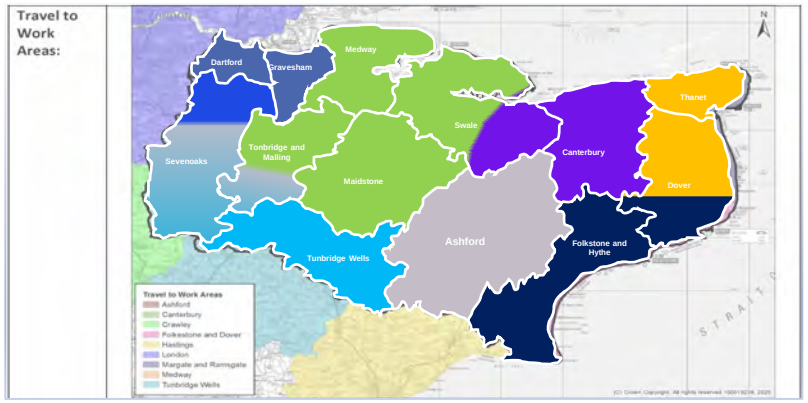
Travel to work areas (4.1)

- Travel to Work Areas are defined geographies where at least 75% of the resident workforce work within the same area, and at least 75% of workers live within it. TTWAs represent self-contained local labour markets and are statistically crafted boundaries that reflect where people live and work. Keeping these areas intact in any new governance structure maintains community coherence, sense of identity, and service alignment.
- Options 3A, 4A, 4B, 4C, 4D and 5A deliver moderate alignment, but not sufficient to fully protect TTWA coherence.
- Option 1A (the single unitary) would be difficult to assess, as it merges all areas under one structure, effectively washing out TTWA distinctions.



Method of travel to work - percentages	All usual residents 16-74 in employment	Work mainly at or from home	Underground, metro, light rail, tram	Train	Bus, minibus or coach	Taxi	Motorcycle, scooter or moped	Driving a car or van	Passenger in a car or van	Bicycle	On foot	Other method of travel to work
England & Wales	100.00%	31.20%	1.80%	1.90%	4.20%	0.70%	0.50%	45.10%	3.90%	2.00%	7.60%	1.00%
South East	100.00%	35.80%	0.20%	2.20%	2.50%	0.50%	0.50%	44.20%	3.50%	1.90%	7.60%	1.00%
Kent	**100.00%**	**31.10%**	**0.20%**	**3.50%**	**2.10%**	**0.40%**	**0.50%**	**48.40%**	**3.90%**	**1.20%**	**7.80%**	**1.00%**
Ashford	100.00%	30.10%	0.10%	2.50%	1.90%	0.20%	0.30%	50.90%	4.00%	1.90%	7.10%	1.00%
Canterbury	100.00%	30.40%	0.20%	2.30%	2.90%	0.30%	0.40%	46.30%	3.80%	1.70%	10.80%	1.00%
Dartford	100.00%	31.00%	0.80%	7.80%	3.30%	0.70%	0.70%	45.00%	3.20%	0.90%	5.50%	1.00%
Dover	100.00%	24.10%	0.10%	2.00%	2.20%	0.50%	0.50%	54.60%	4.60%	1.30%	8.80%	1.20%
Folkestone & Hythe	100.00%	28.80%	0.10%	1.90%	2.80%	0.50%	0.40%	50.00%	4.00%	1.10%	9.10%	1.20%
Gravesham	100.00%	26.20%	0.40%	5.30%	3.30%	0.50%	0.70%	49.80%	5.20%	0.80%	6.60%	1.20%
Maidstone	100.00%	31.10%	0.10%	2.60%	1.80%	0.30%	0.40%	50.10%	4.00%	0.90%	7.70%	1.00%
Sevenoaks	100.00%	42.20%	0.30%	5.40%	0.80%	0.20%	0.50%	41.20%	2.70%	0.50%	5.20%	0.90%
Swale	100.00%	25.40%	0.10%	3.20%	0.70%	0.30%	0.60%	54.80%	4.30%	1.40%	8.30%	1.00%
Thanet	100.00%	24.30%	0.10%	2.40%	3.50%	0.90%	0.60%	49.80%	5.30%	2.00%	9.80%	1.10%
Tonbridge & Malling	100.00%	37.00%	0.10%	3.40%	0.90%	0.20%	0.40%	47.40%	3.10%	0.90%	5.80%	0.80%
Tunbridge Wells	100.00%	42.30%	0.10%	3.10%	1.50%	0.20%	0.30%	39.10%	2.90%	0.90%	8.70%	0.80%
Medway Unitary Authority	100.00%	26.00%	0.20%	4.00%	2.30%	0.60%	0.60%	52.40%	4.80%	0.70%	7.20%	1.10%

Source: *https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/traveltoworkenglandandwales/census2021*

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Assessment parameters by metric

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Assessment parameters by metric

1. Establishing a single tier of local government (1/3)

For each metric across all 14 evaluation criteria, a Red, Amber, Green ('RAG') approach has been taken to provide a summary view of how each option performed against "what good looks like".

Evaluation criteria	Metric	What good looks like?	Assessment approach	Measurement		
				High	Medium	Low
1.1 Sensible economic areas with an appropriate tax base	**Gross Value Added (GVA) per capita (2023) (£)**	Balanced GVA per capita between unitaries, suggesting balanced levels of productivity and positive implications for the distribution of economic prosperity among residents	Difference between highest and lowest GVA per capita (£)	Difference of < 11,821	Difference of 11,821 - 13,169	Difference of > 13,169
	Total Gross Value Added (GVA) (2023) (£m)	Each unitary has a sufficient GVA to generate tax and there is balance between unitaries, meaning good long-term prospects for all future authorities	Difference between highest and lowest total GVA (£m)	Difference of < 3,529	Difference of 3,529 - 10,074	Difference of > 10,074
	Council tax base (number of properties at Band D equivalent)	All authorities with a sufficient number and profile of properties to provide a council tax base which can sustainably support services, with a reasonable balance between authorities	Difference between highest and lowest council taxbase	Difference of < 36,555	Difference of 36,555 - 87,650	Difference of > 87,650
	Council Tax harmonisation / difference in Band D rates	District areas within a unitary have low to no difference between council tax rates. The least difference between councils within a unitary would provide minimal administrative and resident disruption in harmonising rates	Difference between highest and lowest band D rate (£)	<£30m total difference	£30-40m total difference	>£40m total difference
	Alignment to major Kent industries	Unitaries demonstrate alignment to one or more of the key industries	Unitaries demonstrate alignment to one or more of the key industries	All unitaries have at least one key industry aligned to its boundaries that would suggest the foundations of a functional economic market area	At least half of unitaries have one key industry aligned to its boundaries that would suggest the foundations of a functional economic market area	Minimal to no unitaries have good alignment. Many to all unitary boundaries do not align to key industries that may inhibit industry growth and co-operation

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Assessment parameters by metric

1. Establishing a single tier of local government (2/3)

Evaluation criteria	Metric	What good looks like?	Assessment approach	Measurement		
				High	Medium	Low
1.2 Sensible geography to increase housing supply and meet local needs	**Population density (people per sq km) (2024)**	Relatively balanced population density between unitaries, ensuring that each unitary has sufficient space for housing development	Difference between highest and lowest population density	Difference of < 685	Difference of 685 - 1,111	Difference of > 1,111
	Geographic area (people per sq km) (2024)	Relatively balanced geographic areas between unitaries, ensuring that each unitary has sufficient space for housing development	Difference between highest and lowest geographic area (sqkm)	Difference of < 940	Difference of 940 - 975	Difference of > 975
	Housing delivery test (HDT) measurement	Housing delivery targets reflect the ability of a proposed option to meet the housing needs of its population and government quotas. Relatively balanced HDT measurements between unitaries will help ensure a more even distribution of housing development across Kent	Difference between highest and lowest HDT measurement (%)	Difference of < 30.33	Difference of 30.33 - 51.71	Difference of > 51.71
	Homelessness per 1,000 households	Balanced between unitaries, avoiding disproportionately high homelessness rates in each unitary. Unitaries with disproportionately high homelessness rates will have resource allocation and financial planning implications	Difference between highest and lowest homelessness rate (rate per 1,000 households)	Difference of < 1.34	Difference of 1.34 - 4.11	Difference of > 4.11
	Transport connectivity and travel times	Good travel links within authorities and ease of travel across future unitaries without needing to enter other unitary areas, indicating logical geographic footprints that take account of how local people travel	Qualitative assessment of whether unitaries demonstrate good travel links within their boundaries	Good travel links within all unitaries that support good intra-unitary travel	Fair travel links for all unitaries or only some unitaries supported by good intra-unitary travel links	Minimal to no unitaries have good travel links. Issues of people being left isolated or needing to cross boundaries to travel within unitaries
	Area of land that is protected, including land designated as Green Belt (%)	Relatively balanced green belt area sizes between unitaries, ensuring that each unitary has sufficient space for housing development	Difference between highest and lowest green belt area size (sqkm)	Difference of < 33.98%	Difference of 33.98% - 45.18%	Difference of > 45.18%

Kent COUNCIL LEADERS

Assessment parameters by metric

1. Establishing a single tier of local government (3/3)

Evaluation criteria	Metric	What good looks like?	Assessment approach	Measurement		
				High	Medium	Low
1.3 Single tier governance structures	**Councillor to electorate ratio**	Ability to establish a councillor to electorate ratio within each authority that allows for a workable number of councillors and maintains an acceptable ratio of councillor to electorate. The LGBCE expects no council proposals to contain fewer than 30, nor more than 99, councillors	Ability to establish a councillor to electorate ratio within each authority that allows for a workable number of councillors and maintains an acceptable ratio of councillor to electorate. The LGBCE expects no Council proposals to contain fewer than 30, nor more than 99, councillors	Size and electoral geography support a consistently balanced councillor-to-electorate ratio. The number of councillors is workable, supports effective representation, and can be backed by a strong rationale aligned with local needs and LGBCE expectations	Size and electoral geography will likely lead to variations in councillor-to-electorate ratios. Some areas may face representational or councillor workload challenges	Size and electoral geography will likely lead to councillor-to-electorate ratios that sit outside acceptable range. The councillor-to-electorate ratio is likely to be imbalanced, leading to potential issues with representation or councillor workload

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Assessment parameters by metric

2. Efficiency, capacity and withstanding shocks (1/2)

Evaluation criteria	Metric	What good looks like?	Assessment approach	Measurement		
				High	Medium	Low
2.1 Appropriate population size	**Population size (mid-2024)**	Populations are balanced and of an appropriate size to support service delivery, improvement and financial resilience. Government indication of 500,000 as a guiding principle, not a target	Difference between highest and lowest population size between unitaries	Difference of < 156,061	Difference of 156,061 - 205,771	Difference of > 205,771
2.2 Efficiencies to improve council finances and taxpayer value for money	**Estimated savings through integration**	Greatest reduction in overall net revenue expenditure as a result of LGR (calculated as a combination of the benefits of aggregation less the costs of disaggregation).	Indicative financial benefits calculated for purpose of options appraisal	Comparatively high savings expected through reorganisation based on indicative financial benchmarking	Mid-range (comparative) savings expected through reorganisation based on indicative financial benchmarking	Comparatively low savings expected through reorganisation based on indicative financial benchmarking
	Avoiding duplication of statutory roles / management teams	No increase to the number of authorities delivering top tier services (County and Unitaries), on the basis that this does not introduce the need for additional statutory roles. Duplication of roles due to an increased number of authorities suggests the need to hire additional resources/management and relies on available expertise	Qualitative assessment assuming creating fewer unitaries reduces the need the for duplication of key governance roles and Cabinet positions	Number of unitaries < 3	3 unitaries	Number of unitaries > 3
2.3 Transition costs and transformation opportunities	**Transition costs and complexity**	Minimising the complexity and costs associated with establishing new local authority structures	Indicative transition costs calculated for purpose of options appraisal	Comparatively low transition costs expected through reorganisation based on indicative financial benchmarking	Mid-range (comparative) transition costs expected through reorganisation based on indicative financial benchmarking	Comparatively high transition costs expected through reorganisation based on indicative financial benchmarking
	Need for boundary reviews	No changes to existing local authority boundaries which increases costs and complexity of reorganisation	Qualitative assessment noting that boundary reviews should be minimised where possible due to the complexity they introduce. The greater the level of disaggregation required by a proposed boundary review, the higher the complexity and disruption to existing services	N/A	No boundary reviews required	Boundary reviews required, including disaggregation of existing unitary

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Assessment parameters by metric

2. Efficiency, capacity and withstanding shocks (2/2)

Evaluation criteria	Metric	What good looks like?	Assessment approach	Measurement		
				High	Medium	Low
2.4 Putting local government finances on a firmer financial footing	**General fund balance** (£)	Balanced between unitaries, without any authorities at a level of reserves which would impact the ability to deal with financial shocks.	Difference between highest and lowest value between unitaries (£m)	Difference of < 37.8	Difference of 37.8 - 46.1	Difference of > 46.1
	Debt affordability - financing costs as %	No unitaries exceeding 10% for debt financing as a percentage of net revenue expenditure. Whilst there is no single accepted level, 10% is quoted as a manageable level of financing costs as a percentage of net revenue expenditure (NRE) A balance of financing costs as a percentage of net revenue expenditure across authorities suggests a serviceable debt portfolio and prudence within capital financing.	Difference between highest and lowest value between unitaries (%)	Difference of < 2.29%	Difference of 2.29% - 3.17%	Difference of > 3.17%
	Gross budget gap (£m)	An equitable split of budget deficit will provide the best starting point for all unitaries within a configuration to build on through efficiencies	Difference between highest and lowest value between unitaries (£m)	56.2	56.2 - 58.0	£58

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Assessment parameters by metric

3. High quality and sustainable public services (1/3)

Evaluation criteria	Metric	What good looks like?	Assessment approach	Measurement		
				High	Medium	Low
3.1 Improving service delivery and avoiding unnecessary service fragmentation	**Income deprivation rate**	Avoiding higher levels of deprivation and demand being clustered within individual unitaries Large differences would suggest areas with significant service delivery challenges, impacting resource allocation and financial planning	Difference between highest and lowest deprivation level between unitaries	0.060	0.060 - 0.065	0.065
	65+ Population (mid-2024)	Balanced proportion of older people between unitaries, avoiding excessive pressure and strain on services in one area	Difference between highest and lowest 65+ population between unitaries	29,862	29,862 - 48,113	£48,113
	20-64 Population (mid-2024)	Balanced proportion of adult population between unitaries, avoiding excessive pressure and strain on services in one area	Difference between highest and lowest 20-64 population between unitaries	84,212	84,212 - 114,793	£114,793
	0-19 Population (mid-2024)	Balanced proportion of 0-19 population between unitaries, avoiding excessive pressure and strain on services in one area	Difference between highest and lowest 0-19 population between unitaries	42,182	42,182 - 55,259	£55,259
	Avoiding service fragmentation	Avoiding splitting of service structures. Options should aim to minimise service fragmentation due to risk, complexity and cost	Number of new unitaries is as close to the number of current upper tier authorities as possible	Number of unitaries < 3	Number of unitaries 3 – 4	Number of unitaries > 4
	Manageable geography for service delivery	Travel within all future unitary geographies is manageable for service delivery teams that allows service delivery to be conducted effectively.	Qualitative assessment of travel time around area, factoring in size, infrastructure and population. Having smaller unitaries is an indication of more manageable service delivery	The geographical area is coherent and manageable, infrastructure is well-developed and accessible, and population size supports efficient and responsive service delivery across the unitary	The geographical area, infrastructure, and population size present some challenges to effective service delivery. Delivery may be uneven or require additional coordination in some unitaries	The geographical area is difficult to manage, infrastructure is limited or poorly connected, and population size creates significant barriers to consistent and effective service delivery

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Assessment parameters by metric

3. High quality and sustainable public services (2/3)

Evaluation criteria	Metric	What good looks like?	Assessment approach	Measurement		
				High	Medium	Low
3.2 Public service reform and better value for money	**Enabling localism and place-based public service reform**	Appropriate geography for service delivery and place based public service reform in each unitary. Place based public service reform will require the ability to operate in neighbourhoods and localities with community partners at a more local level than any proposed unitary geographies	Place based public service reform will require the ability to operate in neighbourhoods and localities with community partners at a more local level than any proposed unitary geographies. Smaller unitaries are more favourable.	Average population size <400,000	Average population size between 400,000 – 500,000	Average population size >500,000
	Alignment with existing public sector boundaries	Unitary boundaries align with all public sector partners, enabling stronger relationships and coworking and removing duplication of partnering arrangements.	Qualitative assessment comparing proposed LGR boundaries against public sector boundary maps to determine level of alignment	Unitary boundaries closely align with public sector boundaries, minimising the need for boundary reviews and supporting stronger collaboration and joint working across services	Unitary boundaries somewhat align with public sector boundaries, limiting the need for boundary reviews	Unitary boundaries do not align with public sector boundaries, meaning boundary reviews will be required and collaboration and joint working across services may be weakened

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Assessment parameters by metric

3. High quality and sustainable public services (3/3)

Evaluation criteria	Metric	What good looks like?	Assessment approach	Measurement		
				High	Medium	Low
3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	**Number of older adults in adult social care as % total population (2023-2024)**	Balanced caseload or demand between unitaries	Difference between highest and lowest value (%)	0.50%	0.5% - 0.57%	0.57%
	Number of adults in adult social care as % total population (2023-2024)	Balanced caseload or demand between unitaries	Difference between highest and lowest value (%)	0.71%	0.71% - 0.89%	0.89%
	Adult social care total spend (£m)	Balanced caseload or demand between unitaries	Difference between highest and lowest spend (£m)	£13.2	£13.2 - £100.8	£100.8
	Number of children in children's social care as % total population (2023-2024)	Balanced caseload or demand between unitaries	Difference between highest and lowest value between unitaries (%)	0.32%	0.32% - 0.36%	0.36%
	Children's services total spend (£m)	Balanced caseload or demand between unitaries	Difference between highest and lowest spend (£m)	£80.5	£80.5 - £102.2	£102.2
	Number of registered pupils with SEND as % total population (2023-2024)	Balanced caseload or demand between unitaries	Difference between highest and value (%)	1.56%	1.56% - 1.92%	1.92%
	Proportion of children in relative low-income families (under 16s) (FYE24) (%)	Balanced caseload or demand between unitaries	Difference between highest and value (%)	7.90%	7.9% - 9.46%	9.46%
	Proportion of children in absolute low-income families (under16s) (FYE24) (%)	Balanced caseload or demand between unitaries	Difference between highest and value (%)	6.55%	6.55% - 7.85%	7.85%
	Households in TA per 1,000 (Jan-Mar 25)	Significant variations in the number of householders in temporary accommodation (TA) per 1,000 population could indicate disparities in resource allocation, leading to potential inefficiencies and financial pressures	Difference between highest and lowest value	8.86	8.86 - 13.28	13.28

Kent COUNCIL LEADERS

Assessment parameters by metric

4. Working together to understand and meet local needs

Evaluation criteria	Metric	What good looks like?	Assessment approach	Measurement		
				High	Medium	Low
4.1 Local identity, culture and historical importance	**Sense of identity**	Unitary geographies reflects factors including culture, sense of place, common geographical features and historical links between areas	Qualitative assessment of the extent to which the option maximises resident and community connection within a place	All unitary boundaries reflect established communities and resident sense of place	Only some unitary boundaries reflect established communities and resident sense of place	Minimal to no unitary boundaries reflect established communities or resident senses of place, creating areas with no coherent identity
	Travel to Work Areas (TTWA)	Unitary boundaries minimise splitting of existing TTWA areas. Unitary boundaries that align with established travel to work areas would represent areas where the majority of residents live and work, indicating a greater sense of place and community	Qualitative assessment of unitary boundary alignment to TTWA areas	All TTWA areas in Kent are wholly contained within unitary boundaries, representing a coherent sense of place for each area	Some TTWA areas in Kent are contained within single unitary boundaries, with some TTWA areas split by unitary boundaries	Minimal to no TTWA areas in Kent are wholly contained within unitary boundaries, suggesting a lack of community coherence
	Maintaining history and tradition	All unitary options should preserve local tradition and sense of history, to maintain important connections between communities and local government	Qualitative assessment of the extent to which unitaries preserve local tradition and sense of history, in order to maintain important connections between communities and local government	All unitary boundaries reflect established connections between communities and local government	Only some unitary boundaries reflect established connections between communities and local government	Minimal to no unitary boundaries reflect established connections between communities and local government
4.2 Views expressed through local engagement, and ability to address any concerns	**Views expressed through engagement**	Proposals should align as far as possible with the views expressed through engagement with both the public and partners. Where concerns are raised there should be confidence that these can be adequately mitigated	Qualitative assessment, relying on engagement with local communities to assess level of support for each option amongst the public and partners	Feedback from local engagement points to widespread support for the option	Feedback from local engagement points to a moderate level of support for the option	Feedback from local engagement points to a low level of support for the option

Kent COUNCIL LEADERS

Assessment parameters by metric

5. Supporting devolution arrangements

Evaluation criteria	Metric	What good looks like?	Assessment approach	Measurement		
				High	Medium	Low
5.1 Sensible population ratios between local authorities and any strategic authority	**Population ratios between members of a strategic authority**	Balanced population ratios between all unitaries within a future strategic authority, resulting in an even power balance	The difference between the highest and lowest population size between unitaries	156,061	156,061 - 205,771	205,771
	Number of constituent members in strategic authority	Balanced population ratio between all unitaries within a future strategic authority	Assuming single member constituencies, the number of unitaries will reflect the number of constituency numbers. A very low number risks creating power imbalances and eroding democracy.	Number of unitaries > 3	Number of unitaries = 3	Number of unitaries < 3

Kent COUNCIL LEADERS

Assessment parameters by metric

6. Stronger community engagement and neighbourhood empowerment

Evaluation criteria	Metric	What good looks like?	Assessment approach	Measurement		
				High	Medium	Low
6.1 Enabling strong community engagement	**Level of civic participation (2023-2024) (%)**	Strong existing civic participation, community networks and potentially town and parish councils across all proposed unitary authorities.	The difference between the highest and lowest levels of civic engagement between unitaries (%) ***Data source:*** *Engagement in civic participation, activism or consultation activities in the last 12 months, by local authority, people aged 16 and over, England, October 2023 to March 2024*	<7%	6.95% - 8%	>8%

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Data for each option

Option 1A (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	1A	H/M/L
1. Establishing a single tier of Local Government	1.1 Sensible economic areas with an appropriate tax base	Gross Value Added (GVA) per capita (2023) (£)	28,454	
		Total Gross Value Added (GVA) (2023) (£m)	54,965	
		Council tax base (number of properties at Band D equivalent)	679,650	
		Council Tax harmonisation / difference in Band D rates	1,907	L
	1.2 Sensible geography to increase housing supply and meet local needs	Population density (people per sq km) (2024)	517	
		Geographic area (people per sq km) (2024)	3,739	
		Housing delivery test (HDT) measurement	0.87	
		Homelessness per 1,000 households	1.46	
		Area of land that is protected, including land designated as Green Belt (%)	48%	
	1.3 Single tier local government structures	Councillor to electorate ratio	2,043	L
2. Efficiency, capacity and withstanding shocks	2.1 Appropriate population size	Population size (mid-2024)	1,931,684	
	2.4 Putting local government finances on a firmer financial footing	General fund balance (£m)	171.2	
		Debt affordability - financing costs as % net revenue expenditure (NRE)	3%	
		Gross budget gap (£m)	124.0	

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 1A (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	1A	H/M/L
3. High quality and sustainable public services High quality and sustainable public services	3.1 Improving service delivery and avoiding unnecessary service fragmentation	Income deprivation rate	0.115	
		65+ Population (mid-2024)	384,033	
		20-64 Population (mid-2024)	1,082,173	
		0-19 Population (mid-2024)	465,478	
	3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	Number of older adults in adult social care as % total population (2023-2024)	0.9%	
		Number of adults in adult social care as % total population (2023-2024)	2.6%	
		Adult social care total spend (£m)	634.0	
		Number of children in children's social care as % total population (2023-2024)	0.4%	
		Children's services total spend (£m)	298.1	
		Number of registered pupils with SEND as % total population (2023-2024)	5.01%	
		Proportion of children in relative low-income families (under 16s) (FYE24) (%)	17.8%	
		Proportion of children in absolute low-income families (under16s) (FYE24) (%)	15.1%	
		Households in TA per 1,000 (Jan-Mar 25)	3.89	
6. Stronger community engagement and neighbourhood empowerment	6.1 Enabling strong community engagement	Level of civic participation (2023-2024) (%)	41%	

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 3A (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	Difference	H/M/L
1. Establishing a single tier of Local Government	1.1 Sensible economic areas with an appropriate tax base	Gross Value Added (GVA) per capita (2023) (£)	25,977	35,566	25,015	10,551	H
		Total Gross Value Added (GVA) (2023) (£m)	17,839	20,168	16,958	3,210	H
		Council tax base (number of properties at Band D equivalent)	219,764	223,706	236,180	16,417	H
		Council Tax harmonisation / difference in Band D rates	1,842	1,904	1,907	65	M
	1.2 Sensible geography to increase housing supply and meet local needs	Population density (people per sq km) (2024)	929	425	407	522	H
		Geographic area (people per sq km) (2024)	739	1,334	1,666	927	H
		Housing delivery test (HDT) measurement	0.84	0.92	0.86	0.07	H
		Homelessness per 1,000 households	6.56	4.07	8.40	4.33	L
		Area of land that is protected, including land designated as Green Belt (%)	41%	67%	36%	31%	H
	1.3 Single tier local government structures	Councillor to electorate ratio	9,037	7,629	9,893	2,264	M
2. Efficiency, capacity and withstanding shocks	2.1 Population of 500,000 or more as a guiding principle	Population size (mid-2024)	686,716	567,062	677,906	119,654	H
	2.4 Putting local government finances on a firmer financial footing	General fund balance (£m)	40.9	51.4	78.9	38.0	M
		Debt affordability - financing costs as % net revenue expenditure (NRE)	2.15%	1.97%	4.35%	2.39%	M
		Gross budget gap (£m)	78.8	22.2	22.9	56.6	M

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 3A (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	Difference	H/M/L
3. High quality and sustainable public services	3.1 Improving service delivery and avoiding unnecessary service fragmentation	Income deprivation rate	0.125	0.081	0.135	0.054	H
		65+ Population (mid-2024)	113,951	113,406	156,676	43,270	M
		20-64 Population (mid-2024)	396,169	316,013	369,991	80,156	H
		0-19 Population (mid-2024)	176,596	137,643	151,239	38,953	H
	3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	Number of older adults in adult social care as % total population (2023-2024)	0.68%	0.73%	1.17%	0.50%	H
		Number of adults in adult social care as % total population (2023-2024)	2.41%	2.27%	2.98%	0.71%	H
		Adult social care total spend (£m)	202.8	162.3	268.9	106.7	L
		Number of children in children's social care as % total population (2023-2024)	0.50%	0.18%	0.47%	0.32%	H
		Children's services total spend (£m)	152.4	43.8	101.8	108.6	L
		Number of registered pupils with SEND as % total population (2023-2024)	5.00%	4.31%	5.67%	1.37%	H
		Proportion of children in relative low-income families (under 16s) (FYE24) (%)	18.67%	13.21%	21.12%	7.91%	M
		Proportion of children in absolute low-income families (under16s) (FYE24) (%)	15.82%	11.30%	17.91%	6.61%	M
		Households in TA per 1,000 (Jan-Mar 25)	22.59	9.17	18.03	13.42	L
6. Stronger community engagement and neighbourhood empowerment	6.1 Enabling strong community engagement	Level of civic participation (2023-2024) (%)	36%	44%	42%	8%	M

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 4A (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	S	Difference	H/M/L
1. Establishing a single tier of Local Government	1.1 Sensible economic areas with an appropriate tax base	Gross Value Added (GVA) per capita (2023) (£)	26,888	35,566	22,827	26,850	12,738	M
		Total Gross Value Added (GVA) (2023) (£m)	14,206	20,168	10,573	10,018	10,150	L
		Council tax base (number of properties at Band D equivalent)	169,245	223,706	153,833	132,865	90,841	L
		Council Tax harmonisation / difference in Band D rates	1,842	1,904	1,874	1,907	65	M
	1.2 Sensible geography to increase housing supply and meet local needs	Population density (people per sq km) (2024)	1,444	425	589	298	1,146	L
		Geographic area (people per sq km) (2024)	366	1,334	786	1,253	968	M
		Housing delivery test (HDT) measurement	0.74	0.92	0.84	1.04	0.30	H
		Homelessness per 1,000 households	5.34	4.07	5.27	4.35	1.27	H
		Area of land that is protected, including land designated as Green Belt (%)	46%	67%	32%	38%	35%	M
	1.3 Single tier local government structures	Councillor to electorate ratio	6,999	7,629	5,984	5,948	1,682	H
2. Efficiency, capacity and withstanding shocks	2.1 Appropriate population size	Population size (mid-2024)	528,337	567,062	463,170	373,115	193,947	M
	2.4 Putting local government finances on a firmer financial footing	General fund balance (£m)	30.2	51.4	29.4	60.2	30.8	H
		Debt affordability - financing costs as % net revenue expenditure (NRE)	2.24%	1.97%	2.55%	5.56%	3.59%	L
		Gross budget gap (£m)	71.1	22.2	17.9	12.7	58.4	L

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 4A (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	S	Difference	H/M/L
3. High quality and sustainable public services High quality and sustainable public services	3.1 Improving service delivery and avoiding unnecessary service fragmentation	Income deprivation rate	0.117	0.081	0.145	0.130	0.064	M
		65+ Population (mid-2024)	83,544	113,406	100,643	86,440	29,862	H
		20-64 Population (mid-2024)	306,414	316,013	255,678	204,068	111,945	M
		0-19 Population (mid-2024)	138,379	137,643	106,849	82,607	55,772	L
	3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	Number of older adults in adult social care as % total population (2023-2024)	0.64%	0.73%	1.04%	1.18%	0.54%	M
		Number of adults in adult social care as % total population (2023-2024)	2.36%	2.27%	2.84%	2.99%	0.72%	M
		Adult social care total spend (£m)	159.7	162.3	150.1	162.0	12.2	H
		Number of children in children's social care as % total population (2023-2024)	0.49%	0.18%	0.53%	0.44%	0.35%	M
		Children's services total spend (£m)	124.3	43.8	78.0	51.9	80.5	M
		Number of registered pupils with SEND as % total population (2023-2024)	4.25%	4.31%	6.56%	5.46%	2.31%	L
		Proportion of children in relative low-income families (under 16s) (FYE24) (%)	18.42%	13.21%	21.07%	20.47%	7.87%	H
		Proportion of children in absolute low-income families (under16s) (FYE24) (%)	15.68%	11.30%	17.72%	17.39%	6.43%	H
		Households in TA per 1,000 (Jan-Mar 25)	18.03	9.17	10.89	11.71	8.86	H
6. Stronger community engagement and neighbourhood empowerment	6.1 Enabling strong community engagement	Level of civic participation (2023-2024) (%)	35%	44%	39%	43%	8%	L

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 4B (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	M	Difference	H/M/L
1. Establishing a single tier of Local Government	1.1 Sensible economic areas with an appropriate tax base	Gross Value Added (GVA) per capita (2023) (£)	26,888	35,566	24,065	25,196	11,501	H
		Total Gross Value Added (GVA) (2023) (£m)	14,206	20,168	10,217	10,374	9,951	M
		Council tax base (number of properties at Band D equivalent)	169,245	223,706	145,435	141,264	82,442	M
		Council Tax harmonisation / difference in Band D rates	1,842	1,904	1,874	1,907	65	M
	1.2 Sensible geography to increase housing supply and meet local needs	Population density (people per sq km) (2024)	1,444	425	583	314	1,129	L
		Geographic area (people per sq km) (2024)	366	1,334	728	1,311	968	M
		Housing delivery test (HDT) measurement	0.74	0.92	0.76	1.10	0.36	M
		Homelessness per 1,000 households	5.34	4.07	5.45	4.17	1.38	M
		Area of land that is protected, including land designated as Green Belt (%)	46%	67%	27%	41%	40%	M
	1.3 Single tier local government structures	Councillor to electorate ratio	6,999	7,629	6,183	5,749	1,881	H
2. Efficiency, capacity and withstanding shocks	2.1 Population of 500,000 or more as a guiding principle	Population size (mid-2024)	528,337	567,062	424,559	411,726	155,336	H
	2.4 Putting local government finances on a firmer financial footing	General fund balance (£m)	30.2	51.4	25.9	63.7	37.7	H
		Debt affordability - financing costs as % net revenue expenditure (NRE)	2.24%	1.97%	3.30%	4.46%	2.49%	M
		Gross budget gap (£m)	71.1	22.2	13.9	16.8	57.2	M

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 4B (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	M	Difference	H/M/L
3. High quality and sustainable public services High quality and sustainable public services	3.1 Improving service delivery and avoiding unnecessary service fragmentation	Income deprivation rate	0.117	0.081	0.140	0.135	0.059	H
		65+ Population (mid-2024)	83,544	113,406	99,972	87,111	29,862	H
		20-64 Population (mid-2024)	306,414	316,013	230,129	229,617	86,396	M
		0-19 Population (mid-2024)	138,379	137,643	94,458	94,998	43,921	M
	3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	Number of older adults in adult social care as % total population (2023-2024)	0.64%	0.73%	1.14%	1.06%	0.50%	H
		Number of adults in adult social care as % total population (2023-2024)	2.36%	2.27%	3.06%	2.73%	0.79%	M
		Adult social care total spend (£m)	159.7	162.3	162.9	149.2	13.7	M
		Number of children in children's social care as % total population (2023-2024)	0.49%	0.18%	0.50%	0.48%	0.32%	H
		Children's services total spend (£m)	124.3	43.8	64.1	65.8	80.5	M
		Number of registered pupils with SEND as % total population (2023-2024)	4.25%	4.31%	5.95%	6.21%	1.96%	L
		Proportion of children in relative low-income families (under 16s) (FYE24) (%)	18.42%	13.21%	22.32%	19.38%	9.11%	M
		Proportion of children in absolute low-income families (under16s) (FYE24) (%)	15.68%	11.30%	18.86%	16.37%	7.56%	M
		Households in TA per 1,000 (Jan-Mar 25)	18.03	9.17	11.85	10.75	8.86	H
6. Stronger community engagement and neighbourhood empowerment	6.1 Enabling strong community engagement	Level of civic participation (2023-2024) (%)	20%	25%	24%	26%	6%	H

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 4C (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	M	Difference	H/M/L
1. Establishing a single tier of Local Government	1.1 Sensible economic areas with an appropriate tax base	Gross Value Added (GVA) per capita (2023) (£)	26,888	38,540	24,245	26,940	14,295	L
		Total Gross Value Added (GVA) (2023) (£m)	14,206	14,618	13,019	13,122	1,599	H
		Council tax base (number of properties at Band D equivalent)	169,245	155,621	186,848	167,936	31,227	H
		Council Tax harmonisation / difference in Band D rates	1,842	1,855	1,907	1,904	65	M
	1.2 Sensible geography to increase housing supply and meet local needs	Population density (people per sq km) (2024)	1,444	403	495	362	1,082	M
		Geographic area (people per sq km) (2024)	366	941	1,085	1,347	981	L
		Housing delivery test (HDT) measurement	0.74	0.65	0.78	1.31	0.66	L
		Homelessness per 1,000 households	5.34	2.12	6.85	4.72	4.73	L
		Area of land that is protected, including land designated as Green Belt (%)	46%	83%	35%	35%	48%	L
	1.3 Single tier local government structures	Councillor to electorate ratio	6,999	5,359	8,132	6,069	2,773	M
2. Efficiency, capacity and withstanding shocks	2.1 Appropriate population size	Population size (mid-2024)	528,337	379,295	536,970	487,082	157,675	M
	2.4 Putting local government finances on a firmer financial footing	General fund balance (£m)	30.2	25.8	37.2	78.0	52.2	L
		Debt affordability - financing costs as % net revenue expenditure (NRE)	2.24%	1.86%	3.44%	3.70%	1.84	H
		Gross budget gap (£m)	71.1	15.1	18.7	19.1	56.0	H

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 4C (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	M	Difference	H/M/L
3. High quality and sustainable public services	3.1 Improving service delivery and avoiding unnecessary service fragmentation	Income deprivation rate	0.117	0.076	0.141	0.118	0.065	L
		65+ Population (mid-2024)	83,544	77,794	128,875	93,820	51,081	L
		20-64 Population (mid-2024)	306,414	208,801	290,408	276,550	97,613	M
		0-19 Population (mid-2024)	138,379	92,700	117,687	116,712	45,679	M
	3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	Number of older adults in adult social care as % total population (2023-2024)	0.64%	0.66%	1.27%	0.84%	0.62%	L
		Number of adults in adult social care as % total population (2023-2024)	2.36%	2.14%	3.04%	2.59%	0.90%	L
		Adult social care total spend (£m)	159.7	112.8	232.1	129.5	119.3	L
		Number of children in children's social care as % total population (2023-2024)	0.49%	0.16%	0.52%	0.36%	0.36%	L
		Children's services total spend (£m)	124.3	28.4	84.9	60.4	95.9	M
		Number of registered pupils with SEND as % total population (2023-2024)	4.25%	4.20%	5.85%	5.71%	1.66%	M
		Proportion of children in relative low-income families (under 16s) (FYE24) (%)	18.42%	11.99%	22.34%	17.38%	10.34%	L
		Proportion of children in absolute low-income families (under16s) (FYE24) (%)	15.68%	10.29%	18.89%	14.70%	8.60%	L
		Households in TA per 1,000 (Jan-Mar 25)	18.03	4.99	13.46	13.32	13.05	M
6. Stronger community engagement and neighbourhood empowerment	6.1 Enabling strong community engagement	Level of civic participation (2023-2024) (%)	20%	28%	26%	22%	7%	M

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 4D (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	M	Difference	H/M/L
1. Establishing a single tier of Local Government	1.1 Sensible economic areas with an appropriate tax base	Gross Value Added (GVA) per capita (2023) (£)	25,995	37,624	24,191	28,310	13,433	L
		Total Gross Value Added (GVA) (2023) (£m)	16,011	15,159	12,024	11,771	4,240	M
		Council tax base (number of properties at Band D equivalent)	197,265	161,398	172,135	148,852	48,413	M
		Council Tax harmonisation / difference in Band D rates	1,904	1,874	1,907	1,907	33	H
	1.2 Sensible geography to increase housing supply and meet local needs	Population density (people per sq km) (2024)	949	442	519	340	609	H
		Geographic area (people per sq km) (2024)	649	911	958	1,221	572	H
		Housing delivery test (HDT) measurement	0.83	0.65	0.77	1.27	0.61	L
		Homelessness per 1,000 households	5.78	2.60	6.35	4.29	3.75	M
		Area of land that is protected, including land designated as Green Belt (%)	41%	83%	33%	38%	*50%*	L
	1.3 Single tier local government structures	Councillor to electorate ratio	18,934	16,928	9,305	13,714	9,629	L
2. Efficiency, capacity and withstanding shocks	2.1 Population of 500,000 or more as a guiding principle	Population size (mid-2024)	615,931	402,914	497,034	415,805	213,017	L
	2.4 Putting local government finances on a firmer financial footing	General fund balance (£m)	35.9	27.5	33.2	74.6	47.1	L
		Debt affordability - financing costs as % net revenue expenditure (NRE)	2.11%	1.99%	3.40%	4.23%	2.24%	H
		Gross budget gap (£m)	74.2	17.6	17.0	15.2	58.9	L

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 4D (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	M	Difference	H/M/L
3. High quality and sustainable public services	3.1 Improving service delivery and avoiding unnecessary service fragmentation	Income deprivation rate	0.073	0.042	0.128	0.059	0.086	L
		65+ Population (mid-2024)	102,437	80,068	118,607	82,921	38,539	M
		20-64 Population (mid-2024)	355,231	223,319	268,993	234,630	131,912	L
		0-19 Population (mid-2024)	158,263	99,527	109,434	98,254	60,009	L
	3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	Number of older adults in adult social care as % total population (2023-2024)	0.73%	0.65%	1.23%	0.93%	0.58%	L
		Number of adults in adult social care as % total population (2023-2024)	2.14%	2.20%	3.05%	1.59%	1.46%	L
		Adult social care total spend (£m)	185.6	116.3	207.5	124.5	91.2	M
		Number of children in children's social care as % total population (2023-2024)	0.44%	0.18%	0.51%	0.31%	0.33%	M
		Children's services total spend (£m)	140.3	34.0	77.5	46.2	106.2	L
		Number of registered pupils with SEND as % total population (2023-2024)	4.91%	4.27%	5.88%	4.96%	1.62%	M
		Proportion of children in relative low-income families (under 16s) (FYE24) (%)	18.71%	12.66%	22.33%	16.81%	9.67%	L
		Proportion of children in absolute low-income families (under16s) (FYE24) (%)	15.85%	10.86%	18.88%	14.31%	8.03%	L
		Households in TA per 1,000 (Jan-Mar 25)	28.97	23.02	13.46	16.43	15.51	L
6. Stronger community engagement and neighbourhood empowerment	6.1 Enabling strong community engagement	Level of civic participation (2023-2024) (%)	21%	27%	25%	23%	6%	H

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 5A (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	M	S	Difference	H/M/L
1. Establishing a single tier of Local Government	1.1 Sensible economic areas with an appropriate tax base	Gross Value Added (GVA) per capita (2023) (£)	28,356	35,322	22,788	25,024	26,850	12,534	M
		Total Gross Value Added (GVA) (2023) (£m)	9,373	19,244	7,815	8,515	10,018	11,429	L
		Council tax base (number of properties at Band D equivalent)	109,603	214,098	115,481	107,603	132,865	106,496	L
		Council Tax harmonisation / difference in Band D rates	£1,842	£1,904	£1,874	£1,812	£1,907	£95	L
	1.2 Sensible geography to increase housing supply and meet local needs	Population density (people per sq km) (2024)	1,151	430	682	793	298	853	M
		Geographic area (people per sq km) (2024)	287	1,267	503	429	1,253	980	L
		Housing delivery test (HDT) measurement	0.73	0.94	0.73	0.89	1.04	0.31	M
		Homelessness per 1,000 households	4.02	3.95	4.34	2.36	4.35	1.99	M
		Area of land that is protected, including land designated as Green Belt (%)	68%	66%	29%	32%	38%	39%	M
	1.3 Single tier local government structures	Councillor to electorate ratio	10,512	8,170	6,879	7,893	5,948	4,565	L
2. Efficiency, capacity and withstanding shocks	2.1 Appropriate population size	Population size (mid-2024)	330,536	544,814	342,934	340,286	373,115	214,277	L
	2.4 Putting local government finances on a firmer financial footing	General fund balance (£m)	24.1	50.0	21.3	15.7	60.2	44.5	M
		Debt affordability - financing costs as % net revenue expenditure (NRE)	2.99%	1.96%	2.80%	1.37%	5.56%	4.19%	L
		Gross budget gap (£m)	27.8	21.3	12.1	50.1	12.7	38.0	H

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

Option 5A (Quantitative metrics only)

Government criteria	Assessment Factor	Metric	N	W	E	M	S	Difference	H/M/L
3. High quality and sustainable public services	3.1 Improving service delivery and avoiding unnecessary service fragmentation	Income deprivation rate	0.066	0.077	0.107	0.107	0.130	0.064	M
		65+ Population (mid-2024)	52,329	108,477	77,559	59,227	86,440	56,148	L
		20-64 Population (mid-2024)	191,014	304,078	187,539	195,475	204,068	116,539	L
		0-19 Population (mid-2024)	87,193	132,259	77,836	85,584	82,607	54,423	M
	3.3 Impact on crucial services such as social care, children's services, SEND and homelessness	Number of older adults in adult social care as % total population (2023-2024)	0.63%	0.74%	1.12%	0.70%	1.18%	0.55%	M
		Number of adults in adult social care as % total population (2023-2024)	2.68%	2.29%	2.93%	2.12%	2.99%	0.87%	M
		Adult social care total spend (£m)	83.6	155.3	117.4	115.7	162.0	78.3	M
		Number of children in children's social care as % total population (2023-2024)	0.37%	0.18%	0.52%	0.61%	0.44%	0.43%	L
		Children's services total spend (£m)	55.4	42.3	56.6	91.8	51.9	49.4	H
		Number of registered pupils with SEND as % total population (2023-2024)	4.41%	4.29%	6.14%	5.28%	5.46%	1.85%	M
		Proportion of children in relative low-income families (under 16s) (FYE24) (%)	17.33%	13.25%	21.66%	19.53%	20.47%	8.41%	M
		Proportion of children in absolute low-income families (under16s) (FYE24) (%)	14.82%	11.33%	18.29%	16.44%	17.39%	6.96%	M
		Households in TA per 1,000 (Jan-Mar 25)	19.33	9.17	10.89	9.60	11.71	10.15	M
6. Stronger community engagement and neighbourhood empowerment	6.1 Enabling strong community engagement	Level of civic participation (2023-2024) (%)	24%	25%	22%	19%	28%	9%	L

Note: See Appendix A4 for baseline data by current authority used to calculate unitary figures and data sources for each metric

A4

Baseline data by current authority and sources

Kent COUNCIL LEADERS

Baseline data by current authority with sources (1/3)

Metric	Source	Medway (unitary)	District councils											Kent County Council	Kent Total
			Ashford	Canterbury	Dartford	Dover	Folkestone and Hythe	Gravesham	Maidstone	Sevenoaks	Swale	Thanet	Tonbridge and Malling	Tunbridge Wells	
Gross Value Added (GVA) per capita (2023) (£)	Regional gross domestic product: local authorities - Office for National Statistics	26,164	27,949	26,848	34,741	27,361	24,926	19,933	29,558	41,532	22,939	18,137	39,502	34,371	28,863	**28,454**
Total Gross Value Added (GVA) (2023) (£m)	Regional gross domestic product: local authorities - Office for National Statistics	7,657	3,939	4,352	4,343	3,277	2,802	2,206	5,550	5,098	3,633	2,588	5,406	4,114	47,308	**54,965**
Council tax base (number of properties at Band D equivalent)	Financial data return submitted by councils	92,100	49,332	55,054	41,702	42,120	41,414	35,443	68,086	53,008	50,518	48,261	53,478	49,135	587,550	**679,650**
Population density (people per sq km) (2024)	See Geographic Area and Population Size	1,509	243	525	1,712	380	315	1,118	478	332	425	1,372	570	362	462	**517**
Geographic Area (sq km) (2024)	Standard Area Measurements for Administrative Areas (December 2023) in the UK – ONS Geography	194	581	309	73	315	357	99	393	370	373	104	240	331	3,545	**3,739**
Housing Delivery Test measurement (2023)	Housing Delivery Test: 2023 measurement - GOV.UK	0.72	1.17	0.67	0.90	1.06	0.83	0.59	1.49	0.44	1.22	0.67	0.60	0.94	0.90	**0.87**
Homelessness per 1,000 households (Jan-Mar 2025)	Tables on homelessness - GOV.UK (Jan – Mar 2025)	1.91	1.55	2.44	1.39	1.40	1.40	2.04	1.95	0.64	1.22	1.61	0.90	0.58	1.43	**1.46**
Area of land that is protected, including land designated as Green Belt (000 sq km)	Local authority green belt statistics for England: 2023 to 2024 - GOV.UK	4,920	21,800	11,200	4,290	8,290	17,910	7,710	11,310	34,750	13,390	190	18,580	24,760	174,180	179,100
Total area (2023) (000 sq km)	Local authority green belt statistics for England: 2023 to 2024 - GOV.UK –Total area as at 31 December 2023	19,370	58,060	30,870	7,270	31,530	35,690	9,900	39,330	37,030	37,340	10,360	24,010	33,130	354,520	373,890
Area of land that is protected, including land designated as Green Belt (%) (2023-2024)	Local authority green belt statistics for England: 2023 to 2024 - GOV.UK	25%	38%	36%	59%	26%	50%	78%	29%	94%	36%	2%	77%	75%	49%	48%

Kent COUNCIL LEADERS

Baseline data by current authority with sources (2/3)

Metric	Source	Medway (unitary)	District councils												Kent County Council	Kent Total
			Ashford	Canterbury	Dartford	Dover	Folkestone and Hythe	Gravesham	Maidstone	Sevenoaks	Swale	Thanet	Tonbridge and Malling	Tunbridge Wells		
Electorate	Publicly available data	206,075	95,087	108,317	84,833	87,238	70,194	76,516	131,670	90,283	110,044	103,386	100,052	85,162	1,142,782	1,348,857
Councillors	Publicly available data	59	54	47	48	39	36	44	58	60	54	63	51	45	(81)	**658**
Councillor to electorate ratio	Publicly available data	3,493	1,761	2,305	1,767	2,237	1,950	1,739	2,270	1,505	2,038	1,641	1,962	1,892	1,908	2,050
Population size (mid-2024)	Estimates of the population for England and Wales - Office for National Statistics	292,655	140,936	162,100	125,011	119,768	112,411	110,671	187,767	122,748	158,379	142,691	136,853	119,694	1,639,029	**1,931,684**
General fund balance (£m)	Financial data return submitted by councils	£10.1	£34.9	£2.1	£3.5	£1.5	£5.9	£5.3	£16.6	£2.0	£3.1	£2.0	£1.3	£4.4	£78.6	**£171.2**
Financing costs (2023-2024) (£m)	Local authority revenue expenditure and financing England: 2023 to 2024 individual local authority data - outturn - GOV.UK (Interest: external payments)	4.1	10.0	4.0	0	3.3	2.9	5.5	0.8	0.4	0.2	0.3	0	0	33.5	**65.1**
Net revenue expenditure (NRE) (£m)	Financial data return submitted by councils	3.6	24.4	21.0	28.3	14.8	18.2	17.8	28.2	18.7	29.4	35.1	21.7	16.7	1,635.0	**1,913**
Debt affordability - financing costs as %	See Financing Costs and NRE	1%	41%	19%	0%	23%	16%	31%	3%	2%	1%	1%	0%	0%	2%	**3%**
Gross budget gap (£m)	Financial data return submitted by councils	58.9	0.0	1.0	2.1	0.0	1.4	3.0	1.4	1.4	2.9	0.0	1.1	1.2	49.8	**124.0**
Income deprivation rate (2019)	Mapping income deprivation at a local authority level - Office for National Statistics	0.134	0.110	0.100	0.095	0.134	0.145	0.122	0.095	0.075	0.149	0.185	0.080	0.073	0.114	**0.115**
65+ Population (mid-2024)	Estimates of the population for England and Wales - Office for National Statistics	48,069	27,801	36,194	16,755	29,736	28,903	18,720	35,612	27,192	30,407	34,042	26,578	24,024	335,964	**384,033**
20-64 Population (mid-2024)	Estimates of the population for England and Wales - Office for National Statistics	169,350	79,583	88,840	74133	64,206	60,279	62,931	107,212	65,849	89,755	77,083	76,864	66,088	912,823	**1,082,173**
0-19 Population (mid-2024)	Estimates of the population for England and Wales - Office for National Statistics	75,236	33,552	37,066	34,123	25,826	23,229	29,020	44,943	29,707	38,217	31,566	33,411	29,582	390,242	**465,478**
Number of adults in adult social care as % total population (2023-2024)	KCC analysis (districts) & LG inform data (Medway) – **Number of people aged 18 to 64 receiving long-term community support at the year-end (23-24)**	0.6%	0.8%	1.1%	0.5%	1.1%	1.7%	0.8%	0.9%	0.5%	0.8%	1.2%	0.7%	0.8%	0.9%	**0.9%**

Kent COUNCIL LEADERS

Baseline data by current authority with sources (3/3)

Metric	Source	Medway (unitary)	District councils											Kent County Council	Kent Total
			Ashford	Canterbury	Dartford	Dover	Folkestone and Hythe	Gravesham	Maidstone	Sevenoaks	Swale	Thanet	Tonbridge and Malling	Tunbridge Wells	
Number of older adults in adult social care as % total population (2023-2024)	KCC analysis (districts) & LG inform data (Medway) – Number of people aged 65+ receiving long-term community support at the year-end (23-24)	1.9%	2.7%	2.7%	3.8%	3.3%	3.0%	2.3%	2.6%	2.0%	2.5%	3.3%	1.7%	2.8%	2.7%	**2.6%**
Adult social care total spend (£m)	Data from individual councils	£110.3	£36.8	£55.3	£23.0	£55.9	£69.2	£26.3	£49.5	£38.3	£43.1	£51.7	£37.6	£36.9	£523.7	**£634.0**
Number of children in children's social care as % total population	KCC analysis (districts) & ONS data (Medway) – Children looked after on Mar 31 (24) (Medway)	0.6%	0.3%	0.3%	0.2%	0.5%	0.6%	0.4%	0.2%	0.1%	0.1%	0.1%	0.6%	0.8%	0.3%	**0.4%**
Children's services total spend (£m)	Data from individual councils	£93.6	£16.9	£19.6	£14.5	£14.3	£20.8	£16.1	£15.4	£8.3	£28.1	£30.3	£11.8	£8.3	£204.4	**£298.1**
Number of registered pupils with SEND as % total population	KCC analysis (districts) & LG Inform data (Medway) – Total No. CYP with an EHC plan 24-25 (Medway)	4.04%	5.04%	5.11%	4.45%	6.01%	5.46%	4.55%	4.53%	4.61%	7.71%	6.89%	4.59%	3.34%	5.20%	**5.01%**
Proportion of children in relative low-income families (under 16s) (FYE24) (%)	Children in low income families: local area statistics 2014 to 2024 - GOV.UK (FYE24)	19.5%	17.1%	17.7%	14.9%	23.2%	22.4%	19.8%	15.7%	12.1%	19.6%	26.3%	12.5%	11.3%	17.5%	**17.8%**
Proportion of children in absolute low-income families (under16s) (FYE24) (%)	Children in low income families: local area statistics 2014 to 2024 - GOV.UK (FYE24)	16.5%	14.6%	15.1%	12.9%	19.5%	19.0%	16.9%	13.4%	10.4%	16.3%	22.1%	10.7%	9.7%	14.9%	**15.1%**
Households in TA per 1,000 (Jan-Mar 25)	Tables on homelessness - GOV.UK (Jan – Mar 2025)	5.03	4.57	2.54	7.86	5.52	1.62	5.14	4.19	1.29	4.56	3.79	2.19	1.50	3.71	**3.89**
Level of civic participation (2023-2024) (%)	Community Life Survey 2023/24 annual publication - GOV.UK (Civic engagement, volunteering, social action in the last 12 months, people aged 16 and over, England, October 2023 to March 2024)	34%	38%	40%	36%	50%	42%	37%	35%	53%	36%	41%	42%	47%	41%	**41%**

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Appendix 3 – Other Appendices

This appendix contains all of the other appendices which are referenced throughout the Strategic Business Case.

Full list of documents included within this appendix:

- 3a - Resident survey report
- 3b - Stakeholder Engagement report
- 3c - KPMG financial assessment of option 1a
- 3d - Newton report on the impact of disaggregating people-based services
- 3e - Member allowances of Kent and Medway councils
- 3f - Community Engagement Toolkit

Appendix 3a

LGR Resident Survey Final Report

Full results: Fieldwork from Tue 30th Sep to Sun 26th Oct 2025

Matt Wagner, Chief Analyst
Anita Winther, Analyst Manager

Executive summary

The Government has asked the councils in Kent to submit proposals to them by 28th November 2025 for 'local government reorganisation' and we want to include the views of residents in this. Therefore Kent County Council has conducted a survey of Kent and Medway residents to gather views on a potential reorganisation of the councils in Kent. This report presents the full results from the survey. The survey was open between Tuesday 30th September and Sunday 26th October 2025 and received 2,685 responses from residents of Kent & Medway. These are the key findings:

Opinions on LGR and council size – There are mixed opinions in relation to whether people think that local government in Kent needs major reorganisation or not. Similarly, there is not a clear strong preference for whether people would prefer a smaller, more local council or a larger, potentially more cost efficient council. However, there are differences by age group, with under 35s favouring a larger council, assuming this comes with economies of scale, and those over 56 favouring a smaller council. Those aged 36-55 had balanced preferences.

Furthermore, for those supporting the idea of a major reorganisation, there is a strong preference for 'council services managed by a larger council covering a bigger area, but potentially at a lower cost than a smaller council'. The opposite is true for those who would prefer to retain the existing councils. For those who are unsure about reorganisation, a similar proportion said they would prefer a larger council as a smaller one.

Belonging and inter-district connections – The data indicates that the majority of people have a strong sense of belonging at all geographical levels from local village/town up to Kent as a whole. In terms of connections between districts, Option 1a by definition preserves the most inter-district connections, followed by Option 3a and then Option 4b. It is not possible to model this for the two options that include boundary changes.

What residents want – Residents expect a broad range of competing priorities to be delivered, including quality, value-for-money, local representation and resident involvement. This means any future council model must balance these factors, though the preferred balance may vary by service.

Views on cost implications – There is a clear expectation that whatever option is taken forward must result in a system that costs less than continuing with the current one. However, within this context of a significant majority wanting a cheaper system overall, some would be prepared to pay more council tax if it resulted in decisions being made more locally than in another option. The 56+ age group had a slight preference for this, however the other two age groups were more strongly opposed.

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1 Introduction

1.1 Local Government Reorganisation in Kent

At present, most of Kent operates under what is known as a 'two-tier' council structure. This means that some services are delivered by a district or borough council (e.g. bin collections, housing, planning, leisure centres) and others are provided by Kent County Council (e.g. social care, education services and highways). Council tax currently helps to fund services provided by both the county and district/borough councils, as well as contributing to the police and fire services and parish/town councils (where these exist).

Within Kent, Medway operates differently. Medway council is a 'unitary' authority, meaning they are responsible for delivering **all** local government services within Medway.

The Government intends to simplify this system by creating larger unitary councils that deliver all services in an area, replacing Kent County Council, Medway Council and the twelve district and borough councils. This process is known as Local Government Reorganisation, or LGR.

This would mean council services that are currently managed by district/borough councils being managed across a larger area. It would also mean services that are currently managed by Kent County Council being broken up and managed across smaller areas, unless the Government decides that a single unitary authority covering the whole of Kent should be created.

The Government has asked the councils in Kent to put forward proposals for how many unitary councils there should be and what areas they should cover. These must be submitted by 28th November 2025.

There is not currently agreement among the existing councils in Kent on how many unitary authorities there should be in Kent if LGR was to happen, or what the boundaries of those authorities should be. There are currently five proposals in Kent that are expected to be submitted. Option 1a, Option 3a and Option 4b all adhere to existing district boundaries. Option 4d and Option 5a include boundary changes. The maps showing the configuration of each of these options can be found in the Appendix.

1.2 Rationale for conducting the public survey

The rationale for conducting a survey of residents of Kent and Medway about Local Government Reorganisation (LGR) is to ensure that the voices and views of those affected by potential changes are heard and included. The survey provides an important opportunity for residents to share their

opinions and priorities regarding the reorganisation of local councils in Kent. Following the submission of the business cases, there will be further opportunities for resident engagement, including through the government's formal public consultation on the LGR options for Kent.

2 Methodology

2.1 Survey design and distribution

The survey was designed to capture a broad range of resident perspectives across Kent and Medway, ensuring inclusivity and accessibility. Questions were carefully structured to elicit both quantitative data and qualitative insights, allowing respondents to express their priorities and concerns regarding Local Government Reorganisation (LGR). To facilitate ease of participation, the survey was distributed online using Snap Surveys, a robust and secure digital platform. Snap Surveys enabled the survey to reach a wide audience efficiently, supporting both desktop and mobile users, real-time monitoring of response rates and robust statistical analysis of the results.

The survey is completely confidential. Respondents were not required to give their name so their identity will not be known. Responses are only reported grouped with other participants.

Distribution channels included direct email invitations to residents via Let's Talk Kent, promotion via KCC's website, and social media outreach to maximise awareness and engagement. Printed copies of the survey could be requested for those unable to complete it online.

The survey was shared widely through various channels but was ultimately a self-selecting survey, meaning you are more likely to get responses from people who are particularly interested in the topic. This means respondents may be more informed around the subject of LGR than the average resident, but also that the responses may not fully represent the views of those people who are less interested in how local government is structured.

Due to constraints on time and budget, it was not possible to conduct a gold-standard, fully representative survey of residents, which would have required random sampling and targeted outreach to ensure all population groups were proportionately included. This methodology would have required a third party research organisation with the resources and capacity to carry out this type of research.

