

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

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

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.