

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

***One Kent, One Council, Our Unique County***

**Final for Cabinet 19.11.25**

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## 1. 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 hard-wire 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**

## 2. Executive Summary

### 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 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.

### 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.

## **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.

**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.

### **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 quicker**

- 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

- 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 £2134 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.

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.*

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

### 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.

### **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.

### **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.

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**

### 3. Introduction

#### 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.

*Note for Cabinet: the designed version of the Strategic Business Case will include a map introducing Kent and Medway with the following information around the edges to highlight some of Kent and Medway's features:*

- 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
- East Kent has a thriving art and creative scene, showcased by the Turner Contemporary art gallery, driving coastal regeneration
- Kent and Medway is a powerhouse for science and technology innovation, including Discovery Park, a leading UK science park
- 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
- Kent and Medway's rich history spans centuries, with landmarks like Leeds Castle showcasing its medieval heritage
- Kent, the Garden of England, is famous for stunning countryside and world-class food and farming innovation
- West Kent benefits from fast London connections, vibrant towns, and strong entrepreneurship
- The Dartford Crossing is a vital transport link supporting UK trade and travel

#### 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.

#### 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.

### **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.

### **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.

### **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 support 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-straight crossings 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.

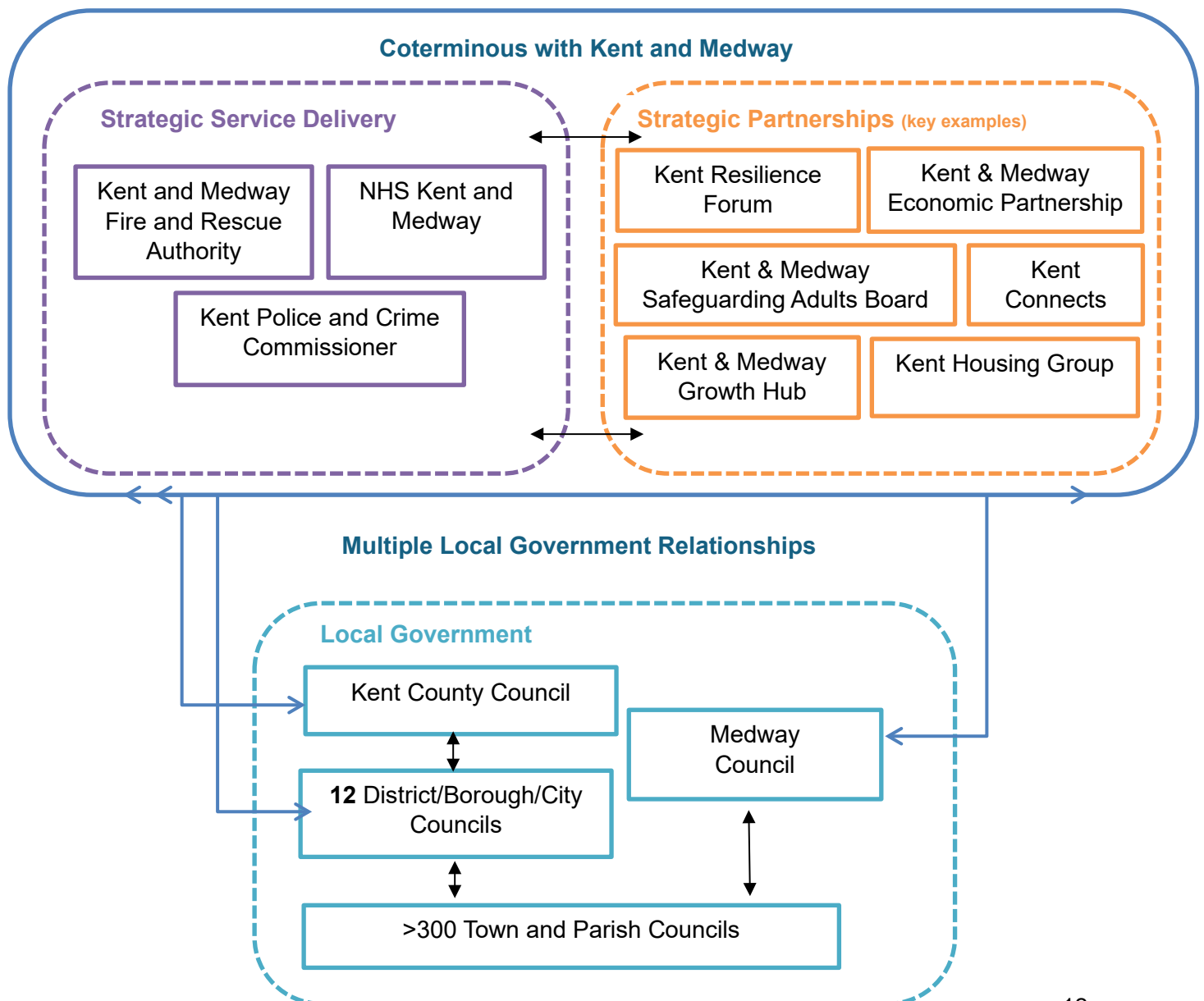
### Challenging timelines

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 & 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.