2.2 Exclusion criteria

The survey was exclusively for residents of Kent and Medway, meaning people who live outside the area were unable to complete the survey. Businesses and partner organisations were also not able to participate in this survey, however they will have the opportunity to input through other channels.

2.3 Response rates

The survey was open between Tuesday 30th September and Sunday 26th October 2025 and received 2,685 responses from residents of Kent & Medway.

There were at least 130 responses from every district, with many getting considerably more. Folkestone & Hythe was the most over-represented district compared to its share of the population, whereas Medway was the most under-represented. Most other districts were fairly close to their population proportions.

Table 1 – Number of respondents by home district

Home District	# responses	% responses	% Target Pop	Population*
Ashford	233	9%	7%	140,936
Canterbury	257	10%	8%	162,100
Dartford	136	5%	6%	125,011
Dover	180	7%	6%	119,768
Folkestone & Hythe	269	10%	6%	112,411
Gravesham	133	5%	6%	110,671
Maidstone	305	11%	10%	187,767
Medway	133	5%	15%	292,655
Sevenoaks	230	9%	6%	122,748
Swale	205	8%	8%	158,379
Thanet	259	10%	7%	142,691
Tonbridge and Malling	207	8%	7%	136,853
Tunbridge Wells	138	5%	6%	119,694
Grand Total	*2,685*	*100%*	*100%*	*1,931,684*

** Population source: Office for National Statistics, 2024 mid-year population estimates*

2.4 Statistical analysis

Any results commented on in this report have been tested for statistical significance and have been found to be significant, unless otherwise stated.

2.5 Analysis of free-text questions

The survey contained two free-text questions. Due to the limited time available to analyse and report back on the survey results, these free-text responses have been summarised with the help of a large language model (an AI tool). The information remains within KCC's secure infrastructure and is protected by enterprise-grade security and privacy controls. These summaries have been reviewed for accuracy, including through the random sampling of responses to check for consistency.

3 Survey findings

These findings are based on the full results of the survey, collected between Tuesday 30th September and Sunday 26th October 2025.

Most groups are reasonably well represented within the survey, however we do have under- or over-representation amongst different age groups. In particular, 16-35s are under-represented and 56+ are over-represented within the respondents. For this reason, we will present the results to some of the key questions broken down for these different age groups, especially where the prevailing opinions vary between the different age groups.

3.1 Opinions on LGR and council size

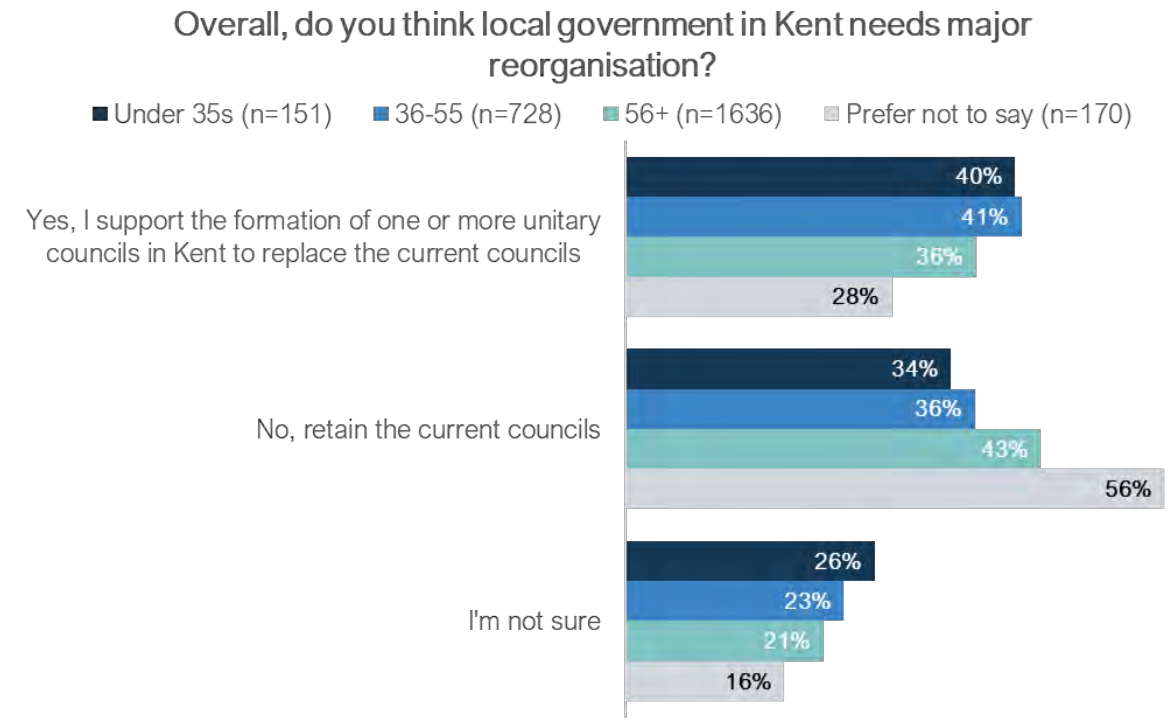
3.1.1 Is a major reorganisation needed?

Respondents to the survey were asked the question 'Overall, do you think local government in Kent needs major reorganisation?', the result of which are shown broken down by age group in Figure 1. Within each of the broad age groups there is split opinion on whether major reorganisation of local government in Kent is a good idea overall, with both the yes and no options receiving support.

Only respondents aged 56 or over and those that chose not to specify their age group had a statistically significant[1] preference – both with a larger proportion favouring retaining the current councils. Under 35s and 36-55s both had more respondents who supported the formation of one or more unitary councils, however this preference was not large enough to be statistically significant, particularly due to the smaller sample size in the under 35s group.

[1] Using a two-tailed binomial test.

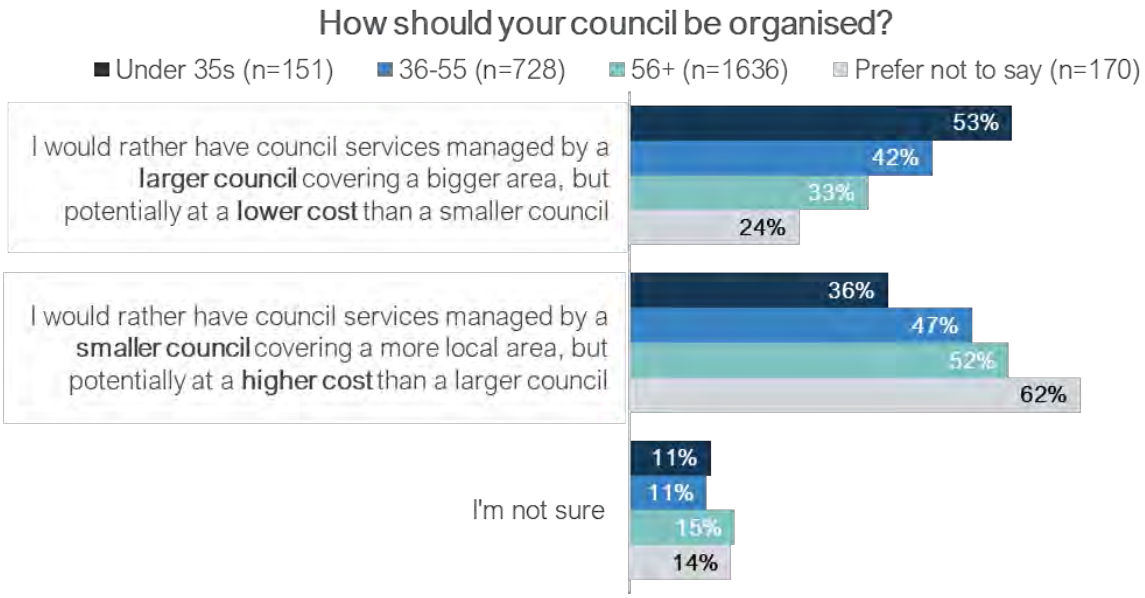
Figure 1 – Opinions on the need for major reorganisation, by age group



3.1.2 Opinions on council size

In terms of the size of any future councils, there are again mixed opinions. Preferences are different for different age groups, as shown by Figure 2.

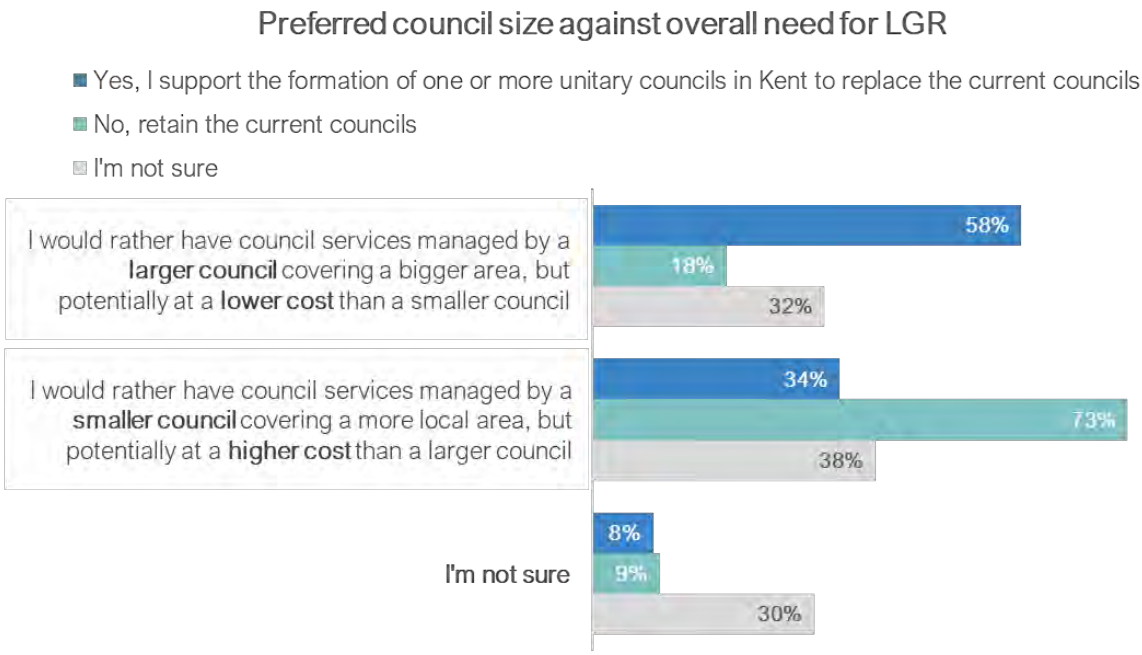
Figure 2 – Opinions on council size, by age group



Under 35s typically favour a larger council that would potentially deliver at a lower cost, whereas those over 56 typically favour a smaller council even if potentially at a higher cost. Those aged 36-55 had balanced preferences (the difference observed is not statistically significant[2]).

In Figure 3, respondents' preferences in terms of the size of their council is compared to whether they thought local government in Kent needs major reorganisation.

Figure 3 – Opinions on council size, compared to support for reorganisation



For those who support the idea of a major reorganisation, there is a strong preference for "council services managed by a larger council covering a bigger area, but potentially at a lower cost than a smaller council" (58% preferring larger vs 34% preferring smaller). The opposite is true for people who would prefer to retain the existing councils (18% preferring larger vs 73% preferring smaller). For those who are not sure about whether local government needs major reorganisation, a similar proportion said they would prefer a larger council (32%) as a smaller one (38%), though the difference is not statistically significant due to the smaller number of respondents in this group.

This may indicate that there is a prevailing sentiment amongst those who favour more localised representation and service management that LGR will result in a worse situation than the current state. Whereas those who favour larger, potentially more cost efficient, services believe LGR could improve local government. However, there is still a sizeable minority who support LGR and would prefer smaller councils even if potentially at a higher cost.

[2] Using a two-tailed binomial test.

3.1.3 Reasons for and against major reorganisation

After being asked whether they thought local government in Kent needs major reorganisation, respondents were asked to give the reasons for their answer. Looking at the reasons given by those who would rather retain the current councils:

> These respondents often value local representation, knowledge, and accountability. Many believe the current district/borough councils are best placed to understand and respond to the unique needs of their communities for the services they deliver. There are concerns about losing local identity, community focus, and direct access to councillors, especially outside the larger towns or cities. Respondents highlight Kent's diversity and argue that "one size fits all" solutions would not work.
>
> Many are sceptical that reorganisation would deliver the promised savings or efficiencies, pointing to the risks of disruption, increased costs, and reduced service quality. There are concerns about the complexity of merging systems, staff, and assets, and about the risk of service deterioration during the transition in particular. Some are concerned about the financial sustainability of unitary authorities due to the disaggregation of county council services and how debts, assets and costs could be distributed unfairly across different councils.
>
> Many express either satisfaction with the current system or a suspicion of change, either saying they see no compelling reason for change or suggesting that the current system, while imperfect, is better than the unknowns of reorganisation.

For those who supported the formation of one or more unitary councils:

> Supporters of forming one or more unitary councils in Kent believe this change would bring greater efficiency, cost savings, and clearer accountability. They argue that the current two-tier system is confusing, wasteful, and leads to duplicated roles and bureaucracy. Many see unitary councils as a way to streamline services, reduce overheads, and improve integration across services like planning, transport, housing and social care.
>
> Some favour a single authority for the whole of Kent, citing economies of scale, strategic benefits and the capacity do deal with complex challenges. Others argue for multiple unitary councils to reflect the distinct identities and needs of different areas, concerned that too large an authority could be remote and unresponsive. Maintaining local identity and influence is important to many, with some suggesting town and parish councils for hyper-local matters.
>
> There is optimism that reorganisation could unlock devolved powers, strengthen Kent's economic position, and allow for more targeted support to disadvantaged areas.

Overall, supporters see reorganisation as a route to a more effective, responsive, and value-for-money local government.

For those who responded **"I'm not sure"**:

Respondents who are unsure about major reorganisation express a strong need for more information, evidence, and clarity before forming an opinion.

They perceive both potential benefits – such as economies of scale and more joined-up services – and drawbacks, including the risk of losing local responsiveness and increased bureaucracy. Many are wary of the costs, disruption, and uncertainty that reorganisation could bring, and want to see robust analysis and practical examples of how changes would work in practice.

Kent's size and diversity are seen as complicating factors, and there is concern that a single approach may not suit all areas. While some value local representation, others are open to change if it can be shown to deliver real improvements for residents.

Funding and council tax are major concerns. Respondents worry about how costs and resources will be distributed, especially between affluent and deprived areas, and whether changes could lead to higher taxes or greater inequality.

Some respondents simply do not feel strongly either way, or do not have enough experience or knowledge to form an opinion. They may be satisfied with current arrangements, or feel that changes won't make much difference to them personally.

Overall, the prevailing sentiment is caution, with a preference that any change should be gradual, well-planned, and should respect local differences and maintain democratic engagement.

A comparison across these groups indicates that individuals form opinions based on their assessment of the potential benefits, drawbacks, risks, and opportunities associated with this complex and undefined change, as well as the different importance they assign to each factor. However, many people express that they, quite understandably, do not have all the information and analysis they would need to make a fully-informed judgement. Therefore, understanding what factors people feel are particularly important, as well as any red lines they may have in terms of cost implications, will support the assessment of what options are most likely to deliver what the residents of Kent and Medway want.

3.2 What residents want from LGR

3.2.1 What people want from their council

When weighing up what they want local government reorganisation to deliver in Kent, respondents said it is particularly important to them that their council…

- …will speak up for the interests of their local area (94% agree / strongly agree)
- …enables them to have a say in decisions that affect them (94%)
- ...delivers high-quality services (95%)
- ...achieves good value for money for the taxpayer (91%)

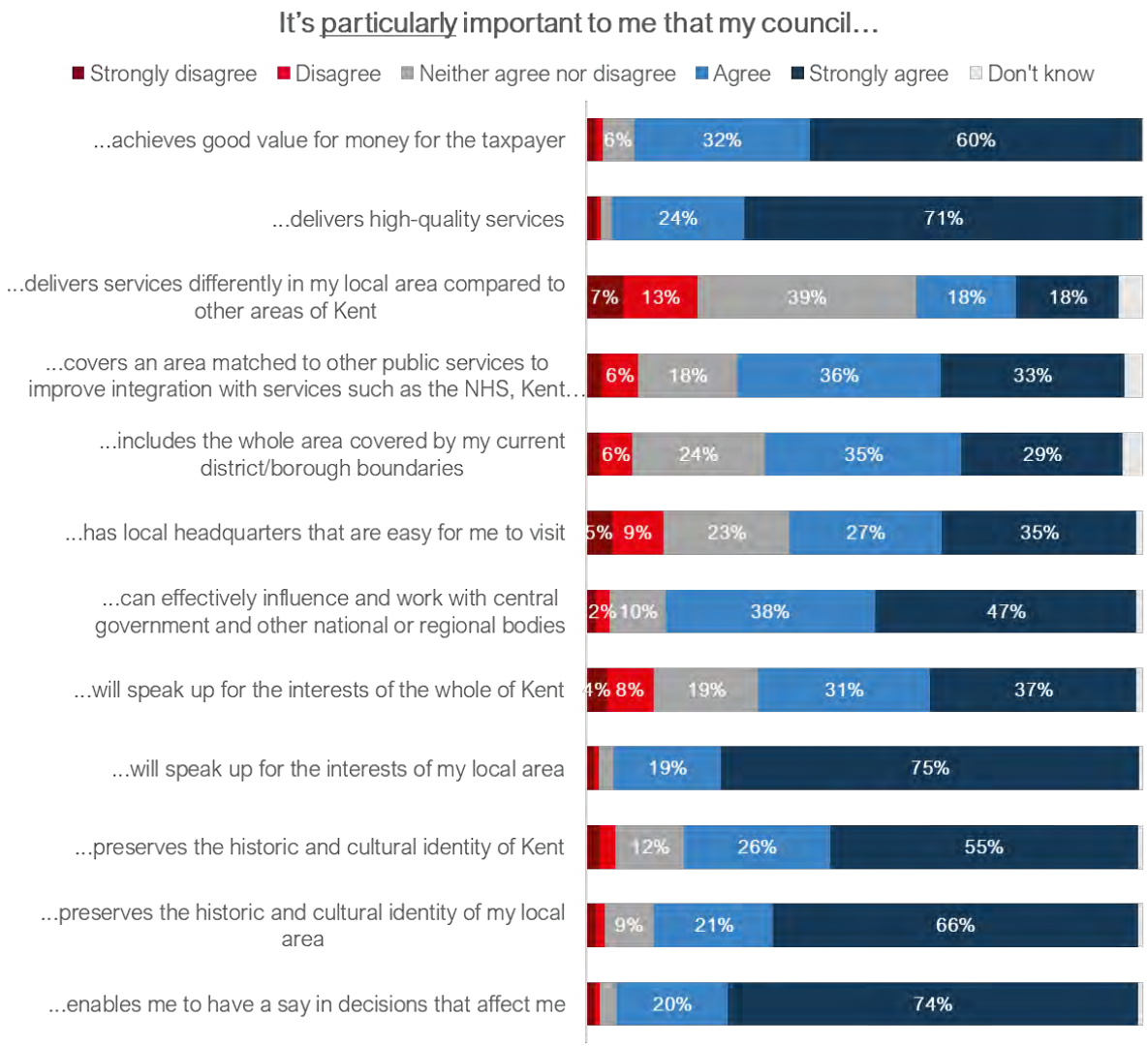
Delivering services differently in my local area compared to other areas of Kent was the only statement not to receive a majority support (with 36% agree / strongly agree; 39% neither agree nor disagree; 20% disagree / strongly disagree).

The rest of the options all had a strong majority agreeing, as is shown in Figure 4. In addition to the areas mentioned above, these covered topics such as:

- historic and cultural identity
- working with central government
- covering an area matched to other public services
- their future council including the whole area covered by their current district/borough boundaries
- their local headquarters being easy to visit

It is worth noting that this is a question where the self-selecting nature of the survey and its distribution channels could have an impact. Respondents, by definition, had an interest in sharing their views on local government, so their priorities may not precisely represent the views of all residents, which would include people who are less interested and engaged with local government. However, there would have to be a very significant swing to change the fact that the majority of people agreed or strongly agreed with almost all of the elements.

Figure 4 – Respondents' priorities for what they would want LGR to deliver



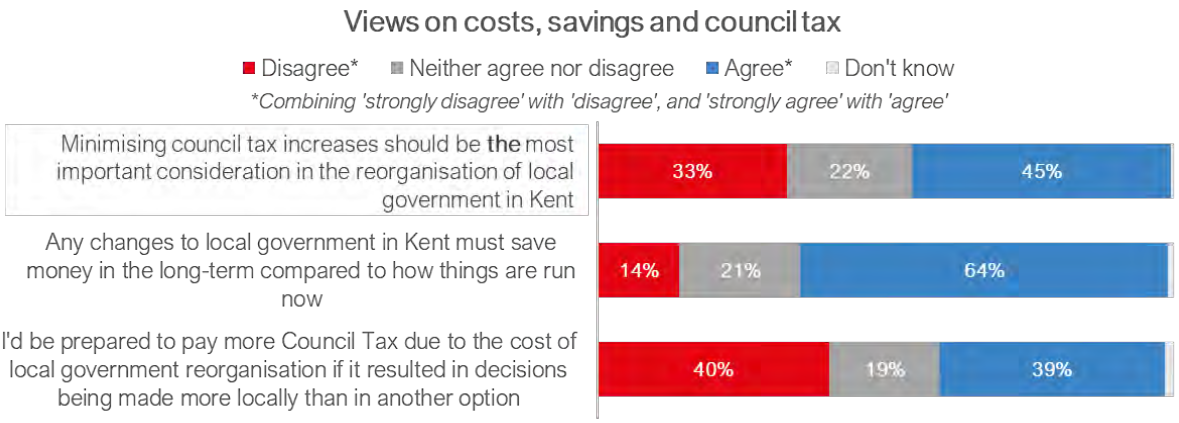
Given the majority of people agreed or strongly agreed with almost all of the elements being particularly important to them, this indicates that most residents expect local government to deliver on a very broad range of outcomes. Priorities were similar across the different age groups, apart from headquarters being easy to visit which was typically more important amongst the older age groups.

The fact that the top four covers such a broad range of priorities which could be in competition with each other (quality, cost, local representation and resident involvement) indicates that any successful future model would need to carefully balance each of these factors. The balance that residents desire may also be different for different council services; however, this survey is not able to provide further insight on this.

3.2.2 Opinions on cost implications

Understanding people's expectations around the cost implications of LGR is also critical in assessing the potential options against what residents want and will accept.

Figure 5 – Respondents' views on costs, savings and council tax



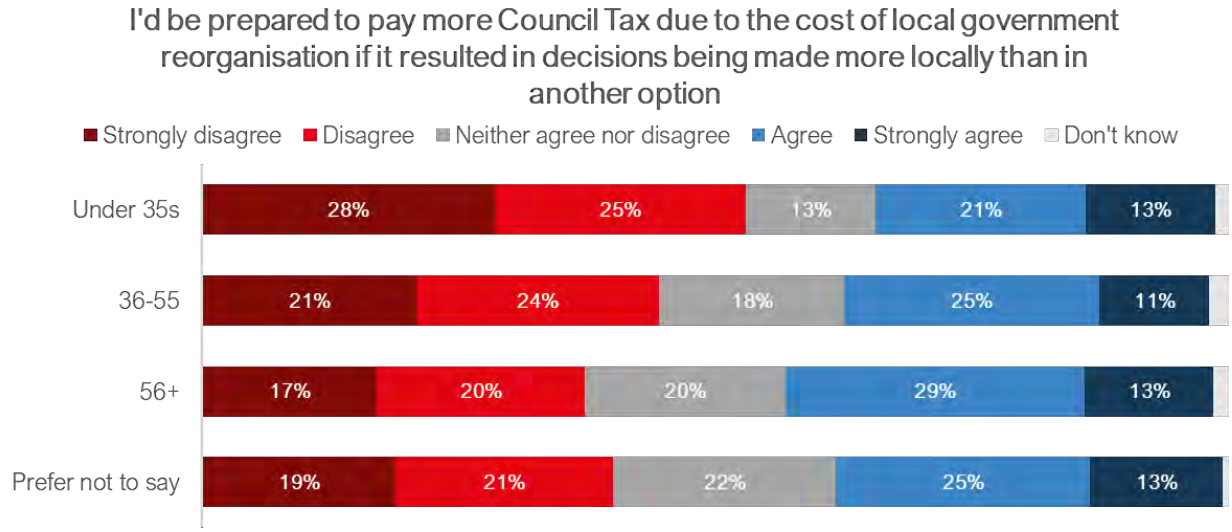
45% of respondents agreed that "minimising council tax increases should be **the** most important consideration" (33% disagreed that it was **the** most important consideration). So clearly, if LGR is to happen, the cost implications are very important to people.

The strongest agreement was with the statement "Any changes to local government in Kent must save money in the long-term compared to how things are run now", with 64% agreeing and only 14% disagreeing with this. So there is a clear expectation that whatever option is taken forward must result in a system that costs less than continuing with the current one.

For the first two statements, the dominant view is statistically significant, using a two-tailed binomial test. The prevailing opinion is also consistent for each of the three broad age groups.

However, within this context of a significant majority wanting a cheaper system overall, local decision-making is still an important factor to some. A similar proportion (39%) would "be prepared to pay more council tax if it resulted in decisions being made more locally than in another option", to those who said they would not (40%) – i.e. this was not statistically significant. However, this overall result does mask a difference in opinion between age groups. The 56+ age group had slightly more agreeing (42%) than disagreeing (37%), whereas the other age groups had a stronger preference to say they **would not** be prepared to pay more council tax for more local decision-making. Under 35s had 33% agreeing and 53% disagreeing; 36-55s had 36% agreeing and 45% disagreeing. All the results for the different age groups were statistically significant. Figure 6 shows the response to this statement broken down by age group. This also shows that for all age groups there are more people who strongly disagree than strongly agree.

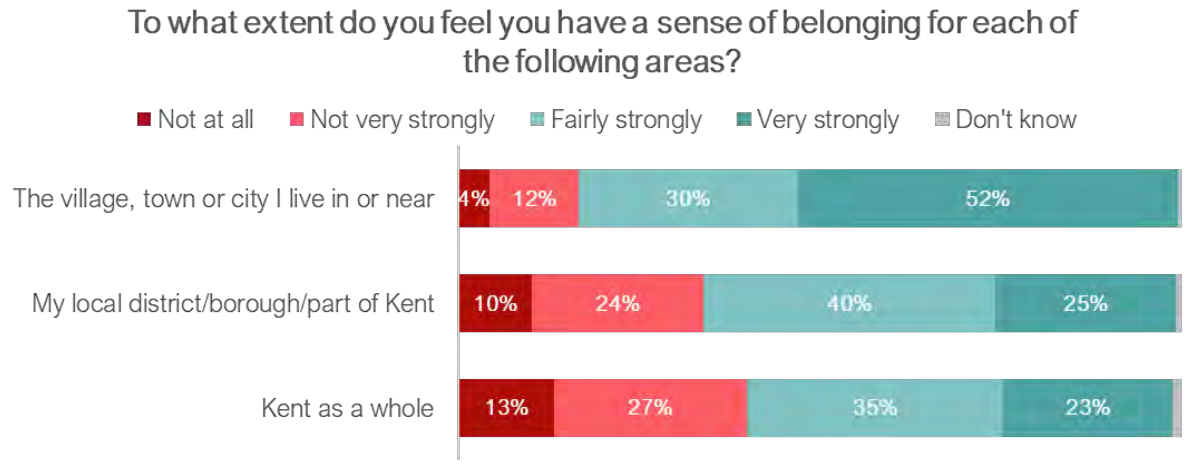
Figure 6 – Views on council tax and local decision-making, by age group



3.3 Belonging and connections

Respondents were asked about how strong their sense of belonging is to their local area/town, their district/borough and to Kent as a whole.

Figure 7 – Sense of belonging at different geographical levels



Overall, respondents felt the strongest sense of belonging to the village, town or city that they live in or near (83% fairly/very strongly). People felt only a small difference in their sense of belonging to their district/borough (65% fairly/very strongly) compared to Kent as a whole (59%)[3]. The data

[3] Wilcoxon signed-rank test confirmed this difference was statistically significant.

indicates that the majority of people have a strong sense of belonging at all of these geographical levels.

Respondents were also asked which district they lived in and which other districts they felt most connected to. This is helpful in understanding the extent to which different options conform to the connections that residents feel to other districts. The specific question that was asked was:

> **Which districts or boroughs in Kent, apart from the one in which you live, do you feel most connected to?** This could be due to work, leisure, family or friends. Select as many or as few as you like.

The matrix below (Figure 8) shows the proportion of respondents living in each district that said they felt most connected to each of the other districts. They could select more than one other district. Darker green shading indicates a higher proportion from a home district feeling connected to that district. The district groupings for Option 3a are highlighted by the thicker black borders.

Figure 8 – Matrix showing strongest inter-district connections, with Option 3a district groupings overlaid

…feel most connected to…

Option 3a - % of connections for each home district (Home district)	Tonbridge and Malling	Tunbridge Wells	Sevenoaks	Maidstone	Dartford	Gravesham	Medway	Swale	Ashford	Folkestone & Hythe	Dover	Canterbury	Thanet	None
Tonbridge and Malling		25%	23%	20%	3%	2%	9%	1%	1%	1%	0%	3%	2%	11%
Tunbridge Wells	34%		19%	13%	1%	2%	2%	0%	3%	3%	1%	6%	1%	15%
Sevenoaks	27%	23%		6%	11%	6%	3%	1%	1%	2%	1%	2%	2%	15%
Maidstone	18%	11%	5%		3%	2%	12%	4%	9%	6%	3%	8%	3%	15%
Dartford	6%	3%	21%	6%		24%	10%	3%	1%	2%	0%	3%	2%	19%
Gravesham	8%	4%	8%	9%	20%		21%	3%	1%	3%	1%	4%	4%	13%
Medway	9%	3%	2%	26%	4%	11%		10%	3%	3%	1%	9%	5%	15%
Swale	2%	1%	2%	14%	2%	2%	16%		5%	4%	3%	29%	9%	11%
Ashford	5%	7%	2%	12%	0%	1%	3%	4%		21%	5%	23%	3%	12%
Folkestone & Hythe	1%	3%	1%	4%	1%	1%	2%	1%	24%		17%	24%	4%	16%
Dover	1%	1%	1%	5%	1%	0%	1%	1%	7%	19%		36%	17%	11%
Canterbury	1%	2%	2%	4%	2%	2%	4%	13%	8%	10%	9%		26%	19%
Thanet	2%	1%	2%	3%	3%	1%	4%	3%	4%	7%	12%	39%		17%

Apart from the single unitary authority option (Option 1a), the groupings of districts in Option 3a (the three unitary authority option) preserves the most inter-district connections (60%). These groupings are the same as the area assembly geographies proposed in the one unitary authority option.

Some of the strongest connections that are missed – focusing on those over 20% – are from Swale to Canterbury (29%), Medway to Maidstone (26%), and Dartford to Sevenoaks (21%).

Figure 9 – Matrix showing strongest inter-district connections, with Option 4b district groupings overlaid

...feel most connected to...

Option 4b - % of connections for each home district	Tonbridge and Malling	Tunbridge Wells	Sevenoaks	Maidstone	Dartford	Gravesham	Medway	Swale	Ashford	Folkestone & Hythe	Dover	Canterbury	Thanet	None
Tonbridge and Malling		25%	23%	20%	3%	2%	9%	1%	1%	1%	0%	3%	2%	11%
Tunbridge Wells	34%		19%	13%	1%	2%	2%	0%	3%	3%	1%	6%	1%	15%
Sevenoaks	27%	23%		6%	11%	6%	3%	1%	1%	2%	1%	2%	2%	15%
Maidstone	18%	11%	5%		3%	2%	12%	4%	9%	6%	3%	8%	3%	15%
Dartford	6%	3%	21%	6%		24%	10%	3%	1%	2%	0%	3%	2%	19%
Gravesham	8%	4%	8%	9%	20%		21%	3%	1%	3%	1%	4%	4%	13%
Medway	9%	3%	2%	26%	4%	11%		10%	3%	3%	1%	9%	5%	15%
Swale	2%	1%	2%	14%	2%	2%	16%		5%	4%	3%	29%	9%	11%
Ashford	5%	7%	2%	12%	0%	1%	3%	4%		21%	5%	23%	3%	12%
Folkestone & Hythe	1%	3%	1%	4%	1%	1%	2%	1%	24%		17%	24%	4%	16%
Dover	1%	1%	1%	5%	1%	0%	1%	1%	7%	19%		36%	17%	11%
Canterbury	1%	2%	2%	4%	2%	2%	4%	13%	8%	10%	9%		26%	19%
Thanet	2%	1%	2%	3%	3%	1%	4%	3%	4%	7%	12%	39%		17%

Home district

Option 4b preserves 46% of the inter-district connections. Some of the strongest connections that are missed – focusing on those over 20% – are from Swale to Canterbury (29%), Medway to Maidstone (26%), Ashford to Canterbury (23%), Folkestone & Hythe to Canterbury (24%), and Dartford to Sevenoaks (21%).

Options 4d and 5a are not possible to model from the survey results due to the fact that they do not conform to current district boundaries.

4 Conclusions

Opinions on LGR and council size – There are mixed opinions in relation to whether people think that local government in Kent needs major reorganisation or not. Similarly, there is not a clear strong preference for whether people would prefer a smaller, more local council or a larger, potentially more cost efficient council. However, there are differences by age group, with under 35s favouring a larger council, assuming this comes with economies of scale, and those over 56 typically favouring a smaller council. Those aged 36-55 had balanced preferences.

Furthermore, for those supporting the idea of a major reorganisation, there is a strong preference for 'council services managed by a larger council covering a bigger area, but potentially at a lower cost than a smaller council'. The opposite is true for those who would prefer to retain the existing councils. For those who are unsure about reorganisation, a similar proportion said they would prefer a larger council as a smaller one.

Belonging and inter-district connections – The data indicates that the majority of people have a strong sense of belonging at all geographical levels within Kent (local village/town/city; district/borough; Kent as a whole). Option 3a preserves 60% of strong inter-district connections that residents feel, whereas Option 4b preserves 46%. By definition, Option 1a preserves 100% of inter-district connections at the unitary level and 60% at the area assembly level. It is not possible to model inter-district connections for Option 4d and Option 5a.

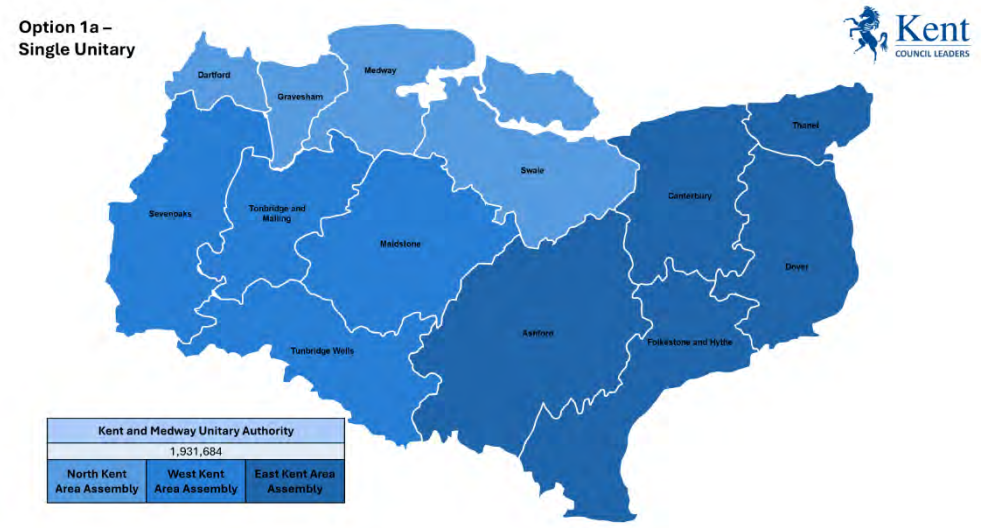
What residents want – What people describe as being particularly important for their council to achieve covers a broad range of priorities which could be in competition with each other – quality, value-for-money, local representation and resident involvement all received over 90% agreement. This indicates that any successful future model would need to carefully balance each of these factors. The balance that residents desire may also be different for different council services; however, this survey is not able to provide further insight on this.

Views on cost implications – If LGR is to happen, the cost implications are very important to people. There is a clear expectation that whatever option is taken forward must result in a system that costs less than continuing with the current one. However, within this context of a significant majority wanting a cheaper system overall, some would be prepared to pay more council tax if it resulted in decisions being made more locally than in another option. The 56+ age group had a slight preference for this, however the other two age groups were more strongly opposed.

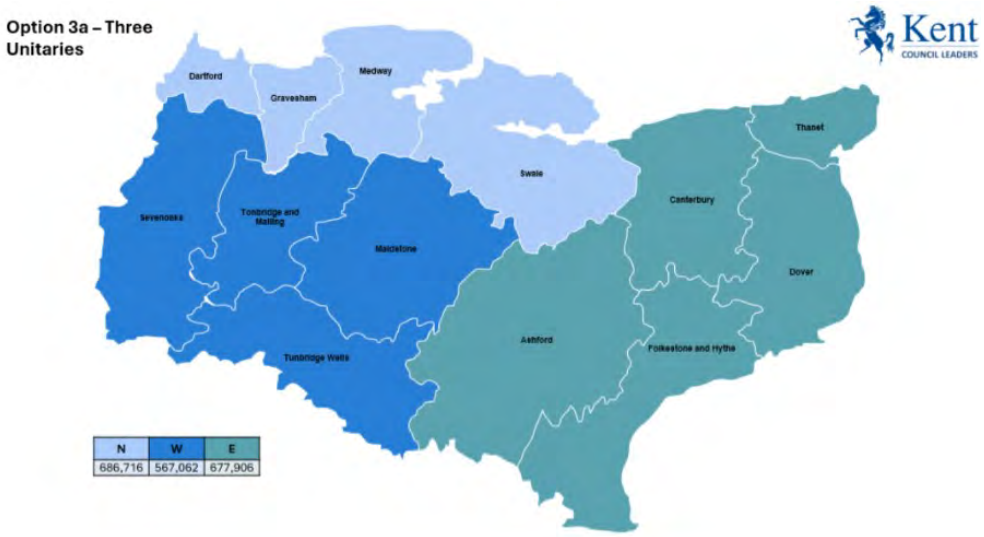
5 Appendices

5.1 Appendix A: Maps of the proposed LGR options

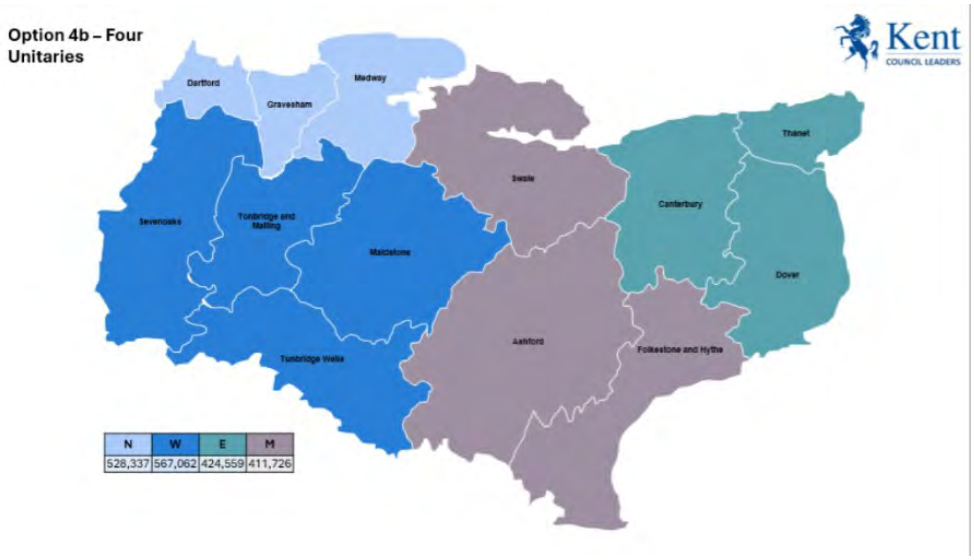
Option 1a – One unitary council, consisting of three area assemblies of Dartford, Gravesham, Medway and Swale in the north; Sevenoaks, Tonbridge and Malling, Maidstone and Tunbridge Wells in the west; and Ashford, Canterbury, Thanet, Dover and Folkestone and Hythe in the east.



Option 3a – Three unitary councils consisting of Dartford, Gravesham, Medway and Swale in the north; Sevenoaks, Tonbridge and Malling, Maidstone and Tunbridge Wells in the west; and Ashford, Canterbury, Thanet, Dover and Folkestone and Hythe in the east.

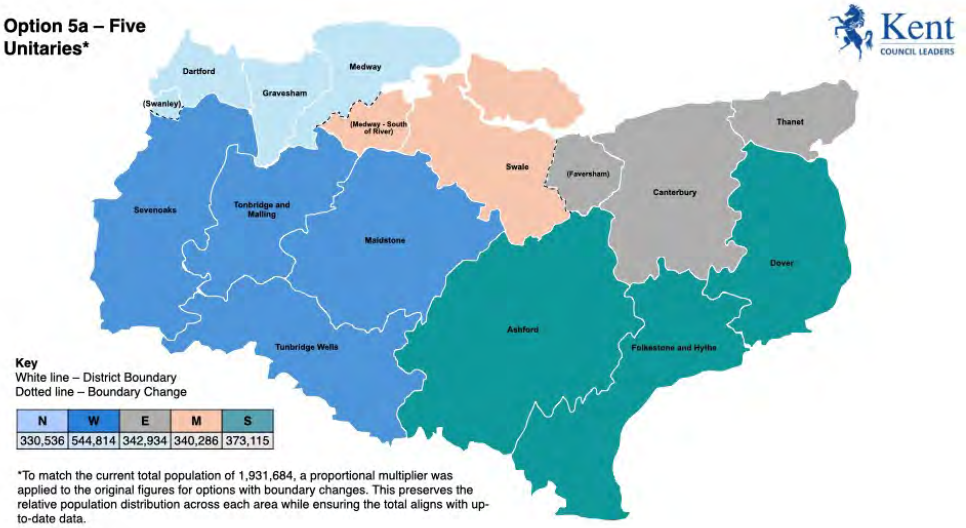


Option 4b – Four unitary councils consisting of Dartford, Gravesham and Medway in the north; Sevenoaks, Tonbridge and Malling, Maidstone and Tunbridge Wells in the west; Swale, Ashford and Folkestone and Hythe in the middle of Kent; and Canterbury, Thanet and Dover in the east.



Option 4d – Four unitary councils with boundary changes, consisting of parts of Dartford, Gravesham, Medway and Swale in the north; the remaining part of Dartford, Gravesham, Medway, with Sevenoaks, Tunbridge Wells, and parts of Tonbridge and Malling in the west; Maidstone, Ashford with the remaining parts of Tonbridge and Malling, Swale, and part of Folkestone and Hythe; and Canterbury, Thanet, Dover and with the remaining parts Swale of Folkestone and Hythe in the east.

Option 5a – Five unitary councils with boundary changes, consisting of Dartford, Gravesham, parts of Medway west of the River Medway, and Swanley in the north; Sevenoaks, Tonbridge & Malling, Tunbridge Wells, and Maidstone (excluding Swanley) in the west; the remainder of Medway with the western part of Swale (Sittingbourne area) in the middle; the rest of Swale (Faversham area) combined with Canterbury and Thanet; and finally, Ashford, Folkestone & Hythe, and Dover in the east.



5.2 Appendix B: Overview of demographic data

Age group

Which of these age groups applies to you?

Age group	# responses	% responses	% excl. Prefer not to say	% Target Pop	Population*
Under 16	0	0%			375,356
16-25	37	1%	1%	13%	202,699
26-35	114	4%	5%	16%	242,074
36-45	284	11%	11%	17%	259,643
46-55	444	17%	18%	16%	243,279
56-65	649	24%	26%	16%	246,249
65+	987	37%	39%	23%	362,384
I prefer not to say	170	6%			
Grand Total	*2,685*	*100%*		*N/A*	*1,931,684*

**Population source: Office for National Statistics, 2024 mid-year population estimates*

Sex

What is your sex?

Sex	# responses	% responses	% excl. Prefer not to say	% Target Pop	Population
Female	1,282	48%	52%	51%	991,665
Male	1,188	44%	48%	49%	940,019
I prefer not to say	215	8%			
Grand Total	*2,685*	*100%*		*100%*	*1,931,684*

**Population source: Office for National Statistics, 2024 mid-year population estimates*

Gender identity different than at birth?

Is the gender you identify with the same as your sex registered at birth?

Is the gender you identify with the same as your sex registered at birth?	# responses	% responses	% excl. Prefer not to say
Yes	2,441	91%	99.5%
No	13	0.5%	0.5%
I prefer not to say	231	9%	
Grand Total	*2,685*	*100%*	

**Note Census data is not directly comparable*

Disability or health condition

Do you consider yourself to have a disability or health condition that impacts on your normal daily activities?

Disability or health condition	# responses	% responses	% excl. Prefer not to say	% Target Pop	Population
Yes	502	19%	21%	18%	329,995
No	1,931	72%	79%	82%	1,525,847
I prefer not to say	252	9%			
Grand Total	*2,685*	*100%*		*100%*	*1,855,842*

**Population source: Office for National Statistics, 2021 Census Disability Dataset*

Carer

Do you look after, or give any help or support to anyone because they have a long-term physical or mental health condition or illness, or problem related to old age? Exclude anything you do as part of your paid employment.

Carer	# responses	% responses	% excl. Prefer not to say
Yes	636	24%	26%
No	1,821	68%	74%
I prefer not to say	228	8%	
Grand Total	*2,685*	*100%*	

Ethnic group

Which of the following ethnic groups describes the way you think about yourself?

Ethnic group	# responses	% responses	% excl. Prefer not to say	% Target Pop	Population*
White British (English/Welsh/Scottish/ Northern Irish)	2,306	86%	94%	82%	1,530,046
Any other White background	88	3%	4%	6%	114,707
Mixed or multiple ethnic groups	18	1%	1%	2%	44,625
Asian or Asian British	10	0%	0%	5%	86,424
Black, Black British, Caribbean or African	17	1%	1%	3%	56,759
Any other ethnic group	7	0%	0%	1%	23,281
I prefer not to say	239	9%			
Grand Total	*2,685*	*100%*		*100%*	*1,855,842*

**Population source: Office for National Statistics, 2021 Census Ethnic group Dataset*

Council officer or councillor?

Do you work for a council in Kent, or are a councillor?

Council officer or councillor?	# responses	% responses
No	2,172	81%
Yes, I work for a council in Kent	236	9%
Yes, I am a councillor for a local authority	80	3%
I prefer not to say	197	7%
Grand Total	*2,685*	*100%*

Further Information

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Appendix 3b

Stakeholder Engagement Activity and Findings

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Introduction

The aim of this engagement was to gather feedback on the proposed single unitary model and to identify any concerns or opportunities for further development. Over 160 stakeholders were invited to share their views and the insights gathered from their responses will inform our approach to continued engagement and communication throughout the implementation phase. For this process we approached a broad range of stakeholders, including MPs, representatives from public sector organisations such as health, education, police, and fire services, as well as the voluntary sector and local businesses.

Summary of Key Findings

- Those who were supportive of KCC's proposal for a single unitary authority felt that if future re-organisation is well planned and implemented, it has the potential to deliver many benefits for the county such as stronger local accountability, clearer governance and more responsive public services for the people of Kent.
- There were mixed views on the introduction of Area Assemblies. To some, the model was seen as a potential safeguard to maintaining local accountability in a single unitary model, if they are well-resourced, clearly empowered, and built on existing partnerships. However, concerns were raised that too many decision-making bodies

could complicate governance and increase costs. Many respondents acknowledged the role of Town and Parish Councils and emphasised the need to empower them with adequate resources to play a meaningful role in shaping their communities.

- Feedback showed that respondents could see the merit of a single unitary authority for strategic, county wide services and planning, acting as a single strong voice, representing the identity and geographic importance of the county as the gateway to Europe. Several emphasised the importance of county-wide working and existing structures to support business, skills and growth.
- Feedback received voiced concerns that Kent and Medway was not included in the Devolution Priority Programme (DPP) and hoped that this could be reconsidered in future LGR discussions.

Methodology

Stakeholders were asked to consider the following questions as part of the information gathering process:

- **What opportunities/benefits you would see for the County in having a single unitary authority across Kent and Medway?**
- **What opportunities/benefits are there for you/ your organisation in working with a single unitary?**
- **Do you have any concerns about working with a single unitary?**
- **Does having an area assembly model support your organisation's operational delivery and ambitions, and how would you expect to engage with local assemblies?**

Feedback was collected through email submissions and via in-person conversations, coordinated by Kent County Council staff on behalf of the Leader.

Feedback from Stakeholders

Opportunities and Benefits for Kent

Many respondents welcomed the potential for streamlined services, improved coordination and greater efficiency. There was recognition of the opportunities to enhance local decision making and deliver better outcomes for communities.

Responses in support for a single unitary authority broadly fell into the key themes below:

- **Identity and Geography of Kent**
  Respondents felt that the unique historic identity and geography of Kent would be lost without an administration and leadership at a county-wide level and that local government needs a clear lead figure (whether that be a Council Leader, Mayor or other) who can lead on local issues and developments.

Many respondents felt a strong attachment to place, citing Kent as a county with a strong identity that should have a combined voice for the region.

Some believed that a major focus for Kent as one county would be good for economic growth and development and that this would play into Kent's unique geographical position as the entry point to Europe. In doing so, there should be continued pressure to reopen Ashford and Ebbsfleet International stations to international travellers and that this should be a major commitment of any future LGR arrangements.

- **Strategic Planning**
  Respondents felt that some services would work better on a county wide scale such as planning and transport / highways. A single unitary could create a stronger alignment of housing growth with transport, health, social care, education and utilities which could enable an "infrastructure first" approach.

  There were mixed responses regarding the coterminosity of the single unitary model with other organisations operating in Kent and Medway.

  Some felt that the single unitary would be coterminous with other organisations that also operate on the county boundary and welcomed working with a single social care partner, feeling it would bring benefits to their own organisation as they work across the same geography.

  Some responses from other county-wide organisations have demonstrated that there may be a preference from some for alternative unitary models as they feel it better reflects the operational structures used by their services.

- **Reduce duplication of bureaucracy and minimise unhelpful competition**
  Some respondents expressed concerns that the current two-tier model creates unnecessary duplication in governance and bureaucracy and fosters competition between statutory bodies when bidding for centralised funding. They suggested that a single unitary model could eliminate these issues by streamlining decision-making and ensuring funding is not fragmented across multiple authorities. This approach was seen as a way to promote more joined-up thinking and strategic, long-term growth, rather than the localism often driven by the cost and complexity of smaller councils.

  A move to unitarisation was seen as a way to streamline governance and make it easier for residents to understand who is responsible for their services, strengthening accountability and reducing confusion.

- **Clarity for residents**
  It was felt that a single unitary could provide greater clarity for residents on services and that the simplification of local government structures can improve outcomes, accountability and integration for communities.

- **Efficiencies and Cost Savings**
  Some felt that other unitary models risked causing further economic issues in the East of the county as it is currently benefits from being in the large county. A single unitary model avoids dividing up the county which some believed would not mitigate or overcome inequalities in specific areas. Many respondents believed that a three or four unitary model would make East Kent very vulnerable in the future.

  There was a general feeling from some that the current two-tier system is economically wasteful and there could be a substantial cost saving if it was abolished in favour of a single unitary authority.

  Some identified clear advantages to merging smaller authorities into unitaries in order to enhance the purchasing power of the new councils and provide better value for money in procurement and commercial activity.

  Some business representatives were unable to see how smaller authorities could be viable in the long run unless changes to structures and funding were mandated.

  Some feedback from local businesses cited their concerns to ensure that there would be little direct impact on their businesses beyond changes in contacts for planning, licensing and regulation; however they welcomed any arrangements that simplified access to council staff or the administration.

- **Governance**
  Some respondents identified that creating a single unitary authority would provide distance for councillors to make more strategic decisions that impact the county with less risk of influence from groups with specific agendas and with more of a focus on the wider benefits.

- **Greater attraction of talent**
  A single unitary authority may be better equipped to reach the best applicants and offer more attractive job opportunities. There was a strong theme emerging from respondents that excessive council fragmentation can impact on the attractiveness of the county to attract high-calibre staff.

Areas of Concern

Some stakeholders expressed reservation around specific elements of the proposed model, these included concerns around the following areas:

- **Impacts on local identity and community engagement**
  Respondents were concerned about risks to local accountability and a decrease in local knowledge, particularly in coastal and rural areas.

Respondents feel a single unitary authority could be less democratic and representative of the local communities in Kent and it places neighbourhoods further away from local government and decision making.

For this reason, some stakeholders cited that they would prefer to work with smaller unitary authorities who are closer to local issues.

- **Potential disruption and delays to existing services and decision-making during transition**
  Some respondents felt there was a danger that services would be deprioritised within broader corporate restructuring such as housing and regeneration and that LGR has, in other areas, been used as an excuse to defer difficult decisions to the newly created authority which can cause substantial delays.

- **Negative Impact on Debt-Free Councils**.
  One major concern identified are the varying levels of debt held by different Borough Councils. While some councils have taken on significant borrowing, others, such as Tunbridge Wells Borough Council, remain debt-free. Respondents felt it is essential to ensure that these debt-free councils are not unfairly burdened with unsustainable liabilities and clear guidance is needed on how outstanding repayments will be distributed fairly across any new unitary authorities.

- **Asset Management**
  Respondents noted that some councils own and manage local assets and were concerned about how these would be managed post reorganisation, they felt that if the point of reorganisation and devolution is to distribute more power at a community level, then these assets, which are characteristic of their local areas, should not be run by a higher and less localised authority.

- **Maintaining the Status Quo**
  Some respondents felt that they would prefer to keep boundaries as they are or retain Medway as a unitary and the rest of Kent as a second unitary, feeling this was a more practical solution and less likely to cause significant upheaval and disruption. A single Kent and Medway was seen as the second best option to maintaining current arrangements.

- **Consultation Process**
  Respondents did raise concerns about what they considered to be a lack of formal consultation for this model and wanted to understand the position of all Leaders for Kent Councils; they felt there was minimal awareness amongst the wider public due to a lack of shared information on the process and various options.
  They could acknowledge the benefits of unitarisation for the County but felt that must take place alongside transparency, accountability and a clear understanding of what people in Kent want.

Area Assemblies

There was mixed support for the Area Assembly model with some respondents feeling they needed more clarity on how this model will work before determining whether they could support it.

- **Mitigate Risks for local accountability**
  Some felt the area assembly model could be effective in mitigating risks such as a lack of local knowledge and accountability when used in a single unitary model.
- **Support conditional on structure and powers**
  Some saw potential if assemblies are well-resourced, build on existing partnerships, and have clear powers, otherwise, they risk becoming ineffective "talking shops." It was felt that multiplying bodies with decision making powers could complicate decision making, water down leadership and lead to increased costs and delays.

- **Utilisation of Town and Parish Councils**
  Some respondents felt that mechanisms to strengthen Town and Parish councils or that created clearer, locally grounded mechanisms for input without undermining the single unitary authority model may be more appropriate than the three Area Assembly structure. Many respondents felt that government reorganisation must empower parish councils rather than simply recognise them and acknowledged their essential role in local government; to continue to do so they should be provided with adequate resources and support to support and shape their communities.

Specific Areas of Feedback

As part of the feedback received, several respondents offered detailed views on specific areas of local government services they believe could be affected, positively or negatively, by the introduction of a single unitary authority.

These perspectives are explored in more detail below.

Housing and Infrastructure

Much of the feedback pertaining to housing and infrastructure noted that there is a strong case for a single county wide unitary authority and it was felt that services such as planning need a strategic framework at county level. Some noted that KCC has, in the past, demonstrated the ability to operate planning at a county level prior to the devolution of certain functions to the district and borough level.

Feedback from respondents detailed the following:

- **Single Voice for the County**
  A single unitary could unlock the opportunity to build more council homes, faster, through the establishment of a properly resourced and supported Housing Revenue Account (HRA) for Kent and Medway which could expand council housebuilding at the scale required for the county.

A single unitary could achieve greater consistency in planning policy and help to unblock stalled planning applications.

There would be a strategic approach regarding the use of public land, coordinated through the Kent Estates Partnership and a single powerful voice to Government and Homes England on housing investment and delivery.

- **The impact of the separation of planning functions**
  Some felt that the separation of planning functions between strategic responsibilities of a county council and the local plan functions and determination of planning applications "undermined the integrity of the planning function" by splitting responsibilities and spreading the abilities and competencies across multiple local councils.

  Planning at a local level is unnecessary and KCC has (in the past) demonstrated the ability to operate planning at the county wide level through area offices.

- **Concerns relating to LGR**
  Some respondents did raise concerns about the potential disruption to local delivery capacity at a critical time for housing supply caused by the impact of local government reorganisation however this concern was not limited to the single unitary model.

Education

Several respondents provided feedback relating to impact of reorganisation on education and students in Kent, with their main focus being that structural changes to local government in Kent should not disadvantage current or future learners or weaken their ability to meet workforce needs. These are summarised below:

- **Travel to Learn**
  Many students travel within their district boundaries in order to attend education and any support arrangements they receive are tied to local authority boundaries. Therefore it is essential that if local government boundaries in Kent are changed, students must not be placed at risk of being ineligible for assistance as that could prevent them from completing their education or create inequitable access to education for many young people across Kent.

- **Expanding Access and Improving Outcomes for Disadvantaged Students**
  Respondents hoped that any changes as a result of LGR would improve outcomes for students and maintain and develop current mechanisms and initiatives such as links between local government and higher education facilities , new apprenticeship arrangements and the lifetime learning entitlement.
  Feedback focused on strengthening collaboration with a broad range of authorities and partners, from health and social care to the arts, ensuring their courses and innovation activities deliver meaningful benefits to the people of Kent and Medway. This inclusive

approach supports a more vibrant and responsive local ecosystem, where diverse sectors contribute to community wellbeing and opportunity.

Respondents want any future LGR arrangements to be committed to supporting the Kent and Medway growth plan by enabling specialist expertise, particularly in areas highlighted by the modern industrial strategy such as the creative industries, to drive economic development.

- **High Needs Learners**
  Some respondents raised concerns about the impact of LGR on learners with high needs and that changes could lead to a loss of expertise and negative consequences for learners if there is not consistent, adequate and equitable provision across the county. It will be essential that the new unitary authority is properly equipped with the capacity, resources and knowledge to co-ordinate and manage this support.

- **Post-16 Provision**
  Concerns have been expressed about how the reorganisation might affect the outcomes of the Pathways For All initiative, which has played a key role in fostering collaboration among schools, colleges, and providers to better coordinate the post-16 offer for learners across Kent. The initiative has generated valuable momentum toward a more integrated and cohesive system.

  Any changes to the current structure must safeguard and build upon this progress, ensuring that learners continue to benefit from clear, consistent, and well-structured progression pathways.

- **Working in Partnership**
  Some respondents expressed their views that reorganisation should lead to a prioritisation of learners, employers and communities and any new authority should work in partnership with colleges and employers to tackle regional inequalities, boost skills and promote economic prosperity.

- **A County-wide Approach**
  Many educational settings work collaboratively with small and medium-sized enterprises (SME's) to deliver training and requested a more joined-up county-wide approach to skills and economic development that provided clarity and consistency across these organisations so they can access the appropriate skills and business support needed to thrive.

  Some respondents felt that more clarity was needed regarding a future Kent strategic authority as they had concerns the county would be at a disadvantage when building a county-wide skills infrastructure which they feel would be critical for a county of the scale and diversity of Kent.

Future Planning

Some respondents from across different sectors were unwilling to give a view on the implementation of LGR or devolution across the county, feeling that it is an issue of provision of public services and local democracy.

However, they felt that the implementation phase must be transparent, fair and demonstrate a genuine commitment to empowering local communities in order to be effective.
It was noted by some that there needs to be clarity on how council tax equalisation will work and that the current Government Bill is unclear on how this will be managed and it appears to be left to be determined as part of the post implementation process. Respondents felt that clarity must be provided to ensure that authorities and residents have the confidence to budget accordingly to avoid worsening inflation.

Devolution Arrangements

Some respondents highlighted the importance of future devolution arrangements, expressing a desire for greater devolution within the county as they felt that local government is better positioned to understand and address local issues.

Representation on behalf of local businesses felt that devolution would have a greater impact on business rates, local infrastructure investment, skills and planning and were supportive of any future plans to create a Mayoral Strategic Authority (MSA) for the county.

For some, the vital role Kent plays as the gateway to Europe. as well as the key infrastructure to support this such as the Port of Dover, the M20, the A2 and the Channel Tunnel must be safeguarded in future reorganisation and the creation of a county-wide mayoral authority should be established alongside reorganisation.

Whilst there was no clear consensus on the preferred number of unitary authorities in Kent, several indicated that an MSA would be beneficial and welcomed, particularly for their organisations and local businesses. However, concerns were raised about the potential removal of the county council without a comparable structure to replace it, especially in the absence of firm commitments from central government regarding further devolution.

Next Steps

Engagement during this process demonstrated that while some stakeholders withheld their views on any particular geographic model for LGR in Kent and Medway, they were keen to be involved in the design process when an option is decided.

The insights gathered will inform our ongoing engagement strategy and help shape the implementation plan. We remain committed to working collaboratively with stakeholders to address concerns and maximise the benefits of the proposed model.

Appendix 3c

Kent LGR Business Case: Option 1A

Finance Case

Financial modelling

All finance officers across the 14 Kent councils have collaboratively reviewed and adjusted financial modelling in order to provide a single financial assessment of models for inclusion in proposals to Government.

The key driver of difference between options are the number of councils being proposed. Due to the assumptions applied within the modelling, implementation costs and recurring costs of disaggregation increase as the number of councils proposed increases.

In light of a single large unitary in Option 1A, recurring enhancement costs have been modelled. This relates to enhancements required for the single unitary to deliver services across the entire population as well as the operation of the three Area Assemblies.

The headline numbers for Option 1A are set out below:

LGR option	Implementation costs (one-off) (£m)	Reorganisation savings (gross) (£m)	Recurring 1a enhancement costs (£m)	Recurring Annual Savings (£m)	Estimated payback period
Option 1A	(99.4)	75.0	(6.0)	69.0	3.3 years

Data sources (see Appendix 2)

A common data set was used for all analyses presented in this case. Details of the data set, including its source, structure, and variables, are provided in Appendix 2.

Criteria 2: Achieving efficiency, capacity, and financial resilience

Delivering scale to support operational resilience and efficiency	**Criteria 2a and 2b**
Maximising value for money through financial efficiencies	**Criteria 2c**
Managing transition costs while enabling long-term transformation	**Criteria 2d**
Strengthening the financial sustainability of local government	**Criteria 2e**

Maximising value for money through financial efficiencies

Criteria 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

The financial model shows that the one-unitary option offers the best value, with the highest savings, lowest transition costs, and quickest payback period. This option balances efficiency and manageable risks, making it the most cost-effective choice for Kent.

Collaborative working on finance across Kent councils

All fourteen S151 Officers are members of the long-standing Kent Finance Officer Group (KFOG) and for LGR have been responsible for the following key activities:

- Developing working relationships and shared understanding of finances, which will be a key enabler of successful LGR
- Informing a shared financial baseline
- Reviewing and collectively updating assumptions behind a base case model for inclusion in proposals to Government.

Approach to modelling the financial impact of LGR

Refer to ***Appendix 1: Financial modelling*** for more detailed description of assumptions, approach and results of the financial modelling.

All finance officers across the 14 Kent councils have collaboratively reviewed and informed the financial modelling to provide a single financial assessment of models for inclusion in proposals to Government.

The financial model aims to:
- Quantify the financial impact of the evaluated reorganisation options.
- Compare options on a like-for-like basis, considering savings, costs, and payback.

The financial model estimates savings, disaggregation costs and implementation costs calculated with reference to a series of benchmarked LGR business cases, the characteristics of the options being put forward and the characteristics of local government in Kent

Assumptions in financial modelling

Whilst being fully supportive of the long-term benefits of LGR, all Kent Finance officers agree that LGR does not in itself provide the solution to the scale of the financial challenge faced. The model does not consider the impact of local government Fair Funding review and the Business Rate reset.

The Kent Finance Officer Group (KFOG) have collectively agreed on the following position on the analysis carried out:

- LGR, whilst generally expected to be positive for local government finances in the long term, will not solve the cost, demand and associated funding challenges currently being faced. The scope of the financial modelling considers purely the impact of reorganisation, all other things being equal.

- The work carried out at this stage is not a full bottom-up exercise of the financial impact of LGR. Assumptions are based on the past LGR business cases produced to support other areas which have been through the LGR submission process in recent years.
- Due to the size and number of councils in Kent, there is not a fully comparable example of a recent programme to confidently benchmark against. Due to the level of complexity, payback periods in Kent may therefore be longer than some other reorganisations.
- The speed of delivery and level of savings post vesting day of the new councils will largely be determined by decisions already made by the predecessor authorities and those taken by the new authorities. These include decisions in relation to contractual obligations, borrowing, transformation and wider public service reform.
- The financial modelling does not take account of how transition costs will be funded.
- The assumptions in the model have not been tested against actual outturn data for any of the previous local government reorganisation programmes.
- Given the context above, the modelling should not be seen as a set of targets that new authorities may be held to account for, as setting the post-vesting day budget will be the responsibility of the new authorities.

Financial modelling results

The results of the financial modelling are shown below.

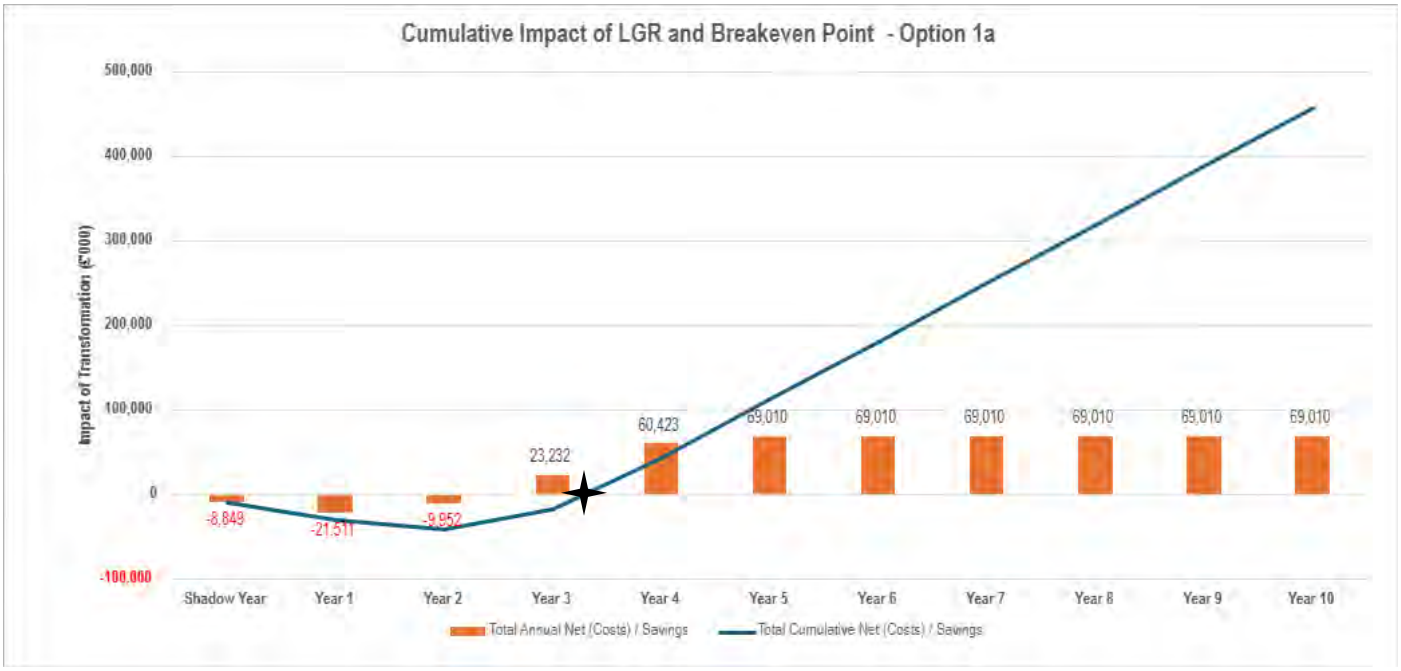
Figure 1 – Financial modelling summary results

LGR option	Implementation costs (one-off) (£m)	Reorganisation savings (gross) (£m)	Recurring 1a enhancement costs (£m)	Recurring annual revenue savings (£m)	Estimated payback period
Option 1A	(99.4)	75.0	(6.0)	69.0	3.3 years

Payback period

As shown in the chart below, Option 1A is estimated to pay back within 3.3 years. The profile of costs and benefits have been developed collaboratively across all LGR options. Area assembly enhancements costs have been added to reflect the additional costs of aggregating to a Single Unitary option.

Figure 2 – Cumulative financial benefit and payback period by LGR option



Savings and financial efficiency: the argument for Option 1A

The one-unitary model offers the strongest value for money among all reorganisation options, achieving the highest savings through scale while keeping implementation and transition costs manageable. By consolidating 14 existing councils into one large council it maximises financial efficiencies, reduces complexity, and accelerates the realisation of benefits. These gains arise over-time primarily from economies of scale, workforce and back-office integration, reduced democratic support costs, and the effective rationalisation of management and support structures.

Because of these lower transition costs and higher recurring savings, the one unitary model achieves the quickest payback period. This ensures that savings are realised sooner and that financial and operational risks during the transition are minimised. In contrast, adding more councils erodes benefits.

Managing transition costs while enabling long-term transformation

Criteria 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

Kent's LGR process is complex, requiring careful transition management to avoid service disruption. The 14 councils are collaborating on plans and see LGR as a chance to transform services through digital innovation, joined-up working, a focus on residents and working with partners to deliver public sector reform under a Strategic Authority. Financially, moving to one unitary council offers lower transition costs than models with more councils.

Strengthening the financial sustainability of local government

Criteria 2e. For areas covering councils that are in Best Value intervention and/or in receipt of Exceptional Financial Support, proposals must additionally demonstrate how reorganisation may contribute to putting local government in the area as a whole on a firmer footing and what area-specific arrangements may be necessary to make new structures viable

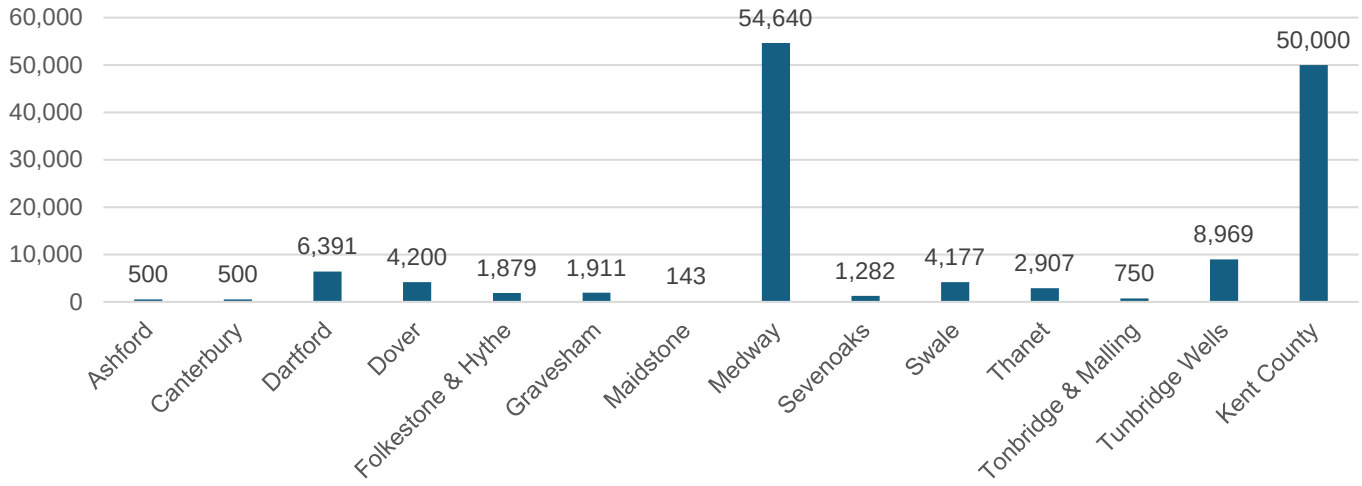
The Kent financial context

None of the 14 councils in Kent are in Best Value intervention or in receipt of Exceptional Financial Support. However, Medway Council has been granted a capitalisation direction under the Government's Exceptional Financial Support. There is collective concern regarding the financial sustainability of the current system, particularly given rising demand in adult social care and children's services, rising costs and increasing levels of debt. The current two-tier system contributes to inefficiencies through duplication in democratic arrangements and overlaps in service delivery across county and districts.

Existing budget challenges

The forecast total gross budget gap (including assumed funding from reserves) for all Councils by 2028/29 is £138.2m, which includes £54.6m within Medway and £50.0m within Kent County Council. These figures exclude consideration of the impact of Fair Funding 2.0.

Figure 3: Budget Gap (FY28/29) (£'000)



All existing councils will continue to focus on delivering savings and managing their ongoing budget gaps regardless of local government reorganisation. However, the starting point for all new councils is expected to be stretched, with ongoing need for savings to be identified.

Projected budget position for new councils under Option 1A

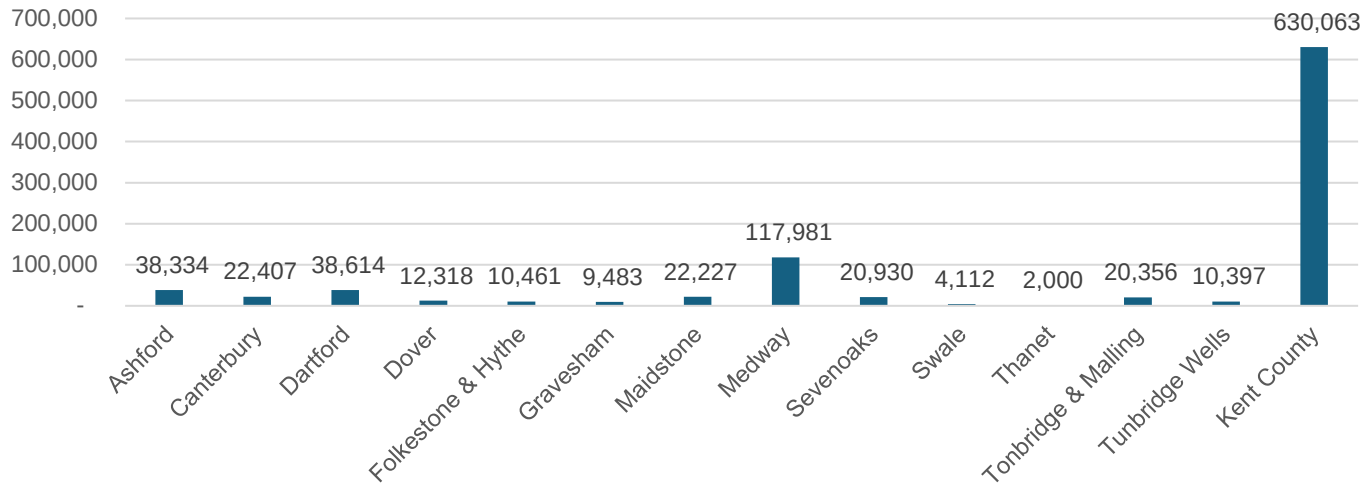
Local Authority	Budget Gap (FY28/29) (£m)
Total	**138.2**

The total projected budget gap position for Option 1A is £138.2m. The formation of a new, larger Kent authority would enable greater financial resilience. This consolidated authority would benefit from a broader revenue base and enhanced capacity to absorb financial pressures, offering a more robust fiscal position than the current fragmented arrangements.

Current reserves levels

Across Kent Councils, Total Usable Reserves are forecast to be £959.7m. This includes the full value of the Kent County Council's usable reserves of £630.1m.

Figure 4: Total Usable Reserves (FY28/29) (£'000)



Note – for all districts, this amount related to General Fund balance, Earmarked reserves, Capital Receipts reserve and Capital Grants Unapplied.

It will be the decision of the new unitary to determine how to use its resources to fund the cost of reorganisation, which is likely to be through a mixture of use of reserves and capital receipts.

Projected reserves levels under Option 1A

Local Authority	Total Usable Reserves (FY28/29) (£m)
Total	**959.7**

The new Unitary authority has a healthy reserves level.

Existing council debt

The external debt position reported in the second quarter of 2025/26 across all Kent Councils is outlined below.

Local Authority	General Fund Borrowing (External)	Financing cost	Net Revenue (26/27) (£'000)[1]	Financing ratio
Ashford	95,375	402	9,009	4%
Canterbury	120,358	5,417	31,800	17%
Dartford	-	370	21,531	2%
Dover	102,600	1,424	20,088	7%
Folkestone & Hythe	53,000	2,628	35,504	7%
Gravesham	101,955	2,777	25,693	11%
Maidstone	65,000	4,183	27,945	15%
Medway	442,468	21,731	481,631	5%
Sevenoaks	13,934	1,040	21,868	5%
Swale	13,000	2,802	31,400	9%
Thanet	6,622	371	26,749	1%
Tonbridge & Malling	-	-	27,346	0%
Tunbridge Wells	-	539	21,535	3%
Kent County	716,039	79,890	1,531,280	5%
Total	1,730,351	123,573	2,313,379	**5% (average)**

The projected debt position for new councils under Option 1a

The projected debt position the new Unitary is outlined in the following table.

Local Authority (£'m) (26/27)[2]	General Fund Borrowing (External)	Financing cost	Net Revenue	Financing ratio
Total	**1,730.4**	**123.6**	**2,313.4**	**5.3%**

While the financing ratios for each council show some variation the overall new unitary financing ratio is 5.3%

[1] Financial data return submitted by councils
[2] Financial data return submitted by councils

Appendix 1: Financial modelling

This section includes:

Financial context

Purpose and scope of LGR financial modelling

Methodology and structure of the LGR financial model

Financial modelling summary outputs

Implementation costs

Reorganisation savings

Recurring 1A single unitary enhancement costs

Phasing and payback period

Financial context

Councils across Kent are under pressure from rising costs and demand. Local Government Reorganisation can help to address these challenges, but in itself will not address the scale of the financial challenge.

National Financial context

The local government sector faces a major financial challenge with an estimated £4 billion funding gap over the next two years. Demand for critical services is increasing because of population growth and ageing populations. Local authorities are also facing rising costs, with adult social care costs estimated to have increased by 9% and children's social care costs by 18% in real terms over the past five years.

The Kent financial context

Combined net revenue expenditure across the 14 Kent councils is £2,337m, with 73% in Kent County Council, and 15% within Medway, the authorities delivering statutory adult social care and children's services.

Across Kent, councils are facing sustained financial pressures. Rising demand in adult social care, children's services and SEND, alongside inflationary cost pressures and debt, are placing significant strain on budgets. The current two-tier system contributes to inefficiencies through duplication in democratic arrangements and overlaps in service delivery.

Reserves and funding the reorganisation

Across all Kent councils combined there are forecast Total Usable Reserves of **£959m by 2028/29.** It will be the decision of the new unitary to determine how to use its resources to fund the cost of reorganisation, which is likely to be through a mixture of use of reserves and capital receipts.

Debt across Kent councils

Total external debt across Kent stands at £1,730m. Due to the provision of upper tier services, 26% of borrowing stands in Medway and 41% in the County Council. Three districts, (Dartford, Tonbridge and Malling and Tunbridge Wells) report no general fund borrowing.

Gross Budget Gap of Existing Councils

The forecast total gross budget gap for all 14 Councils by 2028/29 of **£138.3m**, has therefore not been included within the breakeven analysis. However, there is recognition that if there were any budget gaps post vesting day, the recurring savings projected from our proposal could contribute to closing any future gross budget gaps across the new authorities. The financial modelling does not take direct account of existing Council budget gaps, which will need to be managed regardless of local government reorganisation.

Impact of Fair Funding 2.0 on Gross Budget Gap

The Fair Funding Review is ongoing nationally. While considered by all councils across Kent, the complexity and uncertainty of the review mean it has not been modelled in detail. There is recognition that Fair Funding 2.0 is likely to have an impact on councils' financial positions.

Dedicated Schools Grants

The financial analysis assumes that all existing Councils will manage their Dedicated Schools Grants (DSG) positions regardless of local government reorganisation, therefore DSG surplus or deficits (if any) have not been included within the breakeven analysis. It will be the decision of each new authority to determine how to use its resources to fund the cost of reorganisation against any funding pressures observed from DSG.

Purpose and scope of LGR financial modelling

Financial modelling is a key component of the LGR proposal. Its purpose is to evaluate the financial implications of local government reorganisation across Kent in a consistent way across all LGR options.

Purpose of financial model

The financial modelling aims to:
- Estimate the financial impact of the evaluated reorganisation options.
- Compare options on a like-for-like basis, considering savings, costs, and payback.

Limitations of scope to date

Whilst being fully supportive of the long-term benefits of LGR, all Kent Finance officers agree that LGR does not in itself provide the solution to the scale of the financial challenge faced. The model does not consider the impact of local government Fair Funding review and the Business Rate reset.

The Kent Finance Officer Group (KFOG) have collectively agreed on the following position on the analysis carried out:

- LGR, whilst generally expected to be positive for local government finances in the long term, will not solve the cost, demand and associated funding challenges currently being faced. The scope of the financial modelling considers purely the impact of reorganisation, all other things being equal.
- The work carried out at this stage is not a full bottom-up exercise of the financial impact of LGR. Assumptions are based on the past LGR business cases produced to support other areas which have been through the LGR submission process in recent years.
- Due to the size and number of councils in Kent, there is not a fully comparable example of a recent programme to confidently benchmark against. Due to the level of complexity, payback periods in Kent may therefore be longer than some other reorganisations.
- The speed of delivery and level of savings post vesting day of the new councils will largely be determined by decisions already made by the predecessor authorities and those taken by the new authorities. These include decisions in relation to contractual obligations, borrowing, transformation and wider public service reform.
- The financial modelling does not take account of how transition costs will be funded.
- The assumptions in the model have not been tested against actual outturn data for any of the previous local government reorganisation programmes.
- Given the context above, the modelling should not be seen as a set of targets that new authorities may be held to account for, as setting the post-vesting day budget will be the responsibility of the new authorities.

Methodology and structure of the LGR financial model

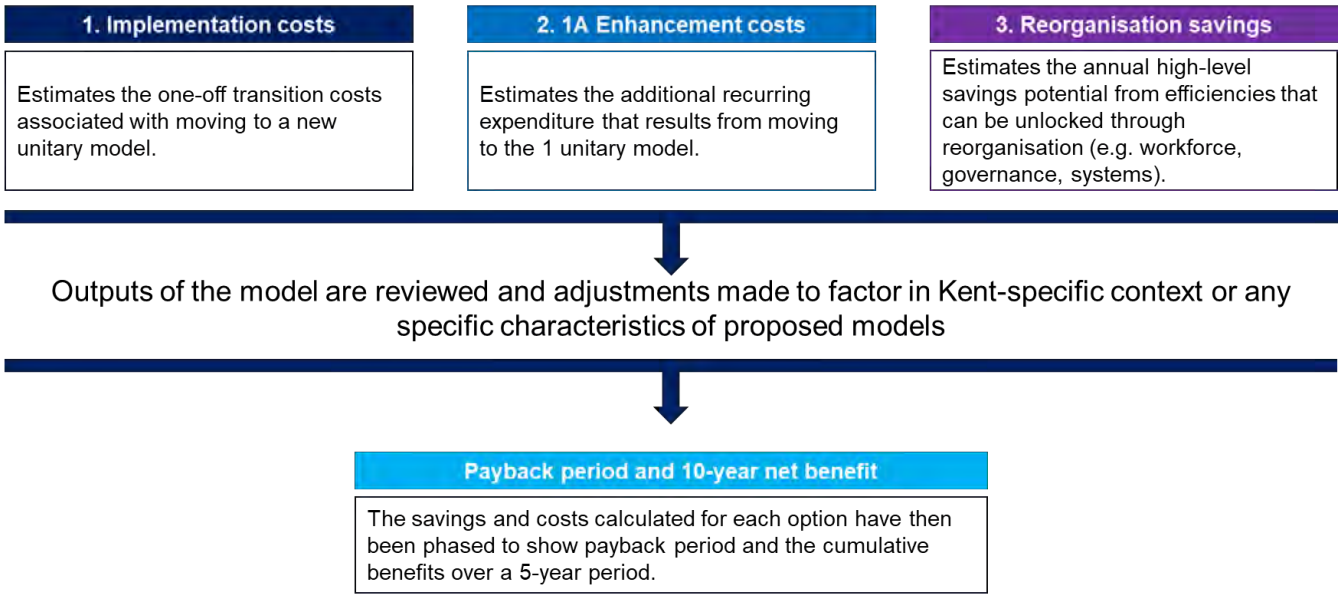
All finance officers across the 14 Kent councils have collaboratively reviewed and adjusted financial modelling in order to provide a single financial assessment of models for inclusion in proposals to Government.

Baselining

1. **Standardised data requests** were completed by all 14 councils, covering revenue budgets, reserves, capital plans, balance sheets, and key service metrics. Alongside numerical data, contextual narrative was gathered to support understanding of pressures, risks, and transformation plans.
2. A **consolidated financial baseline** was created, using data returns to combine district, unitary and county budgets into unified figures based on agreed assumptions.
3. Baseline information was then used to create a **financial view of all proposed councils** under each of the five options being submitted to Government.

Three elements of the financial modelling

The financial model is made up of three calculators, which have been applied to all options:



Financial calculations are underpinned by benchmarking of previous LGR proposals and the estimated costs and benefits modelled in those reports, adjusted for the budgets, populations and current local government structures within Kent.

Adjustments have been made to reflect experience of local government reorganisation implementation and through discussion with all Section 151 Officers across Kent.

Further detail of methodology

The calculation of each element of the model applied is explained separately within this section of the report.

Financial modelling summary outputs

Our financial modelling shows **Option 1A, a single-unitary model** covering Kent will bring sustainable financial sustainability. Although there are costs associated with LGR, a single council will deliver annual net recurring savings and will **breakeven between 3.3 years**.

Figure 5 – Summary of financial modelling

LGR option	Implementation costs (one-off) (£m)	Reorganisation savings (gross) (£m)	Recurring 1a enhancement costs (£m)	Recurring annual revenue savings (£m)	Estimated payback period
Option 1A	(99.4)	75.0	(6.0)	69.0	3.3 years

**Recurring revenue savings = gross reorganisation savings less recurring area enhancement costs*

Further analysis
The calculation of each element of the financial model is explained in the following pages.

Implementation costs

Implementation costs definition: The estimated one-off transition costs associated with moving to a new unitary model.

Method of calculation:

- Reviewed past LGR cases to estimate and benchmark an indexed average level of implementation costs per capita.
- Multiplied the benchmarked costs per capita figure by the total population of Kent to arrive at an estimated total implementation cost per unitary model.
- Applied an uplift of costs per additional unitary authority being created, due to additional costs through establishing governance structures, IT systems, administrative frameworks, etc.

Implementation costs

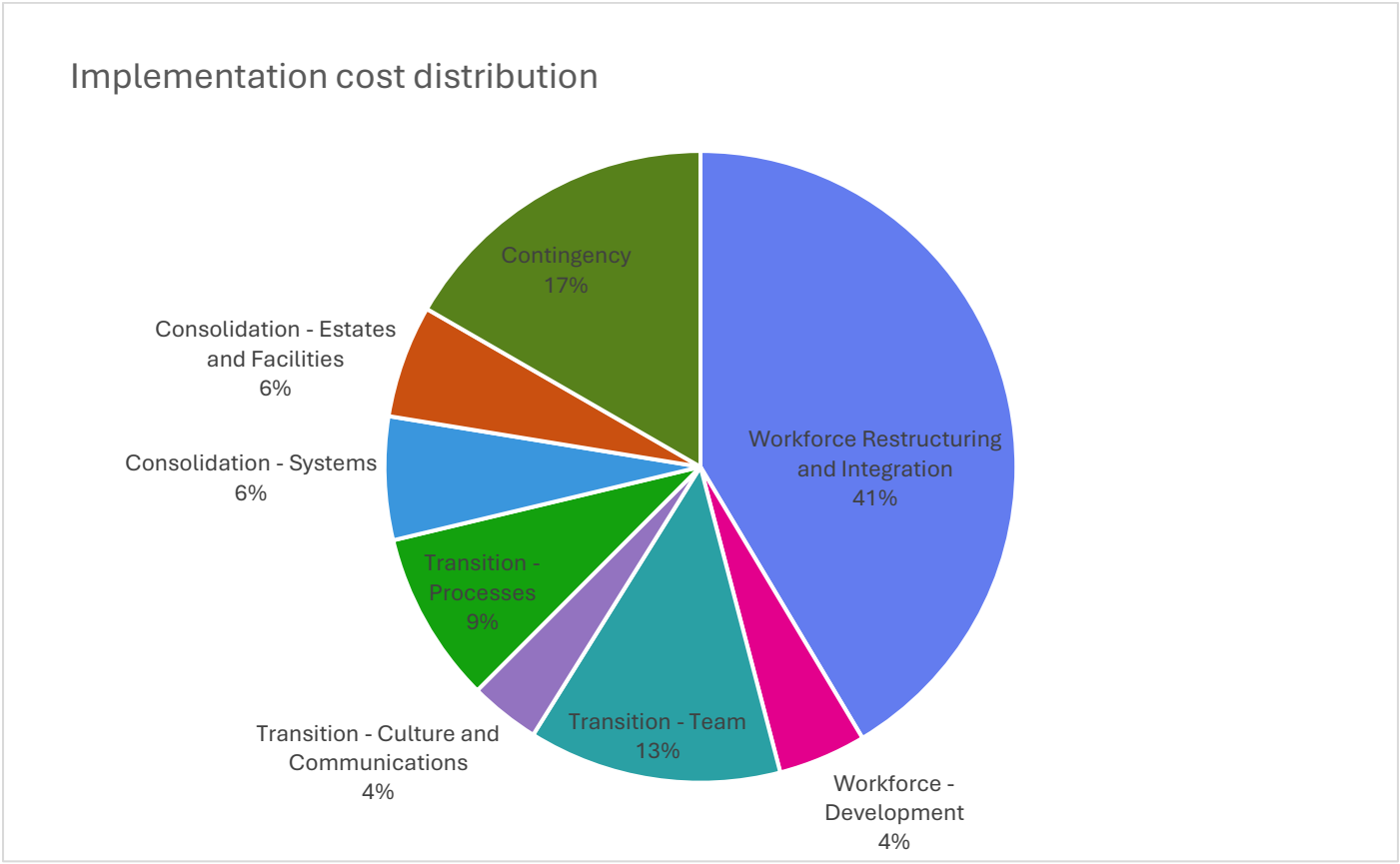
Figure 6 – Implementation cost summary

Option	Implementation costs (£m)	Commentary
1A	(99.4)	Implementation complexity and costs are relatively high due to need to integrate and disaggregate to form one authority.

Categories of implementation cost

As part of implementation cost benchmarking, categories of implementation costs have been identified to provide an indication of the expected breakdown of costs, for any of the LGR options.

Implementation cost category	Description
Workforce restructuring and integration	Costs associated with delivering TUPE and salary harmonisation processes. Compensation paid to employees as a result of any redundancies and pension strain. *Note: no decisions have been made regarding the size of the future workforce and the potential need for redundancies. A significant proportion of staff reductions could be delivered through staff naturally leaving the organisations.*
Workforce - Development	Additional costs to upskill and reskill employees to adapt to new roles and responsibilities.
Transition - Team	Implementation programme team including Legal, Contract Negotiation, Project and Programme Management, finance, and specialist support.
Transition - Culture and Communications	Costs to develop communications, branding, training, and public information in relation to new authorities. This should inform the public, stakeholders, and employees of proposed changes and address concerns.
Transition - Processes	Work required to harmonise processes and facilitate effective service transition. This includes specific constitutional changes and developments, democratic transition, and new policies and procedures.
Consolidation - Systems	Alignment of systems and digital infrastructure, including merging systems, data migration, commonality of cyber security, and training for new systems.
Contingency	Additional 20% contingency to allow for prudence in estimates.



Phasing of implementation costs

One-off implementation costs have been assumed to start ramping-up from the shadow year and build up by Year 4. The majority of costs are incurred in year 2 where the most staff restructuring and integration costs are expected to be incurred. These have then been phased as per the below table:

Figure 7 – Implementation cost summary

Implementation cost category	Shadow Year (FY27/28)	Year 1 (FY28/29)	Year 2 (FY29/30)	Year 3 (FY30/31)	Year 4 (FY31/32)
Workforce restructuring and integration	5%	15%	40%	40%	-
Workforce - Development	10%	50%	40%	-	-
Transition - Team	25%	40%	30%	5%	-
Transition - Culture and Communications	20%	50%	30%	-	-
Transition - Processes	5%	25%	40%	30%	
Consolidation - Systems	5%	25%	40%	30%	

Consolidation - Estates and Facilities	-	5%	25%	30%	40%
Contingency	10%	30%	30%	30%	

Reorganisation savings

Reorganisation savings (gross) definition: The estimated annual savings from efficiencies achieved through reorganisation, moving from two tiers to one tier of local government, by removing duplication, consolidating services and operating at greater scale.

Method of calculation:

- Reviewed past LGR cases to estimate and benchmark an indexed average level of savings per capita achievable through LGR.
- Multiplied the benchmarked savings per capita figure by the total population of Kent to arrive at an estimated total saving for per unitary model
- Applied specific adjustments based on the characteristics of Kent and assumptions around the models being proposed. This included a reduction in the total savings achievable and contingency being added to the model.
- Applied a dilution of savings for the number of unitary authorities being created, due to reduced ability to operate at scale.

Reorganisation savings

Figure 8 – Reorganisation savings summary

Option	Gross reorganisation savings (£m)	Commentary
1A	75.0	High level of savings linked to significant opportunity for economies of scale.

Categories of reorganisation saving

As part of benchmarking LGR revenue savings, categories of savings have been identified to provide an indication of the expected breakdown of savings.

Savings category	Description
Optimising Leadership	Reviewing the number of managerial roles to eliminate duplication and enhance operational efficiency, by merging similar responsibilities into fewer and more impactful positions.
Right Sizing the Organisation	Determining the right size of the organisation, proportionate to the services that are being delivered, offset by the costs of new technology and upskilling individuals. Reducing overall workforce through role consolidation and automation.

Consolidating Corporate Services	Consolidating back-office functions, such as Human Resources (HR), Finance and Information Technology (IT) to streamline operations, enhance efficiencies and unlock savings.
Service Contract Consolidation	Understanding current and joint service arrangements between Councils, and what savings (or costs) may be incurred on consolidation. Determining the optimum sourcing arrangements for contracts that are either currently outsourced or could be outsourced. This will need to consider both financial and operational efficiency and will consider existing arrangements with third parties.
Procurement & 3rd Party Spend	Centralising procurement to determine resultant costs/savings through relative purchasing power and renegotiating terms with suppliers. Where appropriate, consolidating similar contracts for service delivery, presents an opportunity to renegotiate terms and achieve economies of scale with suppliers.
Proportionate Democratic Services	Reviewing the costs of democratic services (elections, committee support, etc.) to be proportionate to the new authority. Reducing the number of councillors and governance costs (e.g. committees, elections).
Improved Digital & IT Systems	Implementing unified digital platforms, automating repetitive tasks, streamlining workflows, and eliminating manual processes, can lead to significant time and cost savings. Unified platforms and systems rationalisation reduce licensing, support, and admin overheads.
Asset & Property Optimisation	Reviewing property portfolio to ensure alignment with the council's overall objectives and community needs.
Customer Engagement	Enhancing customer contact facilities, determining the needs of citizens in the new authority and developing a proportionate customer contact centre, where appropriate including self-service through digital channels, to improve customer engagement, satisfaction and drive operational efficiencies and cost savings.
Consolidating Fleets & Optimising Routes	Exploring consolidation of fleets and any route efficiencies, to reduce costs and minimise environmental impact. Reducing fleet size and improving vehicle routing to lower transport costs.
Contingency	10% contingency applied to reflect risks to savings being achieved

The proportion of savings applied for the Single Unitary option are outlined in the following chart, these will be considered in greater detail in the next phase of LGR.

Figure 9 – Savings categories

Note: a 10% contingency is also applied but has not been reflected in the graph above

Phasing of reorganisation savings

Savings are realised to their entirety by year 5 and are then ongoing. Most savings are achieved in year 3. A 10% negative contingency has been applied to reflect risk and has been phased in line with when other savings are achieved.

Reorganisation savings category	Year 1 (FY28/29)	Year 2 (FY29/30)	Year 3 (FY30/31)	Year 4 (FY31/32)	Year 5 (FY32/33)
Optimising Leadership	10%	20%	40%	20%	10%
Right Sizing the Organisation	10%	20%	40%	20%	10%
Consolidating Corporate Services	10%	20%	40%	20%	10%
Procurement & 3rd Party Spend	10%	20%	30%	20%	20%
Service Contract Consolidation	10%	20%	30%	20%	20%
Proportionate Democratic Services	80%	20%	-	-	-
Improved Digital & IT Systems	5%	15%	30%	25%	25%
Asset & Property Optimisation	10%	15%	25%	25%	25%
Customer Engagement	20%	40%	40%	-	-
Consolidating Fleets & Optimising Routes	-	20%	45%	35%	-
Contingency	15%	20%	30%	20%	15%

1a Enhancement costs

1a Enhancement costs definition: The estimated additional recurring expenditure that results from the enhancements proposed in the 1a model including the operation of three Area Assemblies.

Method of calculation:

- Identified core service categories where single unitary enhancements will drive cost increases
- Allocated Kent County Council net revenue spend against cost categories defined.
- Agreed with Kent County Council officers the expected level of increase.

Figure 10 – Recurring 1a Enhancement costs

Option	Recurring 1a Enhancement Costs (£m)	Commentary
1A	(6.0)	To support the option a number of enhancements are proposed.

Categories of costs

The following categories of costs have been identified.

1a Enhancements cost category	Description
Cost of community navigators	As part of the additional community engagement team it is expected there will be 27 additional community navigators. These are expected to be KCC grade 10 posts.
Cost of supervisors	As part of the additional community engagement team, there will also be 3 additional supervisors at KCC grade 12.
Enhanced contact centre	To support the 1 unitary, the existing contact centre will be enhanced. This is currently a contracted and it is assumed that the scope of the contract will be extended.
Enhanced consultation team	To support the 1 unitary, the consultation team will be enhanced by adding 3 additional FTE to the existing team of 4.
Area Assemblies	Additional costs associated with an enhanced single unitary – relating to highways maintenance, economic development, family hubs, community services, environmental management and community safety.

Phasing of 1a enhancement costs

All 1a enhancement costs are assumed to be incurred annually from Day 1 of the new authorities.

Phasing and payback period

Payback period definition: the period taken to reach a net positive financial impact of LGR, once all one-off and recurring savings have been considered.

Cumulative financial benefit and payback period by LGR options

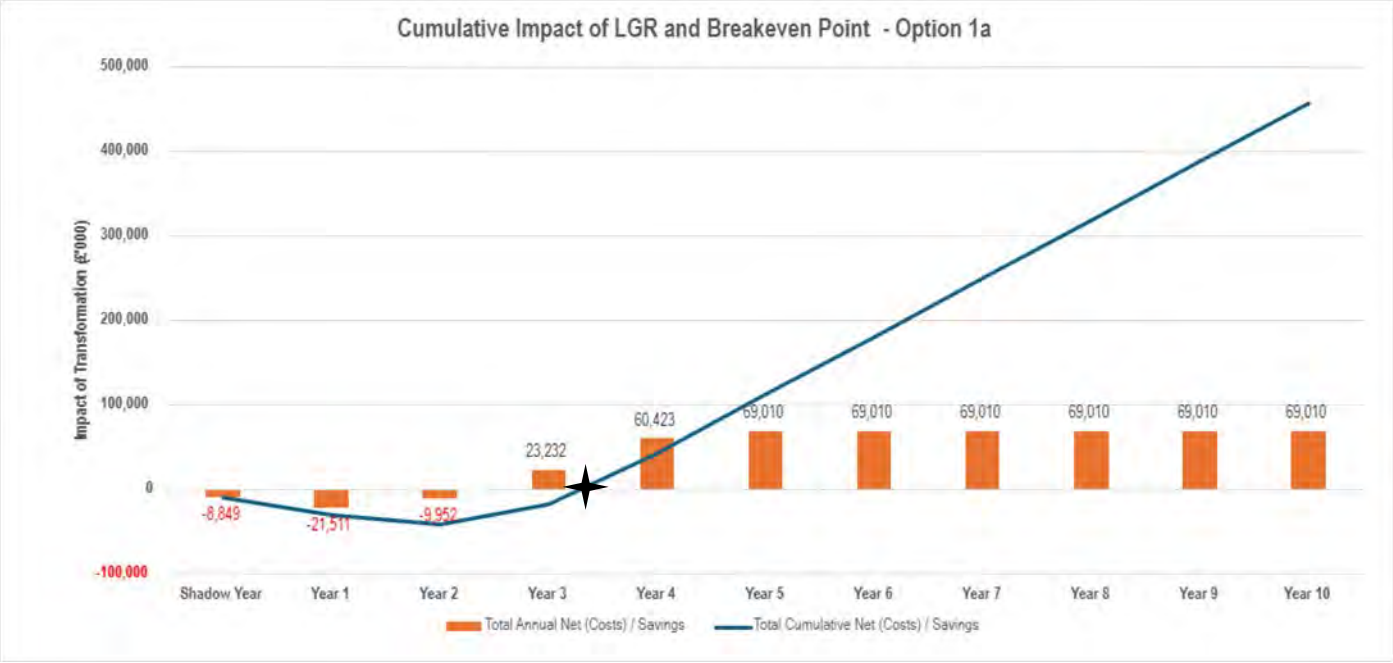
Set out below is the year-by-year breakdown of the financial impact of LGR, considering both one-off costs and recurring benefits / costs.

The payback period is driven by the outputs of the three calculators (reorganisation savings, 1a enhancement costs and implementation costs), and the phasing assumptions explained earlier in this Appendix.

Option	Implementation costs (one-off) (£m)	Recurring annual revenue savings (£m)	Estimated payback period	Commentary
1A	(99.4)	69.0	3.3 years	Implementation complexity and costs are relatively high due to need to integrate and aggregate to form a single authority

Payback period over an 8-year period

Set out in the figure below is the estimated cumulative financial impact of LGR for Option 1a



*The chart shows payback period with dissagregation costs at the lowest point in the range.

For reference: The following table shows the payback periods across all Kent options

	1a	3A	4B	4D*	5A*
One-off implementation costs	£99.4m	£127.7m	£130.9m	£135.9m	£139.1m
Recurring 1a Enhancement costs	£6.0m	£19.7m- £29.2m	£32.9m - £48.6m	£32.9m- £48.6m	£46.0m - £68.1m
Recurring reorganisation savings	£75.0m	£69.4m	£67.5m	£67.5m	£65.7m
Phased payback	**3.3 years**	**5.4 - 6.7 years**	**7.8 - 14.3 years**	**7.9 - 14.5 years**	**14.0 years – no payback**

Appendix 2: Key data sources

Figure 11 – Key data set for government criteria analysis: Financials

Metric	1A	3A			4B				4D				5A				
	All	North	West	East	North	West	East	Mid	North	West	East	Mid	North	West	East	Mid	South
Council tax base (number of band D equivalent properties) (FY28/29)[3]	703,525	225,749	231,972	245,804	173,700	231,972	151,628	146,225	202,762	156,102	187,882	156,779	111,995	222,260	120,136	110,931	138,203
Council Tax band D average (exc. Fire, Police and Parishes)[3]	1,907	1,842	1,904	1,907	1,842	1,904	1,874	1,907	1,904	1,874	1,907	1,907	1,842	1,904	1,874	1,812	1,907
General Fund Borrowing (FY26/27) (£m)[3]	1,730.4	812.0	289.1	629.2	740.3	289.1	387.0	314.0	761.3	175.9	460.0	333.1	336.8	278.4	257.2	468.7	389.3
Financing Costs (Q2 FY26/27) (£m)[3]	123.6	56.1	29.2	38.3	46.7	29.2	24.8	22.9	51.8	18.0	31.0	22.8	22.4	28.1	20.6	32.5	19.9
Net Revenue (Q2 FY26/27) (£m)[3]	2,313.4	1,104.6	548.2	660.5	947.7	548.2	415.2	402.3	1,024.7	376.0	521.9	390.8	432.7	526.6	338.0	655.7	360.4
Ratio of financing costs to net revenue stream %[3]	5.3%	5.1%	5.3%	5.8%	4.9%	5.3%	6.0%	5.7%	5.1%	4.8%	5.9%	5.8%	5.2%	5.3%	6.1%	5.0%	5.5%
Budget Gap (FY28/29) (£m)[3]	138.2	84.9	25.8	27.5	76.6	25.8	18.6	17.2	79.4	23.3	23.1	12.5	30.6	25.0	13.3	53.1	16.2
Total Usable Reserves (FY28/29) (£m)[3]	959.7	394.2	258.9	306.6	338.4	258.9	175.2	187.2	359.1	178.2	215.0	207.5	189.0	247.8	137.3	202.8	182.8

General fund balance (FY28/29) (£m)[3]	186.4	68.7	59.8	58.0	58.3	59.8	33.5	34.8	63.1	31.7	43.0	48.6	30.6	58.0	26.6	37.4	33.8
Retained Business Rates (£m) (2024-25)[4]	364.6	137.7	113.2	113.7	108.1	113.2	70.1	73.3	121.3	79.4	85.4	78.5	74.3	109.5	51.7	60.0	69.1
Net revenue expenditure (£m)[3]	2,273.8	833.2	651.0	789.6	645.8	651.0	494.3	482.7	748.0	432.1	609.8	483.8	397.2	625.4	405.2	416.4	429.5

[3] https://www.kent.gov.uk/about-the-council/information-and-data/facts-and-figures-about-kent/summary-of-kent-facts-and-figures/people

[4] National non-domestic rates collected by councils in England: forecast 2024 to 2025 - GOV.UK

[5] Financial data return submitted by councils

Appendix 3d

Local Government Reform: Impact on people services

Full report

Issued: 28th May 2025

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Local Government Reform: Impact on people services

INTRODUCTION

This report contains the full output of both Phase 1 and 2 of analysis of the impact of LGR on people services in Kent and Medway. The work has considered the impact on Adult Social Care, Children's Social Care, Education services, and Housing and Homelessness as local authorities are reorganised and responsibility of care changes across new geographical footprints within the county.

For each proposed formation, the expected demand and/or caseload for key people services within the county has been calculated across the options proposed by the authority. This includes a view for how demand and cost of service delivery split in day 1 and how these may change over the period until 2040.

The analysis contained in this report is based on data shared with Newton from the county and from national data returns.

The core methodology used, and assumptions made to undertake this analysis are included in the appendix.

This report contains the results of Newton's analysis, based on the data that has been provided, or otherwise made available to us, and no information contained within it should be treated as a recommendation to any Council or other authority. Responsibility for all business decisions including decisions on improvement actions (and for the acts themselves) rests solely with the Council or other authority making such decision.

Purpose of this report

THIS REPORT IS DESIGNED TO PROVIDE COMPARISONS BETWEEN SCEANRIOS

This model has been developed to allow the analysis to be completed across multiple councils at pace as well as aggregate results to inform a national report. Therefore, whilst this report provides detailed analysis allowing comparisons between scenarios, it has limitations and should not be considered in isolation.

What this report is...	What this report is not...
✓ A way to compare different scenarios and proposed unitary authorities based on expected demand and cost figures	✗ A detailed financial model designed to predict exact spend or demand numbers
✓ A way to highlight the impact of LGR on people-based services and the key themes that are important for your local area	✗ A detailed staffing model that accounts for all expected roles in new unitary authorities
✓ A general model that can applied to multiple councils that will show directionally correct forecasts	✗ A recommendation on the best scenario
✓ Designed to allow high level aggregated insight to be used in a national report with the CCN	

This report covers the agreed scope discussed with CCN and in steering groups. This does not consider all possible factors for LGR and should therefore not be treated in isolation. For example, the impact of public health, social housing or additional staffing costs from other teams, such as IT or legal teams, has not been modelled.

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People Based Services

THIS REPORT IS FOCUSSED ON THE IMPACT OF LGR ON PEOPLE-BASED SERVICES

Adult Social Care

Adult Social Care is the support provided to help adults of all ages most commonly with physical disabilities, learning disabilities, frailty, mental illnesses, or who suffer from substance misuse. Local authorities have a legal duty under the Care Act 2014 to assess and meet eligible needs, provide safeguarding, and shape the local care market. The aim is to promote independence, dignity, and wellbeing, enabling people to live as safely and independently as possible in their own communities, with the people and things that matter to them most.

In this report Adult Social Care has been split by age group and refers to Working Age Adult (18-64) and Older Adult (65+).

This report focusses on adults who are receiving long term care. These can be supported through a variety of provisions. For this analysis the report has focussed on:

- **Nursing Care**: Specialised nursing support provided in a care home.
- **Residential Care**: Support provided in a care home.
- **Supported Living**: Supporting individuals either in their own homes or shared housing.
- **Domiciliary Care**: Supporting individuals in their own home with personal care and household tasks.
- **Other**: Care that does not fall into the above categories.

Children's Social Care

Children's Social Care supports children, young people and families who need additional help to protect children and young people from harm. Its main aim is to keep families together, but when this isn't possible, the system provides an alternative home to children and young people. The Director of Children's Services and Lead Member for Children's Services in local authorities are the key points of professional and political accountability, but the relevant Acts of Parliament also place safeguarding duties on a range of organisations and individuals (including ICBs, police and education providers).

Children can be supported through a variety of measures. This report focuses on these key services:

- **Children in Care**: The council has parental responsibility of the child and must place the chid in a safe setting.
- **Child Protection Plan**: Compulsory plan when a specific risk to a child is identified.
- **Child in Need Plan**: A non-statutory plan that recognises a need that a child has.
- **Early help:** Non-statutory support to families and children considered to be vulnerable and at risk.

There is a significant reform agenda underway that will impact the nature of services in Children's Social Care, with the Children's Wellbeing and Schools Bill progressing through Parliament at present.

Services For Children With SEND

Special Educational Needs and Disabilities refers to a child or young person who has a learning difficulty and/or disability that means they need special health and education support.

This report focuses on young people who are supported by an Educational Health and Care Plan (EHCP). This is a legal document outlining the educational, health, and social care needs of a child or young person with special educational needs or disabilities, aged 0 to 25. Children and young people with EHCPs can be supported in a variety of settings. For this analysis the report has focussed on:

- **Mainstream**: Children and young people supported in mainstream schools.
- **Maintained Special Schools** (MSS): Children and young people supported in local authority owned special schools.
- **Independent Non-Maintained Special Schools** (INMSS): Children and young people supported in independent non-local authority owned special schools.
- **Other:** EHCPs that do not fall into the above categories.

This report doesn't include statutory SEN support which should be provided by mainstream schools with less oversight from the LA.

Across all services for residents that need additional support there are increasing costs that are putting increased pressure on councils to deliver these services, against a backdrop of increasingly constrained finances. This report focuses on the impact LGR may have on these services.

Interpreting the report

THIS HIGHLIGHTS THE KEY TERMINOLOGY USED THROUGHOUT THIS REPORT

Scenarios

Scenarios have been provided by councils through the data returns.

- **Unitary authorities:** The new unitary authorities that have been proposed by councils for each scenario. These unitary authorities are made up of current Districts and/or Middle Super Output Areas (MSOAs).
- **Baseline:** The current boundaries of the council as well as any neighbouring unitary authorities that are included as part of any proposed scenarios.

Projections

This analysis focusses on the impact of LGR for day 1 (2025) as well as future demand (2030 and 2040).

- **Day 1:** Day 1 refers to what would happen to demand and cost on the day that LGR takes effect. This has been done taking the data provided and projecting to 2025. This refers to the initial demand and costs expected to be distributed to each unitary authorities at this point.
- **Future demand:** Demand and cost has been projected out to 2030 and 2040 to illustrate how this may change over time. This is to show the different growth rates and highlight the sustainability of proposed unitary authorities. For detailed methodology, please see the appendix.

People-based services terminology

Where appropriate acronyms and terminology on specific slides has been called out.

- **Supported person:** This refers to someone who is currently receiving support from the council. Adult Social Care: an individual receiving long term support. Children's Social Care: Children in Care (CiC) as well as young people on a Child Protection Plan, Child in Need plan or receiving an early help intervention, for SEND this is a young person with an EHCP.
- **Prevalence:** The amount of the population that is supported by the council, represented as number per 10,000 of the relevant population (e.g. working age adults).
- **Ordinary residence:** Where current residing address (e.g. a residential care home) is different to the originating address of future demand (i.e. the supported person's initial residence prior to social care support) and demand therefore re-balances over time due to ordinary residence rules.
- **Service spend:** Total spend produced by the model for each directorate. This includes "provision spend" which refers to the total spend of delivering social care and "staffing spend" which refers to the staffing spend that is solely attributable to delivering social care.

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Key Assumptions

THIS OUTLINES THE KEY ASSUMPTIONS THAT HAVE GONE INTO THIS INITIAL ANALYSIS

Key assumptions have been made to enable this analysis to be performed at scale and pace. The key caveats and assumptions have been listed below and should be considered when drawing insight from the data. For detailed methodology, please see the appendix.

Neighbouring unitary authorities:
Where neighbouring unitary authorities have been included in scenarios, but no data provided, it has been assumed that the prevalence and unit cost in each provision will match the average for the rest of the county. Therefore, if you expect a neighbouring unitary authority to show very different trends this will not be captured.
Please note, if data has been provided for neighbouring unitary authorities this has been included.

Data sources:
The analysis in this report has been compiled using each council's data returns along with nationally available data where appropriate (e.g. ONS population estimates and projections).

Data caveats:
Where data has not been submitted to complete key analysis this has been highlighted in the relevant sections.

All analysis has been completed using data submissions returned by authorities and nationally available returns. If there are anomalies or inaccuracies, please contact Newton who will work with each authority to reconcile.

Section 1: Executive summary and high-level overview

This section provides a high-level summary of the outputs produced as part of Newton analysis on the impact on people services as a result of LGR.

Further detail is available in the full report.

Overview: Geographies of New Unitary Authorities

THE BELOW TABLE LAYS OUT THE DISTRICTS INCLUDED IN EACH OF THE NEW UNITARY AUTHORITIES

Scenario	Proposed Unitary	Districts included
Baseline	Kent	Current Kent boundary
	Medway	Current Medway boundary
Model 1	East	Ashford, Canterbury, Dover, Folkestone and Hythe, Thanet
	North	Medway, Dartford, Gravesham, Swale
	West	Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells
Model 3	East	Canterbury, Swale, Thanet
	North	Medway, Dartford, Gravesham
	South	Ashford, Dover, Folkestone and Hythe
	West	Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells
Model 4	East	Canterbury, Dover, Thanet
	Mid	Ashford, Folkestone and Hythe, Swale
	North	Medway, Dartford, Gravesham
	West	Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells
North/East/Mid/West	East	Swale, Thanet, Canterbury, Dover
	Mid	Maidstone, Ashford, Folkestone and Hythe
	North	Dartford, Gravesham, Medway
	West	Sevenoaks, Tonbridge and Malling, Tunbridge Wells

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Executive Summary: Terminology

WE HAVE OUTLINED THE KEY INSIGHT BY SCENARIO

The following slides outline how the demand and spend will split in each of the proposed unitary authorities by scenario, along with a comparison of the total cost of each scenario. We have also included the variation between each proposed unitary authority for the scenario in question and compared this to the baseline position.

The definitions of the key terminology used in these summaries is outlined below:

- **Total predicted spend per scenario:** This shows the combined spend per scenario predicted by the model for people-based services. This includes both placement costs (e.g. Residential Care beds or EHCP provision) and staffing costs for staff working directly on supporting service users, such as social workers, (where this has been provided). Staffing costs for other teams, such as IT or legal teams, are not included as part of this work. Please note that this is a general model designed to allow comparisons between proposed scenarios and is not a detailed financial forecast.
- **Spend per resident:** This the spend per resident per year where spend is total service and staffing spend (where this has been provided) and number of residents is the total population in each of the proposed unitary authorities.
- **Total demand:** This is the total demand for people-based services predicted by the model and refers to Adult Social Care (ASC): long term support, Children's Social Care (CSC): Children in Care (CiC), Child Protection Plans (CPP), Child in Need (CiN) plans or receiving an early help intervention, SEND: child or young person supported by an Education, Health and Care Plan (EHCP).
- **Demand variation:** This is the variation in the percentage of the population supported by people-based services in the unitary authorities in day 1. Where population supported by people-based services is the same as above.
- **Demand growth:** This is the growth in total number of people supported by people-based services from 2025-2040. Population supported by people-based services is defined as in spend per resident above.
- **Baseline:** The values associated with the baseline scenario, including current county council and any neighbouring unitary authorities.

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Executive Summary: Scenario 1

KEY INSIGHTS FOR EACH SCENARIO

Scenario 1: Model 1 (North Kent/East Kent/West Kent)

This scenario has the smallest increase to baseline spend for any of the proposed scenarios. This scenario has the lowest variation in percentage of the population supported by people-based services, although this is still high at 30.7%. In this scenario, East Kent has the highest percentage of people supported by people-based services and therefore the highest spend per resident, an 15% higher than the baseline scenario. North Kent and West Kent see faster growth in percentage of the population supported by people services than East Kent.

Total predicted spend for the scenario:

£1,510m in day 1 and £2,754m in 2040. This is 1.0% higher than baseline position (an increase of £15m in 2025 and £27m in 2040).

Variation between proposed unitary authorities within scenario:

- Spend per resident: High variation in spend per resident in day 1, Varies by 27.6%. This reduces to 20.2% in 2040.
- Demand variation: Lowest variation in percentage of population supported, however this still varies by 30.7% (1.04 percentage points).
- Demand growth: High variation in growth of demand, with percentage of the population supported growing 3x quicker in West Kent than East Kent.

North Kent– *Day 1*

Districts included: Medway, Dartford, Gravesham, Swale
Total population: 678k
Age demographics: % population 65+ 16.8%, % population U18 23.2%
IMD score: 23.3
Total spend predicted by the model: £729m
Total demand: 26.5k (6.7k ASC, 10.3k CSC, 9.5k SEND)

Comparison to baseline scenario

- Spend per resident: £729 per resident per year at day 1, this is a decrease of 4.9% to the baseline scenario.
- Demand for people-based services: 3.91% of population supported by people-based services. This is similar to the baseline scenario, a decrease of 1.0%.
- Growth in demand: 11.6% growth in demand for people-based services from 2025 to 2040. This is an increase of 22% to the baseline scenario.

East Kent – Day 1

Districts included: Ashford, Canterbury, Dover, Folkestone and Hythe, Thanet
Total population: 701k
Age demographics: % population 65+ 23.0%, % population U18 19.7%
IMD score: 22.3
Total spend predicted by the model: £620m
Total demand: 31.1k (9.4k ASC, 12.2k CSC, 9.4k SEND)

Comparison to baseline scenario

- Spend per resident: £885 per resident per year at day 1, this is an increase of 15.3% to the baseline scenario.
- Demand for people-based services: 4.43% of population supported by people-based services. This is an increase of 12.4% to the baseline scenario.
- Growth in demand: 4.5% growth in demand for people-based services from 2025 to 2040. This is a decrease of 53% to the baseline scenario.

West Kent – *Day 1*

Districts included: Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells
Total population: 571k
Age demographics: % population 65+ 19.9%, % population U18 22.3%
IMD score: 13.6
Total spend predicted by the model: £395m
Total demand: 19.3k (5.1k ASC, 7.5k CSC, 6.7k SEND)

Comparison to baseline scenario

- Spend per resident: £693 per resident per year at day 1, this is a decrease of 9.6% to the baseline scenario.
- Demand for people-based services: 3.39% of population supported by people-based services. This is a decrease of 14.0% to the baseline scenario.
- Growth in demand: 14.7% growth in demand for people-based services from 2025 to 2040. This is an increase of 54.6% to the baseline scenario.

IMD score (Index of Multiple Deprivation): Official measure of relative deprivation in England. A lower score indicates a less deprived area.

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Executive Summary: Scenario 2

KEY INSIGHTS FOR EACH SCENARIO

Scenario 2: Model 3 (North Kent/East Kent/South Kent/West Kent)

This scenario has the highest total predicted spend of all proposed scenarios, although spend is similar in all four unitary scenarios. This scenario also has the highest variation in spend per resident across all scenarios, with South Kent having the highest spend per resident of all proposed unitary authorities, 21.9% above the baseline scenario.