#### **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 & Medway

Innovation Partnership to connect businesses with academia and local government, boosting the county's research & 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 & 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.

Design Principle	Description
Service & resident centric	<ul style="list-style-type: none"> <li>- Design services around resident needs with a "resident-first" mindset.</li> <li>- Maintain strong community identity and local accountability.</li> <li>- Ensure equity in service access and outcomes across Kent.</li> </ul>
Integrated & collaborative	<ul style="list-style-type: none"> <li>- Enable seamless, joined-up service delivery across public services.</li> <li>- Build on existing partnerships and promote shared responsibility and budgets and co-locate where appropriate.</li> <li>- Embed co-location and community-based service design.</li> </ul>
Data-driven & digitally enabled	<ul style="list-style-type: none"> <li>- Invest in modern digital infrastructure which allows our service delivery and enabling activity to be joined up, and automated where appropriate.</li> <li>- Leverage data and AI to support early intervention, improve decision-making, and target resources effectively.</li> <li>- Ensure transparency and open data to build trust and inform priorities.</li> </ul>
Financially resilient & efficient	<ul style="list-style-type: none"> <li>- Adopt place-based financial planning and maximise asset efficiency.</li> <li>- Create efficient systems with flexible resource allocation based on demand.</li> <li>- Secure long-term funding and manage transition costs carefully</li> </ul>
Empowered & future focused workforce	<ul style="list-style-type: none"> <li>- Retain and support skilled staff through predictable roles and strong leadership.</li> </ul>

	<ul style="list-style-type: none"> <li>- Break down silos with collaborative problem-solving structures.</li> <li>- Modernise terms and conditions for a more agile, attractive public service offer.</li> </ul>
Clear, consistent & bold leadership	<ul style="list-style-type: none"> <li>- Be brave, honest, and aspirational in setting direction and expectations.</li> <li>- Deliver a clear, shared vision and values, internally and externally.</li> <li>- Ensure messages on devolution, change, and local ambition are well understood.</li> </ul>

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.

## 4. 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)

#### 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 of the County Council 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 evidence base consisted of the following pieces of information:

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 & 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 & 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 & 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 sector 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.

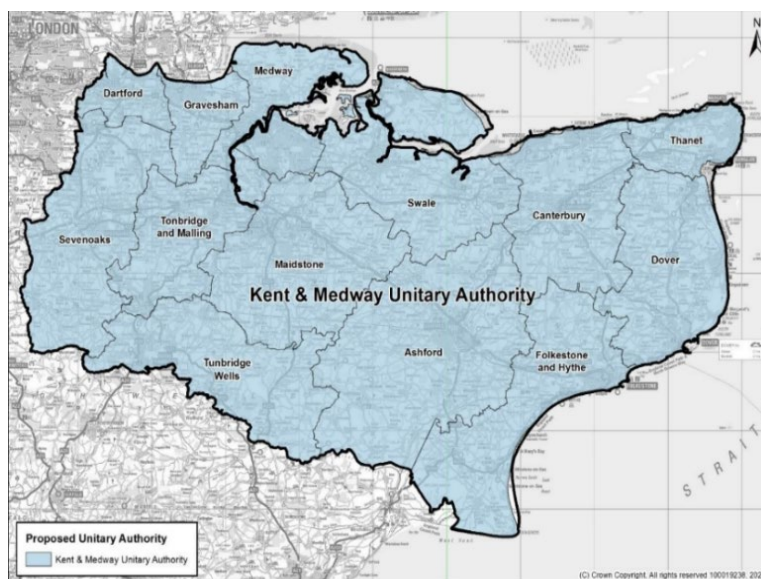
### **Scoring and rationale**

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.