Total predicted spend for the scenario:

£1,517m in day 1 and £2,768m in 2040. This is 1.5% higher than baseline position (an increase of £23m in 2025 and £41m in 2040).

Variation between proposed unitary authorities within scenario:

- Spend per resident: Highest variation in spend per resident of all scenarios, varying by 34.9% in day 1. In 2040 this still has the highest variation at 25.1%.
- Demand variation: High variation in percentage of population supported (day 1), varying by 31.7% (1.07 percentage points).
- Demand growth: High variation in growth of demand, with North and West Kent growing at 4x the rate of East Kent.

North Kent – *Day 1*

Districts included: Medway, Dartford, Gravesham
Total population: 518k
Age demographics: % population 65+ 16.1%, % population U18 23.6%
IMD score: 22.0
Total spend predicted by the model: £378m
Total demand: 19.2k (5.1k ASC, 7.1k CSC, 6.9k SEND)

Comparison to baseline scenario

- Spend per resident: £730 per resident per year, decrease of 4.9% to the baseline scenario.
- Demand for people-based services: 3.70% of population supported. This is a decrease of 6.2% to the baseline scenario.
- Growth in demand: 14.9% growth from 2025 to 2040, this is an increase of 56% to the baseline scenario.

East Kent– *Day 1*

Districts included: Canterbury, Swale, Thanet
Total population: 477k
Age demographics: % population 65+ 21.7%, % population U18 20.1%
IMD score: 24.7
Total spend predicted by the model: £385m
Total demand: 21.2k (5.8k ASC, 8.6k CSC, 6.8k SEND)

Comparison to baseline scenario

- Spend per resident: £808 per resident per year, this is an increase of 5.4% to the baseline scenario.
- Demand for people-based services: 4.45% of population supported. This is an increase of 12.9% to the baseline scenario.
- Growth in demand: 3.4% growth from 2025 to 2040, a decrease of 65% to the baseline scenario.

West Kent – *Day 1*

Districts included: Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells
Total population: 571k
Age demographics: % population 65+ 19.9%, % population U18 22.3%
IMD score: 13.6
Total spend predicted by the model: £395m
Total demand: 19.3k (5.1k ASC, 7.5k CSC, 6.7k SEND)

Comparison to baseline scenario

- Spend per resident: £693 per resident per year, decrease of 9.6% to the baseline scenario.
- Demand for people-based services: 3.39% of population supported. This is a decrease of 14% to the baseline scenario.
- Growth in demand: 14.7% growth from 2025 to 2040, this is an increase of 54.6% to the baseline scenario.

South Kent – *Day 1*

Districts included: Ashford, Dover, Folkestone and Hythe
Total population: 384k
Age demographics: % population 65+ 22.9%, % population U18 20.2%
IMD score: 21.4
Total spend predicted by the model: £359m
Total demand: 17.1k (5.2k ASC, 6.9k CSC, 5.1k SEND)

Comparison to baseline scenario

- Spend per resident: £935 per resident per year, this is the highest of all proposed unitary authorities and an increase of 21.9% to the baseline scenario.
- Demand for people-based services: 4.47% of population supported. This is an increase of 13.2% to the baseline scenario.
- Growth in demand: 5.3% growth from 2025 to 2040, a decrease of 44% to the baseline scenario.

IMD score (Index of Multiple Deprivation): Official measure of relative deprivation in England. A lower score indicates a less deprived area.

Executive Summary: Scenario 3

KEY INSIGHTS FOR EACH SCENARIO

Scenario 3: Model 4 (North Kent/East Kent/Mid Kent/West Kent)

In this scenario both East Kent and Mid Kent have a higher proportion of people supported by people-based services than in the baseline scenario leading to them also having a higher spend per resident, with East Kent having the highest spend per resident, 16.6% above baseline. This scenario also has the highest variation in growth of demand of all proposed scenarios, with North and West Kent growing over 5x the rate of East Kent.

Total predicted spend for the scenario:

£1,516m in day 1 and £2,764m in 2040. This is 1.4% higher than baseline position (an increase of £21m in 2025 and £37m in 2040).

Variation between proposed unitary authorities within scenario:

- Spend per resident: High variation in spend per resident, varying by 29.1% in day 1. This reduces to 22.5% in 2040.
- Demand variation: High variation in percentage of population supported (day 1), varying by 31.9% (1.08 percentage points).
- Demand growth: Highest variation in growth of demand, with North and West Kent growing over 5x the rate of East Kent.

North Kent – *Day 1*

Districts included: Medway, Dartford, Gravesham
Total population: 518k
Age demographics: % population 65+ 16.1%, % population U18 23.6%
IMD score: 22.0
Total spend predicted by the model: £378m
Total demand: 19.2k (5.1k ASC, 7.1k CSC, 6.9k SEND)

Comparison to baseline scenario

- Spend per resident: £730 per resident per year, decrease of 4.9% from the baseline scenario.
- Demand for people-based services: 3.70% of population supported. This is a decrease of 6.2% from the baseline scenario.
- Growth in demand: 14.9% growth from 2025 to 2040, this is an increase of 56% from the baseline scenario.

East Kent– *Day 1*

Districts included: Canterbury, Dover, Thanet
Total population: 442k
Age demographics: % population 65+ 23.4%, % population U18 19.3%
IMD score: 23.0
Total spend predicted by the model: £395m
Total demand: 19.8k (6.0k ASC, 7.7k CSC, 6.1k SEND)

Comparison to baseline scenario

- Spend per resident: £894 per resident per year, this is an increase of 16.6% from the baseline scenario.
- Demand for people-based services: 4.47% of population supported. This is an increase of 13.3% from the baseline scenario.
- Growth in demand: 2.7% growth from 2025 to 2040, a decrease of 72% from the baseline scenario.

West Kent – *Day 1*

Districts included: Maidstone, Sevenoaks, Tonbridge and Malling, Tunbridge Wells
Total population: 571k
Age demographics: % population 65+ 19.9%, % population U18 22.3%
IMD score: 13.6
Total spend predicted by the model: £395m
Total demand: 19.3k (5.1k ASC, 7.5k CSC, 6.7k SEND)

Comparison to baseline scenario

- Spend per resident: £693 per resident per year, decrease of 9.6% to the baseline scenario.
- Demand for people-based services: 3.39% of population supported. This is a decrease of 14% to the baseline scenario.
- Growth in demand: 14.7% growth from 2025 to 2040, this is an increase of 54.6% against the baseline scenario.

Mid Kent – *Day 1*

Districts included: Swale, Ashford, Folkestone and Hythe
Total population: 418k
Age demographics: % population 65+ 21.1%, % population U18 21.1%
IMD score: 23.4
Total spend predicted by the model: £359m
Total demand: 17.1k (5.2k ASC, 6.9k CSC, 5.1k SEND)

Comparison to baseline scenario

- Spend per resident: £829 per resident per year, this is an increase of 8.1% to the baseline scenario.
- Demand for people-based services: 4.44% of population supported. This is an increase of 12.7% to the baseline scenario.
- Growth in demand: 5.3% growth from 2025 to 2040, a decrease of 39% to the baseline scenario.

IMD score (Index of Multiple Deprivation): Official measure of relative deprivation in England. A lower score indicates a less deprived area.

Executive Summary: Scenario 4

KEY INSIGHTS FOR EACH SCENARIO

Scenario 4: (North Kent/East Kent/Mid Kent/West Kent)

This scenario has the highest variation in percentage of population supported by people-based services, with East Kent having the highest percentage of all proposed unitary authorities (although this is only slightly higher than East Kent in the other scenarios). However, this scenario has the lowest variation in spend per resident; this is still high at 26.6%.

Total predicted spend for the scenario:

£1,516m in day 1 and £2,764m in 2040. This is 1.4% higher than baseline position (an increase of £21m in 2025 and £37m in 2040).

Variation between proposed unitary authorities within scenario:

- Spend per resident: High variation in spend per resident, varying by 26.6% in day 1. This reduces to 18.8% in 2040.
- Demand variation: Highest variation in percentage of population supported (day 1) of proposed scenarios, varying by 38.1% (1.24 percentage points).
- Demand growth: High variation in growth of demand, with Mid, North and West Kent growing 5x faster than East Kent.

North Kent – *Day 1*

Districts included: Medway, Dartford, Gravesham
Total population: 518k
Age demographics: % population 65+ 16.1%, % population U18 23.6%
IMD score: 22.0
Total spend predicted by the model: £378m
Total demand: 19.2k (5.1k ASC, 7.1k CSC, 6.9k SEND)

Comparison to baseline scenario

- Spend per resident: £730 per resident per year, a decrease of 4.9% to the baseline scenario.
- Demand for people-based services: 3.70% of population supported. This is a decrease of 6.2% to the baseline scenario.
- Growth in demand: 14.9% growth from 2025 to 2040, this is an increase of 56% against the baseline scenario.

East Kent– *Day 1*

Districts included: Swale, Thanet, Canterbury, Dover
Total population: 602k
Age demographics: % population 65+ 22.2%, % population U18 20.0%
IMD score: 24.2
Total spend predicted by the model: £511m
Total demand: 27.1k (7.5k ASC, 10.9k CSC, 8.6k SEND)

Comparison to baseline scenario

- Spend per resident: £849 per resident per year, this is an increase of 10.7% to the baseline scenario.
- Demand for people-based services: 4.50% of population supported. This is an increase of 14.0% against the baseline scenario.
- Growth in demand: 2.8% growth from 2025 to 2040, a decrease of 71% from the baseline scenario.

West Kent – *Day 1*

Districts included: Sevenoaks, Tonbridge and Malling, Tunbridge Wells
Total population: 385k
Age demographics: % population 65+ 20.3%, % population U18 22.5%
IMD score: 12.4
Total spend predicted by the model: £258m
Total demand: 12.5k (3.2k ASC, 4.8k CSC, 4.5k SEND)

Comparison to baseline scenario

- Spend per resident: £670 per resident per year, decrease of 12.6% to the baseline scenario.
- Demand for people-based services: 3.26% of population supported. This is a decrease of 17.5% to the baseline scenario.
- Growth in demand: 12.7% growth from 2025 to 2040, this is an increase of 33% from the baseline scenario.

Mid Kent – *Day 1*

Districts included: Ashford, Maidstone, Folkestone and Hythe
Total population: 445k
Age demographics: % population 65+ 20.9%, % population U18 21.0%
IMD score: 19.0
Total spend predicted by the model: £369m
Total demand: 18.1k (5.4k ASC, 7.2k CSC, 5.6k SEND)

Comparison to baseline scenario

- Spend per resident: £830 per resident per year, this is an increase of 8.2% to the baseline scenario.
- Demand for people-based services: 4.07% of population supported. This is an increase of 3.3% to the baseline scenario.
- Growth in demand: 11.8% growth from 2025 to 2040, a decrease of 24% from the baseline scenario.

IMD score (Index of Multiple Deprivation): Official measure of relative deprivation in England. A lower score indicates a less deprived area.

Overview: Demographics of New Unitary Authorities

4 Scenarios have been modelled and compared to the current set up (baseline)

This analysis has considered the impact of LGR on people services by considering 4 proposed unitary formations and comparing this to the baseline position. These are summarised below.

Baseline – Kent and Medway

Kent:
- Total population: 1.67m
- % population 65+: 20.5%
- % population U18: 21.5%

Medway:
- Total population: 287k
- % population 65+: 16.6%
- % population U18: 23.0%

Model 1 – three unitaries

North:
- Total population: 678k
- % population 65+: 16.8%
- % population U18: 23.2%

West:
- Total population: 570k
- % population 65+: 19.9%
- % population U18: 22.3%

East:
- Total population: 701k
- % population 65+: 23.0%
- % population U18: 19.7%

Model 3 – four unitaries NESW

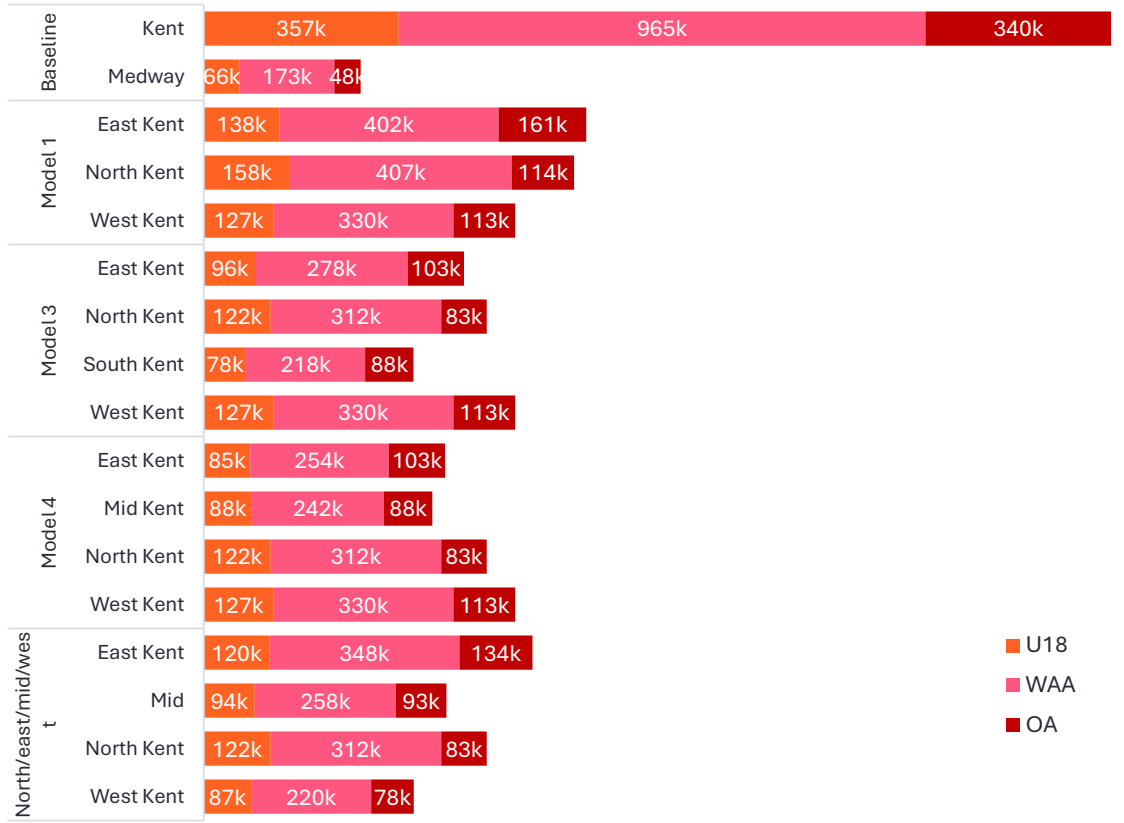
North:
- Total population: 518k
- % population 65+: 16.1%
- % population U18: 23.6%

South:
- Total population: 384k
- % population 65+: 22.9%
- % population U18: 20.2%

East:
- Total population: 477k
- % population 65+: 21.7%
- % population U18: 20.1%

West:
- Total population: 570k
- % population 65+: 19.9%
- % population U18: 22.3%

Population distribution across proposed authorities



WAA: Working Age Adult, 18 - 64
OA: Older Adult, 65+

All proposed unitary authorities are within the boundaries of NHS Kent and Medway Integrated Care Board

Overview: Demographics of New Unitary Authorities

4 Scenarios have been modelled and compared to the current set up (baseline)

This analysis has considered the impact of LGR on people services by considering 4 proposed unitary formations and comparing this to the baseline position. These are summarised below.

Model 4 – four unitaries NEMidW

North:
- Total population: 518k
- % population 65+: 16.1%
- % population U18: 23.6%

Mid:
- Total population: 418k
- % population 65+: 21.1%
- % population U18: 21.1%

East
- Total population: 442k
- % population 65+: 23.4%
- % population U18: 19.3%

West:
- Total population: 570k
- % population 65+: 19.9%
- % population U18: 22.3%

North/east/mid/west - NEMidW

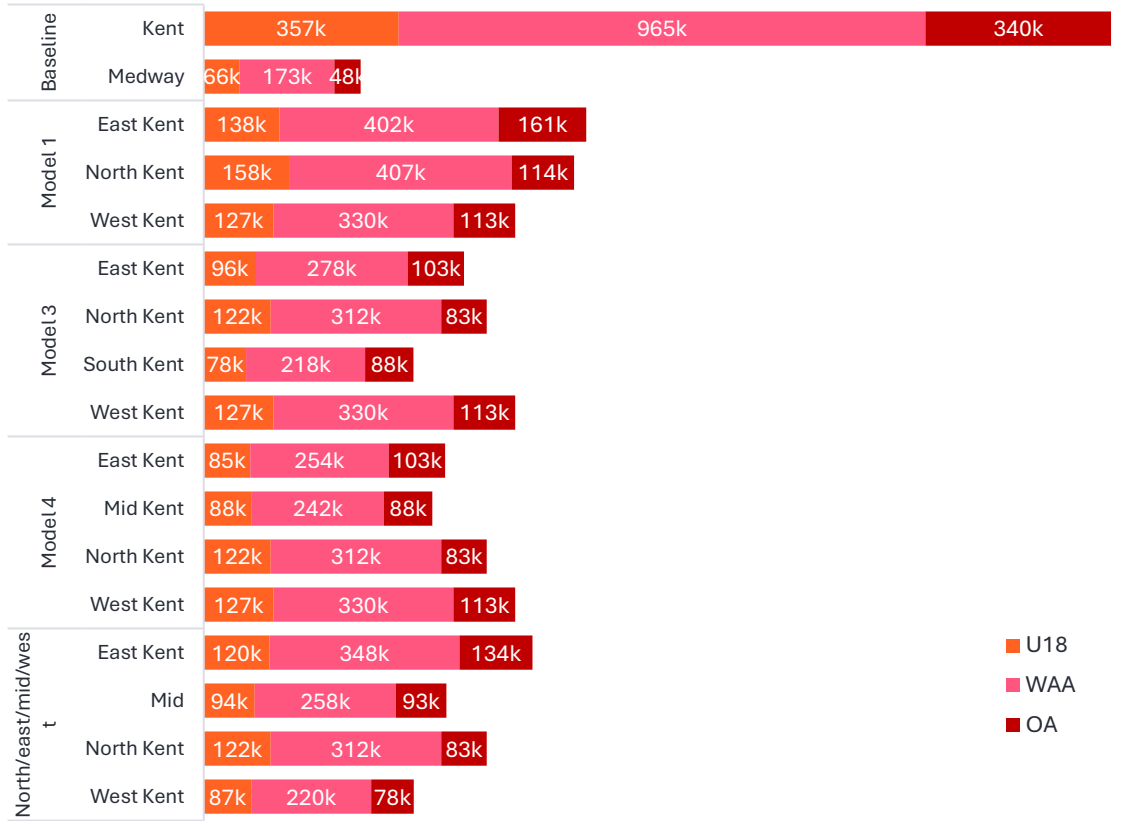
North:
- Total population: 518k
- % population 65+: 16.1%
- % population U18: 23.6%

Mid:
- Total population: 445k
- % population 65+: 20.9%
- % population U18: 21.0%

East
- Total population: 602k
- % population 65+: 22.2%
- % population U18: 20.0%

West:
- Total population: 384k
- % population 65+: 20.3%
- % population U18: 22.5%

Population distribution across proposed authorities



WAA: Working Age Adult, 18 - 64
OA: Older Adult, 65+

All proposed unitary authorities are within the boundaries of NHS Kent and Medway Integrated Care Board

Overview: Demand

DEMAND FOR SOCIAL CARE AND EDUCATION SERVICES IS EXPECTED TO GROW

This analysis has modelled the demand for Adult Social Care, Children's Social Care and Education services. A detailed breakdown by setting is included later in this report.

The % of the Total Population supported by people services refers to Adult Social Care: long term support, Children's Social Care: Children's Social Care (CSC): Children in Care (CiC), Child Protection Plans (CPP), Child in Need (CiN) plans or receiving an early help intervention, SEND: child or young person supported by an Education, Health and Care Plan. This analysis shows the variation in both day 1 demand and the future growth in demand. This will support understanding if certain scenarios would create unitary authorities that have high variation in demand in day 1. The projected view to 2040 also gives insight to any sustainability challenge for unitary authorities that are seeing a disproportionate growth in the future demand levels.

Scenario	Proposed Authority	% Total Population supported by people services	% Change in number of residents supported by people services (2025-2040)	% change ASC (2025 – 2040)	% change CSC (2025 – 2040)	% change SEND (2025 – 2040)	Number of residents supported by people services
Baseline	Kent	4.02%	8%	10%	-6%	24%	18.2k 26.8k 21.9k
	Medway	3.51%	17%	12%	-2%	38%	3.1k 3.3k 3.7k
Model 1	East Kent	4.43%	5%	9%	-9%	18%	9.4k 12.2k 9.4k
	North Kent	3.91%	12%	12%	-3%	27%	6.7k 10.3k 9.5k
	West Kent	3.39%	15%	12%	-4%	38%	5.1k 7.5k 6.7k
Model 3	East Kent	4.45%	3%	9%	-9%	14%	5.8k 8.6k 6.8k
	North Kent	3.70%	15%	12%	-2%	35%	5.1k 7.1k 6.9k
	South Kent	4.47%	5%	11%	-8%	17%	5.2k 6.9k 5.1k
	West Kent	3.39%	15%	12%	-4%	38%	5.1k 7.5k 6.7k
Model 4	East Kent	4.47%	3%	9%	-11%	14%	6.0k 7.7k 6.1k
	Mid Kent	4.44%	6%	11%	-5%	16%	5.0k 7.7k 5.8k
	North Kent	3.70%	15%	12%	-2%	35%	5.1k 7.1k 6.9k
	West Kent	3.39%	15%	12%	-4%	38%	5.1k 7.5k 6.7k
North/east/ mid/west	East Kent	4.50%	3%	9%	-9%	12%	7.5k 10.9k 8.6k
	Mid	4.07%	12%	13%	-4%	31%	5.4k 7.2k 5.6k
	North Kent	3.70%	15%	12%	-2%	35%	5.1k 7.1k 6.9k
	West Kent	3.26%	13%	9%	-7%	36%	3.2k 4.8k 4.5k

ASC
CSC
SEND

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate.

Overview: Spend

SPEND ON PEOPLES SERVICES BY PROPOSED UNITARY FORMATION

This analysis has considered the impact of LGR on the cost of delivering Adult & Children's Social Care services alongside the cost of SEND support. Note this is a general model to allow comparison between authorities and is not a financial forecast.

Cost values presented herein include both placement costs (e.g. Residential Care beds or EHCP provision) and staffing costs for staff working directly on supporting service users, such as social workers, (where this has been provided). Staffing costs for other teams, such as IT or legal teams, are not included.

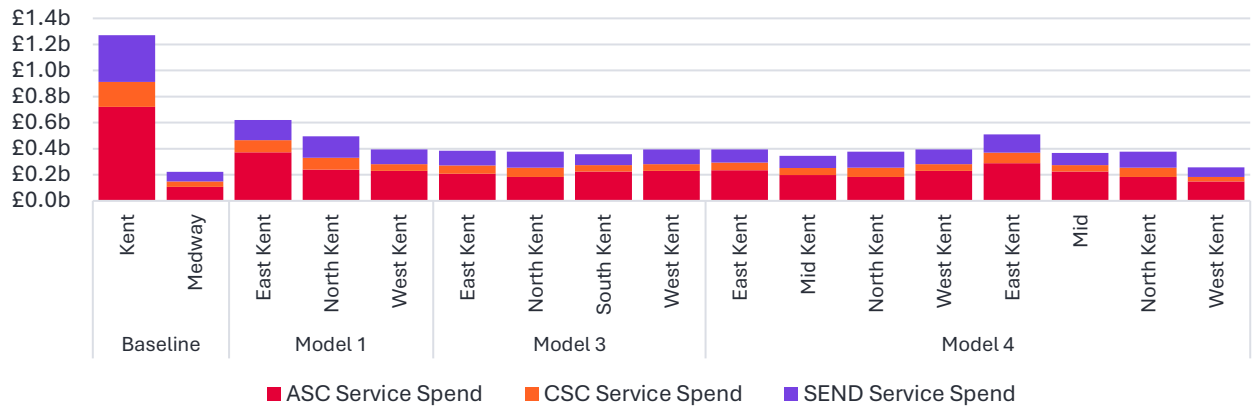
All analysis is a combination of local authority data returns supplied for the purposes of this research and national reporting.

In general, spend aligns with spread of demand across the county. This is because there is greater variation in demand than unit cost.

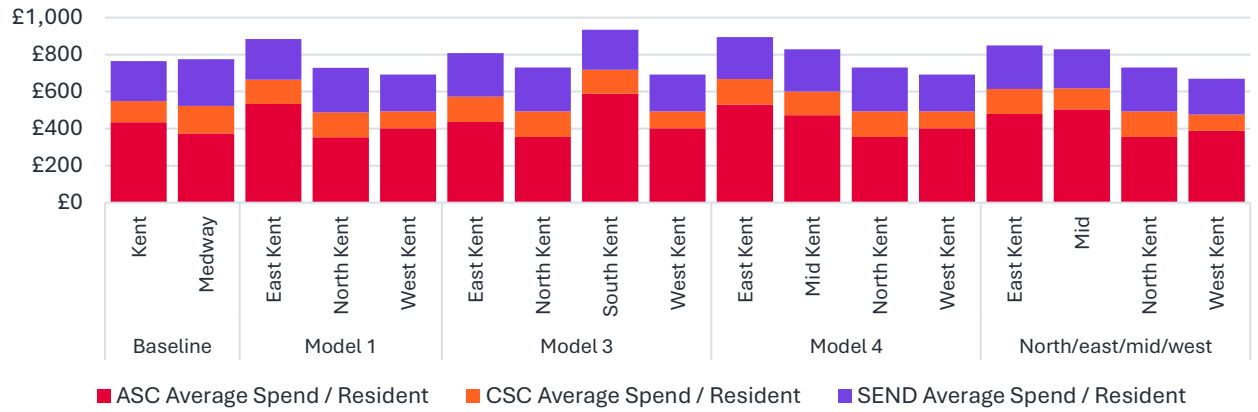
The average spend per resident shows the total spend per resident of the total population within the authority split by each directorate. Areas which have a higher total spend per resident than baseline may cause increased cost pressures when total spend is compared to expected funding.

Both the total spend per scenario and spend per resident has been broken down further and provided in the following pages. This page does not include spend on Home to School Transport or Housing.

Service spend on people services by proposed unitary formation (2025)



Average spend per resident in proposed authority (2025)



Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Distorted demography adjustments.

Overview: Spend

SPEND PER PROPOSED SCENARIO

The table below shows the total cost per scenario predicted by the model for people-based services. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes. This page does not include spend on Home to School Transport or Housing.

In general, we see an increase in combined service cost for scenarios with more authorities, driven by additional fixed management costs within the proposed scenario, as each proposed authority requires its own management team. Additionally, the model applies a step-up factor to unit cost that takes into account median income, deprivation and total population; this means that if other factors remain constant, an increase in unit costs for smaller authorities is forecasted*.

Note, the model only accounts for the additional uplift in staffing costs for delivery teams and we would expect an additional increase from other teams, such as IT or legal teams, that have not been modelled in this analysis.

Scenario	Proposed Authority	**Total cost of service for scenario 2025**	ASC cost of service for scenario 2025	CSC cost of service for scenario 2025	SEND cost of service for scenario 2025	**Total cost of service for scenario 2040**	ASC cost of service for scenario 2040	CSC cost of service for scenario 2040	SEND cost of service for scenario 2040
Baseline	Kent Medway	**£1494.8m**	£829.2m	£233.6m	£432.0m	**£2727.2m**	£1486.9m	£359.9m	£880.3m
Model 1	East North West	**£1509.6m**	£841.5m	£236.1m	£432.0m	**£2754.2m**	£1510.0m	£363.9m	£880.3m
Model 3	East North South West	**£1517.4m**	£847.4m	£238.1m	£432.0m	**£2767.8m**	£1520.3m	£367.2m	£880.3m
Model 4	East Mid North West	**£1515.6m**	£845.4m	£238.2m	£432.0m	**£2764.4m**	£1516.7m	£367.4m	£880.3m
North/east/ mid/west	East Mid North West	**£1515.6m**	£845.6m	£238.0m	£432.0m	**£2763.9m**	£1516.6m	£367.0m	£880.3m

** See Appendix I for additional detail.*

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Overview: Spend
SPEND PER RESIDENT

The table below shows the spend per resident per year for each of the proposed unitary authorities as well as breaking this down into each directorate. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes. Here spend is total service and staffing spend (where this has been provided) and number of residents is the total population in each of the proposed unitary authorities. This page does not include spend on Home to School Transport or Housing.

This analysis demonstrates where there are scenarios that have an increased spend per resident both in the day 1 scenario and in 2040, providing the detail behind the high-level insights into variation between proposed unitary authorities provided in the preceding summaries of each scenario.

Scenario	Proposed Authority	**Total spend per resident 2025**	ASC spend per resident 2025	CSC spend per resident 2025	SEND spend per resident 2025	**Total spend per resident 2040**	ASC spend per resident 2040	CSC spend per resident 2040	SEND spend per resident 2040
Baseline	Kent	**£765**	£434	£115	£216	**£1,313**	£739	£167	£407
	Medway	**£776**	£374	£149	£254	**£1,414**	£636	£224	£555
Model 1	East	**£885**	£533	£131	£220	**£1,488**	£905	£186	£398
	North	**£729**	£353	£136	£241	**£1,278**	£601	£204	£473
	West	**£693**	£401	£91	£200	**£1,238**	£689	£135	£413
Model 3	East	**£808**	£437	£136	£235	**£1,365**	£744	£195	£427
	North	**£730**	£356	£138	£236	**£1,303**	£606	£208	£489
	South	**£935**	£588	£130	£217	**£1,549**	£992	£184	£372
	West	**£693**	£401	£91	£200	**£1,238**	£689	£135	£413
Model 4	East	**£894**	£530	£137	£227	**£1,516**	£906	£194	£416
	Mid	**£829**	£472	£129	£227	**£1,371**	£796	£186	£388
	North	**£730**	£356	£138	£236	**£1,303**	£606	£208	£489
	West	**£693**	£401	£91	£200	**£1,238**	£689	£135	£413
North/east/ mid/west	East	**£849**	£479	£135	£235	**£1,427**	£816	£193	£417
	Mid	**£830**	£504	£114	£211	**£1,409**	£849	£164	£395
	North	**£730**	£356	£138	£236	**£1,303**	£606	£208	£489
	West	**£670**	£387	£90	£194	**£1,200**	£664	£133	£404

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Scenario Comparison

The table below compares the key metrics across scenarios. Here a lighter colour indicates a lower total cost or variation.

Scenario	Proposed Authority	Total increase in cost to baseline 2025	Total increase in cost to baseline 2040	Variation in 2025 spend per resident (relative % difference)	Variation in 2040 spend per resident (relative % difference)	Variation in 2025 % of people supported by people services (relative % difference)	Variation in 2040 % of people supported by people services (relative % difference)
Baseline	Kent Medway	-	-	1.4%	7.8%	14.4%	6.9%
Model 1	East North West	£14.9m	£27.1m	27.6%.	20.2%	30.7%	20.7%
Model 3	East North South West	£22.7m	£40.6m	34.9%	25.1%	31.7%	20.9%
Model 4	East Mid North West	£20.8m	£37.3m	29.1%	22.5%	31.9%	21.0%
North/east/ mid/west	East Mid North West	£20.9m	£36.8m	26.6%	18.8%	38.1%	25.1%

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Section 2a: Adult Social Care

The scope of this section is to provide insight into the likely impacts of each proposed scenario on Adult Social Care, covering demand, cost and quality over the next 15 years.

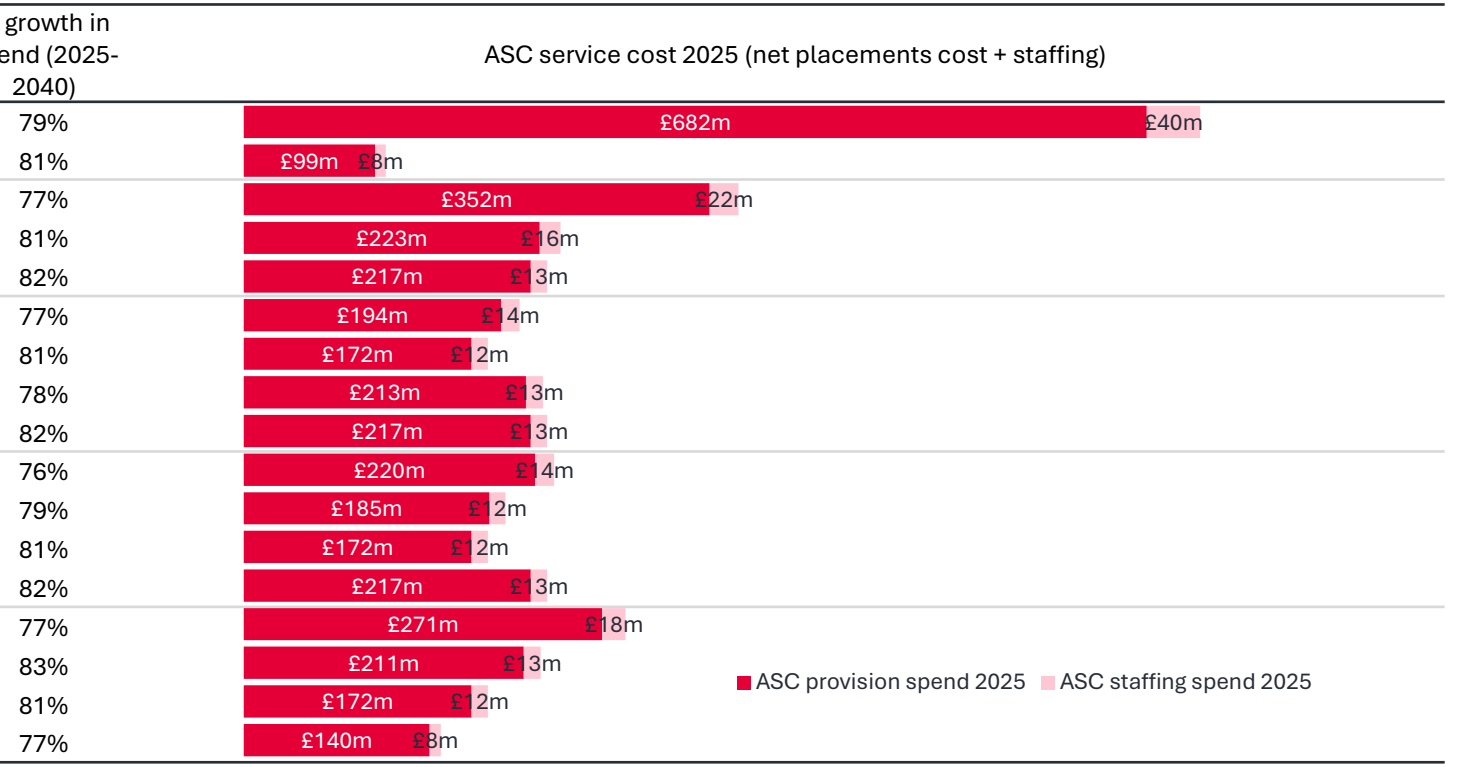
Adult Social Care

SERVICE COST VARIATION AND FORECASTS

This analysis has considered the variation in the cost of delivering care between each of the proposed unitary formations. This cost includes both the cost of the provision of care, in addition to the authority staffing cost associated with delivering ASC support (where this data has been provided). Staffing costs resulting from other teams, such as IT or legal teams, that have not been modelled in this analysis. Cost growth includes both the expected impact of increased demand, increased unit cost and wage increases. Spend per resident per year compares the cost for this service to total number of residents in the new authority. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

This will support understanding if certain scenarios create variation in spend per resident both in 2025 and the future, showing where there are unitary authorities with a higher spend per resident to the baseline scenario as well as unitary authorities that have high cost growth in the future. Growth in cost is driven by inflation, the different growth rates in demand across constituent areas within proposed authorities, and effect of ordinary residence.

Scenario	Proposed Authority	Spend per resident 2025	Spend per resident 2040	% growth in spend (2025-2040)
Baseline	Kent	£434	£739	79%
	Medway	£374	£636	81%
Model 1	East Kent	£533	£905	77%
	North Kent	£353	£601	81%
	West Kent	£401	£689	82%
Model 3	East Kent	£437	£744	77%
	North Kent	£356	£606	81%
	South Kent	£588	£992	78%
	West Kent	£401	£689	82%
Model 4	East Kent	£530	£906	76%
	Mid Kent	£472	£796	79%
	North Kent	£356	£606	81%
	West Kent	£401	£689	82%
North/east/ mid/west	East Kent	£479	£816	77%
	Mid	£504	£849	83%
	North Kent	£356	£606	81%
	West Kent	£387	£664	77%



Data: ONS population forecasts and estimates, council provided cost data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

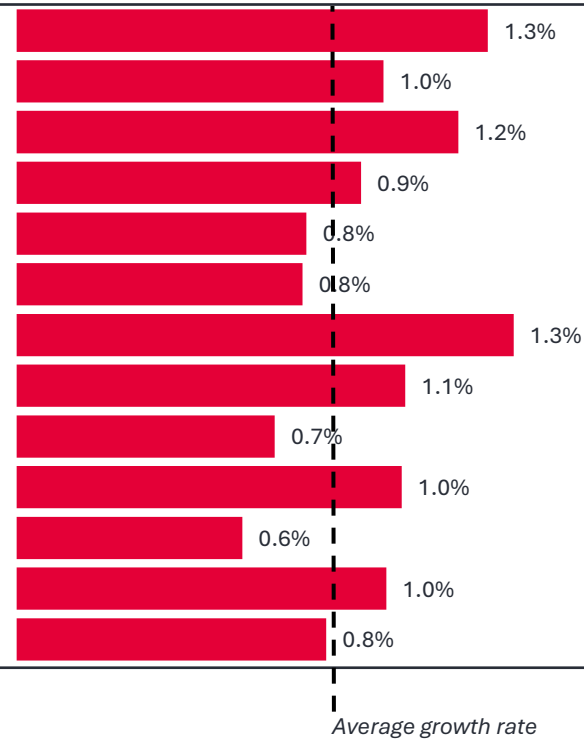
Adult Social Care: Older Adult population

POPULATION VARIATION AND FORECASTING

The existing Older Adult (over 65) population is shown across the districts in the geography. The below table shows the expected growth rate for Older Adult in each of the districts.

This analysis shows the underlying population trends that drive the change in demand for each of the new unitary authorities in the future.

District	65+ population by year			Percentage growth in 65+ from 2025-2040	Average percentage of Authority 65+	Annual growth rate of 65+ population
	2025	2030	2040			
Ashford	27.8k	30.9k	33.6k	21%	21%	1.3%
Canterbury	38.0k	41.4k	44.0k	16%	23%	1.0%
Dartford	16.8k	18.6k	20.0k	19%	14%	1.2%
Dover	30.5k	33.0k	35.0k	15%	26%	0.9%
Folkestone and Hythe	29.8k	32.0k	33.5k	12%	27%	0.8%
Gravesham	18.7k	20.0k	20.9k	12%	18%	0.8%
Maidstone	35.4k	39.6k	43.3k	22%	20%	1.3%
Medway	47.8k	52.3k	55.9k	17%	18%	1.1%
Sevenoaks	27.0k	28.8k	30.0k	11%	23%	0.7%
Swale	30.5k	33.4k	35.7k	17%	20%	1.0%
Thanet	34.8k	36.8k	38.1k	10%	25%	0.6%
Tonbridge and Malling	26.9k	29.4k	31.3k	16%	20%	1.0%
Tunbridge Wells	24.1k	25.9k	27.3k	13%	21%	0.8%



Data: ONS population forecasts and estimates
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

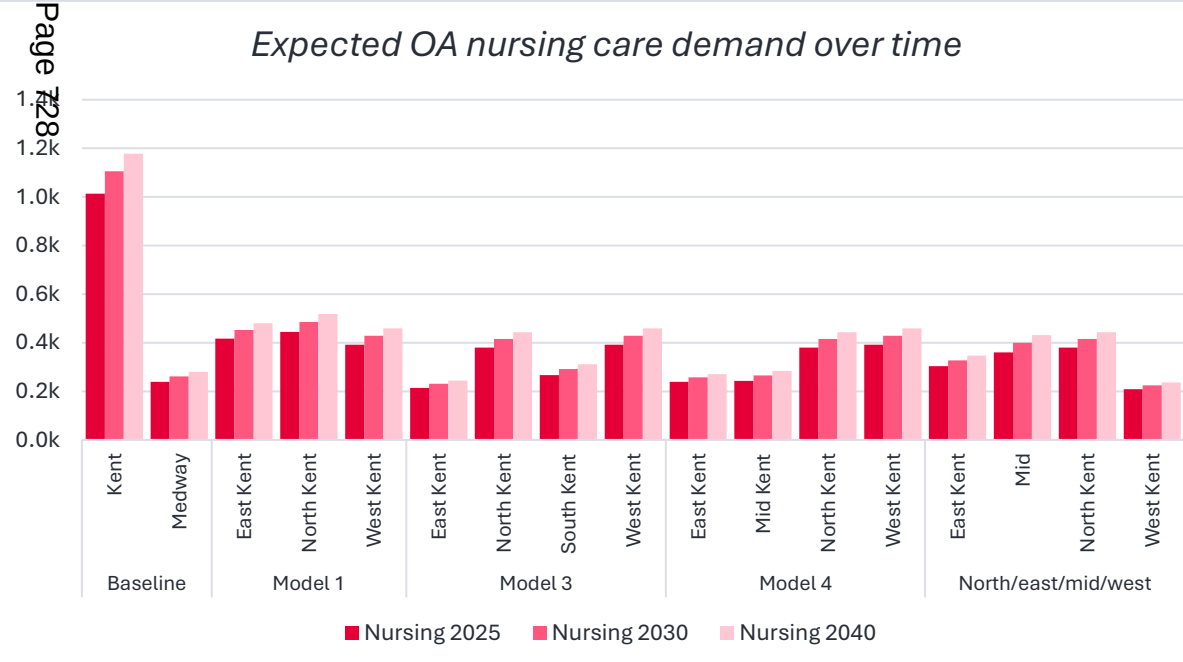
Adult Social Care: Older Adult demand

NURSING CARE DEMAND VARIATION AND FORECASTING

The following slides show the expected demand for Older Adult in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary.

The graph on the left shows total demand in 2025, 2030 and 2040. In general, this is proportional to population in the new unitary authorities. This analysis will show the expected growth in each unitary and identify areas that are expected to see high growth.

The table to the right of each graph shows the prevalence per 10,000 Older Adults. Due to only having placement address we have not modelled the impact of ordinary residence and therefore prevalence remains consistent.



Scenario	Proposed Authority	Nursing care Prevalence
Baseline	Kent	30
	Medway	50
Model 1	East Kent	26
	North Kent	39
	West Kent	34
Model 3	East Kent	21
	North Kent	46
	South Kent	30
	West Kent	34
Model 4	East Kent	23
	Mid Kent	28
	North Kent	46
	West Kent	34
North/east/mid/west	East Kent	23
	Mid	39
	North Kent	46
	West Kent	27

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

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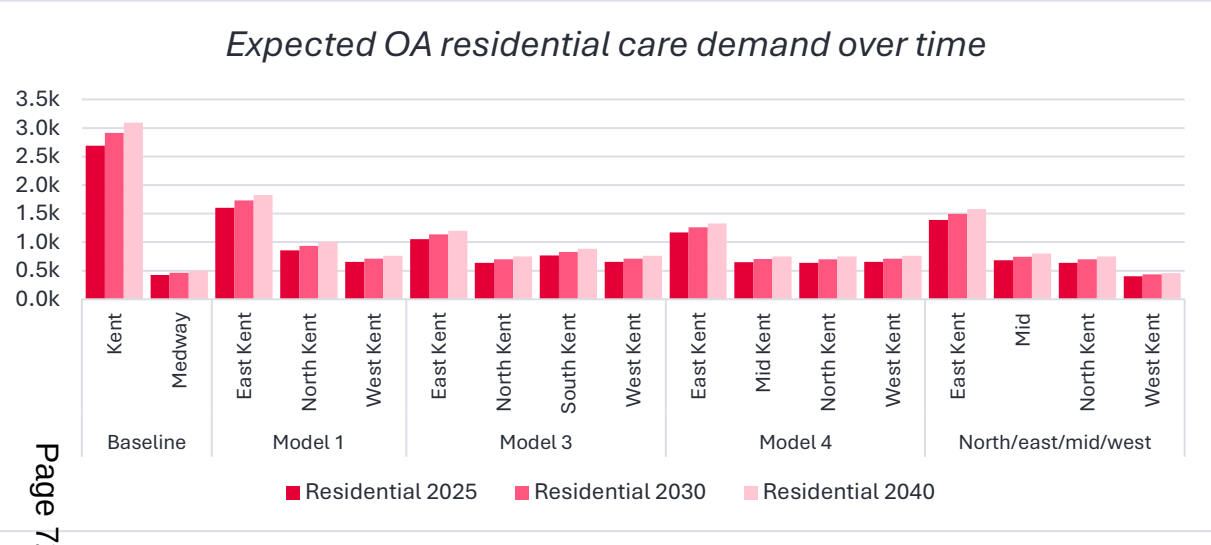
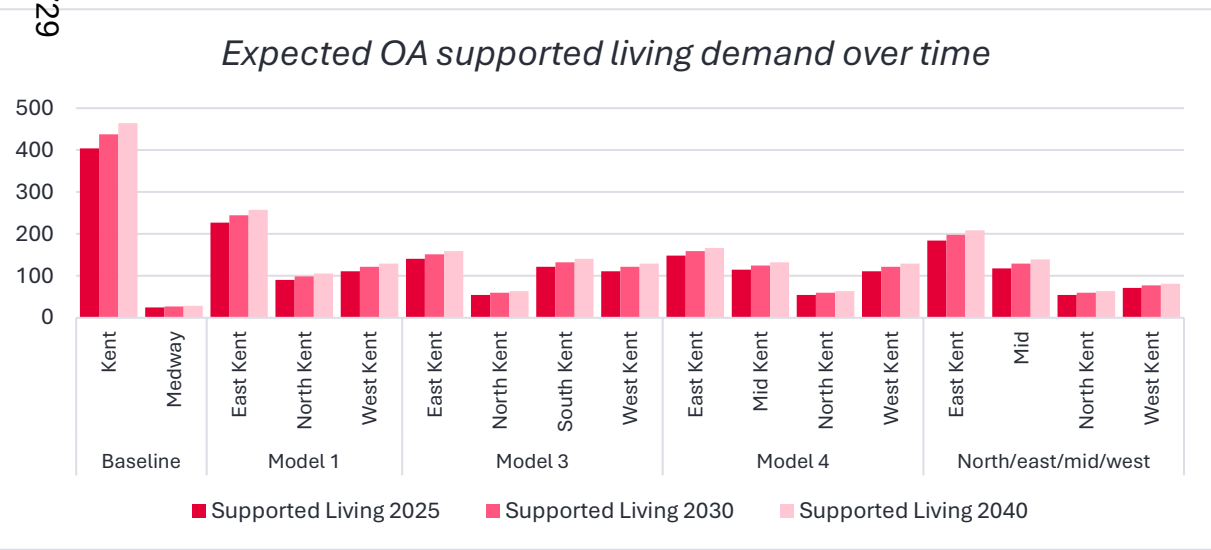
Prevalence is shown per 10k older adults (65+).

Adult Social Care: Older Adult demand

RESIDENTIAL CARE AND SUPPORTED LIVING DEMAND VARIATION AND FORECASTING





Scenario	Proposed Authority	Residential care Prevalence
Baseline	Kent	79
	Medway	89
Model 1	East Kent	100
	North Kent	75
	West Kent	58
Model 3	East Kent	102
	North Kent	77
	South Kent	87
	West Kent	58
Model 4	East Kent	114
	Mid Kent	74
	North Kent	77
	West Kent	58
North/east/mid/west	East Kent	104
	Mid	73
	North Kent	77
	West Kent	52

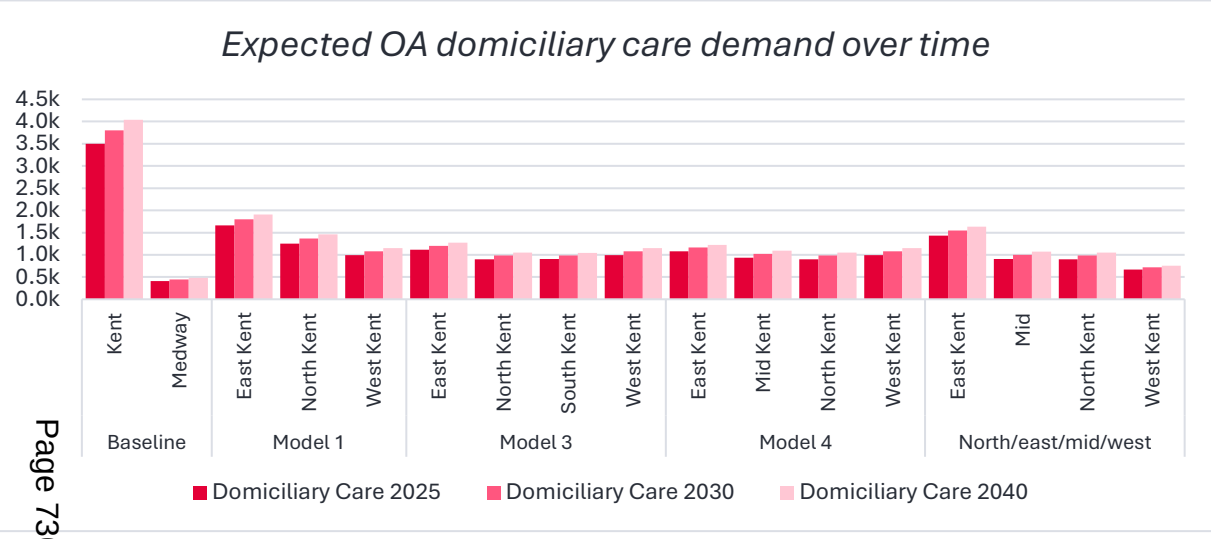
Scenario	Proposed Authority	Supported Living Prevalence
Baseline	Kent	12
	Medway	5
Model 1	East Kent	14
	North Kent	8
	West Kent	10
Model 3	East Kent	14
	North Kent	7
	South Kent	14
	West Kent	10
Model 4	East Kent	14
	Mid Kent	13
	North Kent	7
	West Kent	10
North/east/mid/west	East Kent	14
	Mid	13
	North Kent	7
	West Kent	9

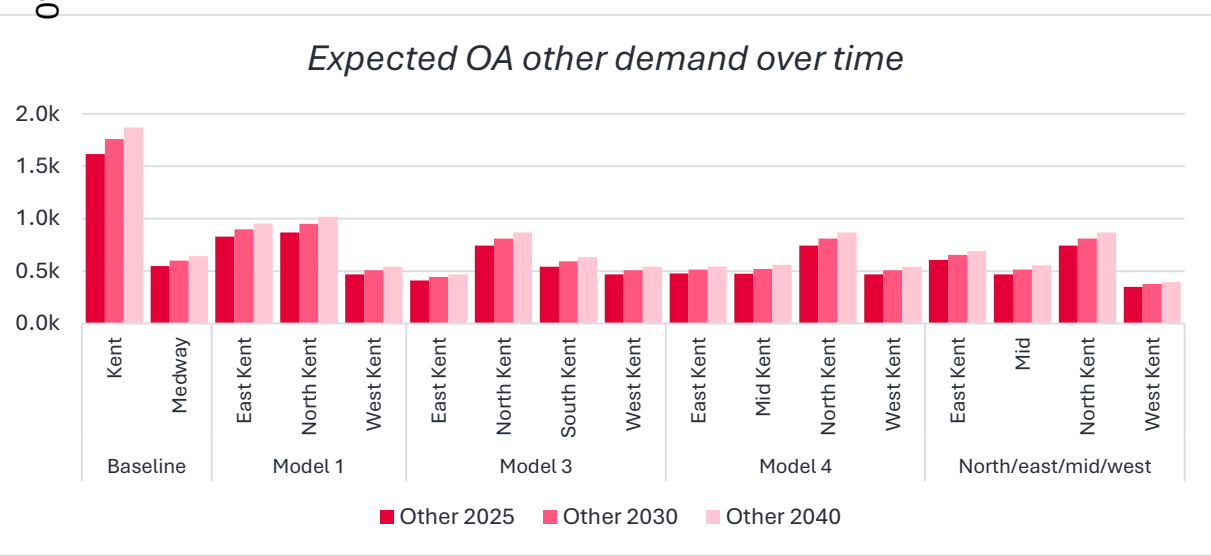
Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

Prevalence is shown per 10k older adults (65+).

Adult Social Care: Older Adult demand

DOMICILIARY CARE AND OTHER DEMAND VARIATION AND FORECASTING





Scenario	Proposed Authority	Domiciliary Care Prevalence
Baseline	Kent	103
	Medway	86
Model 1	East Kent	104
	North Kent	110
	West Kent	87
Model 3	East Kent	108
	North Kent	108
	South Kent	103
	West Kent	87
Model 4	East Kent	105
	Mid Kent	106
	North Kent	108
	West Kent	87
North/east/mid/west	East Kent	107
	Mid	98
	North Kent	108
	West Kent	85

Scenario	Proposed Authority	Other Prevalence
Baseline	Kent	48
	Medway	115
Model 1	East Kent	51
	North Kent	77
	West Kent	41
Model 3	East Kent	40
	North Kent	89
	South Kent	62
	West Kent	41
Model 4	East Kent	46
	Mid Kent	54
	North Kent	89
	West Kent	41
North/east/mid/west	East Kent	45
	Mid	50
	North Kent	89
	West Kent	45

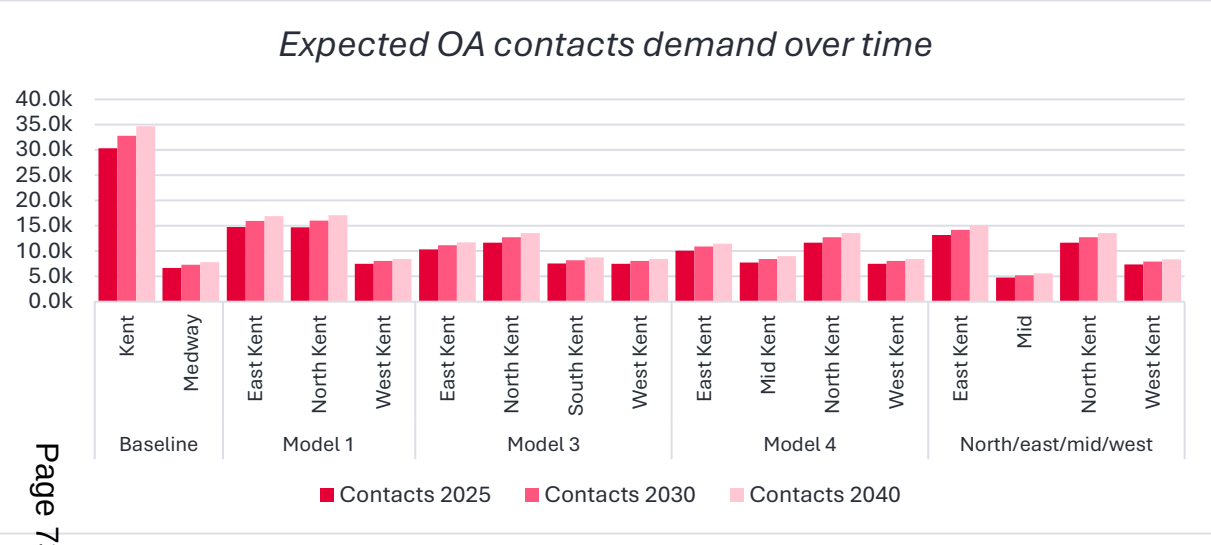
Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

PRIVATE AND CONFIDENTIAL

For Domiciliary Care and Other demand there is no impact of ordinary residence, therefore prevalence remains consistent. Prevalence is shown per 10k older adults (65+).

Adult Social Care: Older Adult demand

CONTACTS DEMAND VARIATION AND FORECASTING



Scenario	Proposed Authority	Contacts Prevalence
Baseline	Kent	891
	Medway	1394
Model 1	East Kent	919
	North Kent	1295
	West Kent	657
Model 3	East Kent	998
	North Kent	1403
	South Kent	854
	West Kent	657
Model 4	East Kent	979
	Mid Kent	877
	North Kent	1403
	West Kent	657
North/east/mid/west	East Kent	984
	Mid	512
	North Kent	1403
	West Kent	945

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

PRIVATE AND CONFIDENTIAL

For contacts there is no impact of ordinary residence, therefore prevalence remains consistent. Prevalence is shown per 10k older adults (65+).

Adult Social Care: Working Age Adult population

POPULATION VARIATION AND FORECASTING

The existing Working Age Adult (18-65) population is shown across the districts in the geography. The below table shows the expected growth rate for Working Age Adult in each of the districts.

This analysis shows the underlying population trends that drive the change in demand for each of the new unitary authorities in the future.

District	WAA population by year			Percentage growth in WAA from 2025-2040	Average percentage of Authority WAA	Annual growth rate of WAA population
	2025	2030	2040			
Ashford	82.2k	86.4k	90.6k	10%	58%	0.7%
Canterbury	102.1k	105.1k	108.0k	6%	60%	0.4%
Dartford	75.2k	78.6k	81.9k	9%	61%	0.6%
Dover	70.1k	71.8k	73.6k	5%	56%	0.3%
Folkestone and Hythe	65.7k	66.6k	67.5k	3%	56%	0.2%
Gravesham	63.8k	64.5k	65.3k	2%	59%	0.2%
Maidstone	110.1k	116.4k	122.7k	11%	59%	0.7%
Medway	173.5k	179.3k	185.0k	7%	60%	0.4%
Sevenoaks	68.9k	69.3k	69.8k	1%	56%	0.1%
Swale	94.2k	97.3k	100.3k	7%	59%	0.4%
Thanet	81.4k	81.3k	81.4k	0%	56%	0.0%
Tonbridge and Malling	81.0k	83.4k	85.8k	6%	58%	0.4%
Tunbridge Wells	69.9k	71.1k	72.3k	3%	58%	0.2%

Average growth rate

Data: ONS population forecasts and estimates
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

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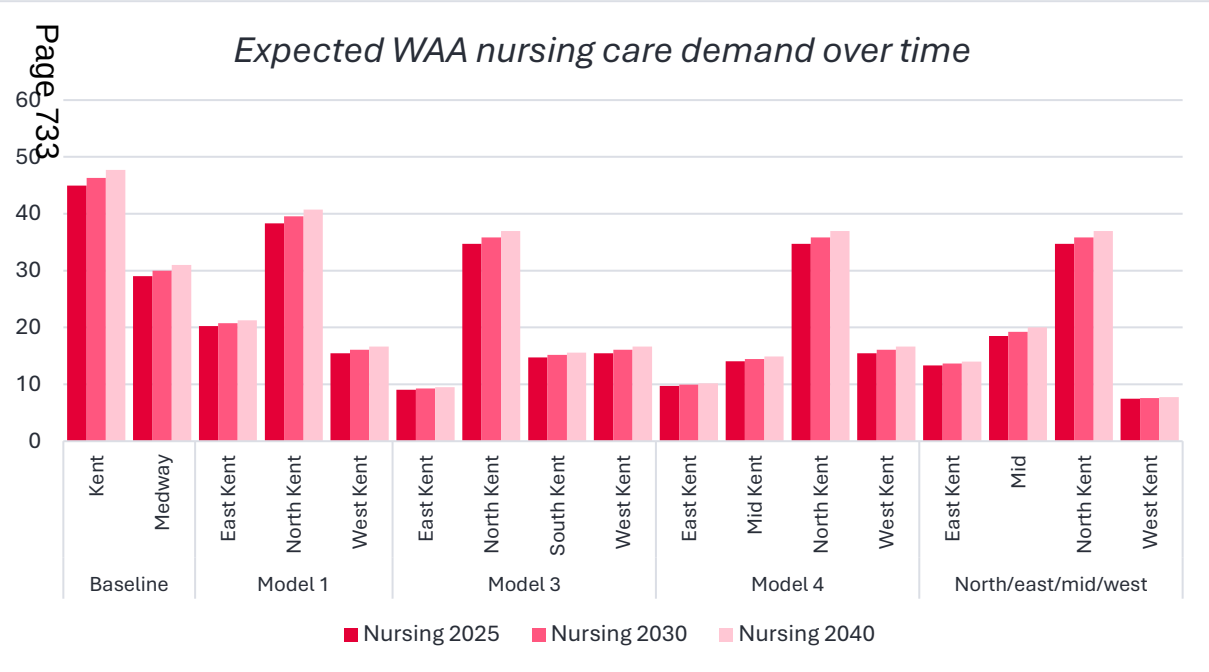
Adult Social Care: Working Age Adult demand

NURSING CARE DEMAND VARIATION AND FORECASTING

The following slides show the expected demand for Working Age Adults in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary.

The graph on the left shows total demand in 2025, 2030 and 2040, in general this is proportional to population in the new unitary authorities. This analysis will show the expected growth in each unitary and identify areas that are expected to see high growth.

The table to the right of each graph shows the prevalence per 10,000 Older Adults. Due to only having placement address we have not modelled the impact of ordinary residence and therefore prevalence remains consistent.



Scenario	Proposed Authority	Nursing care Prevalence 2025
Baseline	Kent	0.47
	Medway	1.67
Model 1	East Kent	0.50
	North Kent	0.94
	West Kent	0.47
Model 3	East Kent	0.33
	North Kent	1.11
	South Kent	0.68
	West Kent	0.47
Model 4	East Kent	0.38
	Mid Kent	0.58
	North Kent	1.11
	West Kent	0.47
North/east/mid/west	East Kent	0.38
	Mid	0.72
	North Kent	1.11
	West Kent	0.34

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

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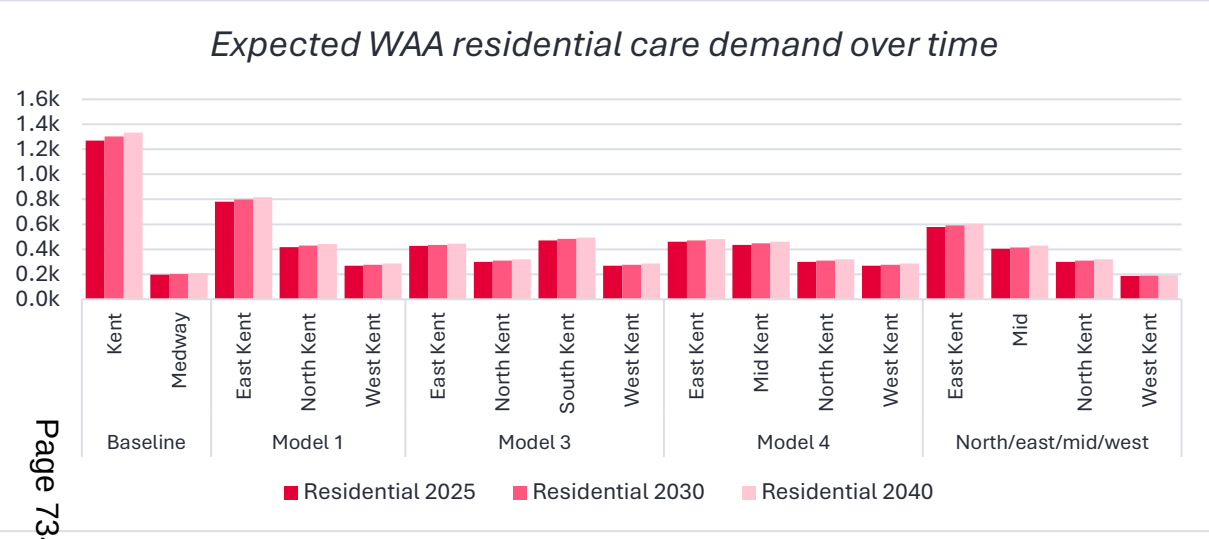
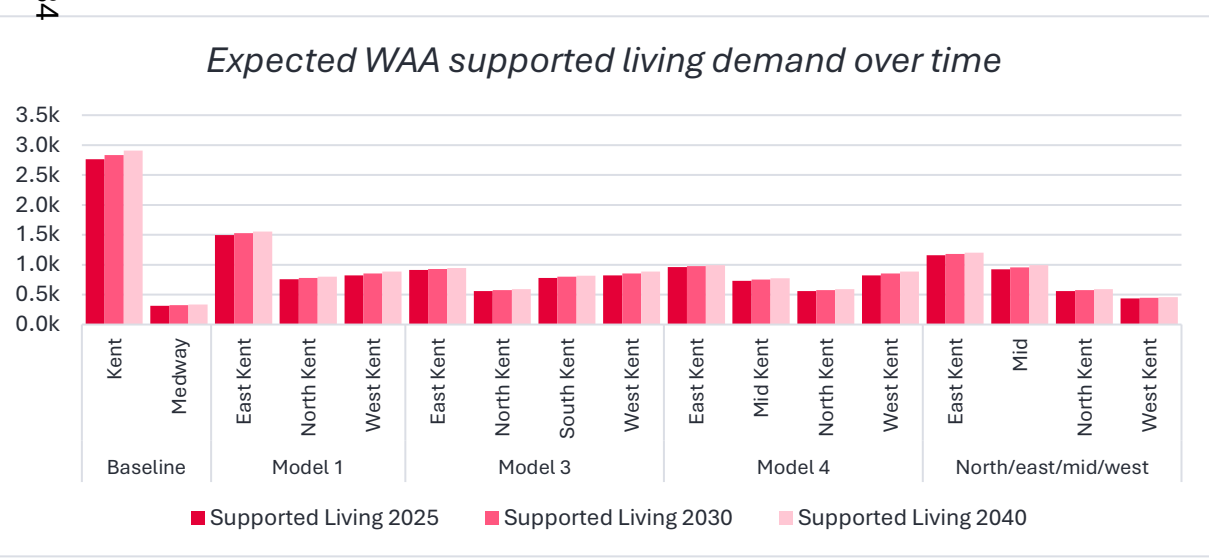
Prevalence is shown per 10k working age adults (18-64).

Adult Social Care: Working Age Adult demand

RESIDENTIAL CARE AND SUPPORTED LIVING DEMAND VARIATION AND FORECASTING





Scenario	Proposed Authority	Residential Prevalence 2025
Baseline	Kent	13.16
	Medway	11.33
Model 1	East Kent	19.45
	North Kent	10.23
	West Kent	8.17
Model 3	East Kent	15.35
	North Kent	9.59
	South Kent	21.60
	West Kent	8.17
Model 4	East Kent	18.19
	Mid Kent	18.01
	North Kent	9.59
	West Kent	8.17
North/east/mid/west	East Kent	16.60
	Mid	15.62
	North Kent	9.59
	West Kent	8.47

Scenario	Proposed Authority	Supported Living Prevalence 2025
Baseline	Kent	29
	Medway	18
Model 1	East Kent	37
	North Kent	19
	West Kent	25
Model 3	East Kent	33
	North Kent	18
	South Kent	36
	West Kent	25
Model 4	East Kent	38
	Mid Kent	30
	North Kent	18
	West Kent	25
North/east/mid/west	East Kent	33
	Mid	36
	North Kent	18
	West Kent	20

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

Prevalence is shown per 10k working age adults (18-64).

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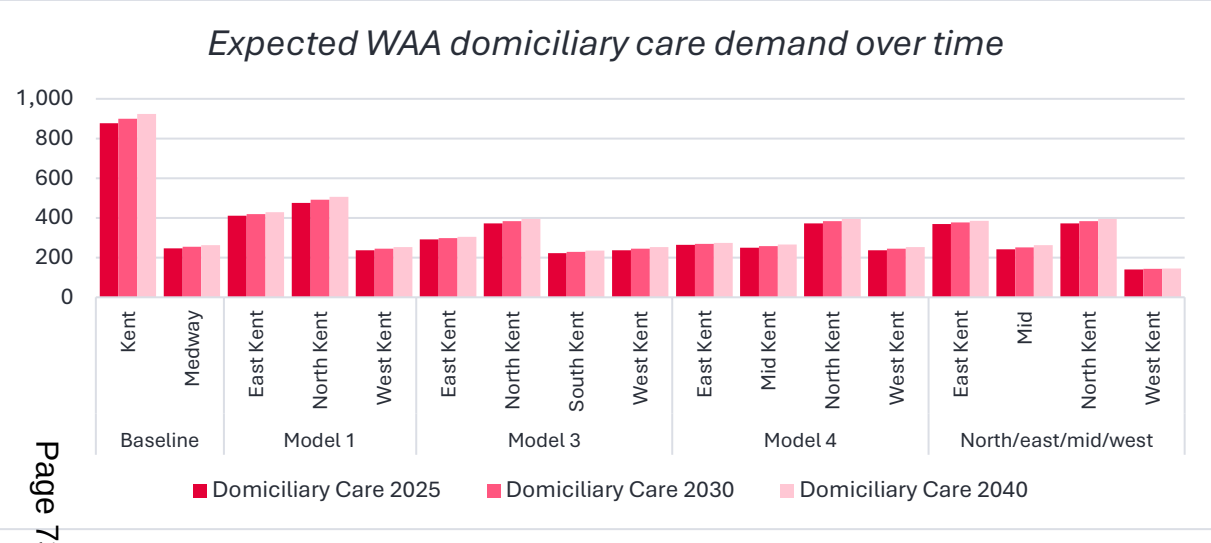
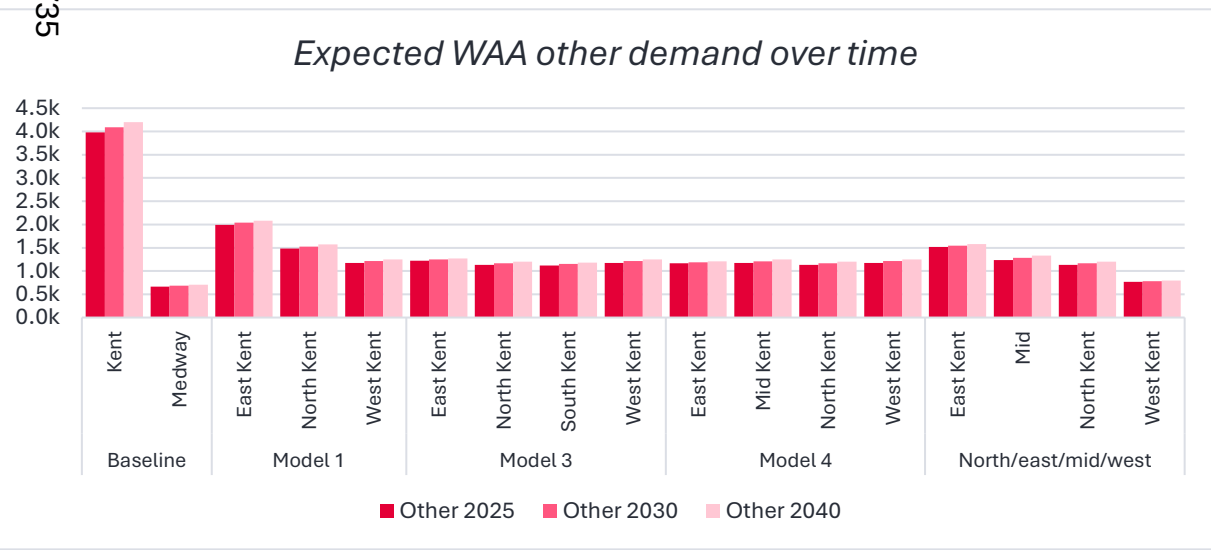
Adult Social Care: Working Age Adult demand

DOMICILIARY CARE AND OTHER DEMAND VARIATION AND FORECASTING





Scenario	Proposed Authority	Domiciliary Care Prevalence
Baseline	Kent	9
	Medway	14
Model 1	East Kent	10
	North Kent	12
	West Kent	7
Model 3	East Kent	11
	North Kent	12
	South Kent	10
	West Kent	7
Model 4	East Kent	10
	Mid Kent	10
	North Kent	12
	West Kent	7
North/east/mid/west	East Kent	11
	Mid	9
	North Kent	12
	West Kent	6

Scenario	Proposed Authority	Other Prevalence
Baseline	Kent	41
	Medway	38
Model 1	East Kent	50
	North Kent	36
	West Kent	36
Model 3	East Kent	44
	North Kent	36
	South Kent	51
	West Kent	36
Model 4	East Kent	46
	Mid Kent	48
	North Kent	36
	West Kent	36
North/east/mid/west	East Kent	44
	Mid	48
	North Kent	36
	West Kent	35

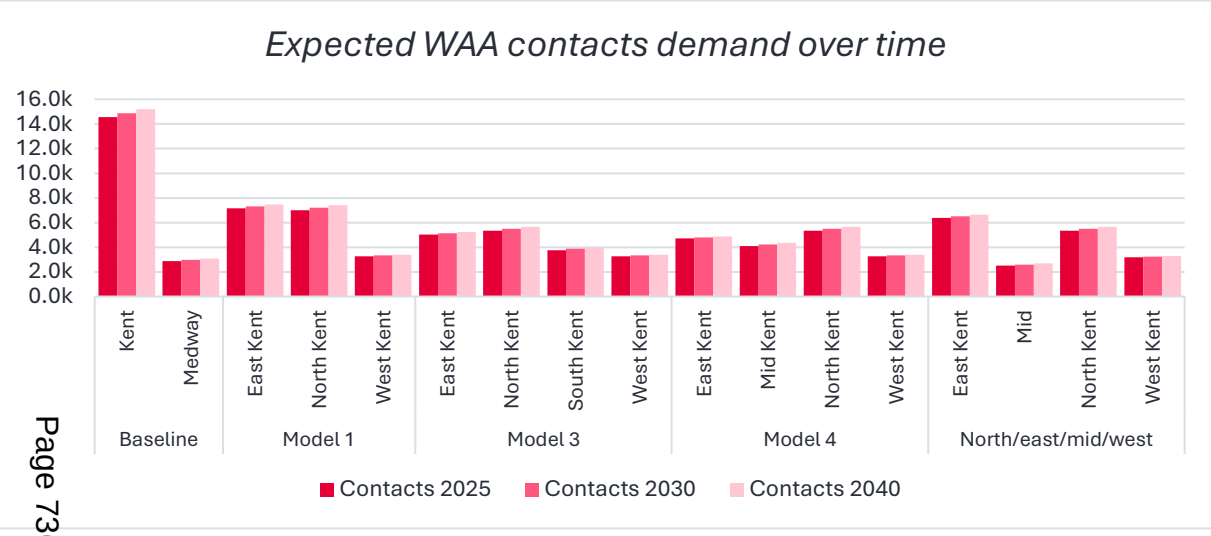
Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

PRIVATE AND CONFIDENTIAL

For Domiciliary Care and Other demand there is no impact of ordinary residence, therefore prevalence remains consistent. Prevalence is shown per 10k working age adults (18-64).

Adult Social Care: Working Age Adult demand

CONTACTS DEMAND VARIATION AND FORECASTING



Scenario	Proposed Authority	Contacts Prevalence
Baseline	Kent	151
	Medway	166
Model 1	East Kent	178
	North Kent	172
	West Kent	99
Model 3	East Kent	182
	North Kent	171
	South Kent	173
	West Kent	99
Model 4	East Kent	186
	Mid Kent	169
	North Kent	171
	West Kent	99
North/east/mid/west	East Kent	183
	Mid	97
	North Kent	171
	West Kent	145

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

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For contacts there is no impact of ordinary residence, therefore prevalence remains consistent. Prevalence is shown per 10k working age adults (18-64).

Adult Social Care: Older Adult unit costs

UNIT COST VARIATION AND FORECASTING

The table shows a breakdown of the placement unit cost over time by setting in the proposed unitary formations. This has been calculated from the council data provided and refers to gross costs.

For each proposed unitarity formation unit price forecasts are based on a real-terms average of the previous cost data provided. The impact of inflation, changing demographics, and local cost variation has then been forecast.

Our analysis more widely had found there to be a correlation between unit cost and scale of existing upper tier local authorities. Controlling for deprivation, demographics and median income this applies an expected uplift in unit price for smaller unitary authorities. Detailed information is included in the methodology section of the appendix.

		Nursing Care				Residential Care				Domiciliary Care				Supported Living				Other			
Scenario	Proposed Authority	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change
Baseline	Kent	£1,109	£1,306	£1,812	63%	£963	£1,134	£1,575	64%	£340	£401	£557	63%	£792	£935	£1,300	64%	£217	£255	£353	63%
	Medway	£873	£1,028	£1,427	63%	£772	£909	£1,261	63%	£258	£304	£422	63%	£856	£1,009	£1,399	63%	£192	£226	£314	63%
Model 1	East Kent	£1,082	£1,275	£1,770	64%	£918	£1,082	£1,503	64%	£304	£359	£498	64%	£793	£936	£1,302	64%	£166	£196	£271	63%
	North Kent	£930	£1,095	£1,520	63%	£839	£989	£1,372	63%	£317	£373	£517	63%	£687	£811	£1,127	64%	£194	£229	£317	63%
	West Kent	£1,283	£1,509	£2,091	63%	£1,162	£1,366	£1,893	63%	£423	£497	£688	63%	£941	£1,110	£1,541	64%	£339	£399	£553	63%
Model 3	East Kent	£984	£1,159	£1,609	64%	£838	£988	£1,372	64%	£303	£357	£495	64%	£602	£710	£986	64%	£187	£221	£306	63%
	North Kent	£924	£1,088	£1,510	63%	£842	£992	£1,377	63%	£319	£375	£521	63%	£849	£1,003	£1,396	64%	£199	£234	£324	63%
	South Kent	£1,173	£1,381	£1,916	63%	£1,013	£1,194	£1,657	64%	£313	£369	£512	64%	£927	£1,092	£1,516	63%	£157	£185	£257	63%
	West Kent	£1,283	£1,509	£2,091	63%	£1,162	£1,366	£1,893	63%	£423	£497	£688	63%	£941	£1,110	£1,541	64%	£339	£399	£553	63%
Model 4	East Kent	£1,056	£1,245	£1,728	64%	£884	£1,042	£1,447	64%	£305	£360	£499	64%	£784	£927	£1,290	65%	£154	£181	£251	63%
	Mid Kent	£1,101	£1,297	£1,800	63%	£956	£1,126	£1,563	64%	£309	£365	£507	64%	£696	£820	£1,138	63%	£185	£218	£302	63%
	North Kent	£924	£1,088	£1,510	63%	£842	£992	£1,377	63%	£319	£375	£521	63%	£849	£1,003	£1,396	64%	£199	£234	£324	63%
	West Kent	£1,283	£1,509	£2,091	63%	£1,162	£1,366	£1,893	63%	£423	£497	£688	63%	£941	£1,110	£1,541	64%	£339	£399	£553	63%
North/east/ mid/west	East Kent	£1,042	£1,228	£1,704	64%	£870	£1,026	£1,424	64%	£305	£360	£500	64%	£712	£840	£1,167	64%	£159	£188	£260	63%
	Mid	£1,147	£1,351	£1,873	63%	£1,020	£1,202	£1,668	63%	£330	£389	£541	64%	£879	£1,036	£1,440	64%	£206	£243	£336	63%
	North Kent	£924	£1,088	£1,510	63%	£842	£992	£1,377	63%	£319	£375	£521	63%	£849	£1,003	£1,396	64%	£199	£234	£324	63%
	West Kent	£1,386	£1,632	£2,264	63%	£1,261	£1,484	£2,059	63%	£452	£533	£738	63%	£919	£1,083	£1,503	63%	£373	£441	£612	64%

Data: Council data
Assumptions: see appendix for UA assumptions and step-up-factor. Inflation at 3.28%.

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Adult Social Care: Working Age Adult unit costs

UNIT COST VARIATION AND FORECASTING

The table shows a breakdown of the placement unit cost over time by setting in the proposed unitary formations. This has been calculated from the council data provided and refers to gross costs.

For each proposed unitarity formation unit price forecasts are based on a real-terms average of the previous cost data provided. The impact of inflation, changing demographics, and local cost variation has then been forecast.

Our analysis more widely had found there to be a correlation between unit cost and scale of existing upper tier local authorities. Controlling for deprivation, demographics and median income this applies an expected uplift in unit price for smaller unitary authorities. Detailed information is included in the methodology section of the appendix.

		Nursing Care				Residential Care				Domiciliary Care				Supported Living				Other			
Scenario	Proposed Authority	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change
Baseline	Kent	£1,271	£1,496	£2,074	63%	£2,099	£2,474	£3,434	64%	£349	£410	£569	63%	£1,112	£1,310	£1,818	64%	£360	£425	£589	63%
	Medway	£1,035	£1,219	£1,692	63%	£1,685	£1,985	£2,754	63%	£311	£366	£508	63%	£1,415	£1,667	£2,312	63%	£380	£448	£621	63%
Model 1	East Kent	£1,259	£1,483	£2,057	63%	£1,982	£2,336	£3,242	64%	£315	£371	£513	63%	£1,094	£1,290	£1,791	64%	£338	£398	£552	63%
	North Kent	£1,084	£1,277	£1,772	63%	£1,999	£2,355	£3,267	63%	£335	£394	£546	63%	£1,263	£1,487	£2,062	63%	£370	£436	£605	63%
	West Kent	£1,370	£1,610	£2,230	63%	£2,363	£2,782	£3,857	63%	£416	£490	£679	63%	£1,180	£1,390	£1,929	64%	£420	£494	£686	63%
Model 3	East Kent	£1,259	£1,482	£2,054	63%	£1,853	£2,184	£3,033	64%	£294	£346	£479	63%	£933	£1,101	£1,529	64%	£331	£389	£540	63%
	North Kent	£1,085	£1,278	£1,773	63%	£1,833	£2,160	£2,996	63%	£362	£426	£591	63%	£1,400	£1,648	£2,285	63%	£378	£445	£618	64%
	South Kent	£1,282	£1,510	£2,096	63%	£2,254	£2,656	£3,687	64%	£314	£370	£513	63%	£1,255	£1,477	£2,047	63%	£356	£419	£581	63%
	West Kent	£1,370	£1,610	£2,230	63%	£2,363	£2,782	£3,857	63%	£416	£490	£679	63%	£1,180	£1,390	£1,929	64%	£420	£494	£686	63%
Model 4	East Kent	£1,258	£1,481	£2,053	63%	£1,892	£2,229	£3,093	63%	£324	£381	£528	63%	£1,101	£1,299	£1,807	64%	£338	£398	£552	63%
	Mid Kent	£1,263	£1,488	£2,065	63%	£2,215	£2,611	£3,625	64%	£281	£331	£458	63%	£1,039	£1,223	£1,695	63%	£346	£408	£565	63%
	North Kent	£1,085	£1,278	£1,773	63%	£1,833	£2,160	£2,996	63%	£362	£426	£591	63%	£1,400	£1,648	£2,285	63%	£378	£445	£618	64%
	West Kent	£1,370	£1,610	£2,230	63%	£2,363	£2,782	£3,857	63%	£416	£490	£679	63%	£1,180	£1,390	£1,929	64%	£420	£494	£686	63%
North/east/ mid/west	East Kent	£1,240	£1,460	£2,025	63%	£1,985	£2,339	£3,247	64%	£301	£354	£491	63%	£1,060	£1,250	£1,737	64%	£339	£400	£554	63%
	Mid	£1,249	£1,470	£2,038	63%	£2,193	£2,584	£3,587	64%	£335	£395	£548	63%	£1,106	£1,301	£1,804	63%	£363	£428	£594	64%
	North Kent	£1,085	£1,278	£1,773	63%	£1,833	£2,160	£2,996	63%	£362	£426	£591	63%	£1,400	£1,648	£2,285	63%	£378	£445	£618	64%
	West Kent	£1,555	£1,831	£2,541	63%	£2,451	£2,886	£4,003	63%	£438	£516	£716	63%	£1,231	£1,452	£2,017	64%	£435	£513	£712	64%

Data: Council data
Assumptions: see appendix for UA assumptions and step-up-factor. Inflation at 3.28%.

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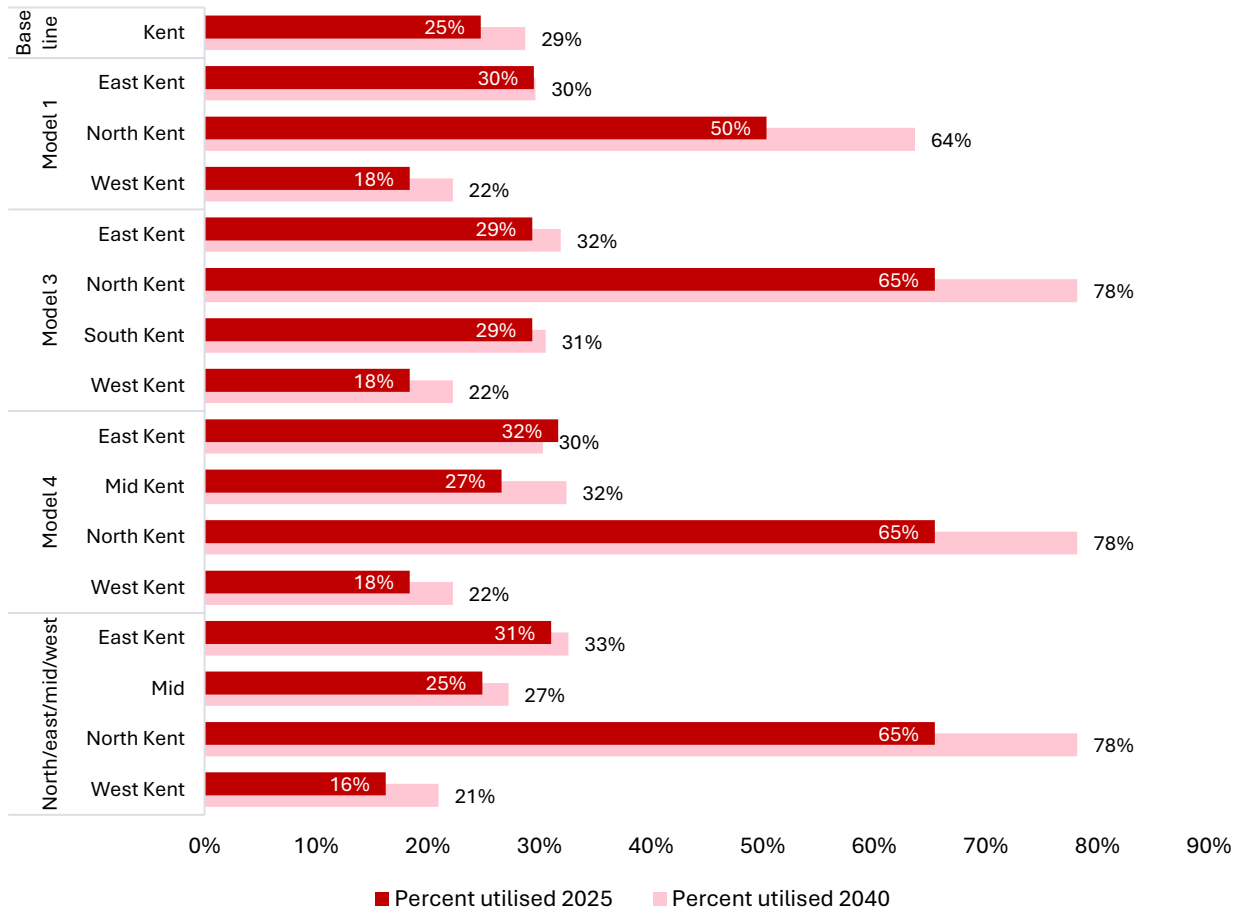
Adult Social Care: Capacity

PLACEMENT DEMAND AND CAPACITY UTILISATION

This analysis shows the expected % of available capacity required to support forecast demand for 2025 and 2040. This capacity also includes beds occupied in the private market and so exceeds council only demand in most cases.

Where there is a higher % this means that a higher proportion of the available capacity is required to support the forecasted demand.

Adult's Social Care Capacity over time



Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

Adult Social Care: Quality

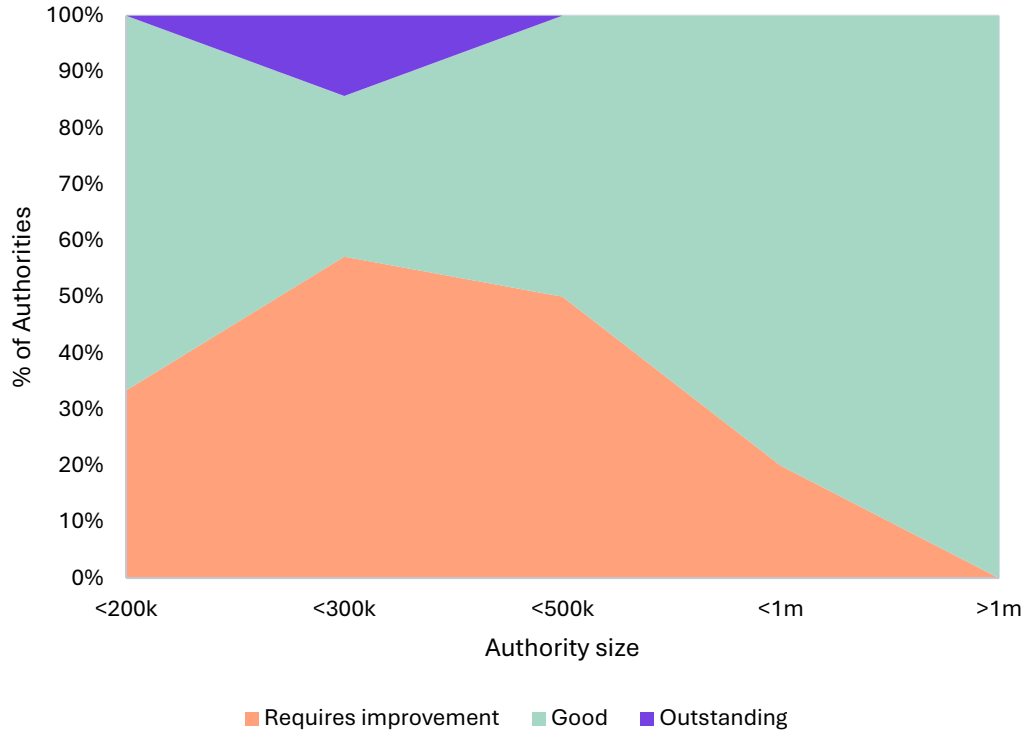
THERE IS LIMITED NATIONALLY AVAILABLE DATA TO DRAW CONCLUSIONS OF QUALITY BASED ON POPULATION SIZE

The CQC is currently in the process of implementing a new assessment framework for local authorities and integrated care networks. This means that limited CQC ratings have been published at time of completing this analysis.

There was not sufficient data for us to provide a meaningful model based on these published outcomes. Therefore, no conclusions have been drawn, even at a high level, from the published reports.

As with OFSTED, income, deprivation and geographic location could be more influential than population alone, however further data and information is required to draw meaningful conclusions.

CQC Quality of Authority Distribution



Adult Social Care
SERVICE COST SUMMARY

The predicted spend for each scenario is included in the table below alongside the expected service cost in 2025 and 2040. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

In general, there is an increase in combined service cost for scenarios with more authorities. This is driven by the expected uplift on placement unit costs applied to smaller authorities and higher combined staffing overheads due to having more authorities and therefore leadership teams. Note, the model only accounts for the additional uplift in staffing costs for delivery teams and there is an expected additional increase from other teams, such as IT or legal teams, that have not been modelled in this analysis.

Scenario	Proposed Authority	Predicted spend for scenario 2025	ASC service cost 2025 (net placements cost + staffing)	Predicted spend for scenario 2040	ASC service cost 2040 (net placements cost + staffing)
Baseline	Kent	£829.2m	£722m	£1486.9m	£1293m
	Medway		£107m		£194m
Model 1	East	£841.5m	£373m	£1510.0m	£662m
	North		£239m		£432m
	West		£229m		£416m
Model 3	East	£847.4m	£208m	£1520.3m	£369m
	North		£184m		£333m
	South		£226m		£403m
	West		£229m		£416m
Model 4	East	£845.4m	£234m	£1516.7m	£413m
	Mid		£198m		£354m
	North		£184m		£333m
	West		£229m		£416m
North/east/ mid/west	East	£845.6m	£288m	£1516.6m	£511m
	Mid		£224m		£409m
	North		£184m		£333m
	West		£149m		£264m

Data: ONS population forecasts and estimates, council provided cost data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

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Section 2b: Children's Social Care

The scope of this section is to provide insight into the likely impacts of each proposed scenario on Children's Social Care, covering demand, cost and quality over the next 15 years.

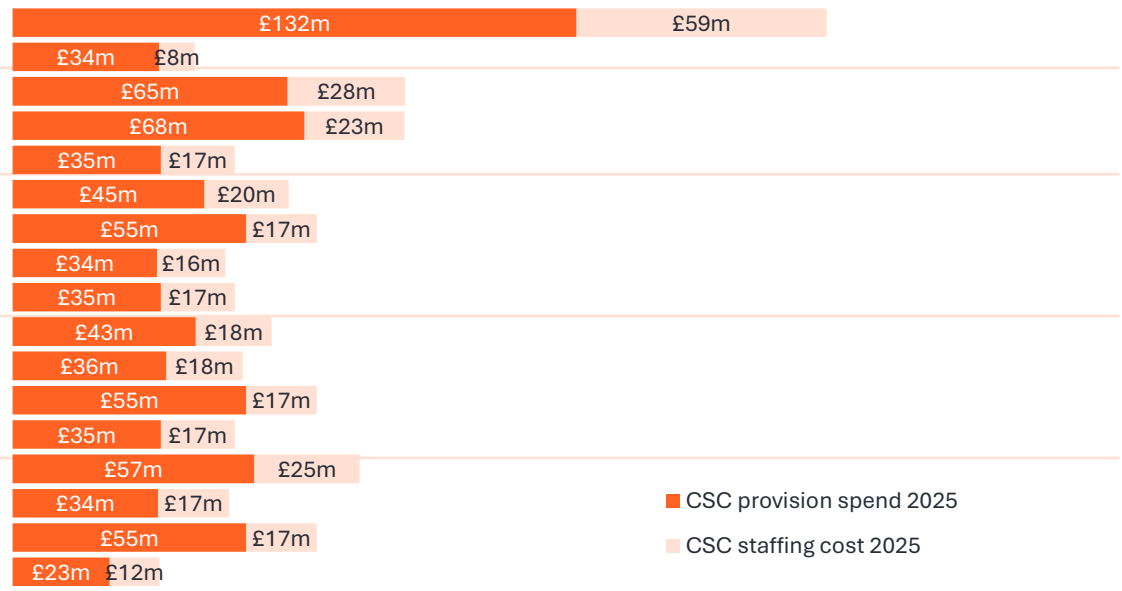
Children's Social Care

SERVICE COST VARIATION AND FORECASTING

This analysis has considered the variation in the cost of delivering care between each of the proposed unitary formations. This cost includes both the cost of the provision of care, in addition to the authority staffing cost associated with delivering CSC support (where this data has been provided). Staffing costs resulting from other teams, such as IT or legal teams, that have not been modelled in this analysis. Cost growth includes both the expected impact of increased demand, increased unit cost and wage increases. As this work has been performed without any personal identifiable data and caseload sizes for Children in Care settings are small, changes in the blend of settings with time have not been modelled. Should this blend change, this may cause a variation in unit cost over time i.e. due to a decline in internal fostering capacity or increase in Residential Care placements, but this has not been included in the model. Spend per resident per year compares the cost for this service to total number of residents in the new authority. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

This will support understanding if certain scenarios create variation in spend per resident both in 2025 and the future, showing where there are unitary authorities with a higher spend per resident to the baseline scenario as well as unitary authorities that have high cost growth in the future. Growth in cost is driven by inflation and the different growth rates in demand across constituent areas within proposed authorities.

Scenario	Proposed Authority	Spend per resident 2025	Spend per resident 2040	% growth in spend (2025-2040)
Baseline	Kent	£115	£167	53%
	Medway	£149	£224	60%
Model 1	East	£131	£186	48%
	North	£136	£204	59%
	West	£91	£135	57%
Model 3	East	£136	£195	49%
	North	£138	£208	60%
	South	£130	£184	50%
	West	£91	£135	57%
Model 4	East	£137	£194	46%
	Mid	£129	£186	54%
	North	£138	£208	60%
	West	£91	£135	57%
North/east/ mid/west	East	£135	£193	49%
	Mid	£114	£164	56%
	North	£138	£208	60%
	West	£90	£133	53%



Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

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Children's Social Care: Population

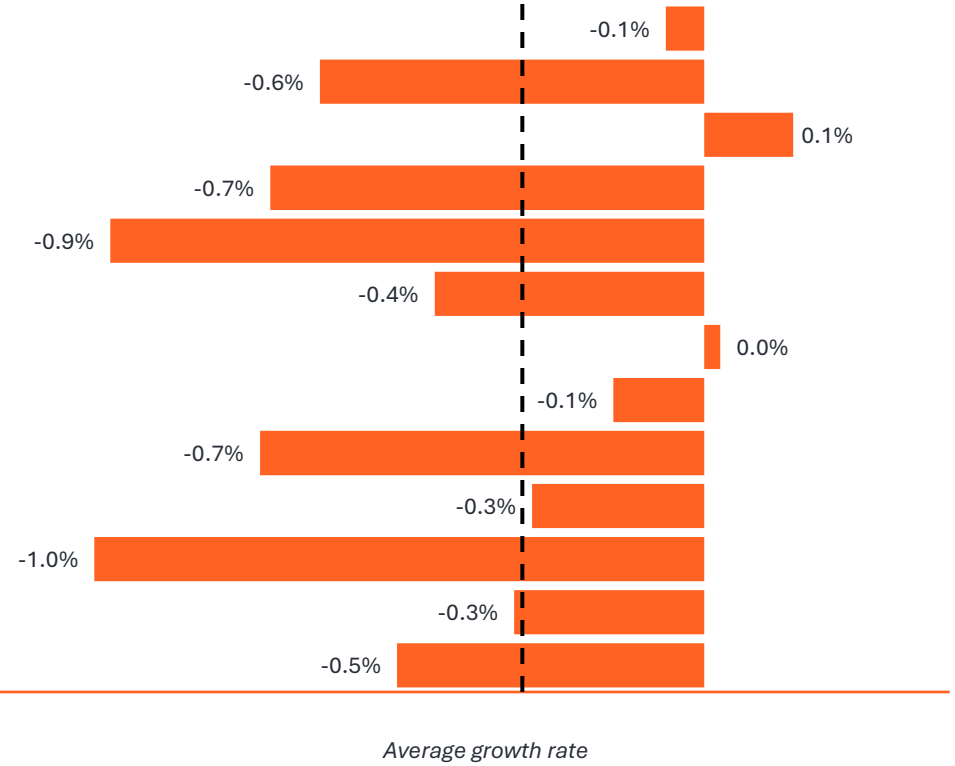
U18 POPULATION VARIATION AND FORECASTING

The existing U18 population is shown across the districts in the geography. The below table shows the expected growth rate for U18s in each of the districts.

This analysis shows the underlying population trends that drive the change in demand for each of the new unitary authorities in the future.

District	U18 population by year			Percentage growth in U18 from 2025-2040	Average percentage of Authority U18
	2025	2030	2040		
Ashford	31.1k	30.8k	30.8k	-1%	21%
Canterbury	31.3k	29.7k	28.6k	-9%	17%
Dartford	30.8k	31.1k	31.5k	2%	24%
Dover	24.7k	23.3k	22.3k	-10%	18%
Folkestone and Hythe	22.0k	20.3k	19.1k	-13%	17%
Gravesham	25.6k	24.6k	24.0k	-6%	23%
Maidstone	40.5k	40.4k	40.7k	0%	21%
Medway	66.0k	65.0k	64.6k	-2%	22%
Sevenoaks	27.6k	26.0k	24.9k	-10%	21%
Swale	35.1k	34.2k	33.7k	-4%	21%
Thanet	29.3k	27.0k	25.4k	-13%	19%
Tonbridge and Malling	31.6k	30.8k	30.2k	-4%	22%
Tunbridge Wells	27.4k	26.2k	25.5k	-7%	21%

Annual growth rate of U18 population



Data: ONS population forecasts and estimates
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

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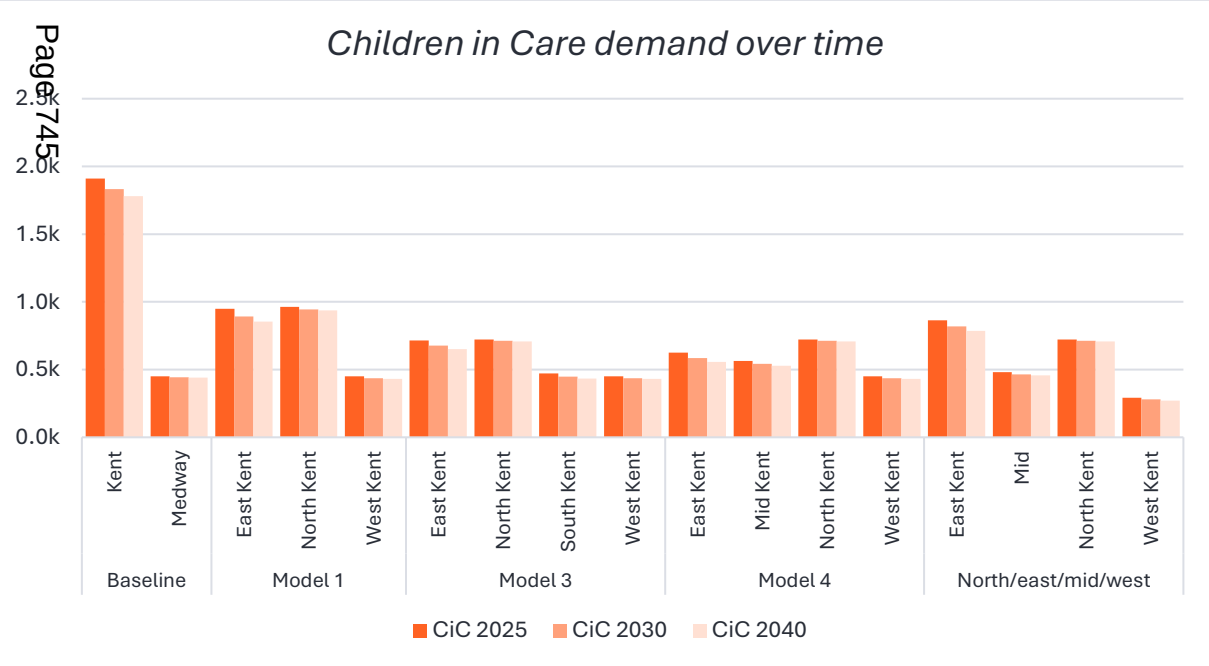
Children's Social Care: Demand

CHILDREN IN CARE DEMAND VARIATION AND FORECASTING

The following slides show the expected demand for Children's Social Care in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary.

The graph on the left shows total demand in 2025, 2030 and 2040, in general this is proportional to population in the new unitary authorities. This analysis will show the expected change in demand in each unitary.

The table to the right of each graph shows the prevalence per 10,000 U18 population. This remains consistent over time as agreed in the methodology sessions. As this work has been performed without any personal identifiable data and caseload sizes for Children in Care settings are small, changes in the blend of settings with time have not been modelled.



Scenario	Proposed Authority	CiC Prevalence
Baseline	Kent	54
	Medway	68
Model 1	East Kent	69
	North Kent	61
	West Kent	35
Model 3	East Kent	75
	North Kent	59
	South Kent	61
	West Kent	35
Model 4	East Kent	73
	Mid Kent	64
	North Kent	59
	West Kent	35
North/east/mid/west	East Kent	72
	Mid	51
	North Kent	59
	West Kent	34

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

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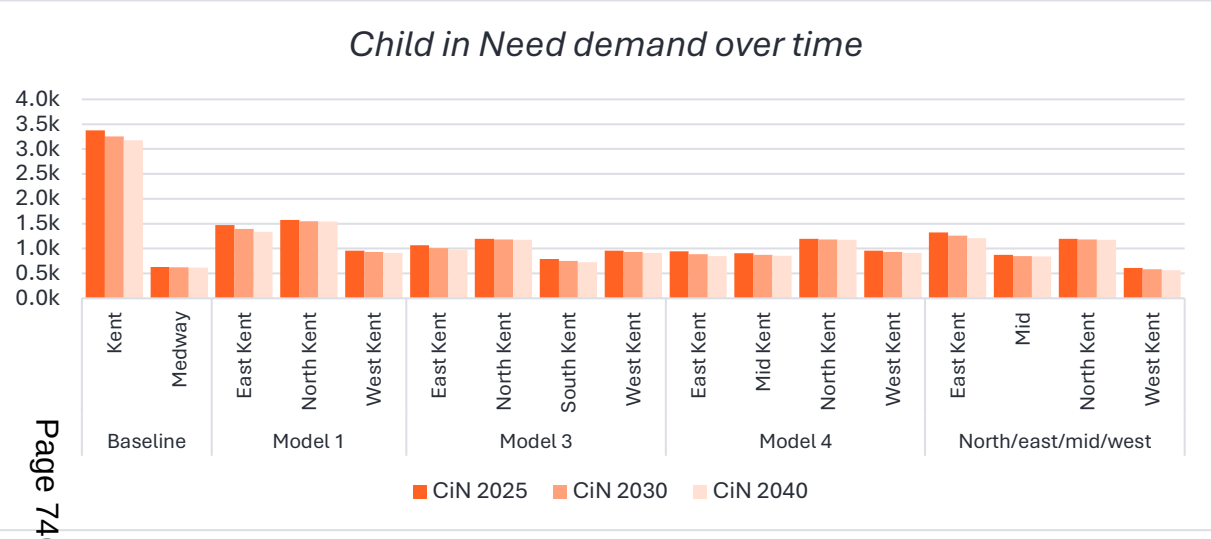
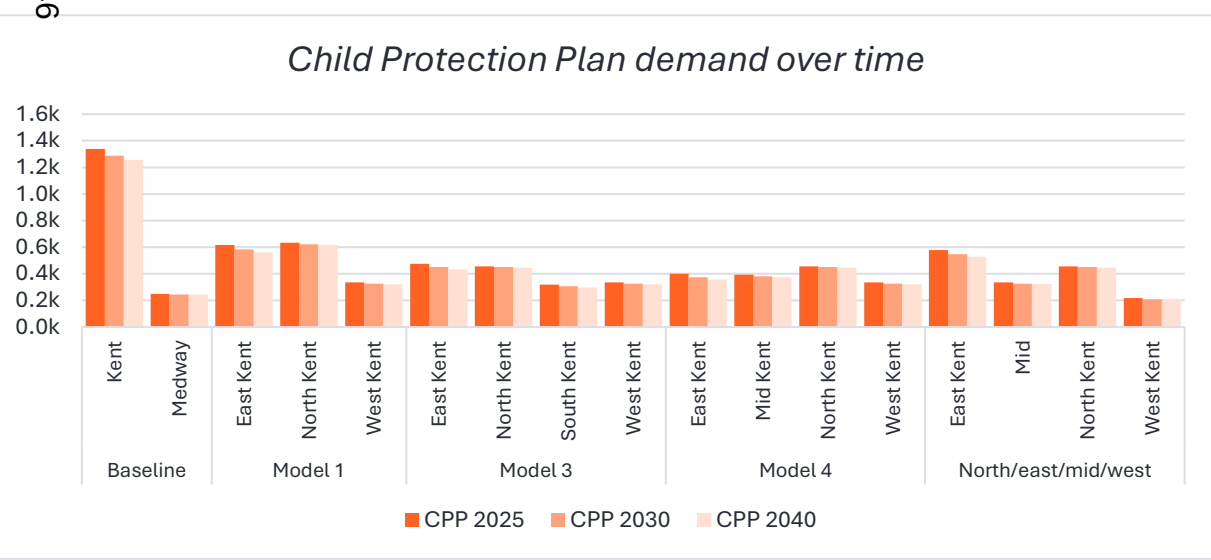
Prevalence remains consistent. Prevalence is shown per 10k U18 population.

Children's Social Care: Demand

DEMAND VARIATION AND FORECASTING





Scenario	Proposed Authority	CiN Prevalence
Baseline	Kent	95
	Medway	95
Model 1	East Kent	107
	North Kent	100
	West Kent	75
Model 3	East Kent	111
	North Kent	98
	South Kent	101
	West Kent	75
Model 4	East Kent	111
	Mid Kent	103
	North Kent	98
	West Kent	75
North/east/mid/west	East Kent	110
	Mid	93
	North Kent	98
	West Kent	70

Scenario	Proposed Authority	CPP Prevalence
Baseline	Kent	38
	Medway	38
Model 1	East Kent	45
	North Kent	40
	West Kent	26
Model 3	East Kent	50
	North Kent	37
	South Kent	41
	West Kent	26
Model 4	East Kent	47
	Mid Kent	45
	North Kent	37
	West Kent	26
North/east/mid/west	East Kent	48
	Mid	36
	North Kent	37
	West Kent	25

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

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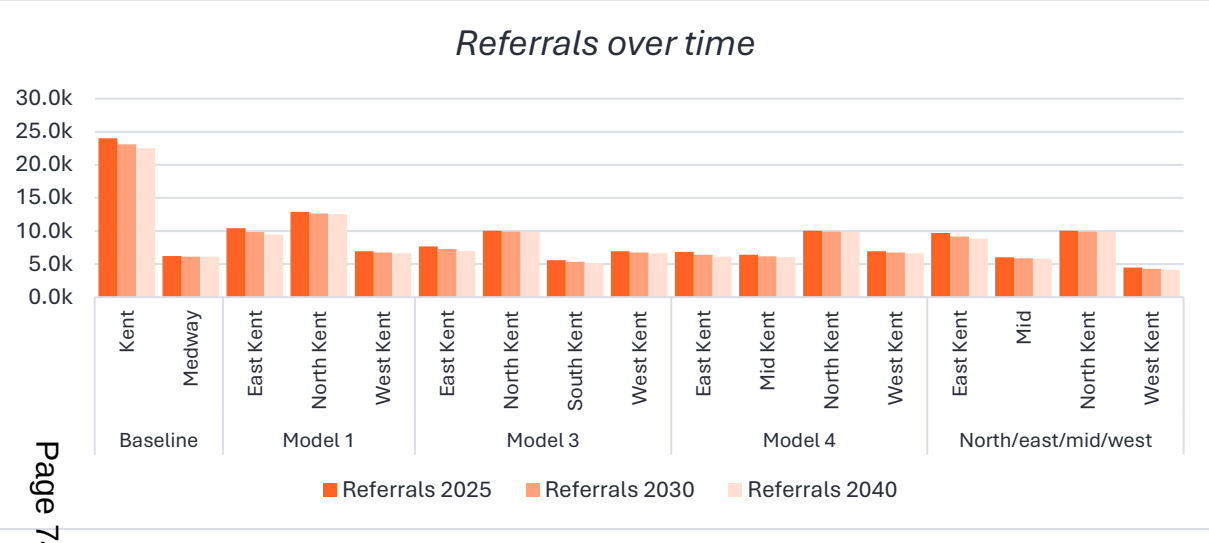
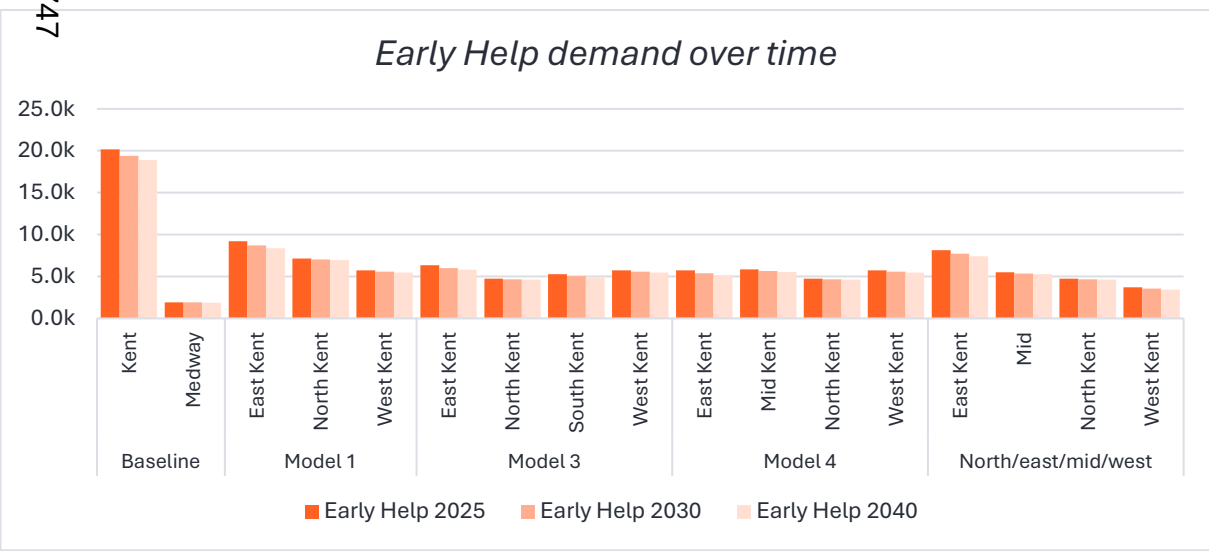
Prevalence remains consistent. Prevalence is shown per 10k U18 population.

Children's Social Care: Demand

DEMAND VARIATION AND FORECASTING





Scenario	Proposed Authority	Referrals Prevalence
Baseline	Kent	672
	Medway	943
Model 1	East Kent	754
	North Kent	817
	West Kent	545
Model 3	East Kent	800
	North Kent	820
	South Kent	721
	West Kent	545
Model 4	East Kent	804
	Mid Kent	727
	North Kent	820
	West Kent	545
North/east/mid/west	East Kent	805
	Mid	645
	North Kent	820
	West Kent	515

Scenario	Proposed Authority	Early Help Prevalence
Baseline	Kent	564
	Medway	293
Model 1	East Kent	666
	North Kent	454
	West Kent	450
Model 3	East Kent	662
	North Kent	388
	South Kent	679
	West Kent	450
Model 4	East Kent	674
	Mid Kent	665
	North Kent	388
	West Kent	450
North/east/mid/west	East Kent	677
	Mid	587
	North Kent	388
	West Kent	427

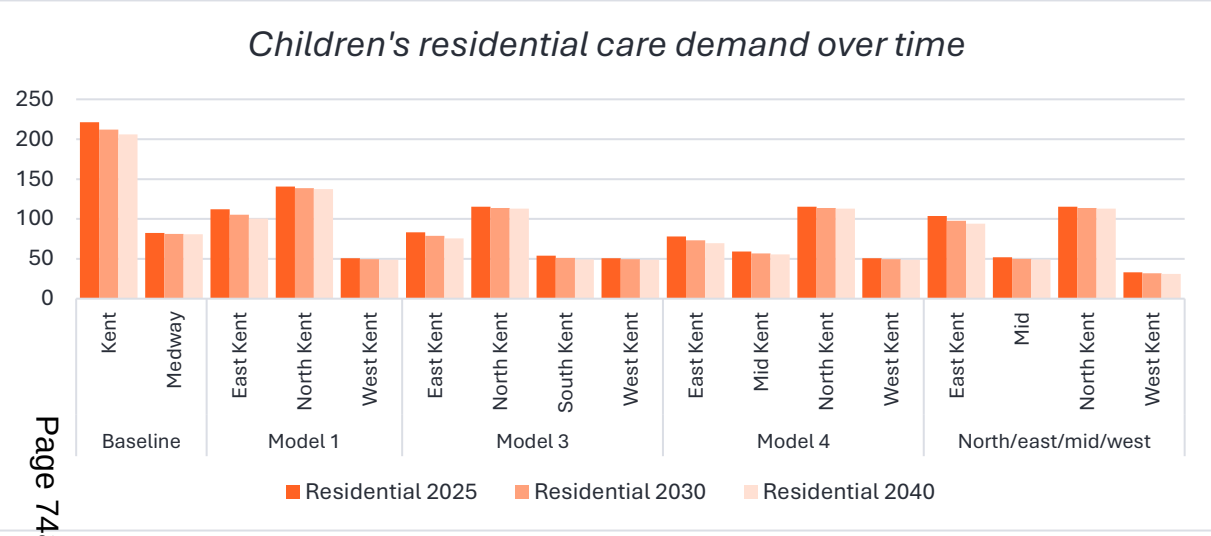
Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

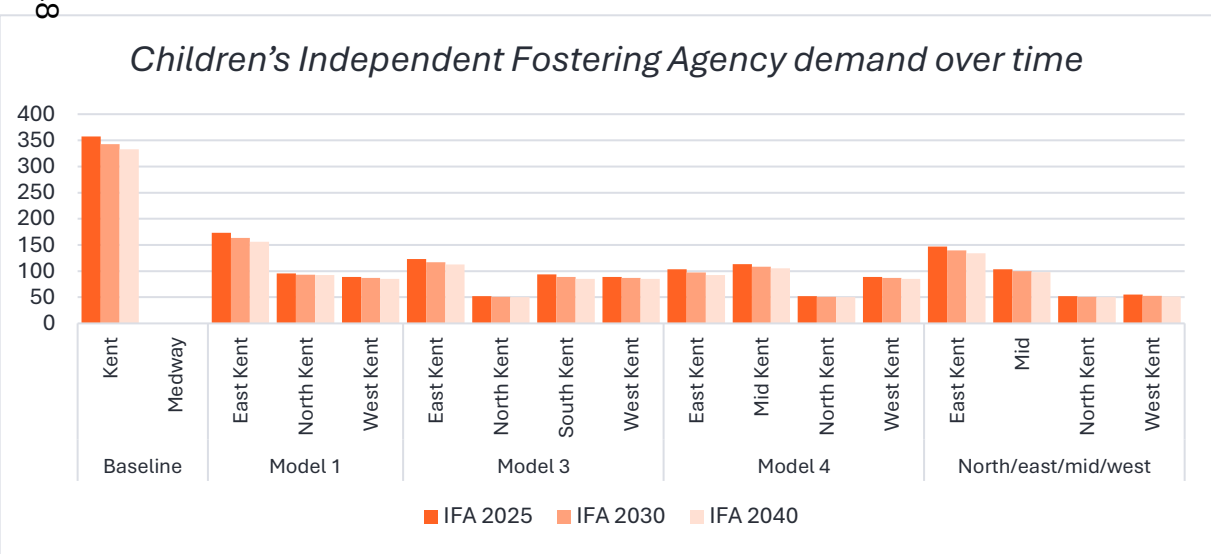
PRIVATE AND CONFIDENTIAL

Prevalence remains consistent. Prevalence is shown per 10k U18 population.