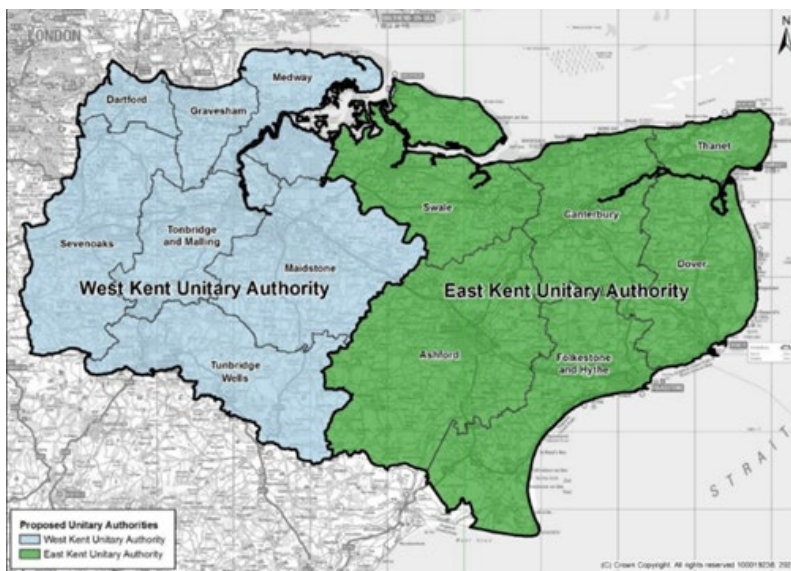
### Option 1b - single unitary covering Kent and Medway

- 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-electors ratios, and cannot support devolution arrangements due to lack of neighbouring partners.



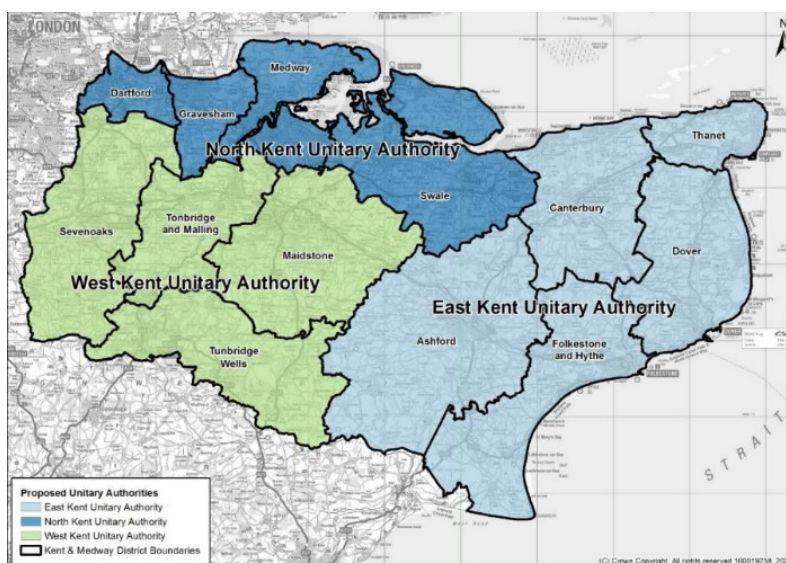
### Option 2a – two unitaries (East and West Kent)

- 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.



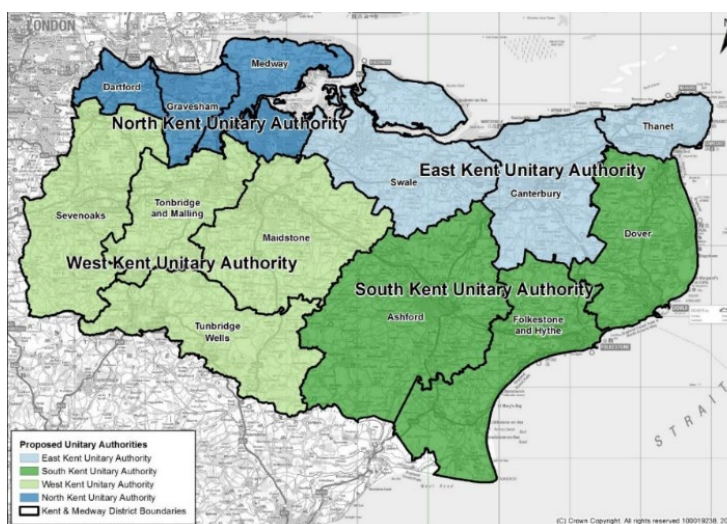
### Option 3a – three unitaries (North, East and West Kent)

- 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)