Children's Social Care: Demand

DEMAND VARIATION AND FORECASTING





Scenario	Proposed Authority	Residential Prevalence
Baseline	Kent	6.2
	Medway	12.5
Model 1	East Kent	8.1
	North Kent	8.9
	West Kent	4.0
Model 3	East Kent	8.7
	North Kent	9.4
	South Kent	7.0
	West Kent	4.0
Model 4	East Kent	9.2
	Mid Kent	6.7
	North Kent	9.4
	West Kent	4.0
North/east/mid/west	East Kent	8.6
	Mid	5.5
	North Kent	9.4
	West Kent	3.8

Scenario	Proposed Authority	IFA Prevalence
Baseline	Kent	10.0
	Medway	0.1
Model 1	East Kent	12.5
	North Kent	6.1
	West Kent	7.0
Model 3	East Kent	12.9
	North Kent	4.2
	South Kent	12.1
	West Kent	7.0
Model 4	East Kent	12.2
	Mid Kent	12.8
	North Kent	4.2
	West Kent	7.0
North/east/mid/west	East Kent	12.2
	Mid	11.1
	North Kent	4.2
	West Kent	6.4

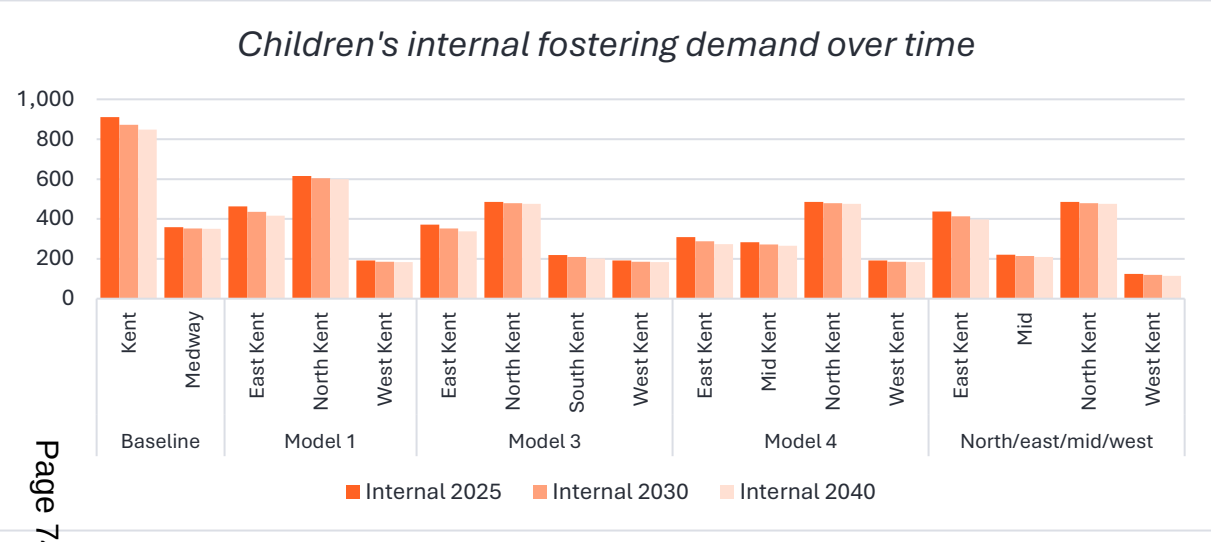
Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

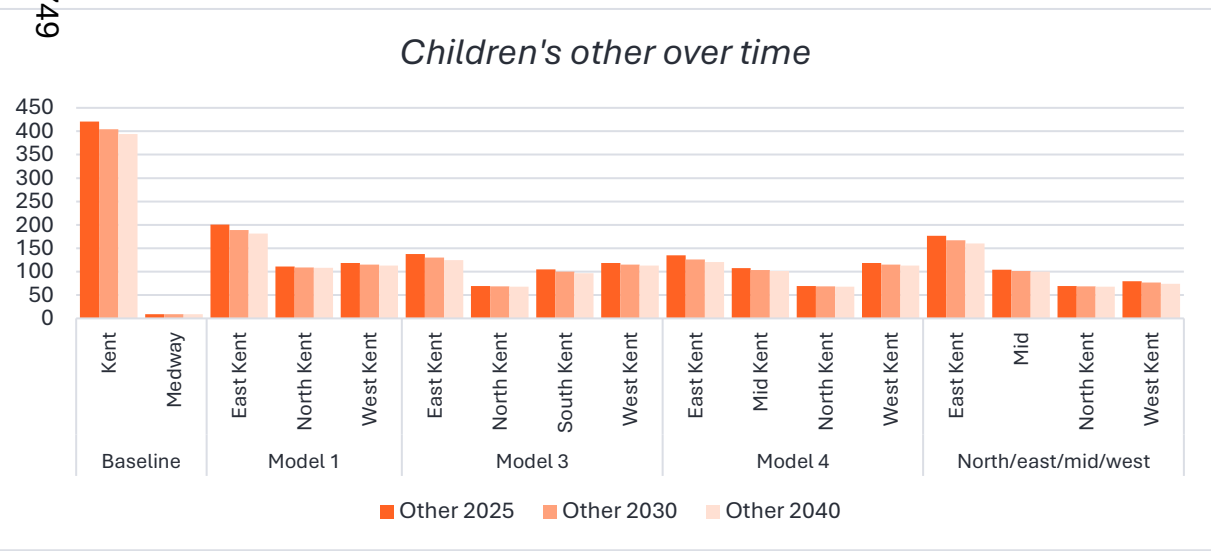
PRIVATE AND CONFIDENTIAL

Prevalence remains consistent. Prevalence is shown per 10k U18 population.
Medway internal and IFA fostering data was aggregated due to suppression levels and therefore is all counted in internal fostering

Children's Social Care: Demand

DEMAND VARIATION AND FORECASTING





Scenario	Proposed Authority	Internal Fostering Prevalence
Baseline	Kent	26
	Medway	54
Model 1	East Kent	33
	North Kent	39
	West Kent	15
Model 3	East Kent	39
	North Kent	40
	South Kent	28
	West Kent	15
Model 4	East Kent	36
	Mid Kent	32
	North Kent	40
	West Kent	15
North/east/mid/west	East Kent	36
	Mid	24
	North Kent	40
	West Kent	14

Scenario	Proposed Authority	Other Prevalence
Baseline	Kent	12
	Medway	1
Model 1	East Kent	14
	North Kent	7
	West Kent	9
Model 3	East Kent	14
	North Kent	6
	South Kent	14
	West Kent	9
Model 4	East Kent	16
	Mid Kent	12
	North Kent	6
	West Kent	9
North/east/mid/west	East Kent	15
	Mid	11
	North Kent	6
	West Kent	9

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

PRIVATE AND CONFIDENTIAL

Prevalence remains consistent. Prevalence is shown per 10k U18 population.
Medway internal and IFA fostering data was aggregated due to suppression levels and therefore is all counted in internal fostering

Children's Social Care: Unit costs

UNIT COST DEMAND VARIATION AND FORECASTING

The table shows a breakdown of the placement unit cost over time by setting in the proposed unitary formations. This has been calculated from the council data provided and refers to gross costs.

For each proposed unitarity formation unit price forecasts are based on a real-terms average of the previous cost data provided. The impact of inflation, changing demographics, and local cost variation has then been forecast.

Our analysis more widely had found there to be a correlation between unit cost and scale of existing upper tier local authorities. Controlling for deprivation, demographics and median income this applies an expected uplift in unit price for smaller unitary authorities. Detailed information is included in the methodology section of the appendix.

£ / Week		Children in Care				Residential Care				Independent Fostering Agency				Internal Fostering				Other			
Scenario	Proposed Authority	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change
Baseline	Kent	£1,332	£1,568	£2,175	63%	£5,593	£6,595	£9,158	64%	£1,226	£1,443	£2,001	63%	£525	£618	£856	63%	£926	£1,088	£1,507	63%
	Medway	£1,469	£1,730	£2,400	63%	£5,699	£6,713	£9,313	63%	£1,326	£1,562	£2,167	63%	£488	£574	£797	63%	£1,753	£2,065	£2,864	63%
Model 1	East Kent	£1,308	£1,540	£2,135	63%	£5,289	£6,235	£8,656	64%	£1,223	£1,440	£1,997	63%	£528	£622	£863	63%	£955	£1,122	£1,552	63%
	North Kent	£1,369	£1,612	£2,237	63%	£5,642	£6,643	£9,214	63%	£1,174	£1,382	£1,916	63%	£490	£577	£799	63%	£987	£1,164	£1,618	64%
	West Kent	£1,487	£1,753	£2,434	64%	£6,486	£7,646	£10,616	64%	£1,353	£1,594	£2,211	63%	£568	£669	£929	63%	£926	£1,090	£1,510	63%
Model 3	East Kent	£1,209	£1,423	£1,973	63%	£4,948	£5,833	£8,100	64%	£1,189	£1,399	£1,939	63%	£503	£591	£820	63%	£871	£1,022	£1,413	62%
	North Kent	£1,457	£1,716	£2,381	63%	£5,805	£6,835	£9,477	63%	£1,203	£1,415	£1,961	63%	£496	£583	£809	63%	£1,156	£1,363	£1,893	64%
	South Kent	£1,380	£1,622	£2,247	63%	£5,803	£6,836	£9,486	63%	£1,231	£1,450	£2,011	63%	£546	£644	£893	64%	£976	£1,146	£1,585	62%
	West Kent	£1,487	£1,753	£2,434	64%	£6,486	£7,646	£10,616	64%	£1,353	£1,594	£2,211	63%	£568	£669	£929	63%	£926	£1,090	£1,510	63%
Model 4	East Kent	£1,321	£1,556	£2,159	63%	£5,085	£5,994	£8,320	64%	£1,244	£1,466	£2,033	63%	£520	£613	£850	63%	£1,027	£1,208	£1,675	63%
	Mid Kent	£1,234	£1,451	£2,010	63%	£5,566	£6,554	£9,091	63%	£1,178	£1,387	£1,924	63%	£523	£615	£854	63%	£773	£909	£1,259	63%
	North Kent	£1,457	£1,716	£2,381	63%	£5,805	£6,835	£9,477	63%	£1,203	£1,415	£1,961	63%	£496	£583	£809	63%	£1,156	£1,363	£1,893	64%
	West Kent	£1,487	£1,753	£2,434	64%	£6,486	£7,646	£10,616	64%	£1,353	£1,594	£2,211	63%	£568	£669	£929	63%	£926	£1,090	£1,510	63%
North/east/ mid/west	East Kent	£1,261	£1,484	£2,058	63%	£5,075	£5,982	£8,305	64%	£1,201	£1,413	£1,960	63%	£506	£596	£826	63%	£945	£1,110	£1,536	63%
	Mid	£1,364	£1,605	£2,226	63%	£6,128	£7,225	£10,033	64%	£1,250	£1,473	£2,043	63%	£557	£655	£909	63%	£825	£970	£1,344	63%
	North Kent	£1,457	£1,716	£2,381	63%	£5,805	£6,835	£9,477	63%	£1,203	£1,415	£1,961	63%	£496	£583	£809	63%	£1,156	£1,363	£1,893	64%
	West Kent	£1,502	£1,770	£2,458	64%	£6,429	£7,573	£10,507	63%	£1,383	£1,630	£2,262	63%	£578	£681	£945	63%	£976	£1,149	£1,592	63%

Data: Council data
Assumptions: see appendix for UA assumptions and step-up-factor. Inflation at 3.28%.

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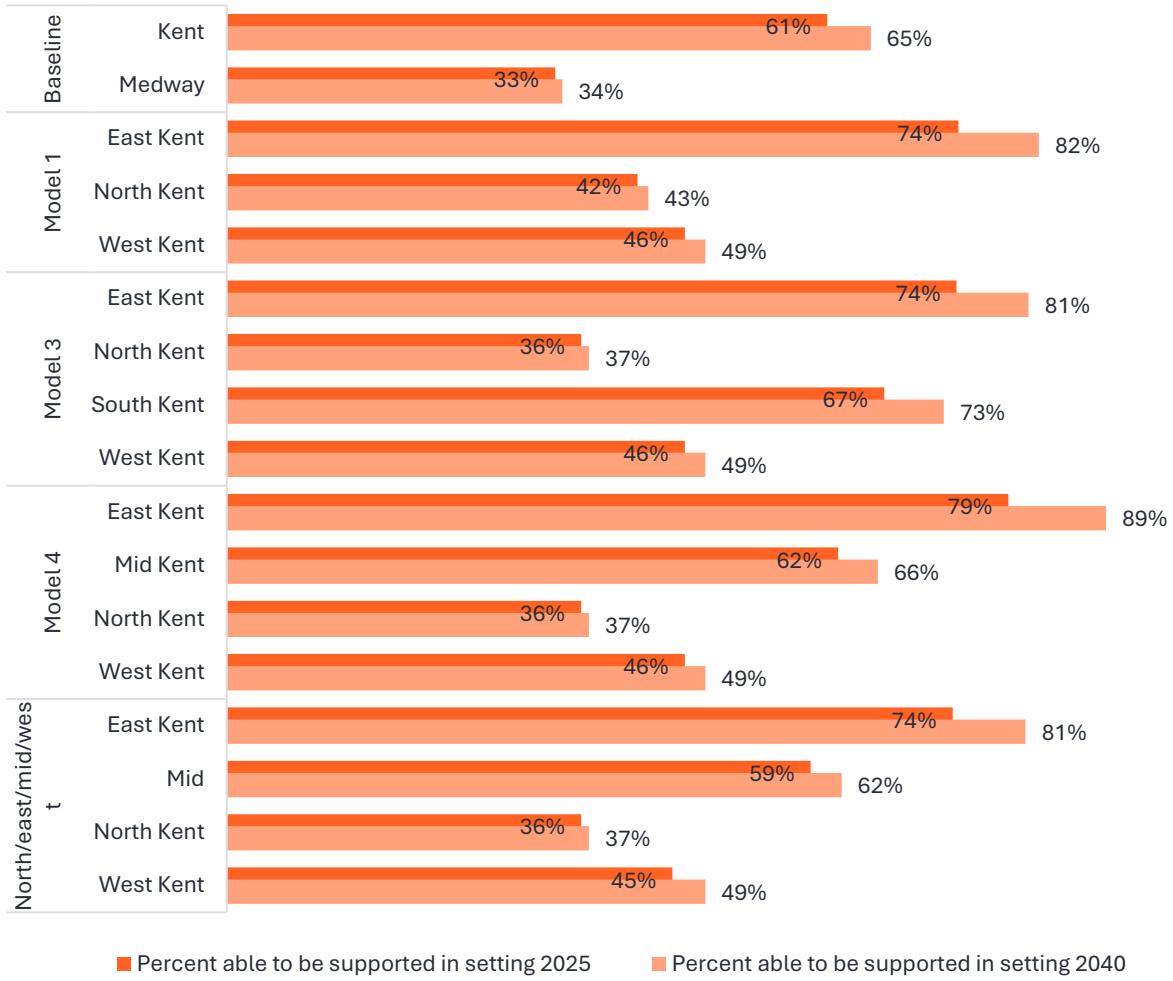
Children's Social Care: Capacity

PLACEMENT DEMAND AND CAPACITY

The placement capacity for internal fostering has been compared to the expected Children in Care caseload size as determined by the model.

Where there is a lower percentage, this indicates that a lower proportion of Children in Care can be supported in internal fostering. This likely means that there will be a greater use of IFA and residential , reducing the number of children who can be supported in a family-based setting.

Proportion of Children in Care that could be supported by our internal fostering capacity over time



Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate.

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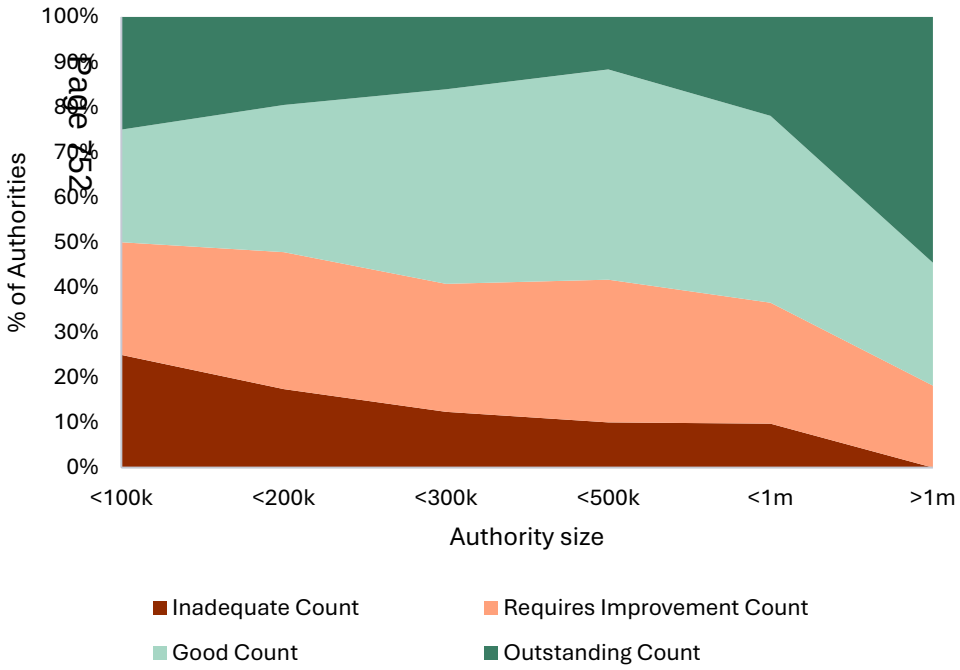
Children's Social Care: Quality

SMALLER AUTHORITIES ARE LESS LIKELY TO ACHIEVE GOOD OR OUTSTANDING OFSTED RATINGS

Based on a regression model, controlling for authority, location deprivation and median income the probability of an authority achieving good or outstanding reduces as the authority shrinks.

An indication of the likelihood of an authority achieving a good or outstanding rating based on its likely characteristics has been calculated. This gives a score of 1 – 4 which relates to the probability of achieving inadequate (1) to outstanding (4). This analysis does not account for current OFSTED scores, or the effect of splitting or merging current unitary authorities and practises. This analysis should therefore only be treated as an indication of outcome, rather than a forecast or prediction.

OFSTED Distribution of Authorities



Scenario	Proposed Authority	Total population	Median income	IMD Score	OFSTED prediction score
Baseline	Kent	1661.8k	£32.4k	19.45	3.29
	Medway	287.3k	£32.1k	23.79	2.55
Model 1	East Kent	700.7k	£31.1k	22.30	2.71
	North Kent	677.9k	£32.2k	23.25	2.75
	West Kent	570.5k	£34.0k	13.63	2.87
Model 3	East Kent	476.7k	£29.8k	24.74	2.51
	North Kent	518.1k	£32.4k	21.98	2.69
	South Kent	383.9k	£33.0k	21.37	2.66
	West Kent	570.5k	£34.0k	13.63	2.87
Model 4	East Kent	442.1k	£30.2k	23.04	2.53
	Mid Kent	418.4k	£32.3k	23.44	2.63
	North Kent	518.1k	£32.4k	21.98	2.69
	West Kent	570.5k	£34.0k	13.63	2.87
North/east/ mid/west	East Kent	601.9k	£30.6k	24.19	2.62
	Mid	444.6k	£32.6k	19.00	2.69
	North Kent	518.1k	£32.4k	21.98	2.69
	West Kent	384.5k	£34.7k	12.40	2.83

Children's Social Care

SERVICE COST SUMMARY

The predicted spend for each scenario is included in the table below alongside the expected service cost in 2025 and 2040. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

In general, there is an increase in combined service cost for scenarios with more authorities. This is driven by the expected uplift on placement unit costs applied to smaller authorities and higher combined staffing overheads due to having more authorities and therefore leadership teams. Note, the model only accounts for the additional uplift in staffing costs for delivery teams and there is an expected additional increase from other teams, such as IT or legal teams, that have not been modelled in this analysis.

Scenario	Proposed Authority	Predicted spend for scenario 2025	CSC service cost 2025 (gross placements cost + staffing)	Predicted spend for scenario 2040	CSC service cost 2040 (gross placements cost + staffing)
Baseline	Kent	£233.6m	£191m	£359.9m	£292m
	Medway		£43m		£68m
Model 1	East	£236.1m	£92m	£363.9m	£136m
	North		£92m		£146m
	West		£52m		£82m
Model 3	East	£238.1m	£65m	£367.2m	£96m
	North		£71m		£114m
	South		£50m		£75m
	West		£52m		£82m
Model 4	East	£238.2m	£61m	£367.4m	£89m
	Mid		£54m		£83m
	North		£71m		£114m
	West		£52m		£82m
North/east/ mid/west	East	£238.0m	£81m	£367.m	£121m
	Mid		£51m		£79m
	North		£71m		£114m
	West		£34m		£53m

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

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Section 2c: SEND and Education

The scope of this section is to provide insight into the likely impacts of each proposed scenario on SEND, covering demand, cost and quality over the next 15 years.

Education: SEND

SERVICE COST VARIATION AND FORECAST

This analysis has considered the variation in the cost of delivering care between each of the proposed unitary formations. This cost includes both the cost of the provision of care, in addition to the authority staffing cost associated with delivering SEND support (where this data has been provided). Staffing costs resulting from other teams, such as IT or legal teams, that have not been modelled in this analysis. Cost growth includes both the expected impact of increased demand, increased unit cost and wage increases. Spend per resident per year compares the cost for this service to total number of residents in the new authority. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

This will support understanding if certain scenarios create variation in spend per resident both in 2025 and the future, showing where there are unitary authorities with a higher spend per resident to the baseline scenario as well as unitary authorities that have high cost growth in the future. Growth in cost is driven by inflation and the different growth rates in demand across constituent areas within proposed authorities.

Scenario	Proposed Authority	Spend per resident 2025	Spend per resident 2040	% growth in spend (2025-2040)	SEND service cost 2025 (placements cost + staffing)
Baseline	Kent	£216	£407	98%	£359m £0m
	Medway	£254	£555	133%	£73m £0m
Model 1	East Kent	£220	£398	88%	£154m £0m
	North Kent	£241	£473	108%	£163m £0m
	West Kent	£200	£413	118%	£114m £0m
Model 3	East Kent	£235	£427	88%	£112m £0m
	North Kent	£236	£489	119%	£122m £0m
	South Kent	£217	£372	82%	£83m £0m
	West Kent	£200	£413	118%	£114m £0m
Model 4	East Kent	£227	£416	89%	£100m £0m
	Mid Kent	£227	£388	82%	£95m £0m
	North Kent	£236	£489	119%	£122m £0m
	West Kent	£200	£413	118%	£114m £0m
North/east/ mid/west	East Kent	£235	£417	85%	£141m £0m
	Mid	£211	£395	103%	£94m £0m
	North Kent	£236	£489	119%	£122m £0m
	West Kent	£194	£404	115%	£74m £0m

SEND provision spend 2025
SEND staffing cost 2025

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

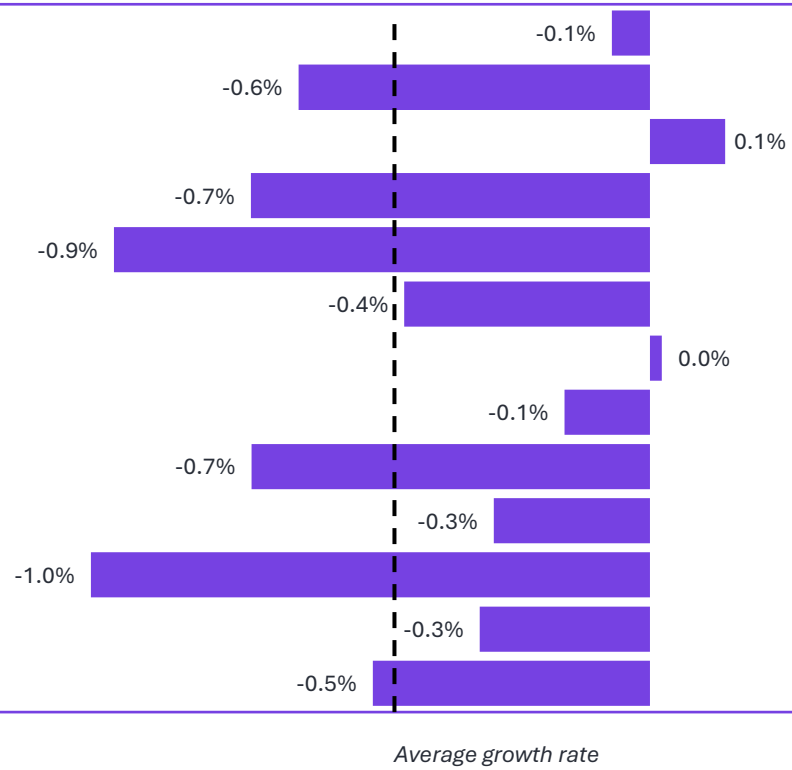
Education: School age population

POPULATION VARIATION AND FORECASTING

The existing school aged population is shown across the districts in the geography. The below table shows the expected growth rate for school aged population in each of the districts.

This analysis shows the underlying population trends that drive the change in demand for each of the new unitary authorities in the future.

District	School aged population by year			Percentage growth in school aged population from 2025-2040	Average percentage of Authority school aged	Annual growth rate of school aged population
	2025	2030	2040			
Ashford	21.4k	21.2k	21.2k	-1%	14%	-0.1%
Canterbury	21.8k	20.7k	19.9k	-9%	12%	-0.6%
Dartford	20.7k	20.8k	21.1k	2%	16%	0.1%
Dover	17.3k	16.2k	15.5k	-10%	13%	-0.7%
Folkestone and Hythe	15.4k	14.2k	13.3k	-13%	12%	-0.9%
Gravesham	17.5k	16.9k	16.5k	-6%	16%	-0.4%
Maidstone	27.3k	27.2k	27.4k	0%	14%	0.0%
Medway	45.0k	44.2k	44.0k	-2%	15%	-0.1%
Sevenoaks	19.3k	18.1k	17.3k	-10%	15%	-0.7%
Swale	24.1k	23.4k	23.1k	-4%	14%	-0.3%
Thanet	20.1k	18.5k	17.3k	-14%	13%	-1.0%
Tonbridge and Malling	21.9k	21.3k	21.0k	-4%	15%	-0.3%
Tunbridge Wells	19.4k	18.6k	18.1k	-7%	15%	-0.5%



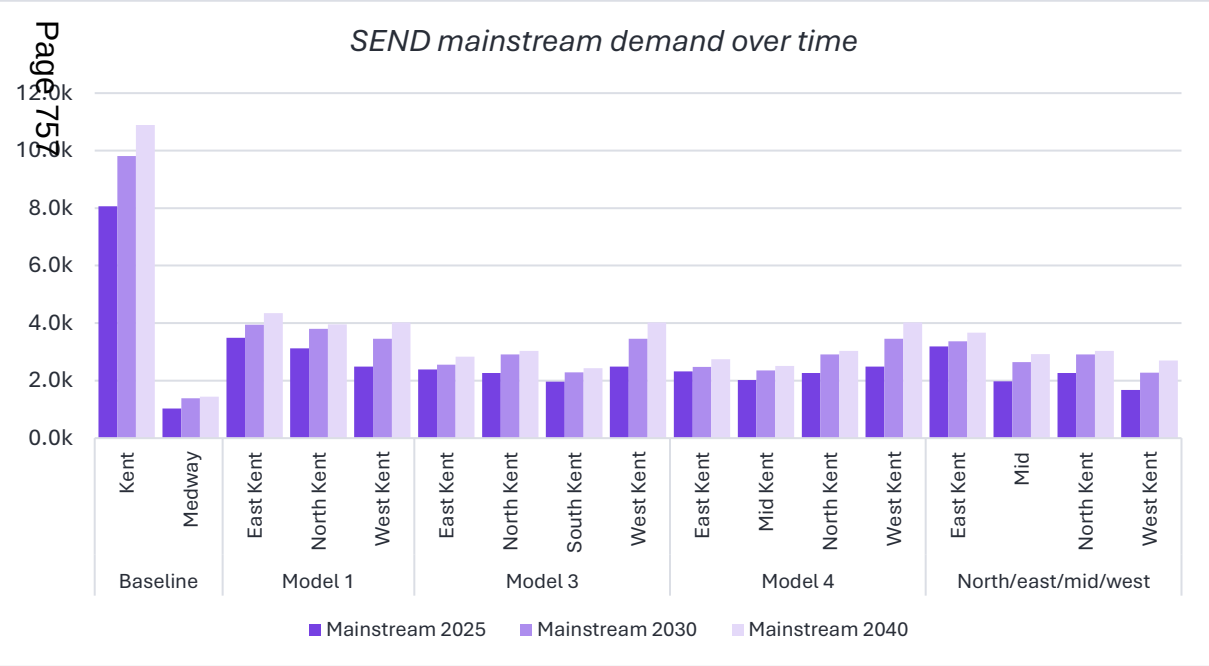
Data: ONS population forecasts and estimates
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

Education: SEND
MAINSTREAM DEMAND

The following slides show the expected demand for EHCPs in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary as well as the increasing prevalence of EHCPs.

The graph on the left shows total demand in 2025, 2030 and 2040, in general this is proportional to population in the new unitary authorities. This analysis will show the expected growth in each unitary and identify areas that are expected to see high growth.

The table to the right of each graph shows the prevalence per 10,000 under 25 population. This is expected to grow at the rate seen in the data provided; however, total prevalence is capped at 550 per 10,000, this is as it is expected that the current growth will flatten off. The 550 per 10,000 is a previous value Newton have used in work undertaken with the Department for Education (DfE).



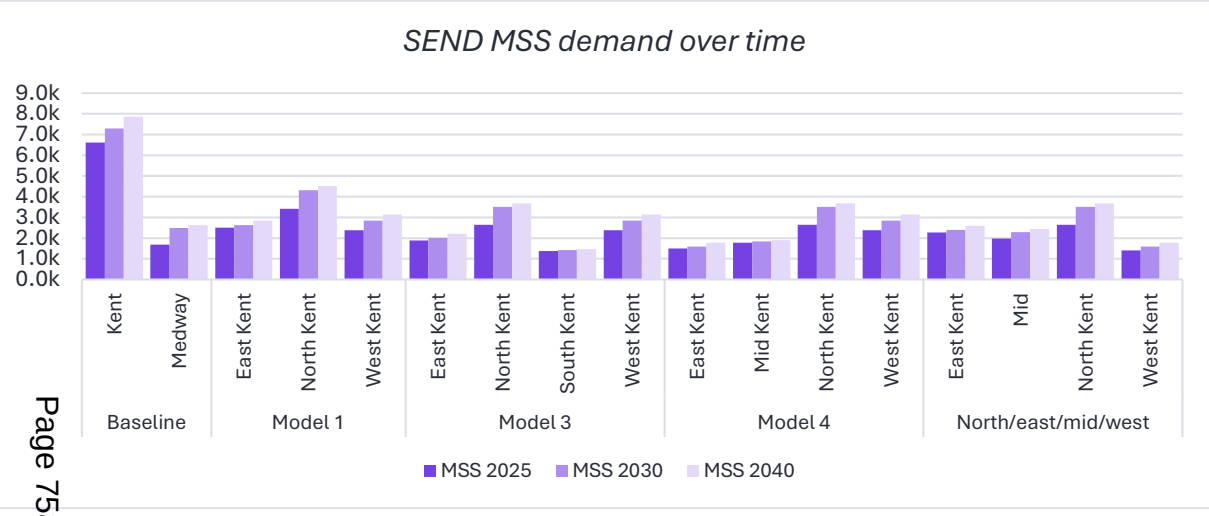
Scenario	Proposed Authority	Mainstream Prevalence 2025	Mainstream Prevalence 2030	Mainstream Prevalence 2040
Baseline	Kent	170	201	217
	Medway	118	152	153
Model 1	East Kent	179	198	213
	North Kent	152	179	181
	West Kent	153	207	234
Model 3	East Kent	172	179	195
	North Kent	142	176	179
	South Kent	192	218	225
	West Kent	153	207	234
Model 4	East Kent	186	194	212
	Mid Kent	175	197	203
	North Kent	142	176	179
	West Kent	153	207	234
North/east/mid/west	East Kent	186	192	205
	Mid	162	207	220
	North Kent	142	176	179
	West Kent	153	204	238

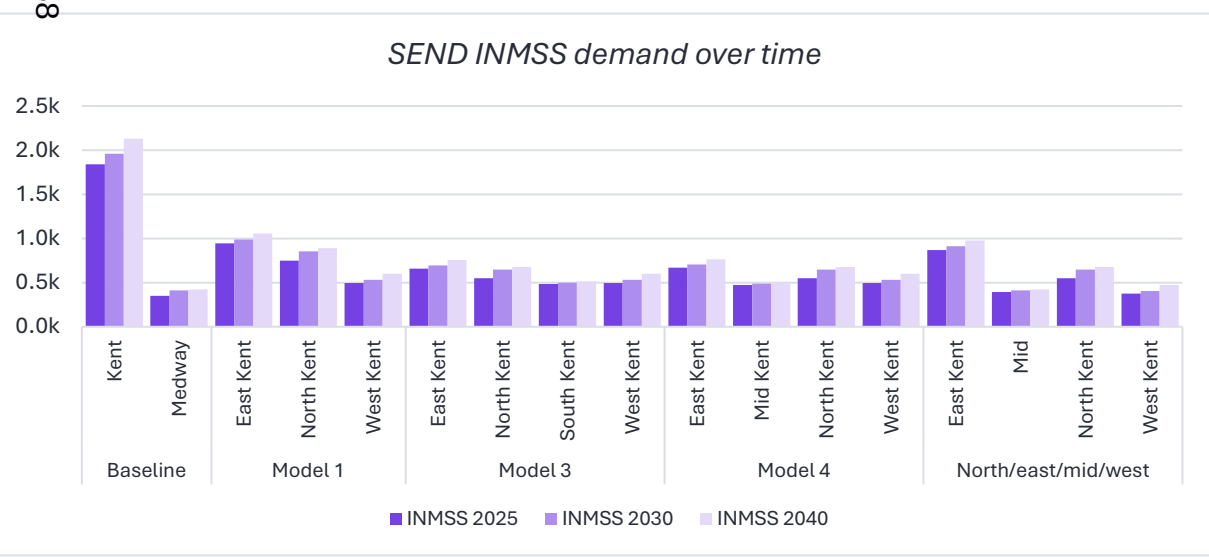
Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Capped prevalence at 550/10k under 25s. Detail included in methodology section of the appendix.

Prevalence increases with time based off current END growth. Prevalence is shown per 10k under 25 population.

Education: SEND

MAINTAINED SPECIAL SCHOOLS (MSS) AND INDEPENDENT NON-MAINTAINED SPECIAL SCHOOLS (INMSS) DEMAND





Scenario	Proposed Authority	MSS Prevalence 2025	MSS Prevalence 2030	MSS Prevalence 2040
Baseline	Kent	139	150	157
	Medway	191	274	279
Model 1	East Kent	128	132	139
	North Kent	166	203	206
	West Kent	147	170	182
Model 3	East Kent	136	141	152
	North Kent	165	213	217
	South Kent	136	136	135
	West Kent	147	170	182
Model 4	East Kent	119	125	136
	Mid Kent	154	154	154
	North Kent	165	213	217
	West Kent	147	170	182
North/east/mid/west	East Kent	132	136	145
	Mid	163	179	183
	North Kent	165	213	217
	West Kent	128	143	156

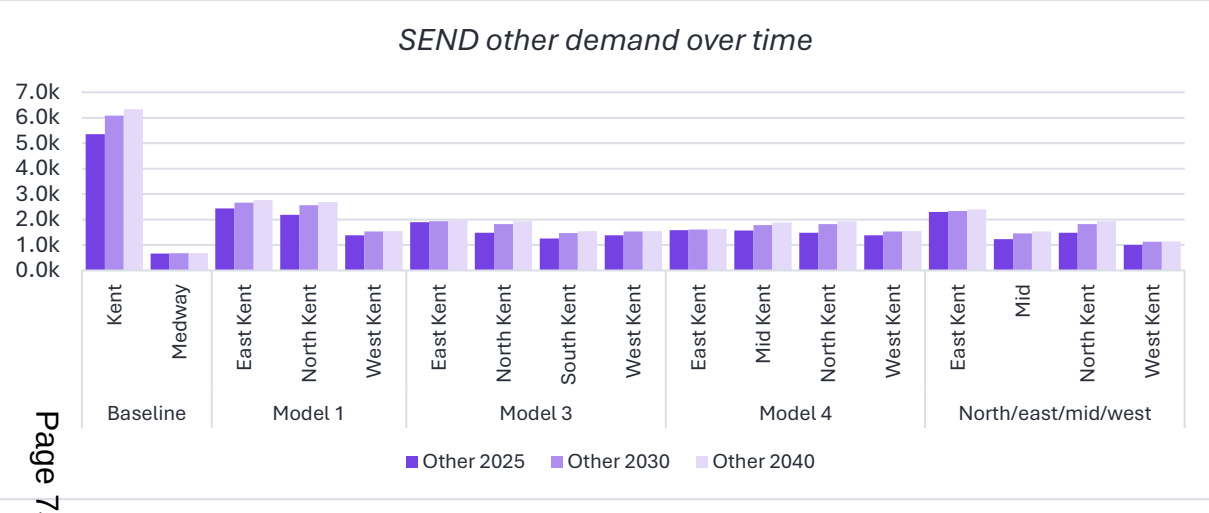
Scenario	Proposed Authority	INMSS Prevalence 2025	INMSS Prevalence 2030	INMSS Prevalence 2040
Baseline	Kent	39	40	42
	Medway	40	45	45
Model 1	East Kent	48	49	52
	North Kent	36	40	41
	West Kent	31	32	35
Model 3	East Kent	47	49	52
	North Kent	34	39	40
	South Kent	48	47	47
	West Kent	31	32	35
Model 4	East Kent	53	55	59
	Mid Kent	41	41	41
	North Kent	34	39	40
	West Kent	31	32	35
North/east/mid/west	East Kent	51	52	55
	Mid	32	32	32
	North Kent	34	39	40
	West Kent	34	36	42

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Capped prevalence at 550/10k under 25s. Detail included in methodology section of the appendix.

PRIVATE AND CONFIDENTIAL

Prevalence increases with time based off current SEND growth. Prevalence is shown per 10k under 25 population. MSS: Maintained Special Schools.
INMSS: Independent Non-Maintained Special Schools.

Education: SEND
OTHER DEMAND



Scenario	Proposed Authority	Other Prevalence 2025	Other Prevalence 2030	Other Prevalence 2040
Baseline	Kent	113	124	126
	Medway	75	75	72
Model 1	East Kent	125	134	135
	North Kent	106	120	123
	West Kent	85	92	90
Model 3	East Kent	136	136	136
	North Kent	93	111	114
	South Kent	123	139	143
	West Kent	85	92	90
Model 4	East Kent	126	126	126
	Mid Kent	135	149	152
	North Kent	93	111	114
	West Kent	85	92	90
North/east/mid/west	East Kent	134	134	134
	Mid	101	114	115
	North Kent	93	111	114
	West Kent	92	102	101

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Capped prevalence at 550/10k under 25s. Detail included in methodology section of the appendix.

PRIVATE AND CONFIDENTIAL

Prevalence increases with time based off current SEND growth.
Prevalence is shown per 10k under 25 population. Other contains all SEND demand not captured in the previous categories.

Education: SEND
UNIT COSTS VARIATION AND FORECASTING

The table shows a breakdown of the placement unit cost over time by setting in the proposed unitary formations. This has been calculated from the council data provided, SEND unit costs where only provided at a council level. Therefore, the variation in expected unit cost cannot be modelled and the Kent council wide average has been applied to all unitary authorities.

For each proposed unitarity formation unit price forecasts are based on a real-terms average of the previous cost data provided. The impact of inflation, changing demographics, and local cost variation has then been forecast.

£/week		Mainstream				Maintained Special Schools				Independent Non-Maintained Special Schools				Other			
Scenario	Proposed Authority	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change	2025	2030	2040	% change
Baseline	Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	Medway	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
Model 1	East Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	North Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	West Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
Model 3	East Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	North Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	South Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	West Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
Model 4	East Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	Mid Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	North Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	West Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
North/east/ mid/west	East Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	Mid	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	North Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%
	West Kent	£161	£190	£264	63%	£488	£575	£798	63%	£969	£1,142	£1,584	63%	£111	£131	£182	63%

Data: Council data
Assumptions: see appendix for UA assumptions. Inflation at 3.28%.

PRIVATE AND CONFIDENTIAL

Education: SEND deficit

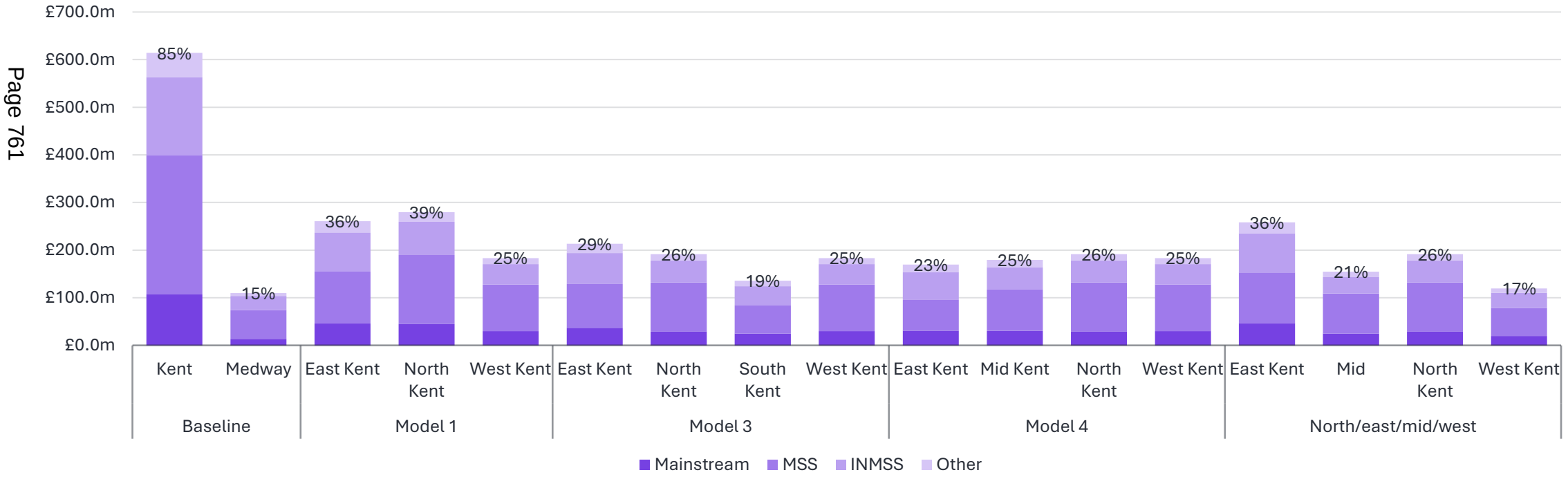
SEND DEFICIT DISTRIBUTION

As of 31st March 2024, Kent had a SEND deficit of £67.1m. The SEND deficit position is projected to increase by vesting day where this position may fall to the proposed new unitary authorities. It is undecided how this deficit may be split and is likely to involve a financial settlement based on the assets and future income of the new unitary authorities.

The contribution from each of the new unitary authorities has been estimated by calculating the cumulative spend on EHCPs over the past 3 years. This shows the proportion of spend that would have come from each of the proposed unitary authorities and therefore their estimated contribution to the deficit.

Note this analysis has not considered the different deficit positions of neighbouring unitary authorities along with how the DSG budget has been managed.

Cumulative spend on EHCPS over past 3 years



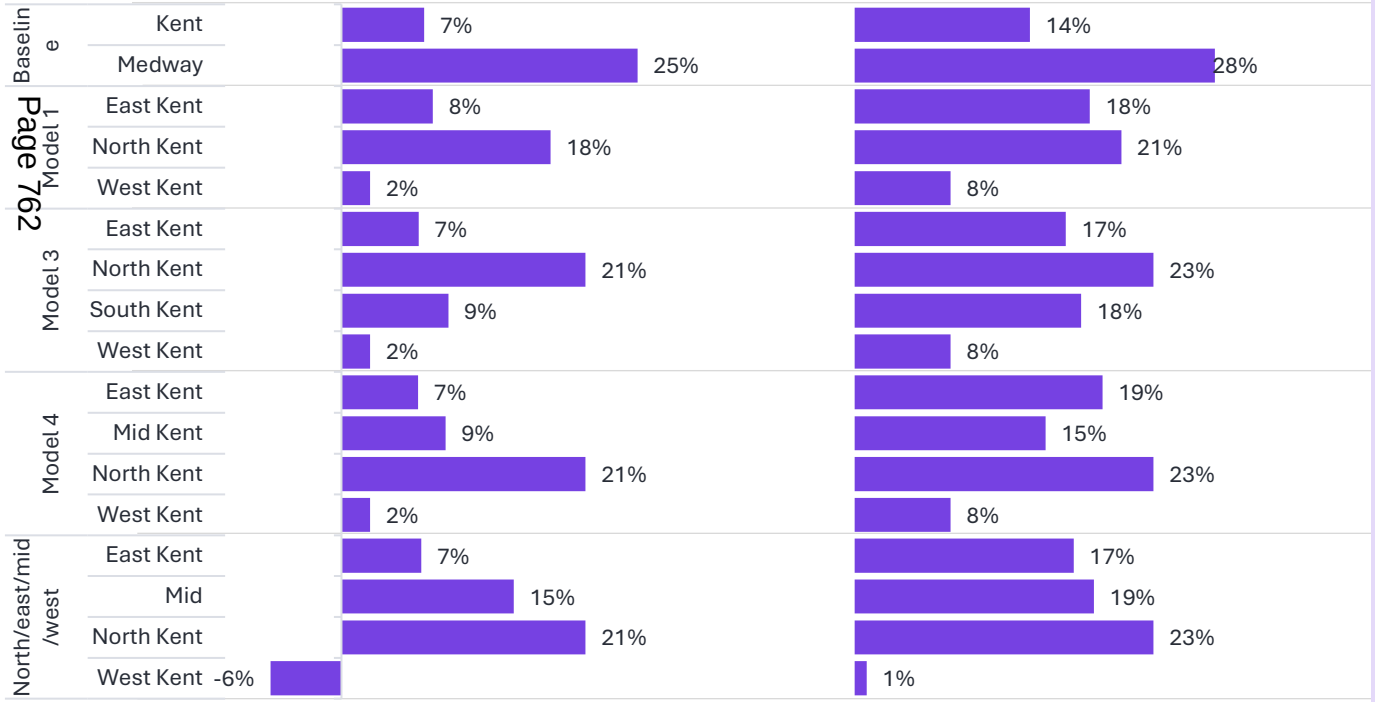
Education: Demand forecasting

PLACEMENT DEMAND AND CAPACITY

The below graphs show the school capacity compared to the projected school age population. This shows the demand vs capacity for schools in each of the proposed unitary authorities.

Note if neighbouring unitary data has not been provided the capacity from schools within these has not been included.

2025 school capacity deficit



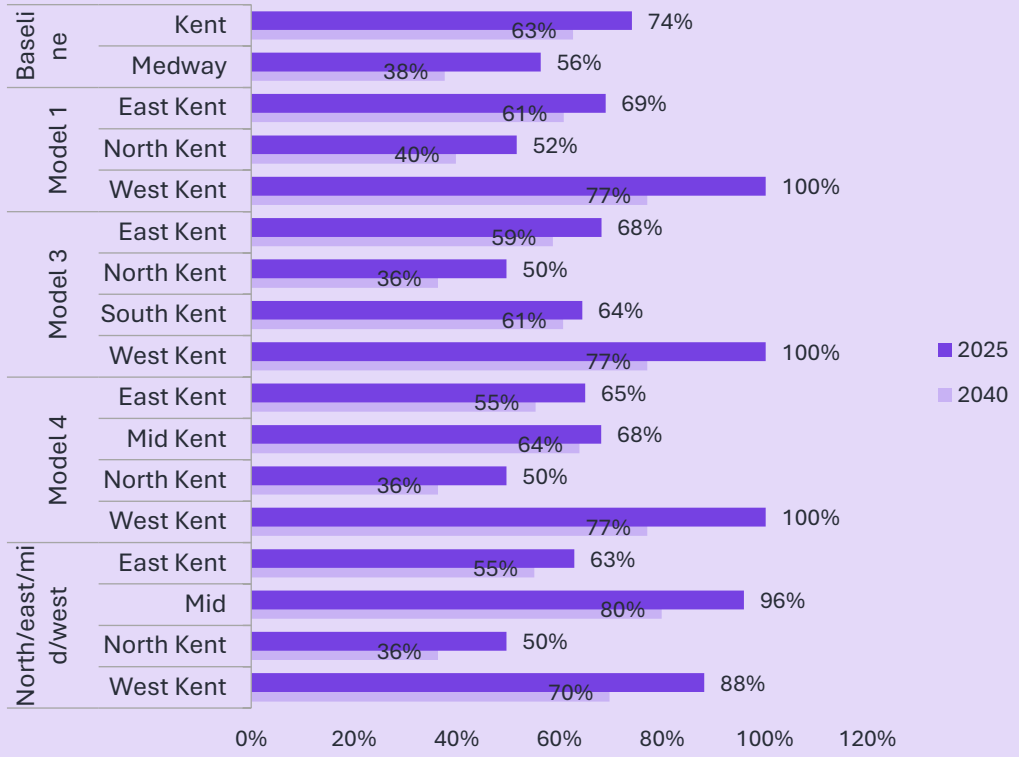
2040 school capacity deficit

MSS capacity

This graph shows the percentage of children in maintained special schools (MSS) and independent non maintained special schools (INMSS) that can be supported in local authority owned special schools.

Where there is a lower percentage, this indicates that a lower proportion of young people can be supported in maintained special schools. This likely means that there will be a greater use of INMSS placements.

MSS capacity



Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. 2025 school's capacity held constant. Detail included in methodology section of the appendix.

Education: SEND costs

SERVICE COST SUMMARY

The predicted spend for each scenario is included in the table below alongside the expected service cost in 2025 and 2040. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

In general, there is an increase in combined service cost for scenarios with more authorities. This is driven by higher combined staffing overheads due to having more authorities and therefore leadership teams. Note, the model only accounts for the additional uplift in staffing costs for delivery teams and there is an expected additional increase from other teams, such as IT or legal teams, that have not been modelled in this analysis. SEND staffing costs where not provided so the total cost is consistent across scenarios.

Scenario	Proposed Authority	Predicted spend for scenario 2025	SEND service cost 2025 (placements cost + staffing)	Predicted spend for scenario 2040	SEND service cost 2040 (placements cost + staffing)
Baseline	Kent	£432.0m	£359m	£880.3m	£711m
	Medway		£73m		£170m
Model 1	East	£432.0m	£154m	£880.3m	£291m
	North		£163m		£340m
	West		£114m		£249m
Model 3	East	£432.0m	£112m	£880.3m	£211m
	North		£122m		£269m
	South		£83m		£151m
	West		£114m		£249m
Model 4	East	£432.0m	£100m	£880.3m	£190m
	Mid		£95m		£173m
	North		£122m		£269m
	West		£114m		£249m
North/east/ mid/west	East	£432.0m	£141m	£880.3m	£261m
	Mid		£94m		£190m
	North		£122m		£269m
	West		£74m		£160m

Data: ONS population forecasts and estimates, council provided cost data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

PRIVATE AND CONFIDENTIAL

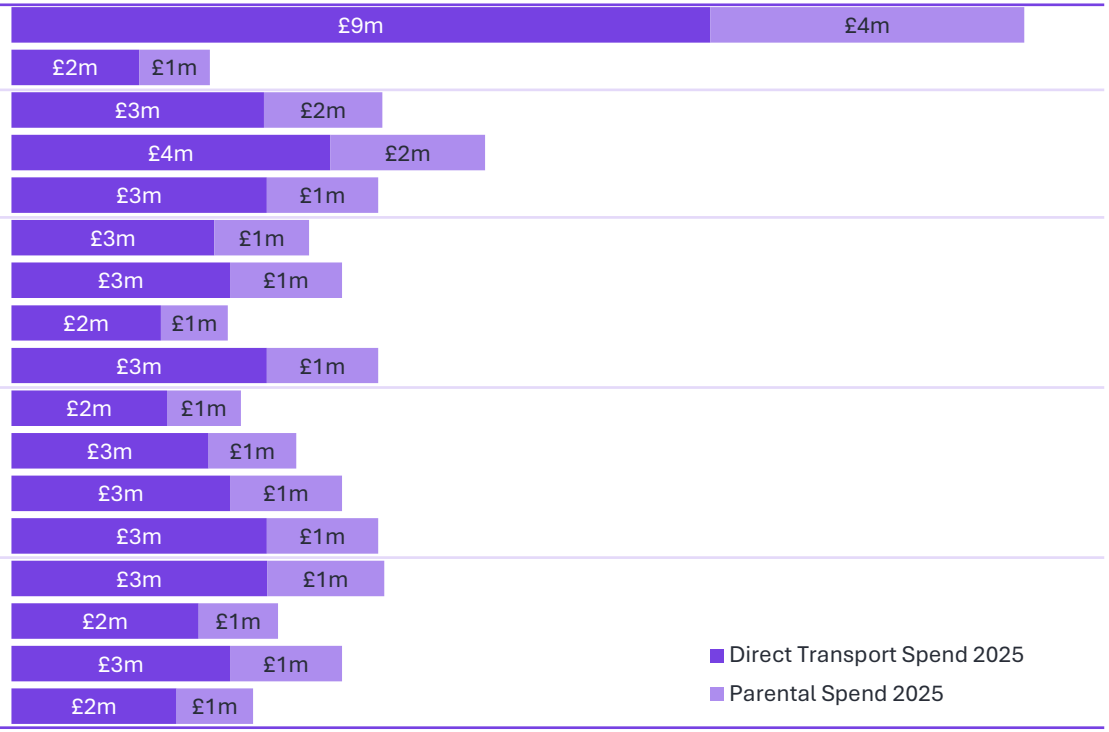
Education: Home to School (HTS) transport

SERVICE COST VARIATION AND FORECASTING

This analysis has considered the variation in the cost of home to school transport in each of the proposed unitary formations. Cost growth includes both the expected impact of increased demand, increased unit cost and wage increases. Spend per resident per year compares the cost for this service to total number of residents in the new authority. Note this is a general model designed to allow comparisons between proposed scenarios and is not a financial forecast for budgeting purposes.

This will support understanding if certain scenarios create variation in spend per resident both in 2025 and the future, showing where there are unitary authorities with a higher spend per resident to the baseline scenario as well as unitary authorities that have high cost growth in the future. Growth in cost is driven by inflation and the different growth rates in demand across constituent areas within proposed authorities.

Scenario	Proposed Authority	Spend per resident 2025	Spend per resident 2040	% growth in spend (2025-2040)
Baseline	Kent	£8	£13	73%
	Medway	£9	£14	74%
Model 1	East Kent	£7	£11	72%
	North Kent	£9	£15	74%
	West Kent	£8	£13	74%
Model 3	East Kent	£8	£13	72%
	North Kent	£8	£13	74%
	South Kent	£7	£12	74%
	West Kent	£8	£13	74%
Model 4	East Kent	£7	£11	70%
	Mid Kent	£9	£14	75%
	North Kent	£8	£13	74%
	West Kent	£8	£13	74%
North/east/ mid/west	East Kent	£8	£13	71%
	Mid	£8	£13	78%
	North Kent	£8	£13	74%
	West Kent	£8	£13	69%



Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. HTS transport demand grows with SEND demand. Detail included in methodology section of the appendix.

PRIVATE AND CONFIDENTIAL

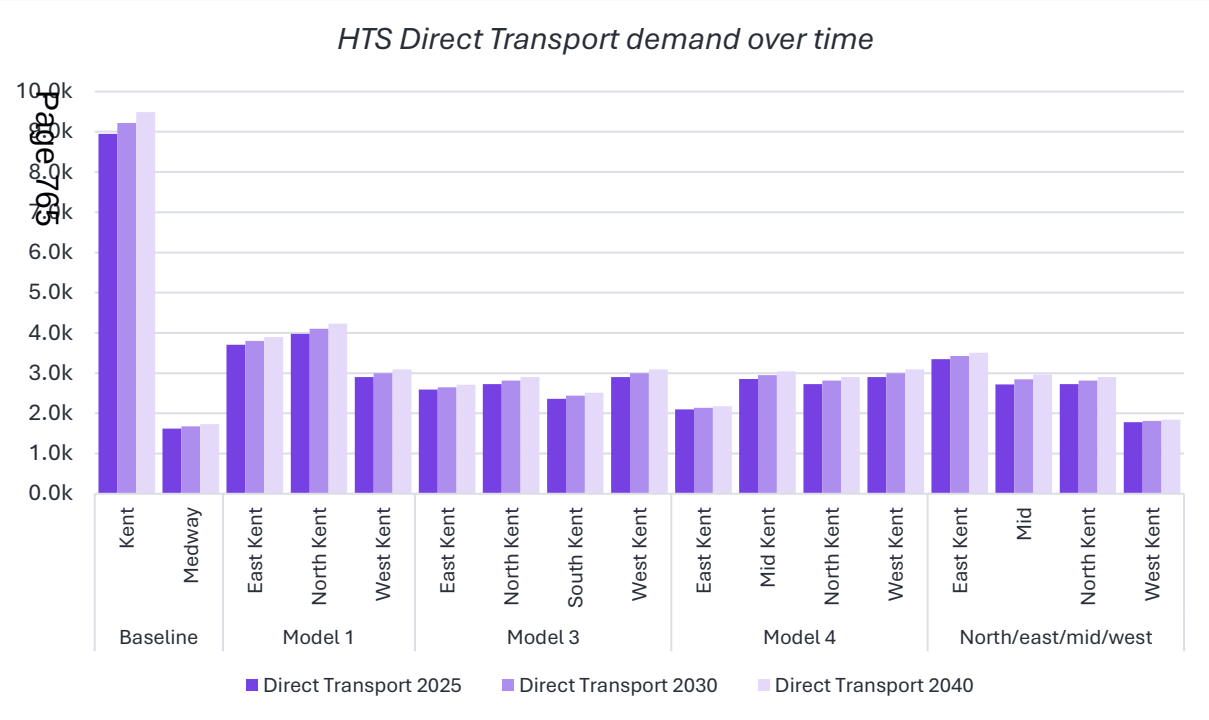
Education: HTS transport

DIRECT TRANSPORT DEMAND VARIATION AND FORECASTING

The following slides show the expected demand for home to school transport in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary as well as the increasing SEND demand.

The graph on the left shows total demand in 2025, 2030 and 2040, in general this is proportional to population in the new unitary authorities. This analysis will show the expected change in demand in each unitary.

The table to the right of each graph shows the prevalence per 10,000 school aged population. This grow over time as home to school transport is expected to grow with the increase in SEND prevalence.



Scenario	Proposed Authority	Direct Transport Prevalence 2025	Direct Transport Prevalence 2030	Direct Transport Prevalence 2040
Baseline	Kent	364	389	409
	Medway	361	379	394
Model 1	East Kent	386	419	447
	North Kent	370	389	404
	West Kent	330	351	369
Model 3	East Kent	392	423	450
	North Kent	328	343	356
	South Kent	437	472	502
	West Kent	330	351	369
Model 4	East Kent	355	386	413
	Mid Kent	468	501	528
	North Kent	328	343	356
	West Kent	330	351	369
North/east/mid/west	East Kent	402	435	462
	Mid	425	454	479
	North Kent	328	343	356
	West Kent	294	312	327

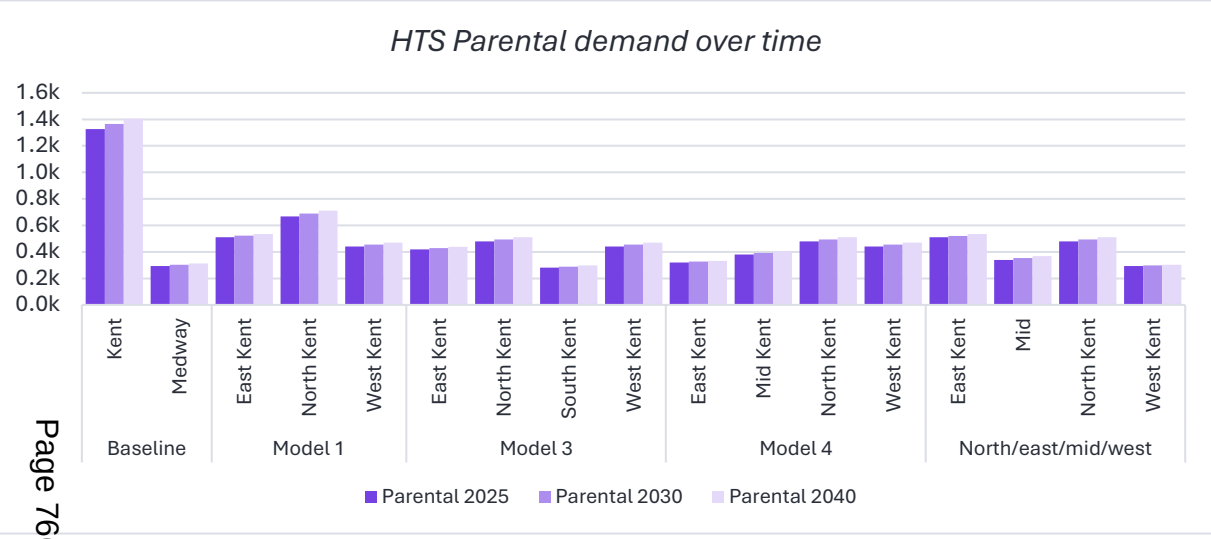
Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. HTS transport demand grows with SEND demand. Detail included in methodology section of the appendix.

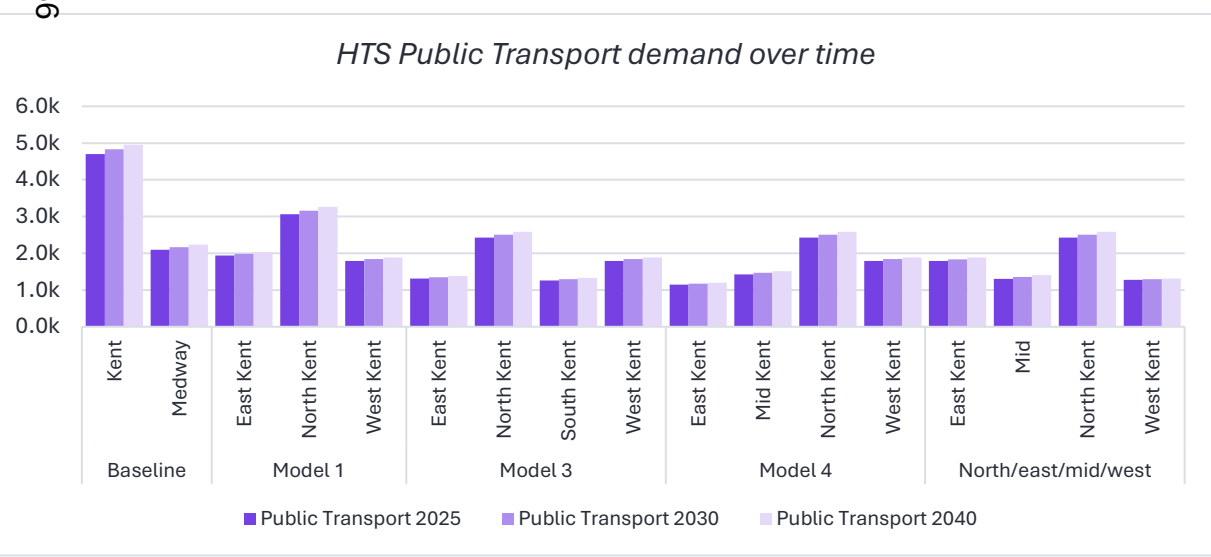
PRIVATE AND CONFIDENTIAL

Prevalence increases with time based off current SEND growth.
Prevalence is shown per 10k school aged population.

Education: HTS transport

PARENTAL AND PUBLIC TRANSPORT DEMAND VARIATION AND FORECASTING





Scenario	Proposed Authority	Parental Prevalence 2025	Parental Prevalence 2030	Parental Prevalence 2040
Baseline	Kent	54	58	61
	Medway	65	68	71
Model 1	East Kent	53	58	61
	North Kent	62	65	68
	West Kent	50	53	56
Model 3	East Kent	64	69	73
	North Kent	58	60	63
	South Kent	52	56	59
	West Kent	50	53	56
Model 4	East Kent	54	59	63
	Mid Kent	62	67	70
	North Kent	58	60	63
	West Kent	50	53	56
North/east/mid/west	East Kent	61	66	70
	Mid	53	57	60
	North Kent	58	60	63
	West Kent	48	51	54

Scenario	Proposed Authority	Public Transport Prevalence 2025	Public Transport Prevalence 2030	Public Transport Prevalence 2040
Baseline	Kent	191	204	214
	Medway	466	489	508
Model 1	East Kent	202	219	233
	North Kent	286	300	312
	West Kent	204	216	226
Model 3	East Kent	199	215	229
	North Kent	292	305	317
	South Kent	234	251	266
	West Kent	204	216	226
Model 4	East Kent	195	212	228
	Mid Kent	234	250	263
	North Kent	292	305	317
	West Kent	204	216	226
North/east/mid/west	East Kent	215	233	248
	Mid	203	216	227
	North Kent	292	305	317
	West Kent	211	223	233

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. HTS transport demand grows with SEND demand. Detail included in methodology section of the appendix.

PRIVATE AND CONFIDENTIAL

Prevalence increases with time based off current SEND growth.
Prevalence is shown per 10k school aged population.

Education: HTS transport

UNIT COST DEMAND VARIATION AND FORECASTING

The table shows a breakdown of the placement unit cost over time by setting in the proposed unitary formations. This has been calculated from the council data provided.

For each proposed unitarity formation unit price forecasts are based on a real-terms average of the previous cost data provided. The impact of inflation, changing demographics, and local cost variation has then been forecast.

All unit costs are the average cost per week during the school term (38 weeks).

£ / week		Direct Transport				Parental			
Scenario	Proposed Authority	2025	2030	2040	% change	2025	2030	2040	% change
Baseline	Kent	£26	£31	£43	63%	£79	£93	£129	63%
	Medway	£26	£31	£43	63%	£81	£95	£132	63%
Model 1	East Kent	£23	£27	£37	63%	£78	£91	£127	64%
	North Kent	£27	£32	£44	63%	£78	£91	£127	63%
	West Kent	£29	£35	£48	63%	£84	£99	£138	63%
Model 3	East Kent	£26	£31	£43	64%	£75	£89	£123	64%
	North Kent	£27	£32	£44	63%	£78	£92	£128	63%
	South Kent	£21	£25	£35	63%	£80	£94	£131	64%
	West Kent	£29	£35	£48	63%	£84	£99	£138	63%
Model 4	East Kent	£25	£29	£41	64%	£77	£91	£126	64%
	Mid Kent	£23	£27	£38	63%	£77	£91	£127	64%
	North Kent	£27	£32	£44	63%	£78	£92	£128	63%
	West Kent	£29	£35	£48	63%	£84	£99	£138	63%
North/east/ mid/west	East Kent	£26	£30	£42	64%	£77	£91	£126	64%
	Mid	£23	£27	£38	64%	£78	£92	£128	64%
	North Kent	£27	£32	£44	63%	£78	£92	£128	63%
	West Kent	£31	£37	£51	63%	£87	£103	£143	63%

Data: council data
Assumptions: see appendix for UA assumptions. Inflation at 3.28%.

PRIVATE AND CONFIDENTIAL

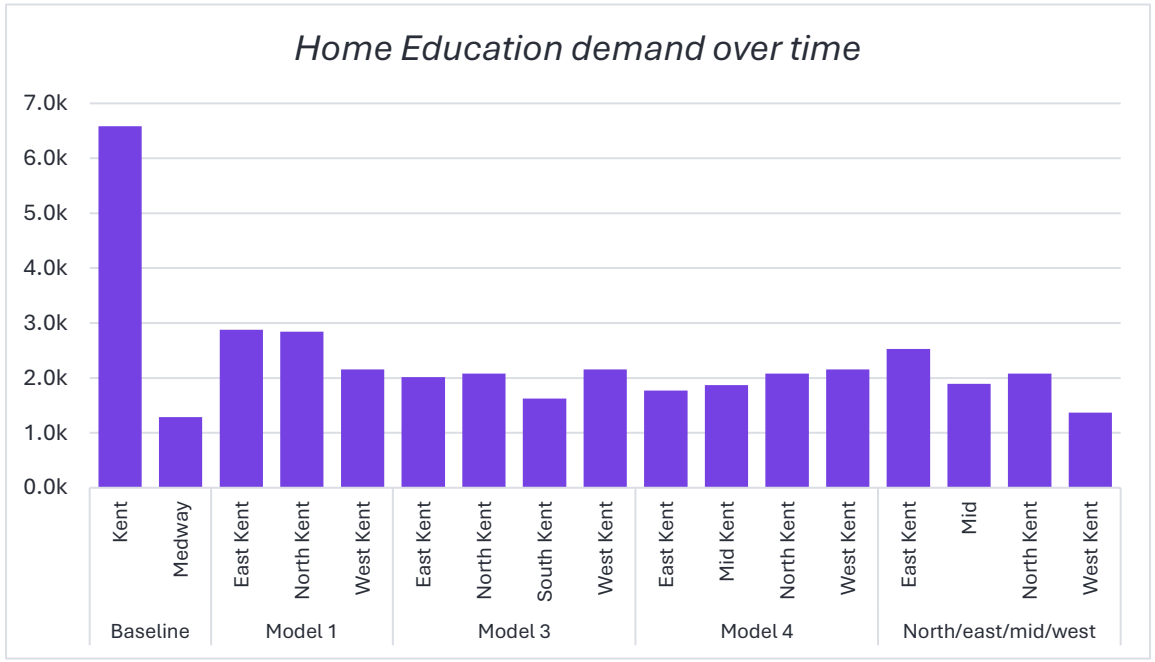
Education: Home education

DEMAND VARIATION AND FORECASTING

The following slides show the expected home education, school exclusion, school absences and Children Missing Education (where data was available) in 2025, 2030 and 2040. The expected demand is driven by population forecasts in each new unitary.

The graph on the left shows total demand in 2025, 2030 and 2040, in general this is proportional to population in the new unitary authorities. This analysis will show the expected change in demand in each unitary.

The table to the right of each graph shows the prevalence per 10,000 school aged population, this remains consistent over time.



Scenario	Proposed Authority	Home Education Prevalence
Baseline	Kent	268
	Medway	286
Model 1	East Kent	300
	North Kent	265
	West Kent	245
Model 3	East Kent	306
	North Kent	250
	South Kent	300
	West Kent	245
Model 4	East Kent	299
	Mid Kent	307
	North Kent	250
	West Kent	245
North/east/mid/west	East Kent	304
	Mid	295
	North Kent	250
	West Kent	226

Note, for home education the data available shows prevalence increasing. However, both council data and nationally available data was only available for post covid years, and it is unclear if this trend will continue or flatten out. Therefore, only demand for "day 1" (2025) has been shown.

Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

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Prevalence remains consistent. Prevalence is shown per 10k school aged population.

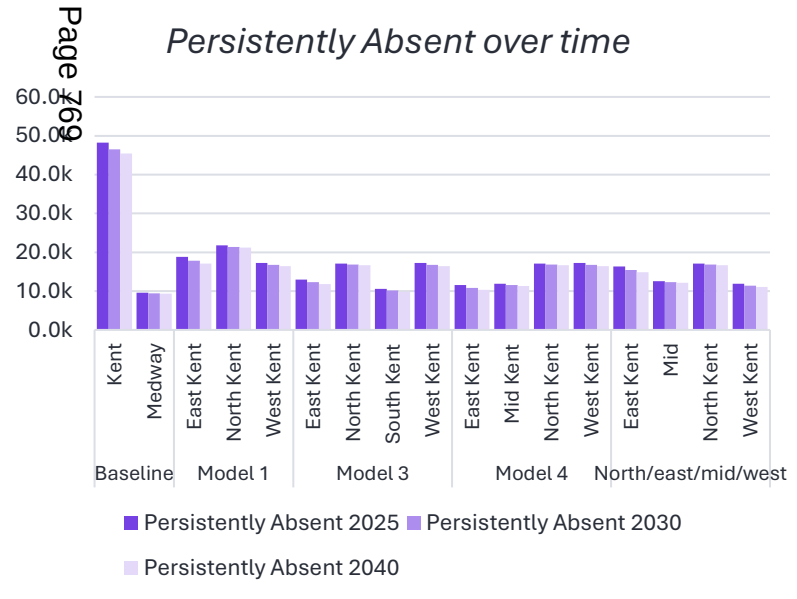
Education: Absences and Exclusions

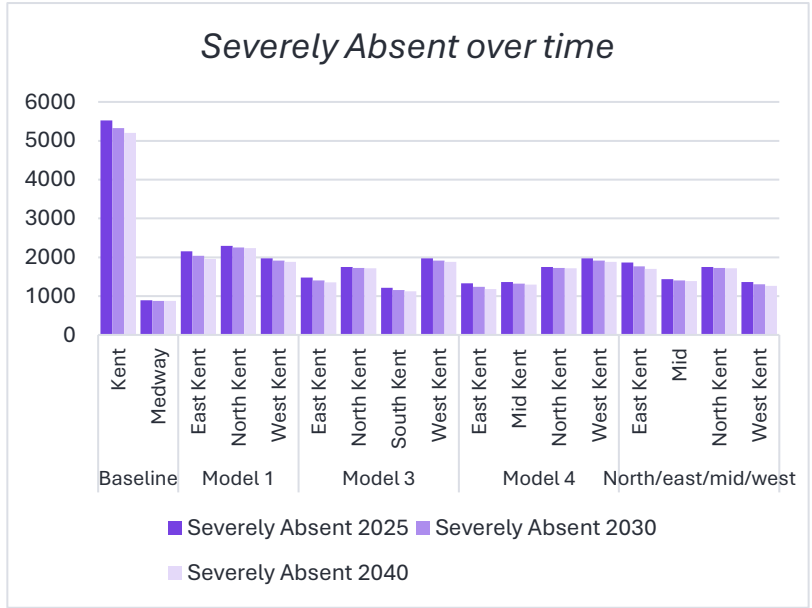
DEMAND VARIATION AND FORECASTING

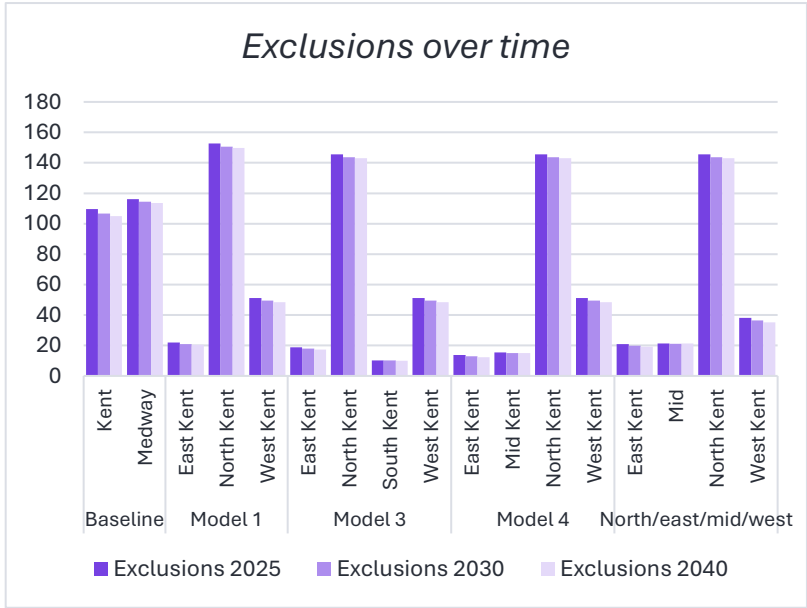
Note, nationally available data has been used for the severely and persistently absent counts. These are only reported at a county level and therefore this does not capture the internal variation. However, is included for completeness.

Authority	Exclusions Prevalence	Severely Absent Prevalence	Persistently Absent Prevalence
Kent	4	224	1960
Medway	26	199	2125

**Prevalence is per 10k of school aged population.*







Data: ONS population forecasts and estimates, council data
Assumptions: Population growth matched to ONS growth rates, ONS projections, or aligned to linear regression model of population growth as appropriate. Detail included in methodology section of the appendix.

PRIVATE AND CONFIDENTIAL

Prevalence remains consistent. Prevalence is shown per 10k school aged population.

Section 2d: Housing

The scope of this section is to provide insight into the likely impacts of each proposed scenario on homelessness demand.

Homelessness: Households owed a duty

DEMAND FOR HOMELESSNESS SUPPORT FOR DAY 1 HAS BEEN MODELLED

This analysis has modelled the demand for homelessness support for day 1. This analysis shows the variation in day 1 demand for homelessness support based on what duty is required. This will identify if certain scenarios are creating unitary authorities that have a high demand variation in day 1 as well as an increased demand to baseline scenario. This is shown both as a % of total households in that scenario and a total number of households.

Scenario	Proposed Authority	% of total households assessed as owed a prevention duty	% of total households assessed as owed a relief duty	% of total households assessed as owed a main duty*	Number of households assessed as owed a duty
Baseline	Kent	0.55%	0.57%	0.20%	3850 3969 1420
	Medway	0.91%	0.73%	0.30%	1063 852 355
Model 1	East	0.53%	0.62%	0.18%	1623 1885 563
	North	0.72%	0.67%	0.30%	1982 1841 817
	West	0.55%	0.46%	0.17%	1308 1095 394
Model 3	East	0.46%	0.66%	0.19%	936 1344 386
	North	0.82%	0.70%	0.30%	1713 1456 619
	South	0.57%	0.55%	0.22%	956 925 376
	West	0.55%	0.46%	0.17%	1308 1095 394
Model 4	East	0.47%	0.66%	0.18%	895 1260 347
	Mid	0.55%	0.56%	0.23%	997 1009 415
	North	0.82%	0.70%	0.30%	1713 1456 619
	West	0.55%	0.46%	0.17%	1308 1095 394
North/east/ mid/west	East	0.45%	0.64%	0.21%	1164 1645 546
	Mid	0.70%	0.60%	0.21%	1328 1139 391
	North	0.82%	0.70%	0.30%	1713 1456 619
	West	0.44%	0.36%	0.14%	708 581 220

Prevention Duty owed
Relief Duty owed
Main Duty owed

Main duty is households assessed, following relief duty end, as unintentionally homeless and priority need. Therefore, there may be cases of a household included in both relief and main duty count

Data: HCLIC data from gov.uk
Assumptions: Detail included in methodology section of the appendix.

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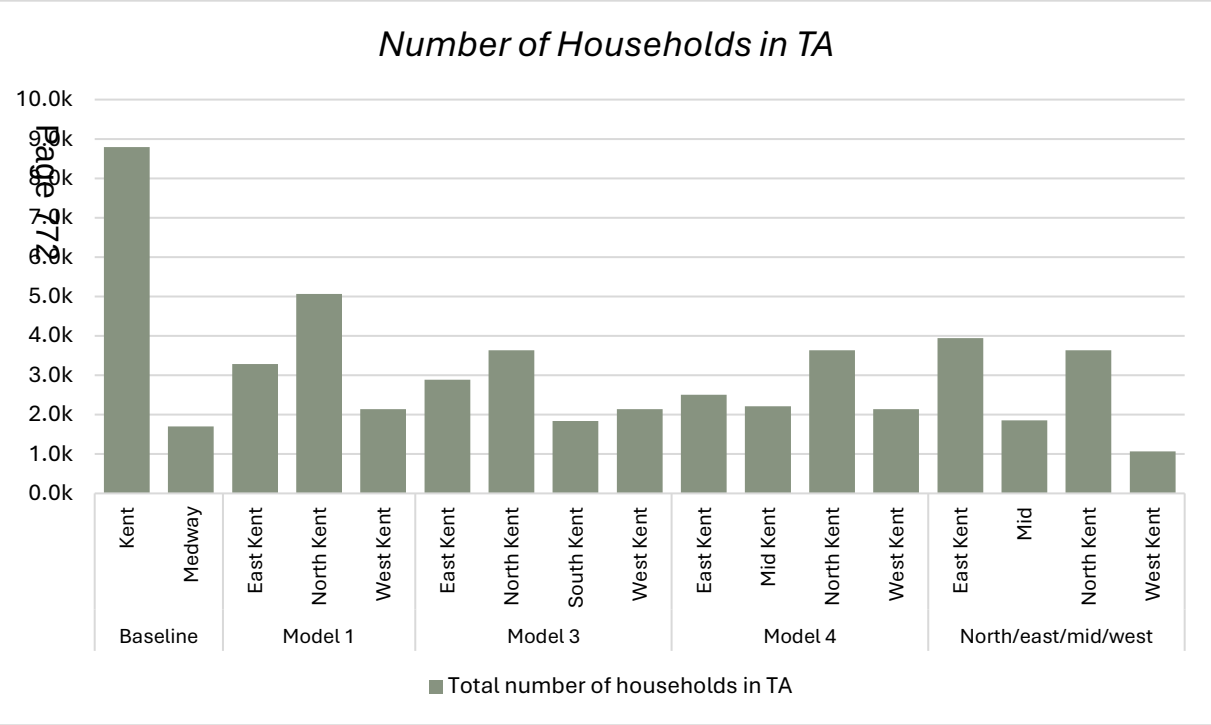
Homelessness: Temporary accommodation

TEMPORARY ACCOMMODATION DEMAND FOR DAY 1 HAS BEEN MODELLED

This analysis has modelled the demand for temporary accommodation for day 1. This analysis shows the variation in temporary accommodation support and will identify if certain scenarios are creating high variation in demand between unitary authorities as well as an increase in demand to baseline.

The graph on the left shows number of households needing temporary accommodation and the table on the right shows the prevalence of this as a % of total households in the unitary.



Scenario	Proposed Authority	% of households in TA
Baseline	Kent	1.3%
	Medway	1.5%
Model 1	East Kent	1.1%
	North Kent	1.8%
	West Kent	0.9%
Model 3	East Kent	1.4%
	North Kent	1.7%
	South Kent	1.1%
	West Kent	0.9%
Model 4	East Kent	1.3%
	Mid Kent	1.2%
	North Kent	1.7%
	West Kent	0.9%
North/east/ mid/west	East Kent	1.5%
	Mid	1.0%
	North Kent	1.7%
	West Kent	0.7%

Data: HCLIC data from gov.uk
Assumptions: Detail included in methodology section of the appendix.

Homelessness: Historic trends

DEMAND FOR HOMELESSNESS SUPPORT IS EXPECTED TO INCREASE

The limitations of the nationally available data along with the changing trends in homelessness means the future homelessness demand can not be modelled accurately. However, the “day 1” analysis provides a view of how both the number of households facing homelessness and the number of households in temporary accommodation will split amongst the proposed unitary authorities.

Historic trends:

There has been an increase in the number of households seeking help from local authorities for support with homelessness. This has been driven by the impact of recent economic and policy developments.

- Temporary accommodation: There has been a rise in temporary accommodation placements, particularly Bed and Breakfast hotel placements.
- First-Time Homelessness: More people are experiencing homelessness for the first time.
- Housing Cost Burden: Rising housing costs and lack of affordable housing are major drivers of homelessness. There are now more renter households paying over 50% of their income on rent.

Future demand:

It is expected that the number of households requiring local authority support for housing and homelessness prevention will continue to increase. However, there are policy changes that are due to impact this. For example, the Renters (Reform) Bill will have an impact on homelessness legislation, with the government planning to make relevant changes to the homelessness legislation to align with the reforms brought forward by this bill.

Appendix I: Methodology

Appendix I (a): Data

Data

THE MODEL HAS BEEN INPUTTED WITH DATA PROVIDED BY THE COUNCIL

As part of this work data was requested from councils . This data is outlined below and is the foundation for the analysis in the report:

Area	Data requested

ASC	• Number of clients accessing long term support at year end split by working age Adult and Older Adult. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24
	  • Where possible this data has been provided by originating address and placement address
	• Number of requests for support year end split by working age Adult and Older Adult. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24
	• Number of requests for support resulting in a service year end split by working age Adult and Older Adult. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24
	• Average unit cost for each provision split by working age Adult and Older Adult. This was requested for the last 3 financial years, 21/22, 22/23, 23/24
	  • Both gross and net costs were requested.
	  • Where possible this data has been provided by originating address and placement address
	• Capacity of Residential Care and Nursing Care provisions
	• FTE and pay by team for staff involved in delivering Adult Social Care

CSC	• Number of Children in Care by provision at year end. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24
	  • Where possible this data has been provided by originating address and placement address
	• Number of child protection pans and Child in need plans at year end. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24
	• Number of new in year referrals. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24
	• Number of new in year Social Care assessments. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24
	• Number of early help interventions. Provided as a snapshot at financial year end, 21/22, 22/23, 23/24
	• Average unit cost for each provision split by working age Adult and Older Adult. This was requested for the last 3 financial years, 21/22, 22/23, 23/24
	  • Both gross and net costs were requested
	  • Where possible this data has been provided by originating address and placement address
	• Capacity of internal fostering placements
	• FTE and pay by team for staff involved in delivering Children's Social Care

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Data

THE MODEL HAS BEEN INPUTTED WITH DATA PROVIDED BY THE COUNCIL

As part of this work data was requested from councils . This data is outlined below and is the foundation for the analysis in the report:

Area	Data requested
SEND	• Number of total EHCPs by provision type. Snapshot at the SEN2 data return date. For 2022. 2023 and 2024 • Number of new in year EHCPs by provision type. For 2022. 2023 and 2024 • Average cost of EHCPs by provision type • Capacity of Maintained Special Schools • FTE and pay by team for staff involved in delivering SEND support
Education	• Total capacity of school places • Number of young people receiving home to school transport by type for the last three financial years, 21/22, 22/23 and 23/24 • Average cost of home to school transport by type for the last three financial years, 21/22, 22/23 and 23/24 • Number of young people missing or absent from school for the last 3 financial years • Number of young people receiving elective home education for the last 3 financial years

Appendix I (b): Demand Modelling methodology

Demand Modelling: High Level Approach

POPULATION AND PREVALENCE

To model how we expect demand to vary by geography and change over time we have segmented the population. This will both enable us to provide forecasts for new geographical footprints, and control for the impact of deprivation and population density in our forecasting.

When we look to the features that have the biggest impact on Social Care demand for a population, we see that these are age and deprivation. In the model, we have segmented our population by age and used the smallest practical geography to control for deprivation.

Smaller geography = more accurate.

For each segment (i.e. U18 in MSOA x) of the population we can say:

Segment Demand = Segment Population x Segment Prevalence

Through making a series of sensible assumptions on how we expect the prevalence and population to change within a segment we can forecast our expected demand in that segment.

Population modelling

APPROACH TO PROJECTING POPULATIONS

Segment demand = Segment population x Segment prevalence

- To model population, we are using the following datasets:
  1. **Forecasts:** ONS population projections (at a District level) (2018)
  2. **Historical trends:** ONS population estimates (at an MSOA level (2023))
  3. **Analysis:** Combining population projections with population estimates

- Where they exist, we will use ONS population projections, however:
  - Looking at ONS Projections vs ONS Estimates and analysed the discrepancy at a district level. Where there is a significant delta, we have applied a simple model based on historic trends and added in a damper as we project forward
- To get MSOA % population of a LA, we used historic proportions with some trend adjustments where needed
- To get age group projections, we have used historic MSOA distributions
- To reflect a projected increase in OA, we have scaled up the proportion of 65+ to match ONS national projections, whilst scaling down the 0-17 age group to reflect a declining birth rate

Prevalence modelling

WHAT DO WE MEAN BY PREVALENCE

Segment demand = Segment population x Segment prevalence

Prevalence formula

$$\text{Segment Prevalence} = \frac{\sum \text{Actual demand in segment}}{\sum \text{Actual segment population}}$$

from your returns

based on ONS population mid-year actuals, as detailed previously

Worked example

Historical average prevalence

$$\text{Children in Care average prevalence} = \frac{\text{Known number of Children in Care}}{\text{Known U18 population in wonderland}} = \frac{\text{2022 = 5, 2023 = 10, 2024 = 7}}{\text{2022 = 4,568, 2023 = 4,762, 2024 = 4,823}} = \frac{23}{14{,}153} = \text{16.25 CIC/10k U18}$$

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Demand Modelling: Handling of unknown values and Out of County data

APPROACH TO UNKNOWNS WITHIN THE DATA RETURN

Segment demand = Segment population x Segment prevalence

To handle where values in data returns have been redacted, or where demand data has been given for districts / MSOAs which are 'Out of County', we have taken the following approach:

Redactions

1. Where MSOA-level data returns are heavily suppressed, we have instead run the analysis using the district-level data return.
2. Where cost data is redacted, we have used the average cost of districts / MSOAs with data for that year.
3. Where we have no more detailed information, we have assumed 2.5.

Unknown and Out of County

Where 'unknown' locality data, UASC, or Out of County* data has been provided, we have redistributed this across districts / MSOAs within the current county.

For demand data, we spread out this demand across the current county through weighting against the relevant population segment (e.g. U18s for Childrens). This is essentially a likelihood that the unknown demand came from a certain district / MSOA within the county.

To account for the fact that Out of County placements may differ in cost to in-county placements, where cost data is provided, we have then back-worked the average unit cost for each demand type per district / MSOA. This ensures total forecasted costs remain accurate & constant pre and post value re-distribution.

Unit costs at a district level may appear greater than that provided in the data return, if the cost data provided for Out of County / Unknown placements are greater than in-county, to account for the greater cost of Out of County placements.

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Appendix I (c): Adults & Children's Social Care and SEND methodology

Approach to projecting prevalence forward, with time

HOW ARE WE MODELLING CHANGES IN PREVALENCE OVER TIME

Segment demand = Segment population x Segment prevalence

Introduction

Adults and Children's Social Care

To project prevalence going forward, for ASC and CSC, we have calculated the average prevalence from actuals, for the period FY21/22 through FY23/24, and applied the same prevalence going forward. These years were chosen to (1) avoid influence from COVID-19 and (2) as longer-term data is rarely available, for the same set of districts, utilising the same methodology.

For ASC, in the longer term, we have then proportionally modelled a prevalence trend back towards originating demand, discussed on the next slide.

SEND

As the prevalence of SEND has greatly increased over the past few years, we have modelled a linear increase for type of SEND setting type for each district / MSOA. Where there was not a clear linear increase, the average prevalence was used instead.

The SEND prevalence for each setting type is 'frozen' at the year that the total SEND prevalence across setting types reaches 5.5% of the under 24 population segment. Any years afterwards will have this fixed prevalence.

Other aspects of the report (Home to School transport, Absences and Exclusions etc.)

Our approach to modelling other sections of the report are detailed further into this methodology appendix.

Population segments used

These are used for both prevalence calculations, and for the weighted redistribution of unknown data.

Cohort	Population segment used
ASC: Older Adults	65+
ASC: Working Age Adults	18 – 65
Children's Social Care	Under 18
SEND (and Home to School transport)	Under 25

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Approach to projecting prevalence forward, with time

PLACEMENT VS ORIGINATING PREVALENCE

We know that we have more placements in some parts of the county than others relative to local demand. As a result, we place service users in areas of the county that are not the same as their originating address. **This means that our data currently shows an artificially distorted view of need across the county**. As our population tends to its "natural" demographics we would expect this distortion to unwind over time and social care need to equalise across geographies. This phenomenon will only impact "placement" based services (e.g. Residential Care), and not community services (e.g. domestic care).

For each service, we produced cost and demand analysis for 2 key scenarios:

Service	Day 1 prevalence (2025)	Long term population driven prevalence (2030 and 2040)
Childrens: Children in Care	We have assumed that this placements will be distributed with respect to their **originating address**, not the placement address.	**No change in prevalence:** we will perform the analysis based on the child's originating / parental address, which will not change as a result of the location of the child's placement.
Adult: Residential Care, Nursing Care and Supported Living placements	Using known demand and cost data for each placement, provide a forecast for each district based on service users **currently placed in that locality.** These forecasts will have demographic distortions baked in as we do not expect services users to be moved due to changes in boundaries.	Our long-term population driven prevalence forecast will be shaped towards the distribution of service users by originating address where known. As the population across the county tends to its natural demographics, we expect the prevalence of Nursing Care and Residential Care placements to tend to the same distribution between districts as Nursing Care and Residential Care demand by origin. Where this data is unavailable, we will use the prevalence rate of domestic care (as this service does not result in service users changing address). For the longer term forecasts we will use a prevalence rate that is distributed in this way.
Adult: Other care types	For Other care types, or where placement information is not available, the forecast for each district will be based on the service user's originating address.	**No change in prevalence:** we will perform the analysis based on the service user's **originating address.**

Assumptions
LENGTH OF STAY

In the longer term, we expect the prevalence to trend back towards the distribution of prevalence suggested from originating data (or where unavailable, domestic care demand).

For longer term forecasts (2030 and 2040), and for three types of placement care – Nursing Care, Residential Care and Supported Living, we have therefore blended the prevalences between placement prevalence and originating prevalence with the weightings on the right.

Trend towards originating prevalence over the long term

Age group (WAA or OA)	Type of care	Year	Weighting
OA	Nursing	2030	30%
		2040	0%
	Residential	2030	20%
		2040	0%
	Supported Living	2030	20%
		2040	0%
WAA	Nursing	2030	80%
		2040	50%
	Residential	2030	80%
		2040	50%
	Supported Living	2030	80%
		2040	50%

ASC, CSC and SEND demand modelling
SUMMARY TABLE

Cohort	Assumptions for Day 1 (2025)	Assumptions for 2030 & 2040 (where this differs)	Handling of neighbouring unitaries
Older Adult	• For Day 1 only, prevalence remains the same as past average per district / MSOA, based on placement address • For OP, use population 65+ for prevalence and population forecasts • Practice is consistent across current LA footprints	• For residential-type settings, assume "natural" demographic demand is proportionally spread as per originating address where available or as per dom care between districts / MSOAs. • For OA: Assume average placement duration of 2 years.	**Where demand & cost data has been provided for neighbouring unitaries:** • Where this includes demand originating in that neighbouring unitary, we have used that demand to calculate the prevalences in the districts / MSOAs of the neighbouring unitary. **Where this data has not been provided:** • If this data is unavailable or the data only shows current placements in that neighbouring unitary (but not demand originating within that neighbouring unitarity), we have instead used the average prevalence from districts / MSOAs currently within the local authority. • This is to avoid demand appearing lower in scenarios with neighbouring unitaries.
Working Age Adult	• For Day 1 only, prevalence remains the same as past average per district / MSOA, based on placement address • For WAA, use population 18-65+ for prevalence and population forecasts • Practice is consistent across current LA footprints	• For residential-type settings, assume "natural" demographic demand is proportionally spread as per originating address where available or as per dom care between districts / MSOAs. • For WAA: Assume average placement duration of 15 years.	
Children's	• For Day 1 and 2030 & 2040, prevalence remains the same as past average per district / MSOA • Use U18 population • Assumed that spend will be divided by originating address rather than placement address, therefore analysis completed based on parents' address (not placement address) • Practice is consistent across current LA footprints		
SEND	• Prevalence is calculated from U25 population and will increase over time as per the trend in the district / MSOA over the past 3 years. This increase is included in Day 1 (2025) projections. • We have used a linear regression model, capped at 5.5% of population. If this resulted in negative or no linear forecast, we have instead assumed that the prevalence will stay the same over time. • Breakdown by setting in same proportions as the average over the time period data is available for.		**Where this data has been provided** • Similarly, we have used this data without modifications. **Where this data has not been provided** • We have used the total number of EHCPs from the national Government SEND report [1]. This is at LA level, so the prevalence for all MSOAs within an LA where national data has been used will have the same starting prevalence. • To split this by SEND provision type, we have then applied the same average %

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Appendix I (d): Home to School Transport, Education and Homelessness forecast methodology

Home to School Transport (HTS)
FORECASTING METHODOLOGY

Our modelling for Home to School (HTS) transport demand is designed to reflect that HTS transport demand is driven by both demand from children and young people (CYP) with SEND but also CYP without SEND. As the total number of CYP with EHCPs is increasing, we would expect HTS transport demand to increase, but not at the same rate.

The formula therefore has two components: one linked to the average base prevalence, with the same approach as detailed for ASC and CSC demand; and a second component that reflects the increase driven by the increasing number of CYP with EHCPs.

For neighbouring unitaries without data, we have assumed the same average prevalence and split of transport type as areas where we do have data.

Demand formula

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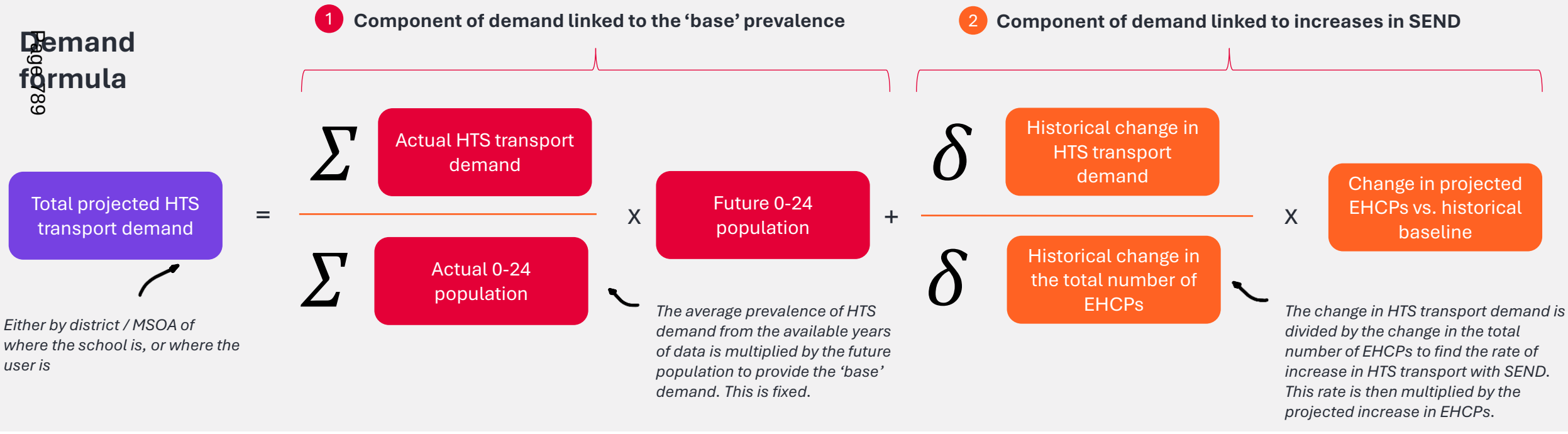


Education

FORECASTING METHODOLOGY FOR ABSENCES, EXCLUSIONS AND HOME EDUCATION

Data inputs

In all cases, where data was available in the data return, this was used.

Where data was unavailable (for example, for neighbouring unitaries without data), national data was used for that district.

National data is only available at the UTLA level, and as such where national data was used, the same prevalence will be applied to all districts / MSOAs within a UTLA.

Metric	National data source used	Years used
Persistent absences	Pupil absence in schools in England [1]	Academic years 2021, 2022, 2023
Severe absences		
Exclusions	Suspensions and permanent exclusions in England [2]	Academic years 2021 and 2022. 2023 data currently un-available.
Elective Home Education (EHE)	Elective home education – at any point during the previous academic year [3]	Academic year 2023/24 used to reflect latest trends.
Children Missing Education*	** CME was only included if complete information was supplied in the data return for all districts / MSOAs within the scenarios. Where CME data was missing for neighbouring unitaries, this was excluded from the outputs.*	

Demand calculation

Demand formula (example)
Absences

$$\text{Projected absences} = \text{Future 5-16 population} \times \frac{\sum \text{Actual absences}}{\sum \text{5 – 16 population}}$$

For absences, exclusions and EHE, an average prevalence is calculated from either the available years of data (if using the data return) or from the 'years used' in the table on the left (if using national data).

Analysis of national data shows that the rates of school absences and exclusions are higher than the pre-COVID average.

By taking an average prevalence from the immediate years available for both 'Day 1' and longer-term forecasts, our projection will be more accurate in the short term.

This approach does not assume that the rates of absences and exclusions will return to their pre-COVID baseline.

EHE was only projected for 'Day 1', as national data is only available from 2021, and we are unsure if the post-COVID rise in EHE will continue.

Data limitations

Where data is available by home address, this will be used. This is preferable as we are calculating the prevalence against the school age population of each area. However, national data looks to only be available by school location.

Effect of calculating absences and exclusions by school location

1. **CYP goes to school in same area**

No issues with calculating prevalence by the MSOA's SAP.

2. **CYP goes to school in a different district / MSOA**

Prevalence may be overstated in areas with more schools and undercounted in areas with fewer schools. Impact: Changes in UA could overstate or understate the number of missing/absent students between scenarios.

3. **CYP goes to a school Out of County**

UAs which largely educates pupils whose home authority is elsewhere will have the number of absences / exclusions overstated.

Housing and homelessness
FORECASTING METHODOLOGY

Data inputs

Metric	National data source used
Household size actuals & projections	Household projections for England: 2018-based [1]
Households assessed as owed a duty	Statutory homelessness in England, 2023 [2]
Number of households in temporary accommodation	

Assumptions

We have assimilated data across the previous 4 quarters of data available. Where data was missing for a council in a quarter, we have applied the average across the remaining quarters.

The national data on homelessness is only available at a LA level. At an MSOA level, we have assumed that all MSOAs within an LA will have the same prevalence. Scenarios where current LAs are split will therefore be an approximation.

Similarly, household size projections produced by the ONS are also at an LA level. We have therefore assumed the household size is constant for all MSOAs within a local authority, which we know to be a broad assumption. We have accepted this approximation, as the national data on homelessness is also limited at an LA level.

Methodology

As we have adjusted our population projections, we have applied the 2018 household sizes to our adjusted population projections, to calculate the projected number of households.

Household size formula

i.e. the projected household size

$$\text{\# of households in a given area} = \text{Adjusted population projection} \times \frac{\text{ONS forecast \# households}}{\text{ONS forecast total population}}$$

This is then used as the basis on which prevalence is calculated.

Demand formula

$$\text{Households owed a given duty} = \text{Future \# of households} \times \frac{\sum \text{Historical households owed a given duty}}{\sum \text{Historical \# of households}}$$

What we aren't forecasting and why

1. **Costs of temporary accommodation**

No reliable data available without requesting data returns.

2. **Exact placement splits beyond temporary accommodation**

This would require looking into the local social housing supply locations to ascertain how this would be split between proposed UAs, as well as added complexities where councils are sending residents out of county.

3. **2030 & beyond**

Due to the rapidly changing policy space (renter's reform, housebuilding), we are only providing Day 1 estimates.

Appendix I (e): Cost Modelling

Cost Modelling
SERVICE COST

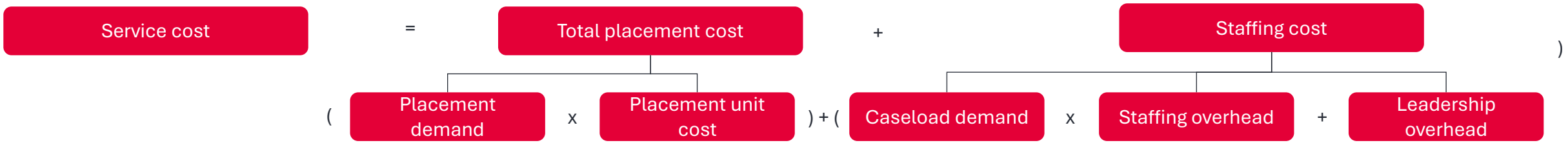
Our cost analysis has been limited to assessing the impact of LGR on two key drivers of spend:

1. **Provision** costs: the cost of placements, homecare, and supporting SEN provision.
2. The **staffing** cost associated with identifying need and supporting residents.

Where we have sufficiently granular data this extends to:

Service	Description	Services in scope		
		Adult	**Childrens**	**Education**
Placements	Analysis on unit cost of placements and homecare. This will extend to estimating the impact of scale, population density, complexity, self funding, OOA placements, Inflation and equalisation of rates.	• Nursing • Residential • Domiciliary • Supported Living • "Other"	• Children in Care placements	• Mainstream School • MSS • IMSS • 'Other' • Home to School transport
Staffing	Analysis of the distribution of staffing spend across the proposed unitaries, and any anticipated changes in organisation structure.	• All Council Adult Social Care directorate staffing	• All Children's Social Care directorate staffing	• All Council Education directorate staffing

The overarching governing equation is:



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Cost Modelling
UNIT COSTS

Service cost = Total placement cost + Staffing cost

(Placement demand x Placement unit cost) + (Caseload demand x Delivery team cost + Leadership overhead

In a similar manner to our demand modelling, we have used the same population segmentation approach to help us model costs across the county.

As part of the data return you have provided us with unit costs. We have then modelled cost at the same geographic level to help control for complexity (driven by deprivation etc.) and local cost variation (e.g. higher rents in urban areas).

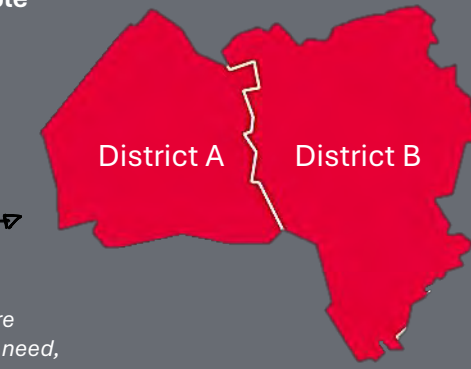
We have modelled unit cost by individual setting (i.e. OP Nursing) to ensure that we are comparing cases of comparable complexity so-far as is possible within non-PID data.

Placement demand is taken as per the approach discussed in the previous section.

To provide average rates over larger geographic areas we have used a demand weighted average. This average is also used where no data is available (for example, for neighbouring unitaries where we have not received data).

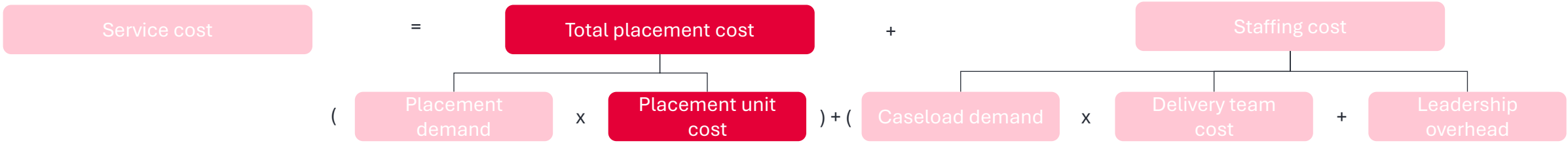
This means that if we forecast increasing need in an expensive area of the county, and a reduction in need in a less expensive area, the average unit cost would adjust to account for this.

Worked example



	District A	District B	Total
2025	Population = 100 Prevalence = 1/10 Unit cost = £1000/wk	Population = 150 Prevalence = 1/20 Unit cost = £1500/wk	Population = 250 Prevalence = 1/14 Unit cost = £1214/wk
2040	Population = 110 Prevalence = 1/10 Unit cost = £1000/wk	Population = 300 Prevalence = 1/20 Unit cost = £1500/wk	Population = 410 Prevalence = 1/10 Unit cost = £1288/wk

Cost Modelling
UNIT COSTS



The unit cost is the cost of a setting placement, or providing a service such as Home to School transport for one service user. As we forecast unit cost forward, there are several factors that we have considered to assess the impact of LGR.

Factor	Hypothesis	How have we considered the impact of this?
Scale	That smaller authorities have less buying power and so will pay more for placements as they are outcompeted by larger LAs and the private market.	Using both national and individual data returns we will identify any correlation between unit cost and scale. If any strong trend is identified, we will apply an expected increase in unit cost rate as a result.
Population density	It is more expensive to deliver care in areas with lower population density due to increased travel time.	By modelling costs at a small geographic scale we control for these factors. As our underlying population changes (gets older, poorer or less dense) the aggregated cost will change to reflect this as we will have more service users with a higher average unit cost.
Complexity	More complex cases have a higher associated cost of care and our caseload is increasing.	
Self funding	Different areas of the county will have differing levels of self funders, which means that different unitary authorities will need to contribute differing percentages of the total cost of care.	
Out of area placements	We pay more to place service users outside an authority.	We have used out of county costs where these have been provided, and used an average cost where this is unavailable.
Inflation	Placement costs will increase in cost regardless of complexity or authority boundaries.	We have assumed compounding 3.328% inflation in line with 10 year CPI & average earnings index. When taking the average cost of a placement, we have also uplifted historical costs to account for inflation at a 5.81% rate.
Equalisation of care rates within a LA	Where an existing unitary authority is absorbing neighbouring MSOAs/districts and is paying a materially higher unit cost, and additional demand added to these contracts will be at this higher rate.	We are not expecting this to impact many scenarios, but will assume the unit cost of the existing unitary where this is higher.

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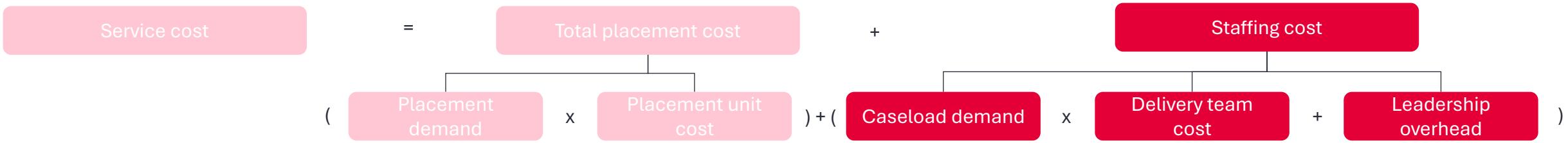
Cost Modelling

STAFFING COST



Through our analysis on staffing cost, we are looking to understand the following:

1. How will staffing requirements will vary across the proposed unitary authorities.
2. Where do we expect to see the cost of staffing change between different proposed models?
3. Where might existing organisational structures become unviable due to disaggregation of services?

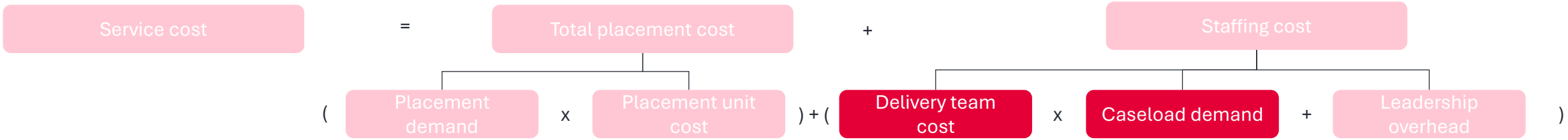
Our analysis has focused only on staff working directly on people services (e.g. transformation or data teams are excluded).

We have divided the workforce into 2 key groups:

- **Delivery team:** Staff that scale with demand, this includes all staff up to “team manager” level (up to c. £70k/annum/FTE).
- **Senior leadership**: Staff at Director level or their direct reports (over c. £70k/annum/FTE). These roles are required for every organisation regardless of caseload size.

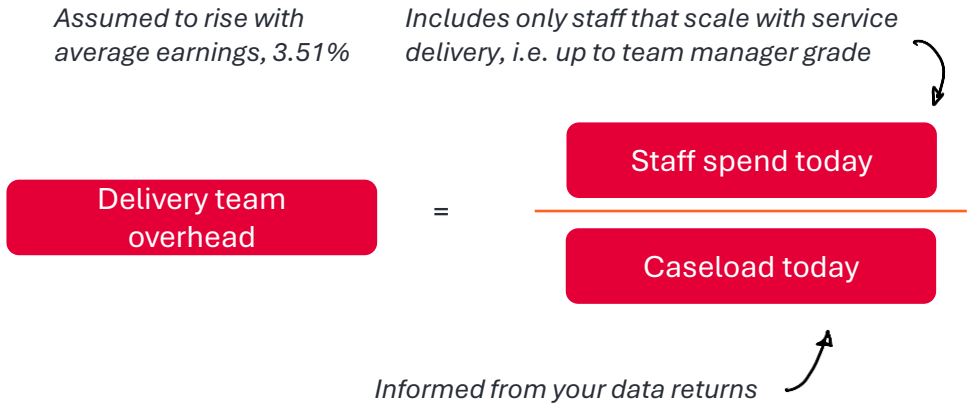
Cost Modelling

STAFFING COSTS (DELIVERY TEAM)



Staffing costs that scale with demand

Most staffing cost scales with the number of service users that we serve. We can therefore use a delivery team overhead per service user to attribute this spend to unitary authorities based on expected demand both on day 1, and using our 2030 / 2040 forecasts.



Caseload demand is used as a proxy to understand how our total staffing costs will change with time and be distributed between proposed LAs. Because we are most interested in changes to caseload and we are using a consistent definition of this demand for both the future state and demand today, it does not matter if this demand fails to capture all work performed by a team.

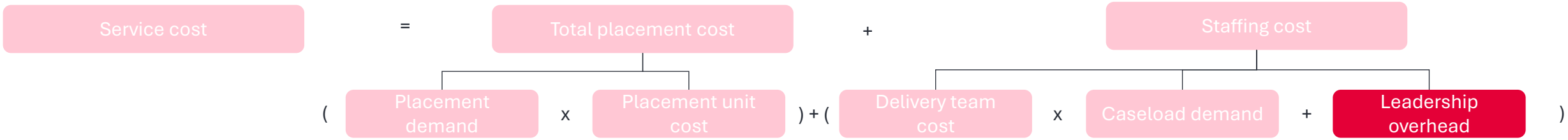
Following feedback, we have modelled caseload demand to include:

Service	Caseload demand metric
Adult	All care types returned in the data return, excluding requests for support & fulfilled requests for support
Children's	All placement types returned in the data return, excluding referrals and assessments
SEND	EHCP demand

We have chosen this metric as it more accurately captures a consistent baseline. Whilst we understand that assessments, and handling requests for support do form part of a delivery team's caseload, this is not meant to be a direct caseload measurement, but a proxy to use. As we are keeping the same caseload proxy measurement in the calculation of the future staffing cost, this remains consistent.

Cost Modelling

STAFFING COSTS (SENIOR LEADERSHIP)



Senior leadership

Whilst these staff might make up a relatively small proportion of the number of employees in an organisation, due to higher salaries they make up a disproportionate percentage of current staffing spend. For scenarios whereby total demand on an organisation is smaller, this leadership overhead can make up a significant proportion of spend.

We have assumed that director level leadership team for each directorate is fixed in its scale, and that by increasing the number of authorities in a geography we would need to duplicate this team across each service.

We have calculated the senior leadership team spend as a fixed overhead for the baseline scenario. We have then uplifted this by inflation, and scaled this by demand with a 50% weighting (e.g. a 50% reduction in demand would result in a 25% reduction in this cohort).

We have assumed senior leadership to include staff with salaries >£70k/ annum/FTE.

Step up factor
HYPOTHESIS AND RATIONALE

Hypothesis: *Smaller authorities have less buying power in the market, so all things being equal they pay more for the same provision.*

- As a response to feedback, we did some analysis to assess the impact of scale on unit cost.
- To do this, we focused on Older Adult Residential Care bed unit costs (as provided in the ASCFR data) – these are the most consistent setting, have the biggest population size and the data-set is most readily accessible nationally.
- We looked at the factors that best explain the difference in cost between authorities
    - Population size of relevant cohort (i.e. 65+) – ONS estimates 2023
    - Median income - Earnings and hours worked, place of residence by local authority: ASHE Table 8 2024
    - IMD – Indices of Multiple Deprivation 2019

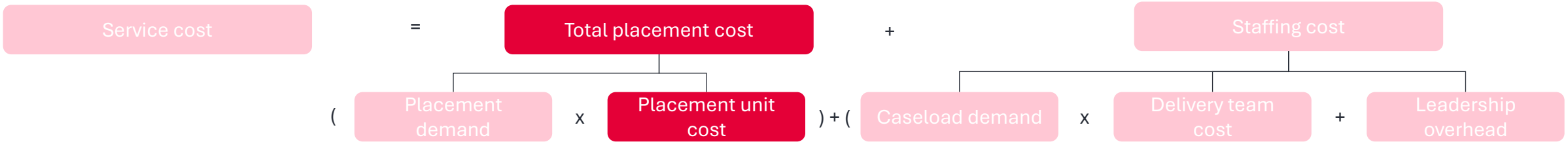
We used a linear multivariable regression model to identify the trend in this dataset and found a statistically significant correlation between smaller authority population sizes and higher unit costs, in combination with these additional factors.

- As we know the population size, IMD and median income for each geography we could calculate the expected increase in cost by varying the population size, predicted IMD and predicted median income in the model compared to the baseline scenario.
- For each proposed authority we then calculated a relative cost factor that we could apply to each unitary to calculate the expected unit cost.
- For where neighbouring unitary data has been provided, the step-up factor has not been applied in the baseline case.
- This has been applied to Adult and Children's placement costs but not to SEND or Home to School Transport.

ASCFR data has been raised as not fully reflective of unit cost spend. However, this is the only available national data on this theme and is a relatively robust basis to develop a grounded approach to implementing this assumption.

Cost modelling

SUPPRESSION HANDLING



Where placement cost values in data returns have been redacted, we have taken the following approach to “filling in the blank”.

1. Where an average over a larger geographical area is known, we have set the missing value for all unknows to that average.

2. Where a total at a larger geographical area is not known, we have assumed a flat average of the known data.

PRIVATE AND CONFIDENTIAL

Appendix II: Data tables

Data tables: Demand

WAA:

District	Nursing 2025	Nursing 2030	Nursing 2040	Residential 2025	Residential 2030	Residential 2040	Dom Care 2025	Dom Care 2030	Dom Care 2040	Supported living 2025	Supported living 2030	Supported living 2040	Other 2025	Other 2030	Other 2040
Ashford	4	5	5	99	104	109	71	75	78	172	181	189	372	391	410
Canterbury	4	4	4	203	209	215	91	94	96	344	354	364	446	459	472
Dartford	3	3	3	55	57	60	50	52	54	100	104	109	202	211	220
Dover	4	4	4	151	155	159	76	78	80	244	250	256	292	299	306
Folkestone and Hythe	6	6	6	221	224	227	75	76	77	364	368	373	454	460	466
Gravesham	3	3	3	48	49	50	76	77	78	143	145	147	267	270	273
Maidstone	8	8	9	83	88	93	96	101	107	386	408	430	408	431	455
Medway	29	30	31	197	203	210	247	255	263	316	327	337	664	686	708
Sevenoaks	2	2	2	49	49	50	47	47	48	81	81	82	181	183	184
Swale	4	4	4	116	120	124	104	108	111	197	203	210	348	359	371
Thanet	2	2	2	107	107	107	97	97	97	373	373	373	428	428	428
Tonbridge and Malling	2	2	2	51	52	54	40	42	43	180	185	190	302	311	320
Tunbridge Wells	4	4	4	86	88	89	53	54	55	177	180	183	282	287	292

OO:

District	Nursing 2025	Nursing 2030	Nursing 2040	Residential 2025	Residential 2030	Residential 2040	Dom Care 2025	Dom Care 2030	Dom Care 2040	Supported living 2025	Supported living 2030	Supported living 2040	Other 2025	Other 2030	Other 2040
Ashford	99	110	120	146	163	177	249	277	301	28	31	34	214	238	259
Canterbury	73	79	84	398	434	462	388	423	450	34	38	40	136	148	158
Dartford	80	88	95	159	176	190	250	277	299	12	13	14	119	132	142
Dover	89	97	102	334	362	383	319	346	367	43	47	50	194	210	223
Folkestone and Hythe	79	85	89	287	307	322	336	361	378	51	54	57	135	144	152
Gravesham	61	65	69	57	61	63	242	259	272	18	20	20	75	80	84
Maidstone	183	204	223	248	277	303	324	362	396	40	44	48	119	133	145
Medway	239	262	280	424	464	496	410	448	479	24	27	29	549	600	642
Sevenoaks	73	78	81	123	131	137	218	232	242	16	17	18	111	118	123
Swale	64	70	75	216	236	252	352	385	412	36	39	42	127	139	149
Thanet	77	81	84	440	466	482	373	395	409	70	74	77	149	158	163
Tonbridge and Malling	34	37	39	117	128	136	217	236	251	20	22	24	74	81	86
Tunbridge Wells	101	109	115	164	177	186	232	249	263	35	37	39	165	177	187

Out of county and unknown demand has been redistributed.

Data tables: Demand

CSC:

District	CiC 2025	CiC 2030	CiC 2040	Residential 2025	Residential 2030	Residential 2040	IFA Fostering 2025	IFA Fostering 2030	IFA Fostering 2040	Internal Fostering 2025	Internal Fostering 2030	Internal Fostering 2040	Other 2025	Other 2030	Other 2040
Ashford	143	142	142	13	13	13	25	25	25	70	69	69	35	35	35
Canterbury	191	181	174	22	21	20	38	36	34	90	85	82	41	39	38
Dartford	131	131	133	17	17	17	21	21	22	61	62	62	31	32	32
Dover	149	141	135	20	19	18	24	23	22	66	62	59	39	37	36
Folkestone and Hythe	180	166	156	21	19	18	44	41	39	84	78	73	30	28	26
Gravesham	142	137	133	16	15	15	30	29	28	67	65	63	29	28	27
Maidstone	158	157	158	18	18	18	34	34	34	67	67	68	39	39	39
Medway	450	443	441	82	81	81	1	1	1	358	352	350	9	9	9
Sevenoaks	84	79	76	9	8	8	15	14	13	37	35	34	23	22	21
Swale	239	233	230	25	25	24	43	42	42	129	126	124	42	41	40
Thanet	285	263	247	36	33	31	42	39	36	153	141	133	54	50	47
Tonbridge and Malling	110	107	105	16	15	15	19	19	19	45	44	43	30	29	29
Tunbridge Wells	97	93	91	9	8	8	21	20	19	42	40	39	26	25	24

SEND:

District	Mainstream School 2025	Mainstream School 2030	Mainstream School 2040	MSS 2025	MSS 2030	MSS 2040	INMSS 2025	INMSS 2030	INMSS 2040	Other 2025	Other 2030	Other 2040
Ashford	664	831	899	562	591	619	159	167	175	485	683	752
Canterbury	795	928	1180	547	637	809	229	259	315	607	625	643
Dartford	732	955	995	514	556	579	98	98	102	431	603	629
Dover	799	818	838	373	382	391	211	216	221	397	407	416
Folkestone and Hythe	498	637	696	447	453	457	114	116	117	370	375	378
Gravesham	496	568	605	443	470	482	104	137	155	388	542	629
Maidstone	811	1177	1331	975	1245	1357	120	127	130	374	396	403
Medway	1035	1384	1439	1685	2487	2622	349	413	421	660	682	679
Sevenoaks	630	828	834	417	438	441	150	144	145	406	516	520
Swale	862	890	918	774	799	824	199	206	212	709	732	755
Thanet	733	732	733	571	571	571	229	229	229	580	580	580
Tonbridge and Malling	657	934	1091	605	714	770	111	114	114	367	378	379
Tunbridge Wells	389	517	772	381	443	565	114	147	213	238	242	246

Out of county, unknown and UASC demand has been redistributed.

Data tables: Unit costs

WAA :

District	Nursing Avg Cost per Week 2025	Nursing Avg Cost per Week 2030	Nursing Avg Cost per Week 2040	Residential Avg Cost per Week 2025	Residential Avg Cost per Week 2030	Residential Avg Cost per Week 2040	Dom Care Avg Cost per Week 2025	Dom Care Avg Cost per Week 2030	Dom Care Avg Cost per Week 2040	Supported living Avg Cost per Week 2025	Supported living Avg Cost per Week 2030	Supported living Avg Cost per Week 2040	Other Avg Cost per Week 2025	Other Avg Cost per Week 2030	Other Avg Cost per Week 2040
Ashford	1288	1517	2105	2275	2680	3718	273	321	445	1000	1178	1634	337	396	550
Canterbury	1288	1517	2105	1686	1986	2755	305	359	498	1130	1331	1846	330	389	539
Dartford	1365	1608	2231	2143	2524	3501	448	528	732	1245	1466	2034	386	455	631
Dover	1221	1439	1996	2396	2822	3915	328	386	535	1558	1835	2546	375	442	613
Folkestone and Hythe	1262	1487	2062	2056	2422	3360	323	381	528	1120	1319	1830	343	404	560
Gravesham	1251	1473	2044	2017	2376	3297	463	545	756	1441	1697	2354	356	420	582
Maidstone	1113	1311	1819	2074	2443	3389	361	425	590	1044	1229	1705	370	436	605
Medway	1035	1219	1692	1685	1985	2754	311	366	508	1415	1667	2312	380	448	621
Sevenoaks	1501	1767	2452	2451	2886	4004	378	446	618	793	934	1295	337	397	551
Swale	1284	1513	2099	2544	2997	4157	263	310	430	961	1131	1570	372	438	608
Thanet	1506	1774	2461	1824	2148	2980	367	432	599	862	1015	1409	349	412	571
Tonbridge and Malling	1517	1787	2479	2215	2609	3620	374	440	611	1290	1519	2108	409	482	668
Tunbridge Wells	1272	1498	2078	1981	2333	3237	406	478	664	1021	1203	1669	390	460	638

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OD :

District	Nursing Avg Cost per Week 2025	Nursing Avg Cost per Week 2030	Nursing Avg Cost per Week 2040	Residential Avg Cost per Week 2025	Residential Avg Cost per Week 2030	Residential Avg Cost per Week 2040	Dom Care Avg Cost per Week 2025	Dom Care Avg Cost per Week 2030	Dom Care Avg Cost per Week 2040	Supported living Avg Cost per Week 2025	Supported living Avg Cost per Week 2030	Supported living Avg Cost per Week 2040	Other Avg Cost per Week 2025	Other Avg Cost per Week 2030	Other Avg Cost per Week 2040
Ashford	1126	1326	1839	1082	1274	1768	339	399	554	849	1000	1388	162	191	265
Canterbury	1050	1237	1716	959	1130	1568	333	392	544	927	1092	1515	207	243	338
Dartford	1034	1218	1690	967	1140	1581	371	437	606	1212	1428	1981	177	209	289
Dover	1204	1419	1968	981	1156	1604	316	372	516	1091	1285	1782	99	117	162
Folkestone and Hythe	1122	1322	1834	964	1135	1575	275	324	449	787	928	1287	221	261	362
Gravesham	943	1111	1542	963	1134	1573	360	424	589	582	686	951	268	315	437
Maidstone	1087	1281	1777	948	1117	1549	346	408	566	922	1086	1506	239	281	390
Medway	873	1028	1427	772	909	1261	258	304	422	856	1009	1399	192	226	314
Sevenoaks	1244	1465	2032	1181	1392	1931	456	537	746	874	1029	1428	261	308	427
Swale	1078	1270	1762	887	1045	1449	330	388	539	471	554	769	193	228	316
Thanet	991	1167	1619	814	959	1331	295	347	482	575	678	940	193	228	316
Tonbridge and Malling	1279	1506	2089	1064	1253	1739	380	448	622	889	1047	1453	427	503	697
Tunbridge Wells	1196	1408	1954	1103	1299	1803	366	431	599	741	873	1211	334	393	546

Out of county and unknown costs have been redistributed.

Data tables: Unit costs

CSC :

District	CiC Avg Cost per Week 2025	CiC Avg Cost per Week 2030	CiC Avg Cost per Week 2040	Residential Avg Cost per Week 2025	Residential Avg Cost per Week 2030	Residential Avg Cost per Week 2040	IFA Fostering Avg Cost per Week 2025	IFA Fostering Avg Cost per Week 2030	IFA Fostering Avg Cost per Week 2040	Internal Fostering Avg Cost per Week 2025	Internal Fostering Avg Cost per Week 2030	Internal Fostering Avg Cost per Week 2040	Other Avg Cost per Week 2025	Other Avg Cost per Week 2030	Other Avg Cost per Week 2040
Ashford	1195	1408	1953	5787	6816	9457	1175	1385	1921	549	646	897	754	888	1233
Canterbury	1313	1547	2146	5393	6353	8813	1293	1523	2113	531	626	868	843	993	1378
Dartford	1384	1630	2261	5493	6470	8976	1114	1312	1821	463	545	756	1122	1322	1834
Dover	1507	1775	2463	5603	6600	9156	1246	1467	2036	517	609	845	1220	1436	1993
Folkestone and Hythe	1353	1593	2211	5721	6739	9349	1207	1421	1972	540	636	882	852	1003	1392
Gravesham	1444	1701	2360	6434	7578	10514	1249	1471	2041	546	643	892	991	1167	1619
Maidstone	1379	1625	2254	6212	7317	10151	1226	1444	2003	519	612	849	787	927	1286
Medway	1469	1730	2400	5699	6713	9313	1326	1562	2167	488	574	797	1753	2065	2864
Sevenoaks	1298	1529	2121	5716	6733	9341	1180	1390	1929	523	616	854	998	1175	1630
Swale	1196	1408	1954	5449	6418	8904	1180	1390	1928	508	598	830	750	884	1226
Thanet	1317	1551	2152	4946	5826	8082	1295	1525	2115	548	645	895	1105	1301	1805
Tonbridge and Malling	1486	1750	2428	5780	6808	9445	1240	1460	2026	506	596	827	849	1000	1387
Tunbridge Wells	1178	1388	1925	5496	6473	8981	1241	1462	2028	508	599	830	762	898	1245

SEND :

District	Mainstream School Avg Cost per Week 2025	Mainstream School Avg Cost per Week 2030	Mainstream School Avg Cost per Week 2040	MSS Avg Cost per Week 2025	MSS Avg Cost per Week 2030	MSS Avg Cost per Week 2040	INMSS Avg Cost per Week 2025	INMSS Avg Cost per Week 2030	INMSS Avg Cost per Week 2040	Other Avg Cost per Week 2025	Other Avg Cost per Week 2030	Other Avg Cost per Week 2040
Ashford	161	190	264	488	575	798	969	1142	1584	111	131	182
Canterbury	161	190	264	488	575	798	969	1142	1584	111	131	182
Dartford	161	190	264	488	575	798	969	1142	1584	111	131	182
Dover	161	190	264	488	575	798	969	1142	1584	111	131	182
Folkestone and Hythe	161	190	264	488	575	798	969	1142	1584	111	131	182
Gravesham	161	190	264	488	575	798	969	1142	1584	111	131	182
Maidstone	161	190	264	488	575	798	969	1142	1584	111	131	182
Medway	161	190	264	488	575	798	969	1142	1584	111	131	182
Sevenoaks	161	190	264	488	575	798	969	1142	1584	111	131	182
Swale	161	190	264	488	575	798	969	1142	1584	111	131	182
Thanet	161	190	264	488	575	798	969	1142	1584	111	131	182
Tonbridge and Malling	161	190	264	488	575	798	969	1142	1584	111	131	182
Tunbridge Wells	161	190	264	488	575	798	969	1142	1584	111	131	182

Out of county, unknown and UASC costs have been redistributed.

Data tables: Step up factor

STEP UP FACTOR

Proposed Authority	Population 65+ 2023	IMD	Median income	Mid	Step up factor	Scenario
Kent	329.1k	19.5	£32.4k	924.6	1.0000	Baseline
Medway	47.7k	23.8	£32.1k	914.9	1.0000	Baseline
East Kent	153.3k	22.3	£31.1k	906.5	0.9804	Model 1
North Kent	112.5k	23.2	£32.2k	913.3	0.9877	Model 1
West Kent	110.9k	13.6	£34.0k	1021.3	1.1046	Model 1
East Kent	98.8k	24.7	£29.8k	876.8	0.9482	Model 3
North Kent	82.8k	22.0	£32.4k	930.3	1.0061	Model 3
South Kent	84.3k	21.4	£33.0k	942.4	1.0193	Model 3
West Kent	110.9k	13.6	£34.0k	1021.3	1.1046	Model 3
East Kent	97.9k	23.0	£30.2k	897.0	0.9701	Model 4
Mid Kent	85.2k	23.4	£32.3k	915.8	0.9904	Model 4
North Kent	82.8k	22.0	£32.4k	930.3	1.0061	Model 4
West Kent	110.9k	13.6	£34.0k	1021.3	1.1046	Model 4
East Kent	127.7k	24.2	£30.6k	886.6	0.9589	North/east/mid/west
Mid	90.5k	19.0	£32.6k	959.2	1.0374	North/east/mid/west
North Kent	82.8k	22.0	£32.4k	930.3	1.0061	North/east/mid/west
West Kent	75.8k	12.4	£34.7k	1044.9	1.1301	North/east/mid/west

PRIVATE AND CONFIDENTIAL

Local Government Reform: Impact on people services

If you would like to discuss the content of his report or would like any further information, please contact:

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Appendix 3e

Basic Member Allowances in Kent and Medway Councils

District, Borough and City Councils

District	Basic allowance	Financial Year	Number of Members	Total allowance cost
Ashford	£5551.13	2024/25	47	£290,903.11
Canterbury	£6638.28	2024/25 & 2025/26	39	£258,892.92
Dartford	£6177.00	2024/25 & 2025/26	42	£259,434
Dover	£5000.00	2024/25 & 2025/26	32	£160,000
Folkestone & Hythe	£6014.04	2024/25	30	£180,421.20
Gravesham	£5808.96	2024/25	39	£226,549.44
Maidstone	£6228.55	2025/26	49	£305,198.95
Sevenoaks	£6628.00	2024/25	54	£357,912
Swale	£6786.00	2024/25	47	£318,942
Thanet	£5475.00	2025/26	56	£306,600
Tonbridge & Malling	£5592.00	2025/26	44	£246,048
Tunbridge Wells	£6000.00	2025/26	39	£234,000
Districts' total:	**£71,898.92**	n/a	**526**	**£3,144,901.62**
District average	**£5991.58**	n/a	**43.8**	**£262,075.14**

Kent County Council and Medway Council

Council	Basic allowance	Financial Year	Number of Members	Total allowance cost
Kent	16,266.91	2025/26	81	£1,317,619.71
Medway	12,098	2024/25	59	£713,782

Grand total cost for KCC, Medway and district councillors: **£5,176,303.33**

Proposed unitary cost: 122 councillors x £23,000: **£2,806,000.00**

Difference: **£2,370,303.33**

Basic Member Allowances - Sources

Ashford: Members Allowances 2024-25.pdf
Canterbury: Members allowances | Canterbury City Council
Dartford: Members' Allowances Scheme – Dartford Borough Council
Dover: Part-6-Members-Allowances-2025.pdf
Folkestone & Hythe: Members Allowances 24-25 v2.xlsx
Gravesham: 2024-25.pdf
Maidstone: Councillor Allowances - Maidstone Borough Council
Sevenoaks: Document 24 - Appendix G - Members Allowance Scheme | Sevenoaks
Swale: Councillors and Elected Members - Members' allowances
Thanet: Members' Allowances Scheme 2025-26 - Google Docs
Tonbridge & Malling: TONBRIDGE AND MALLING BOROUGH COUNCIL
Tunbridge Wells: Councillors' allowances and expenses
Kent: (Public Pack)Item 8 - Member Allowances Reports Agenda Supplement for County Council, 10/07/2025 10:00
Medway: 2023 to 2024 Member Allowances | Medway Council

Appendix 3f

Community Engagement Toolkit

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1. **Digital Engagement Platforms** 1
2. **Public Consultations & Town Halls** 1
3. **Online Broadcast of Committee Meetings** 2
4. **Leader's Question Time** 3
5. **Participatory Budgeting** 3
6. **Citizen Advisory Boards** 4
7. **Community Workshops & Focus Groups** 4
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9. **Youth Engagement** 6
10. **Cultural & Community Events** 7

This appendix provides an overview of community engagement methods that could be utilised by the new unitary authority. By offering a flexible menu of approaches, the following could form the basis of a **Community Engagement Toolkit** to empower staff when tailoring their engagement activities to local needs.

1. Digital Engagement Platforms

With this proposed model, the single unitary option has a unique opportunity to continue existing engagement methods and embed them into a wider engagement framework.

Kent County Council (KCC) has a strong online presence, across multiple social media platforms, and for many residents it is their preferred method of finding out what the authority is doing or using it to contact the council. Continuing to engage with the public in this way can give the new unitary authority a dialogue and connection with residents that it may not reach through other channels[1].

The new unitary authority should continue to invest in digital platforms to make engagement accessible and consistent, focusing on transparency, social value and inclusive representation.

2. Public Consultations & Town Halls

A new unitary authority could utilise public consultation and Town Halls / Community Venues, where available, to engage with the public on key issues; in-person events can provide a richer and more nuanced conversation with participants asking questions on the issues being discussed. This method may also support council staff and Councillors to build trust and rapport between the new unitary authority and the community and deepen any learning obtained from digital consultation methods.

[1] KCC Social Media Guidance

The single unitary authority will be able to use or build on existing online and digital platforms currently utilised by Kent and Medway Councils such as KCC's Let's Talk Kent and by combining in-person and digital consultation methods, the new unitary authority can potentially reach more diverse groups and mitigate issues surround digital accessibility and work in a more collaborative way with local residents.

Learning from other areas: Royal Borough of Kensington and Chelsea – Kensal Canalside Opportunity Area

In The Royal Borough of Kensington and Chelsea, Kensal Canalside was identified as one of 48 opportunity areas in the 2021 London Plan, and the area was allocated to deliver a minimum of 3,500 new homes and 2000 new jobs.

The Council undertook several stages of engagement with residents before the Draft Supplementary Planning Document (SPD) was published for consultation; including the use of drop-in sessions in the local area to introduce the opportunity to the wider public and gain their views and insights. Drop-in sessions were advertised through mail-out of leaflets to local residents, posters in local businesses and following this, a 'Kensal Canalside Community Workshop' took place with the purpose of sharing feedback and gaining additional information.

This process was complemented by online polls and a request for feedback through their formal consultation process. Each stage of engagement fed into subsequent engagement activity, and a detailed consultation schedule was made available on the Council website.

This structured and transparent engagement process ensured that residents, partners and businesses were kept informed at all stages and a range of both online and in-person events allowed the council to reach underrepresented and marginalised groups.

Feedback from the first consultation led to amendments in the plan, including:

- *Adjustments to building heights.*
- *Improved green space allocation.*
- *Enhanced pedestrian and cycle routes.*

This shows that community input directly influenced the design, reinforcing trust and legitimacy.

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3. Online Broadcast of Committee Meetings

Whilst there is no legal requirement for councils to broadcast or livestream meetings themselves, they must allow for filming, recording and reporting of public meetings in accordance with the Local Government Audit and Accountability Act (2014). Therefore, in order to provide transparency in decision making processes, KCC, like many councils, broadcast their committee meetings online to be viewed by the public. This process allows residents to see the processes that are followed and how decisions are made by their elected representatives and provides public accountability from councillors and council staff.

It is proposed that the new unitary authority continue to maintain this service so that residents can better understand local issues and priorities and as it is accessible online, a wider audience can stay informed and participate (indirectly) at a time that suits them.

4. Leader's Question Time

The new unitary authority could consider holding Question Time events to enable the public to engage with the local authority, building trust and transparency in Council processes and promote a two-way dialogue.

Since 2017, the Greater Manchester Combined Authority has hosted 'Question Time' events; aiming to highlight and answer questions on local issues posted by members of the public[2]. Events are held quarterly and provide an opportunity for residents to have a voice on any concerns that matter to them.

Similarly, the Mayor of London holds 'Mayor Question Time' events 10 times a year, residents of London can submit questions accessibly online on the full range of matters within the mayoral remit, including policing, fire service and transport, with any questions not answered during the meeting receiving a written response[3].

Medway Council are currently trialling questions to Cabinet Members at Cabinet Meetings[4] as an addition to those at Full Council meetings, with an online form for residents to submit their queries and opportunities to attend meetings to ask their question in person.

5. Participatory Budgeting

Participatory budgeting is a process in which residents directly decide how to allocate part of a public budget. It empowers communities by giving them a voice in funding priorities, fosters transparency, and strengthens trust between the council and its constituents. Through workshops, voting, and collaborative decision-making, participatory budgeting helps ensure that resources are directed toward projects that reflect local needs and values.

KCC has used this concept of participatory budgeting through the Crowdfund Kent Programme, with VCSE organisations and community groups in Kent creating projects that are most needed in their local communities and receiving not only funding support from public sector organisations but also from members of the public. Over the four years of the programme, it has resulted in over £1.8M in funding raised for projects proposed by Kent organisations, covering initiatives varying from improving local spaces to providing services for communities in need.

In a 2011 National Evaluation of Participatory Budgeting in England[5], considering six different areas of the UK, results showed that participatory budgeting could change mainstream services, attracting additional funds into deprived areas from other funders, leading to different types of projects receiving funding than might otherwise been the case. It also enhanced the ability of providers to address local service needs amongst hard-to-reach groups and served to improve residents' and organisations' self confidence in tackling neighbourhood issues and working with public sector organisations.

The new Unitary Authority could choose to utilise this form of resident participation, ensuring a localised approach to community funding.

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[2] Mayor's Question Time - Greater Manchester Combined Authority
[3] Questions to the Mayor | London City Hall
[4] Asking a question at a Full Council or Cabinet meeting | Asking a question at a Full Council or Cabinet meeting | Medway Council
[5] National Evaluation of Participatory Budgeting in England

6. Citizen Advisory Boards

A collection of individuals selected to be representative of the wider population, this form of engagement allows for residents, experts and organisers to meet for open discussion and focussed questioning to make an informed recommendation on a key topic before disbanding. It could allow for greater diversity of engagement by utilising the knowledge and experience of not only residents but also representatives from community organisations such as the VCSE.

Citizen Advisory Boards could be used by the new unitary to ensure community voices are heard as part of decision-making processes, providing localised insight to community perspectives and tailoring services to local needs.

The advisory boards would be time limited and convened on specific topics to provide a focus for discussions and ensure they hold a meaningful role rather than symbolic input.

Learning from other areas: Innovation in Democracy Programme – Piloting Citizen's Assemblies

The Innovation in Democracy Programme, established by the Department for Digital, Culture, Media and Sport (DCMS) and the Ministry of Housing, Communities and Local Government (MHCLG), supported a programme to involve residents in local decision-making through piloting citizen's assemblies.

The aim of the programme was to increase the capability of local people to have a greater say over decisions that impact their communities, encourage new relationships and trust between citizens and local authorities and strengthen local civil society by encouraging participation in local institutions.

Involve, the Democratic Society, mySociety and the RSA were commissioned to provide support to Dudley Metropolitan Borough Council, Greater Cambridge Partnership, and Test Valley Borough Council to design, run and report on their respective assemblies which took place in Autumn 2019. The assemblies considered the following topics:

- *Dudley Metropolitan Borough Council: assembly on the future of town centres*
- *Greater Cambridgeshire Partnership: assembly on improving public transport and tackling congestion.*
- *Test Valley Borough Council: assembly on the future vitality of town centres*

The process included evidence sessions, facilitated discussions, and final recommendations to the councils and a handbook to be used by other authorities on running their own citizens assemblies was developed. The authorities involved reported that the recommendations from citizens assemblies directly helped to inform the development of ongoing work such as local plans and visions for the area.

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7. Community Workshops & Focus Groups

Community workshops and focus groups are already used within KCC's services to engage local residents and organisations (such as Health and the VCSE) to co-design policies and services.

A recent example of this would be the KCC Adult Social Care Prevention Framework which utilised several workshops with the voluntary sector, KCC workforce, partners and Kent residents for early engagement and co-production prior to formal online consultation. The team

hosted several drop-in sessions[6] to engage with the community in a number of different locations across the county. The framework was designed accordingly to ensure that the voice of people living in Kent remains at the heart of the priorities outlined in the final document.

The new unitary authority should consider workshops and focus groups, alongside similar models such as citizen's assemblies, as a core engagement process part of the wider community engagement framework.

Learning from other areas: Exeter's Wellbeing Hub Co-design

Exeter's approach to developing its Wellbeing Hub was rooted in community-led design, using a combination of workshops, focus groups, and multi-agency collaboration to ensure services reflected the needs and aspirations of local residents. Key partners in the process were Exeter Community Initiatives (ECI), Co-Lab Exeter, Wellbeing Exeter and Exeter City Council.

Targeted focus groups were used to gather insights from specific communities, including those facing disadvantage or exclusion. These sessions helped shape the design of services to be more inclusive and responsive.

CoLab Exeter served a central role for collaboration among service providers, community organisations, and residents. It enabled co-creation of solutions and integrated service delivery, particularly for individuals with complex needs and community input from workshops and focus groups directly informed programme priorities.

Residents influenced the design and delivery of wellbeing services and as the services were tailored to local needs there was improved uptake from the community and the collaborative design process led to improved relationships between the council, voluntary sector, and communities, fostering empowerment, inclusion and trust in local decision making.

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8. Volunteer & Civic Projects

The responsibilities of district councils such as community maintenance and litter management will become part of the services of the newly created unitary authority and community and civic projects such as the one shown below, could be a useful tool to engage with Kent and Medway residents whilst improving our local areas. Similar initiatives could be coordinated and managed through a Community Engagement Team to give a sense of ownership and pride in the community.

Unitary council staff could be given the opportunity to directly volunteer on such schemes, improving relationships between staff and members of the public and continuing KCC's current commitment to volunteering efforts to support local people, reduce isolation, increase connectivity and improve accessibility.

Learning from other areas: Darlington Pick, Pie and Pint Days

Due to decreasing budgets, Darlington Borough Council found residents raising concerns over the appearance of the town's historic centre yet lacked the financial resources to address the problem directly. By partnering with a local organisation, Darlington Cares, which was formed with council support in 2012 to help focus the corporate responsibility efforts of Darlington based businesses, the council were able to organise regular 'Pick, Pie and Pint' days in 2017.

[6] Adult Social Care Prevention Framework Engagement Sessions | Let's talk Kent

Held as social and fun event days, residents were invited to exchange an hour's work litter picking and improving the local area, for a free pie and pint, paid for by a local business (and at no cost to the council) thus incentivising residents beyond civic duty whilst creating a social element that improved community cohesion and pride in shared spaces.

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9. Youth Engagement

KCC currently has a Kent Youth County Council (KYCC), a group of young people aged between 11 and 18 who are elected to represent and act upon the views, issues and opinions of the young people in Kent[7]; four young people are elected to represent each of Kent's twelve districts in addition to twelve community seats, ensuring KYCC is representative of all communities in Kent.

The KYCC campaigns on three issues each year, decided during the annual election process, on topics such as mental health, environment, curriculum for life and improving public transport as well as other opportunities to ensure the voice of young people is heard within the decision-making processes across council services.

The National Youth Agency (NYA) has developed a framework for 'Digital Youth Work', exploring new innovations to engage and support young people[8]; identified examples of digital youth work could be:

- Connecting with young people through the authority's social media channels
- Using Discord to deliver youth targeted sessions such as healthy relationships
- Discussing online safety and wellbeing during sporting activities
- Working on skills development using Minecraft
- Utilising the power of VR to explore identity and belonging.

Therefore, the new unitary authority should continue to maintain a youth county council as an important engagement mechanism but should also consider how alternative models of engagement (both online and in-person) as well as peer-led outreach and the use of clubs and informal spaces could widen engagement to harder to reach cohorts of young people.

Learning from other areas: Fenland Youth Work Network in Cambridgeshire

In response to youth vulnerability due to poverty, limited services and exploitation risks in the rural area of Fenland, Cambridgeshire County Council launched the 'Fenland Youth Work Network' in 2024, introducing initiatives such as 'Inspire Youth Through Sports' and 'Fenland Youth Tribe' which provided safe spaces, community ties and resilience to the young people in attendance.

Identifying the need for a targeted and community led approach, Cambridgeshire County Council co-designed the two new services with young people through a collaborative place-based model, empowering the young people involved and providing holistic support tailored to local needs.

Over 200 young people, including those known to the Community Safety Partnership, regularly engaged with the projects leading to tangible outcomes such as improved access to food,

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[7] About Kent Youth County Council - Kent County Council
[8] Digital Youth Work - National Youth Agency

clothing and services, successful youth-led campaigns for skate park lighting and reduced risk of exploitation.

The work is now sustained though local volunteers, youth works and VCSE providers who continue to lead the sessions supported by training, guidance and seed funding from the Council.

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10. Cultural & Community Events

Cultural events, such as festivals, heritage days, and arts programmes, can help residents feel connected to their place and to each other. For a new unitary authority, these events offer a chance to celebrate local diversity, acknowledge shared history, and build trust in the new governance structure.

Events can provide a more informal and inclusive space where councils can engage with residents who might not participate in more formal consultation or engagement methods; this will be especially important during local government reorganisation where the public may be sceptical or lacking in clarity on the new structures in place and could become a useful tool during the important transition phase to the new unitary authority and beyond until the benefits are fully realised.

Learning from other areas: Historic England High Street Heritage Action Zone in South Kesteven, Lincolnshire

The Historic England High Street Heritage Action Zone (HSHAZ) project in South Kesteven in Lincolnshire specifically focused on Grantham, and was part of a national initiative to revitalise historic high streets through heritage-led regeneration.

Grantham was selected as one of 68 HSHAZs across England, receiving funding from Historic England and the government departments DCMS and MHCLG. The programme ran from 2020 to 2024, with South Kesteven District Council and its economic development company 'InvestSK' leading the delivery.

The project focused on several key areas including building regeneration grants, a Community Urban Design Framework co-designed with residents to guide future development, and a cultural programme of events and activities including heritage trails, festivals and creative workshops to celebrate local identity and bring people back to the high street.

As a result, 80% of attendees reported feeling more pride in their local community and 69% said they were likely to visit their high street more often.

EQIA Submission – ID Number
Section A

EQIA Title
KCC Strategic Business Case for Local Government Reorganisation in Kent and Medway

Responsible Officer
Jenny Dixon-Sherreard - CED SPRCA

Approved by (Note: approval of this EqIA must be completed within the EqIA App)
David Whittle - CED SPRCA

Type of Activity

Service Change
No
Service Redesign
No
Project/Programme
No
Commissioning/Procurement
No
Strategy/Policy
No
Details of other Service Activity
Local Government Reorganisation

Accountability and Responsibility

Directorate
Strategic and Corporate Services
Responsible Service
SPRCA
Responsible Head of Service
David Whittle - CED SPRCA
Responsible Director
David Whittle - CED SPRCA

Aims and Objectives

Kent County Council (KCC) is responding to the Government's statutory invitation to submit proposals for Local Government Reorganisation (LGR), which seeks to replace existing local government structures with unitary models. This Equality Impact Assessment (EqIA) has been developed to assess the potential implications of KCC's preferred option of a single unitary authority for Kent and Medway, supported by three Area Assemblies. The model replaces the current two-tier structure with a single-tier authority that incorporates Medway's existing unitary arrangements and extends them across the wider Kent area.

KCC's proposed model aims to support long-term financial sustainability while maintaining strategic coherence and service continuity across Kent and Medway. By establishing a single unitary authority, the model enables Kent to fully realise the benefits of operating at scale, enhancing strategic oversight, and achieving greater financial efficiency through unified service delivery and resource management. Financial modelling indicates that the single unitary model, supported by Area Assemblies is the most financially viable option compared to multi-unitary alternatives which introduce higher costs and longer return periods.

The model is also designed to meet the needs of Kent's diverse communities by supporting accountability, consistent service standards, and more strategic use of resources. It introduces Area Assemblies to

strengthen local engagement and responsiveness, providing a mechanism to shape place-based priorities on services such as libraries, leisure, planning, and highways. This will be further supported by a new Strategic Engagement Framework and Community Engagement Team, including Community Navigators embedded in local areas, to ensure inclusive, accessible, and representative engagement across Kent and Medway.

This reorganisation would offer the strategic coherence needed to manage complex countywide challenges such as high demand in social care, SEND, housing, and public health, while also responding to geographic disparities and infrastructure pressures across East, West, and North Kent. The scale and integration of a single authority would support Kent's ability to respond to national and international pressures, including port disruption and Unaccompanied Asylum Seeking Children (UASC) responsibilities, and would ensure equitable service delivery across the county.

This Equality Impact Assessment (EqIA) supports the LGR process by identifying and addressing the potential impacts of the proposed changes on those with protected characteristics under the Equality Act 2010, particularly regarding the potential disruption of bringing together and redesigning services from across the two upper tier authorities of KCC and Medway and the aggregation of services from the District and Borough Councils into the single unitary authority model. It ensures that equality considerations are embedded throughout the development and implementation of the new model, and that the voices of Kent's diverse population are reflected in the decision-making process.

The EqIA will be updated as proposals evolve, evidence is gathered, and engagement continues. Further EqIAs will be undertaken as specific policy proposals, service restructures, or operational changes emerge from the reorganisation process, ensuring that equality considerations are embedded at every stage of implementation.

Section B – Evidence

Do you have data related to the protected groups of the people impacted by this activity?

Yes

It is possible to get the data in a timely and cost effective way?

Yes

Is there national evidence/data that you can use?

Yes

Have you consulted with stakeholders?

Yes

Who have you involved, consulted and engaged with?

KCC has engaged with a broad range of key stakeholders as part of the development of its LGR proposal. A public survey is taking place, publicised through the 'Let's Talk Kent' platform, and advertised through social media. This will run from 30 September to 26 October 2025. The confidential survey seeks to gather the views of residents on the potential future shape of public services.

In addition to this, KCC has contacted stakeholders including strategic partners, Kent and Medway MPs, and representatives from the voluntary, community, and business sectors across Kent and Medway. The engagement process has also included outreach to public sector partners such as health, police, and education, as well as parish and town councils. Stakeholders were invited to provide their views on the proposed single unitary authority model, including the opportunities and benefits for the county and for their organisations, any concerns about working with a single unitary, and how the Area Assembly model could support operational delivery and local engagement. The consultation process has included written communications and offers of meetings to discuss the proposals in more detail, ensuring that all interested parties have the opportunity to contribute their perspectives and inform the development of the business case.

Has there been a previous Equality Analysis (EQIA) in the last 3 years?

No

Do you have evidence that can help you understand the potential impact of your activity?

Yes

Section C – Impact

Who may be impacted by the activity?

Service Users/clients

Service users/clients

Staff

Staff/Volunteers

Residents/Communities/Citizens

Residents/communities/citizens

Are there any positive impacts for all or any of the protected groups as a result of the activity that you are doing?

Yes

Details of Positive Impacts

The proposed LGR model of a single unitary authority for Kent and Medway supported by three Area Assemblies presents several potential positive impacts for individuals and communities with protected characteristics under the Equality Act 2010.

By consolidating governance and service delivery into a single authority, the model is expected to improve consistency and equity in how services are planned, commissioned, and delivered across the county. This is particularly relevant for groups who may currently experience variation in access or outcomes due to the fragmented nature of the two-tier system. A unified structure will help reduce postcode lotteries and ensure that residents with protected characteristics receive a more consistent standard of support regardless of where they live.

The establishment of Area Assemblies in North, West, and East Kent is designed to preserve local identity and ensure that community voices, including those from underrepresented or marginalised groups are embedded in decision-making and service delivery. This place-based approach will be further supported by a new Strategic Engagement Framework and Community Engagement Team, including Community Navigators embedded in local areas, to ensure inclusive, accessible, and representative engagement. These mechanisms offer opportunities to tailor services to the specific needs of local populations, including areas with higher levels of deprivation, older populations, or greater ethnic diversity.

The proposed model also supports improved strategic planning and integration across services such as adult social care, children's services, housing, and public health - areas that disproportionately affect people with disabilities, older people, and children and young people with SEND. A single authority will be better placed to coordinate responses to complex needs, reduce service gaps, and improve transitions between services, which can be particularly beneficial for disabled people and carers.

Furthermore, the financial sustainability of the proposed model creates opportunities for reinvestment into frontline services. This could support the development of more inclusive and accessible services, targeted interventions, and community engagement initiatives that benefit protected groups.

Finally, the scale and coherence of a single authority supports Kent's ability to respond to national and international pressures, such as port disruption and unaccompanied asylum seeking children who may benefit from a more coordinated and well-resourced approach to safeguarding and integration.

Negative impacts and Mitigating Actions

19.Negative Impacts and Mitigating actions for Age
Are there negative impacts for age?
Yes
Details of negative impacts for Age
Kent and Medway have a diverse age profile, with notable concentrations of both younger and older residents. In Kent, approximately 22.4% of the population is aged 60 and over, while 23.5% is aged under 20. The largest age cohort is those aged 50–59, accounting for 14.5% of the total population. Kent also has a slightly higher proportion of both 0–14-year-olds and people aged over 50 compared to the national average, with a median age of 42.3 years. There is variation in the age profile across Kent's districts, for example, the average age in Folkestone and Hythe is 45 years, compared to 37.3 years in Dartford. Medway has a younger overall population, with 16.4% aged 60 and over and 24.6% aged under 20. The largest age group in Medway is those aged 50–64, making up 19.2% of the population. The median age in Medway is 38 years, which is younger than both the South East regional average and the national average. KCC has a significant proportion of staff aged 50 and over, reflecting an ageing workforce trend common in local government. Medway Council reports that 16.3% of its workforce is under 30, with an overall ageing staff profile also noted. While the implementation of a single unitary model with three assemblies is expected to have minimal potential negative impacts related to age, we acknowledge that certain issues may still arise, which we will actively seek to identify and mitigate. For older people, particularly those in rural or coastal areas, there is a risk that changes to service structures could disrupt access to adult social care, health services, and community support. These services are often lifelines for older residents, and any transition period or reconfiguration could lead to confusion, delays, or reduced continuity of care. Similarly, younger people especially those accessing SEND services or transitioning between children's and adult services may be affected by changes in service pathways. The reorganisation could result in temporary disruption or uncertainty around eligibility, referral routes, or support mechanisms if integration is not handled with sufficient clarity and safeguarding. In a large, countywide authority, there is a risk that local variation in age-related needs may be less visible at the strategic level relating to place-based priorities or services. Without strong local engagement mechanisms, such as the proposed Area Assemblies, there is a possibility that place-based priorities including those related to age may not be fully reflected in service planning and delivery. Digital transformation and centralisation of services which is often associated with reorganisation may disproportionately affect older residents who are less digitally literate or lack access to online platforms. This could lead to exclusion from information, engagement, or service access unless mitigated through inclusive design and alternative access routes. Finally, the reorganisation may also have age-related implications for staff. There may be concerns around job security, role changes, or redeployment, which could disproportionately affect older staff who may be less mobile or closer to retirement. Younger staff, particularly those early in their careers, may experience uncertainty around career progression or development opportunities during a period of organisational change. Without clear communication and support, these impacts could affect staff wellbeing, morale, and retention across age groups.
Mitigating Actions for Age
To address the potential negative impacts of the proposed reorganisation on residents of different age groups, a range of mitigating actions would be implemented to ensure that services remain accessible, inclusive, and responsive throughout the transition and beyond.

Importantly, KCC's preferred model of a single unitary authority potentially offers the strongest basis for mitigating risks to age-related service continuity. Unlike multi-unitary options, which would disaggregate key services such as adult social care, SEND, and public health, the single authority model preserves the scale and integration needed to manage complex countywide challenges. This is particularly critical for older residents and children and young people who rely on consistent, joined-up support across service boundaries.

The single unitary model enables strategic oversight and operational consistency across Kent and Medway, including safeguarding boards, which helps reduce the risk of service fragmentation. Continuity plans would be developed to protect adult social care, children's services, and SEND provision during the transition. These plans will focus on maintaining care arrangements, safeguarding referral pathways, and ensuring that transitions between services are clearly communicated and well-managed. In contrast, multi-unitary models could introduce greater complexity and risk, particularly where service boundaries do not align with community needs.

To ensure local priorities are not lost within a larger strategic framework, the model includes three Area Assemblies supported by a new Strategic Engagement Framework and Community Engagement Team. . This model would provide the opportunity to engage with older people's forums, youth councils, and voluntary sector organisations to shape service delivery in ways that reflect local demographics. The model would be designed to balance strategic coherence with local responsiveness, which is more difficult to achieve in fragmented multi-unitary arrangements.

In response to the risk of digital exclusion, particularly among older residents, alternative access routes to services and information would be maintained. This includes telephone support, face-to-face provision, and printed materials. Digital transformation initiatives will be designed with accessibility in mind, and digital literacy support will be offered where appropriate. A single authority is better positioned to coordinate inclusive access strategies than multiple smaller unitaries with varying capacities.

Clear and accessible communication will be provided to residents of all ages throughout the reorganisation process. Particular attention would be given to older people and families with children, ensuring they understand any changes to service access, governance, or local representation. Tailored messaging would be delivered through trusted community channels and service providers. A single authority can deliver more coherent messaging than multiple councils operating independently.

The new unitary authority would embed demographic analysis into strategic planning to ensure that services are responsive to the ageing population and the needs of children and young people. This includes forecasting demand and aligning resources. The scale of a single authority enables more effective long-term planning than fragmented models, which may struggle to coordinate responses across the boundaries.

To help mitigate the risk of any negative impact for age on staff, workforce transition plans would aim to be inclusive and responsive to the diverse needs of employees across all age groups. Support may include clear communication throughout organisational changes, guidance around redeployment or retirement planning, and opportunities for mentoring, peer support, or career development. The scale and coherence of a single unitary authority offers potential for more consistent workforce planning and support that values experience, promotes inclusion, and enables staff of all ages to navigate change confidently.

Responsible Officer for Mitigating Actions – Age

To be determined

20. Negative impacts and Mitigating actions for Disability

Are there negative impacts for Disability?

Yes

Details of Negative Impacts for Disability

In Kent, approximately 17.9% of the population is classified as disabled under the Equality Act, with a further 10.2% claiming disability-related benefits. The majority of these claimants report physical health conditions, followed by mental health and learning difficulties. The proportion of residents classified as disabled under the Equality Act varies across Kent's districts. Thanet has the highest rate, with 22.9% of its population reporting a disability, followed by Folkestone & Hythe (21.8%), Dover (21.2%), Canterbury (19.6%), and Swale (19.5%). These districts, primarily located in East Kent, all exceed the Kent average of 17.9%. In contrast, Dartford has the lowest proportion at 14.0%. In Medway, approximately 12.1% of the population is classified as disabled under the Equality Act.

While the implementation of a single unitary model with three assemblies is expected to have minimal potential negative impacts related to disability, certain challenges may still arise and steps would be taken to mitigate them.

For people with physical disabilities, changes to service locations or formats could introduce barriers to access, particularly if physical infrastructure or transport links are not adequately considered.

For those with learning disabilities or mental health conditions, transitions in service structures may lead to confusion, anxiety, or disruption in care continuity. Clear communication, safeguarding, and co-designed pathways will be essential to ensure that these groups are not disadvantaged during or after reorganisation.

Digital transformation, while offering efficiencies, may also risk excluding individuals with cognitive impairments or those who rely on assisted technologies. Without inclusive design and alternative access routes, there is a risk of digital exclusion.

In a large, countywide authority, there is a possibility that the specific needs of disabled residents may be less visible at the strategic level. Engagement with disability advocacy groups and community leaders who provide local intelligence and support service navigation may be disrupted, risking reduced visibility of disabled residents' needs and weakening informal referral mechanisms. The proposed Area Assemblies will play a critical role in ensuring that local voices, including those of disabled people and carers, are heard and reflected in service planning and delivery.

As with any organisational change, staff with disabilities may experience specific concerns during the transition, including uncertainty around whether existing reasonable adjustments will be honoured, how inclusive the new structures will be, and anxieties about joining new teams or disclosing personal information. For staff with physical disabilities, changes to office locations or layouts could introduce challenges to access, particularly if physical infrastructure is not adequately considered.

Mitigating actions for Disability

To ensure that disabled residents are not disproportionately affected by the transition to a single unitary model with three assemblies, a range of mitigating actions will be implemented. These actions are designed to uphold accessibility, continuity of care, and inclusive engagement throughout the reorganisation process.

Importantly, KCC's preferred model of a single unitary authority supported by three Area Assemblies offers a strong foundation for mitigating risks to disability-related service continuity. Unlike multi-unitary options, which could fragment key services such as adult social care, SEND, and mental health support, the single authority model maintains the scale and integration needed to address complex and overlapping needs. This is particularly critical for disabled residents who rely on consistent, joined-up services across health, education, housing, and social care. The unified structure also enables more coherent strategic planning and resource allocation, while the Area Assemblies and Community Engagement model provide a mechanism for ensuring that local accessibility and inclusion priorities are embedded in service delivery.

Clear and consistent communication would be prioritised, particularly for individuals with learning disabilities, cognitive impairments, or mental health conditions. Easy-read materials and alternative formats would be made available to help residents understand changes and navigate new service pathways.

To maintain continuity of care, transition planning would be embedded into service redesign, with a focus on safeguarding vulnerable individuals. This includes mapping existing support networks and ensuring that any changes to referral routes or eligibility criteria are clearly communicated and phased in gradually.

The proposed Area Assemblies supported by a new Strategic Engagement Framework and Community Engagement Team would play a key role in ensuring that local disability-related needs are captured and reflected in service planning. Engagement with disabled people, carers, and representative organisations would be built into the governance structure to ensure ongoing feedback and co-production.

Workforce transition planning would consider reasonable adjustments to ensure they are maintained within new structures, alongside clear communication and support for disabled staff navigating organisational change.

Responsible Officer for Disability

To be determined

21. Negative Impacts and Mitigating actions for Sex

Are there negative impacts for Sex

Yes - Add details of the negative impacts and mitigations.

Details of negative impacts for Sex

In Kent and Medway, the population is broadly balanced by sex, with a slight majority of females, particularly in older age groups. Women are more likely to live longer, experience disability in later life, and take on unpaid caring responsibilities. Men, meanwhile, are statistically more likely to experience poorer mental health outcomes and lower engagement with preventative health services. These differences in lived experience and service interaction mean that changes to service structures may have distinct impacts based on sex.

While the implementation of a single unitary model with three Area Assemblies is expected to have minimal potential negative impacts related to sex, certain risks may still arise and will be actively managed.

For women, particularly those accessing adult social care, domestic abuse support, or maternity services, there is a risk that service reconfiguration could disrupt continuity to gender-sensitive provision, particularly during the transitionary stage. Women are also more likely to be employed in frontline care roles, meaning workforce changes could disproportionately affect female staff.

For men, there is a risk that changes to public health and mental health services could further reduce engagement, particularly if services are not designed to address known barriers such as stigma or low help-seeking behaviour. Ensuring that services remain inclusive and responsive to male health needs will be critical.

In a large, countywide authority, there is also a risk that sex-specific needs may be less visible at the strategic level. Without strong local engagement mechanisms, such as the proposed Area Assemblies, there is a possibility that gendered patterns of service use and outcomes may not be fully reflected in planning and delivery.

Mitigating actions for Sex

To ensure that changes to service structures do not disproportionately impact individuals based on sex, a range of mitigating actions would be embedded into the design and delivery of the single unitary model. These actions would aim to promote equitable access and ensure that sex-specific needs are recognised

and addressed.

Importantly, KCC's preferred model of a single unitary authority supported by three Area Assemblies offers a coherent framework for managing sex-related service needs. Unlike multi-unitary options, which could fragment services and reduce strategic oversight, the single authority model supports integrated planning and delivery across health, social care, and community services. This is particularly important for maintaining continuity in gender-sensitive provision and ensuring that both women and men can access consistent, joined-up support.

Service redesign would consider gendered service pathways, particularly in areas such as domestic abuse support, maternity care, and mental health provision. This will help ensure that services remain responsive to the distinct needs of women and men, and that any transition does not disrupt access to critical support.

Workforce planning will take into account the gender profile of staff, especially in sectors such as social care and education where women are disproportionately represented and in areas such as waste management, transport, and certain technical services where men may be overrepresented. Measures will be taken to support staff through organisational change.

Responsible Officer for Sex

To be determined

22. Negative Impacts and Mitigating actions for Gender identity/transgender

Are there negative impacts for Gender identity/transgender

Yes - Add details of the negative impacts and mitigations.

Negative impacts for Gender identity/transgender

The move to a single unitary authority may result in some changes to how services are accessed and delivered for all residents, including those who are transgender or gender diverse. There is a possibility that, during the transition, some individuals may experience uncertainty or inconsistency in how their gender identity is recognised in service interactions or administrative processes. This could include occasional issues with the use of correct names or pronouns or concerns about privacy when updating personal information. As with any organisational change, there may also be a period of adjustment for staff and service users as new systems and processes are embedded.

Transgender staff may face heightened concerns during organisational change, including anxieties about disclosing their identity to new colleagues, how their gender will be respected in new systems and teams, and whether existing adjustments or support will be maintained.

Mitigating actions for Gender identity/transgender

The council would ensure that all policies and practices remain compliant with the Equality Act 2010, which provides protection for individuals with the protected characteristic of gender reassignment. Staff would be reminded of their responsibilities to treat all residents with respect and to maintain confidentiality regarding personal information. Where changes to systems or processes are made, care would be taken to minimise disruption and to ensure that individuals are able to update their details as needed. Any concerns raised by service users or staff will be addressed through the appropriate complaints and feedback mechanisms.

The council would ensure that transgender staff are supported throughout the transition, with clear policies on respectful treatment, confidentiality, and continuity of any existing adjustments or support arrangements.

Responsible Officer for mitigating actions for Gender identity/transgender

To be determined

23. Negative impacts and Mitigating actions for Race

Are there negative impacts for Race
Yes - Add details of the negative impacts and mitigations.
Negative impacts for Race
In Kent, 89.1% of residents identified as White in the 2021 Census, with Asian or Asian British residents making up 5.4%, Black or Black British 2.1%, Mixed or Multiple ethnic groups 2.6%, and Other ethnic groups 0.8%. In Medway, the population is slightly more diverse: 84.3% identified as White, 5.9% as Asian or Asian British, and 5.6% as Black, Black British, Caribbean or African. These figures reflect growing ethnic diversity, particularly in urban areas such as Medway, Gravesham, and parts of North Kent. While the implementation of a single unitary model with three assemblies is expected to minimise structural inequalities, we recognise that residents from minority ethnic backgrounds may face disproportionate impacts if services are not designed and delivered inclusively. There is a risk that service reorganisation could disrupt access to culturally appropriate services, particularly in areas such as health, education, housing, and community safety. For example, changes to local engagement structures or staff redeployment could weaken trusted relationships between communities and service providers, especially in areas with established community networks. Language barriers, digital exclusion, and experiences of discrimination may also compound the impact of any disruption. In a large, countywide authority, there is a risk that the specific needs of racially and ethnically diverse communities may be less visible at the strategic level. Existing engagement mechanisms with racially and ethnically diverse communities including trusted relationships with local leaders and organisations may be disrupted, risking the loss of valuable local intelligence and referral routes that support culturally appropriate service access. Without strong local engagement mechanisms, such as the proposed Area Assemblies and Community Engagement Team, there is a possibility that race-related inequalities may not be fully reflected in service planning and delivery. Minority ethnic staff may face particular anxieties during the transition, including concerns about how equality and inclusion will be upheld in new teams, whether cultural awareness will be maintained, and how they will be treated within unfamiliar organisational structures.
Mitigating actions for Race
To ensure fair and consistent service delivery for residents from all racial and ethnic backgrounds, a range of practical mitigating actions would be embedded into the transition to a single unitary model with three Area Assemblies. These actions would be designed to support equal access, uphold community cohesion, and ensure that services are responsive to local needs. Importantly, KCC's preferred model of a single unitary authority supported by three Area Assemblies offers a coherent and efficient framework for managing race-related service needs. Unlike multi-unitary options, which risk fragmenting services and creating inconsistency, the single authority model supports joined-up planning and delivery. This is essential for ensuring that all communities regardless of background receive reliable, high-quality services. Local engagement will be strengthened through the Community Engagement Team, which will provide a direct mechanism for communities to raise concerns and shape services. Engagement structures would consider continuity of relationships with community leaders and organisations representing racially and ethnically diverse groups, preserving local insight and trusted referral mechanisms. This approach would ensure that decisions are made closer to the people they affect and that local priorities including those related to race and ethnicity are properly understood and addressed. Clear communication would be prioritised, including the use of translated materials and community outreach where appropriate, to ensure that all residents can understand and access services. This is

particularly important for those who may face language barriers.

For the workforce, the transition process would include measures to uphold inclusive practices and cultural awareness within new teams, ensuring minority ethnic staff feel respected, supported, and confident in the new working environment.

Responsible Officer for mitigating actions for Race

To be determined

24. Negative impacts and Mitigating actions for Religion and belief

Are there negative impacts for Religion and belief

Yes - Add details of the negative impacts and mitigations.

Negative impacts for Religion and belief

In Kent, the 2021 Census shows that 50.7% of residents identified as Christian, while 39.1% reported no religion. Other religious groups included Muslim (1.2%), Hindu (0.5%), Sikh (0.2%), and Buddhist (0.3%). In Medway, the religious profile is similar, with 48.3% identifying as Christian, 41.4% reporting no religion, and 6.1% identifying with other faiths, including Muslim (2.2%), Hindu (0.6%), and Sikh (0.3%). These figures reflect a growing diversity in religious affiliation, alongside a significant proportion of residents who do not identify with any religion. Religious affiliation varies notably across Kent's districts. Gravesham has the highest proportion of Sikh residents (8%), while Dartford has the highest proportion of Hindu residents (3.8%) and a relatively high Muslim population (3.5%). In contrast, districts such as Sevenoaks and Swale have higher proportions of residents identifying as Christian (51.8% and 47.2% respectively) and lower representation of minority faiths. The proportion of residents reporting no religion is highest in Swale (45.3%) and Thanet (44.1%), indicating a more secular population in those areas. In Medway, 45.1% of residents identified as Christian, while 43% reported no religion. Other religious groups included Muslim (2.7%), Hindu (1.1%), Sikh (1.6%), Buddhist (0.4%), and Jewish (0.1%).

While the implementation of a single unitary model with three Area Assemblies is expected to minimise structural inequalities, residents of different faiths or beliefs may be disproportionately affected if services are not designed and delivered in a way that respects religious diversity.

There is a risk that service reorganisation could disrupt access to faith-sensitive services, such as culturally appropriate health care, burial services, or community safety initiatives. Changes to local engagement structures or staff redeployment may weaken relationships with faith-based organisations that play a key role in supporting vulnerable residents.

In a large, countywide authority, there is a risk that the specific needs of faith communities may be less visible at the strategic level. There is also a risk that existing engagement structures and trusted relationships with faith-based organisations may be disrupted during the transition, potentially weakening local intelligence and referral pathways that support service accessibility for faith communities. Without strong local engagement mechanisms, such as the proposed Area Assemblies and Community Engagement Team, there is a possibility that religion and belief-related priorities or requirements may not be fully reflected in service planning and delivery.

Mitigating actions for Religion and belief

To ensure that residents of all faiths and beliefs are treated fairly and respectfully during the transition to a single unitary model with three assemblies, a range of practical mitigating actions would be embedded into service design and delivery. These actions aim to uphold freedom of belief, promote community cohesion, and ensure that services are inclusive and responsive to religious diversity.

Importantly, KCC's preferred model of a single unitary authority supported by three Area Assemblies offers a coherent framework for managing religion and belief-related service needs. Unlike multi-unitary options, which could fragment services and reduce strategic oversight, the single authority model supports joined-up planning and delivery. This is essential for ensuring that all residents regardless of faith or belief receive consistent, high-quality services that respect their values and traditions.

Service redesign would include consideration of faith-sensitive needs, particularly in areas such as health care, bereavement services, education, and community safety. This includes ensuring that dietary requirements, religious observances, and cultural practices are respected in service planning and delivery.

Local engagement would be strengthened through the Community Engagement Team which would work to maintain and strengthen relationships with faith-based organisations, ensuring continuity of local intelligence and referral pathways that support inclusive service access. This would help ensure that local religious priorities are reflected in service provision and that trusted relationships with faith communities are maintained.

Communication materials and consultation processes would be designed to be inclusive and accessible. Where appropriate, translated materials and culturally appropriate outreach would be used to support engagement.

Responsible Officer for mitigating actions for Religion and Belief

To be determined

25. Negative impacts and Mitigating actions for Sexual Orientation

Are there negative impacts for Sexual Orientation

Yes - Add details of the negative impacts and mitigations.

Negative impacts for Sexual Orientation

In Kent and Medway, the majority of residents aged 16 and over identified as straight or heterosexual in the 2021 Census. In Medway, 89.7% of respondents identified as straight or heterosexual, while 3% identified as lesbian, gay, bisexual, or another sexual orientation (LGB+), and 7.3% chose not to answer the question. Across Kent's districts, the proportion of people identifying as straight or heterosexual ranged from approximately 89% to 91%, with between 2.5% and 3.5% identifying as LGB+, and 6% to 8% not responding to the question. These figures are based on data published by the Office for National Statistics at local authority level.

While the move to a single unitary model with three Area Assemblies is expected to minimise structural inequalities, it is important to ensure that all residents regardless of sexual orientation continue to receive fair and inclusive support and recognise that certain sexual orientations may face risks if services are not designed and delivered inclusively.

There is a risk that service reorganisation could disrupt services that LGBTQ+ residents may access, particularly in areas such as mental health, housing, youth support, and community safety. Trusted relationships with specialist providers or community organisations may be weakened if engagement structures are not maintained.

LGBTQ+ staff may experience concerns during the transition about joining new teams, how inclusive the new working environment will be, and whether they will feel safe and supported in disclosing their identity or maintaining existing support arrangements.

Mitigating actions for Sexual Orientation

To ensure that residents of all sexual orientations are treated fairly and respectfully during the transition to a single unitary model with three assemblies, a range of mitigating actions would be embedded into service design, engagement, and delivery. These actions aim to uphold equality, promote inclusion, and safeguard against discrimination.

Importantly, KCC's preferred model of a single unitary authority supported by three Area Assemblies offers a coherent and efficient framework for managing service needs related to sexual orientation. Unlike multi-unitary options, which risk fragmenting services and creating inconsistency, the single authority model

supports joined-up planning and delivery. This is essential for ensuring that all residents regardless of sexual orientation receive reliable, high-quality services.

Service redesign would consider services that LGBTQ+ residents access, particularly in areas such as mental health, housing, youth services, and community safety. The aim is to ensure that services remain inclusive and that any changes do not disrupt access to essential support.

Local engagement would be strengthened through the Area Assemblies supported by a new Strategic Engagement Framework and Community Engagement Team, which would provide a direct mechanism for communities to raise concerns and shape services. This approach ensures that decisions are made closer to the people they affect and that local priorities including those related to sexual orientation are properly understood and addressed.

Communication materials and service environments would be reviewed to ensure they are respectful and inclusive, avoiding assumptions about relationships or family structures and reflecting the diversity of Kent and Medway's communities.

Workforce planning would consider the needs of LGBTQ+ staff, including ensuring inclusive team cultures and safeguarding the ability of individuals to disclose their identity safely and confidently within new organisational settings.

Responsible Officer for mitigating actions for Sexual Orientation

To be determined

26. Negative impacts and Mitigating actions for Pregnancy and Maternity

Are there negative impacts for Pregnancy and Maternity

Yes - Add details of the negative impacts and mitigations.

Negative impacts for Pregnancy and Maternity

In Kent and Medway, maternity and early years services support a significant number of residents each year, with demand influenced by local birth rates and population growth. Pregnant women and new parents often require timely, flexible, and locally accessible support across health, housing, and social care services.

While the implementation of a single unitary model with three Area Assemblies is intended to improve coordination and reduce duplication, there is a risk that service reconfiguration could disrupt continuity of care to maternity-related provision. Service users with this protected characteristic may be disproportionately affected by changes to service structures, particularly where continuity of care or access to maternity and early years support is disrupted. This includes potential risks in areas such as health visiting, perinatal mental health, housing, and social care.

There is also a risk that workforce changes may impact pregnant staff or those either on or returning from maternity leave, especially in frontline health and care roles where women are overrepresented.

Mitigating actions for Pregnancy and Maternity

To ensure that changes to service structures do not cause potential negative impacts, a range of mitigating actions will be embedded into the design and delivery of the single unitary model which will aim to preserve continuity of care, protect access to maternity-related services, and ensure that pregnancy and maternity needs are recognised and addressed.

Importantly, KCC's preferred model of a single unitary authority supported by three Area Assemblies provides a coherent framework for managing maternity-related service needs. Unlike multi-unitary options, which may fragment provision and reduce strategic oversight, the single authority model supports integrated planning and delivery across health, early years, and social care services. This is particularly important for maintaining joined-up support during and after pregnancy.

Service redesign would consider maternity and early years pathways, including perinatal mental health, health visiting, and housing support. This would help ensure that services remain responsive to the needs of pregnant individuals and new parents, and that any transition does not disrupt access to essential care.

Workforce planning would take into account the needs of pregnant staff and those either on or returning from maternity leave, particularly in frontline roles where women are overrepresented.

Responsible Officer for mitigating actions for Pregnancy and Maternity

To be determined

27. Negative impacts and Mitigating actions for Marriage and Civil Partnerships

Are there negative impacts for Marriage and Civil Partnerships

No. Note: If Question 27a is "No", Questions 27b,c,d will state "Not Applicable" when submission goes for approval

Negative impacts for Marriage and Civil Partnerships

Not Completed

Mitigating actions for Marriage and Civil Partnerships

Not Completed

Responsible Officer for Marriage and Civil Partnerships

Not Completed

28. Negative impacts and Mitigating actions for Carer's responsibilities

Are there negative impacts for Carer's responsibilities

Yes - Add details of the negative impacts and mitigations.

Negative impacts for Carer's responsibilities

In Kent, 135,895 people (9.1% of the population) reported providing unpaid care in the 2021 Census, with 43,166 individuals (31.8%) delivering 50 or more hours of care per week. In Medway, 24,113 people (8.6%) identified as unpaid carers, with 7,582 individuals (31.4%) providing 50 or more hours of care per week.

There is a risk that changes to service structures may disproportionately impact unpaid carers, particularly if access to flexible, localised support is affected. Disruption to services such as respite care, carers' assessments, or crisis support could increase stress and reduce carers' ability to sustain their role.

Carers' needs may also be underrepresented in strategic planning if data on caring responsibilities is not consistently captured or considered. This may particularly affect hidden or informal carers, who often have limited visibility in service design and may face barriers to engagement during periods of organisational change.

Staff with caring responsibilities may face additional pressures during the transition, particularly if changes to roles, teams, or working patterns reduce flexibility or disrupt existing support arrangements. Without careful planning, this could impact their ability to balance work and caring duties effectively.

Mitigating actions for Carer's responsibilities

To ensure that changes to service structures do not disproportionately impact individuals with caring responsibilities, a range of mitigating actions will be embedded into the design and delivery of the single unitary model. These actions aim to preserve access to carer services, improve visibility of unpaid carers in strategic planning, and support carers through organisational change.

KCC's preferred model of a single unitary authority supported by three Area Assemblies offers a coherent framework for managing carer-related service needs. This structure supports integrated planning and delivery across adult social care, health, and community services, helping to avoid fragmentation that could affect carers' ability to access timely and coordinated support.

Service redesign would consider carer pathways, particularly in areas such as respite care, carers' assessments, and crisis support. This would help ensure that services remain responsive to the needs of unpaid carers and that any transition does not disrupt access to essential support.

Workforce planning would take into account the dual role of staff who also have caring responsibilities, and measures would be taken to support staff through organisational change.

Responsible Officer for Carer's responsibilities
To be determined