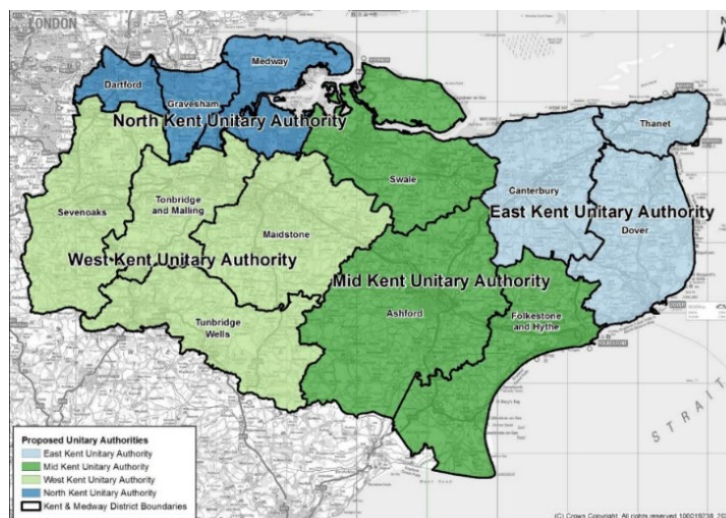
- The model incurs the highest transition costs (£54.7m) and results in a recurring net annual **loss** of £5.4m, with no payback period – i.e. the initial costs would never be paid back. Disaggregation adds £22.7m in costs for people-based services, concentrating high statutory spend in South and East 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.





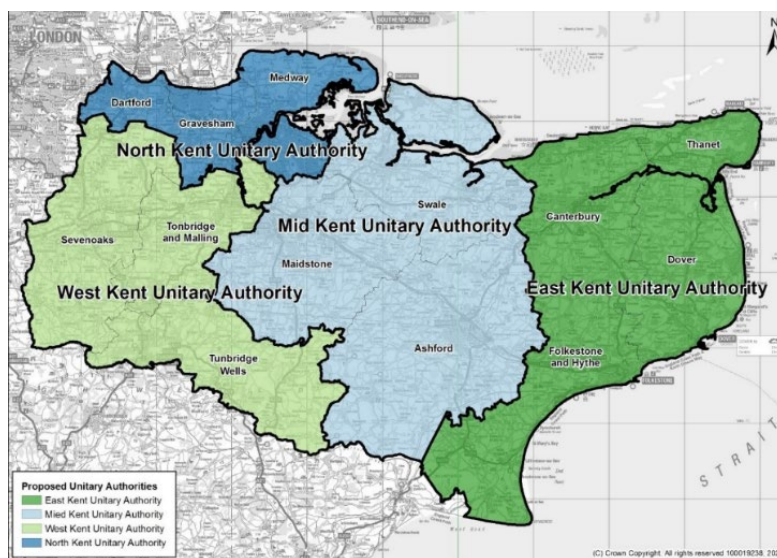
### Option 4b – four unitaries (North, East, Mid and West Kent)

- 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, which 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 & 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)

- 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 £928 vs £670 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'.

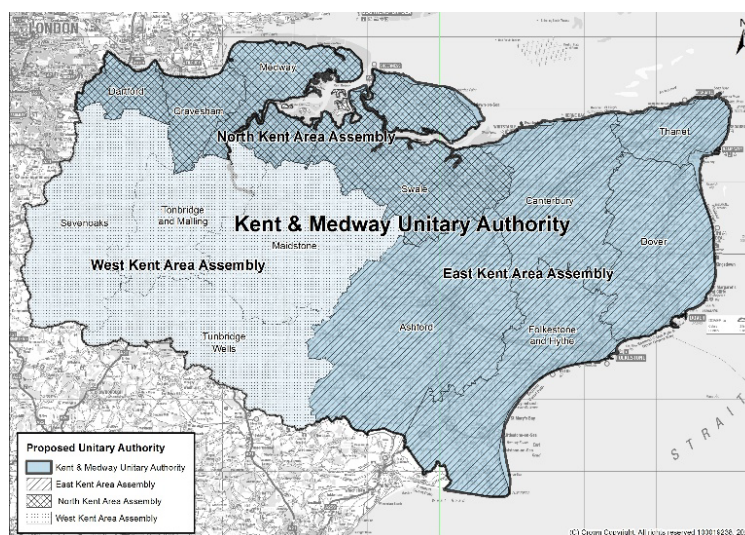
However, it was also accepted that the model presented limitations around enabling community engagement and ability to reflect local identity (which were particular strengths of the three-unitary option). In recognition of this, a new model was proposed: **the creation of a single unitary for Kent and 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 below and provided in Appendix 1k.

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

- 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 the 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 that a single unitary is the right solution for Kent and Medway.**



## **5. Engagement with Kent and Medway residents and 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 below.

### **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.

### **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 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 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**

## 6. Financial assessment

### 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 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)
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)

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

*\*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 below.

### 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.  <i>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.</i>	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
<b>Total</b>		<b>£99,429</b>

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 associated 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 below. 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%	
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 below. 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 jointly agreed 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
<b>Total</b>		<b>£6,024</b>

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.

### **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 below.

### ***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 & 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
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 & 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 & 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 & 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
<b>Total</b>		<b>£75,035</b>

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 & 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%	30%	30%	30%	5%
Asset & Property Optimisation	10%	15%	25%	25%	25%
Customer Engagement	20%	40%	40%		
Consolidating Fleets & 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.

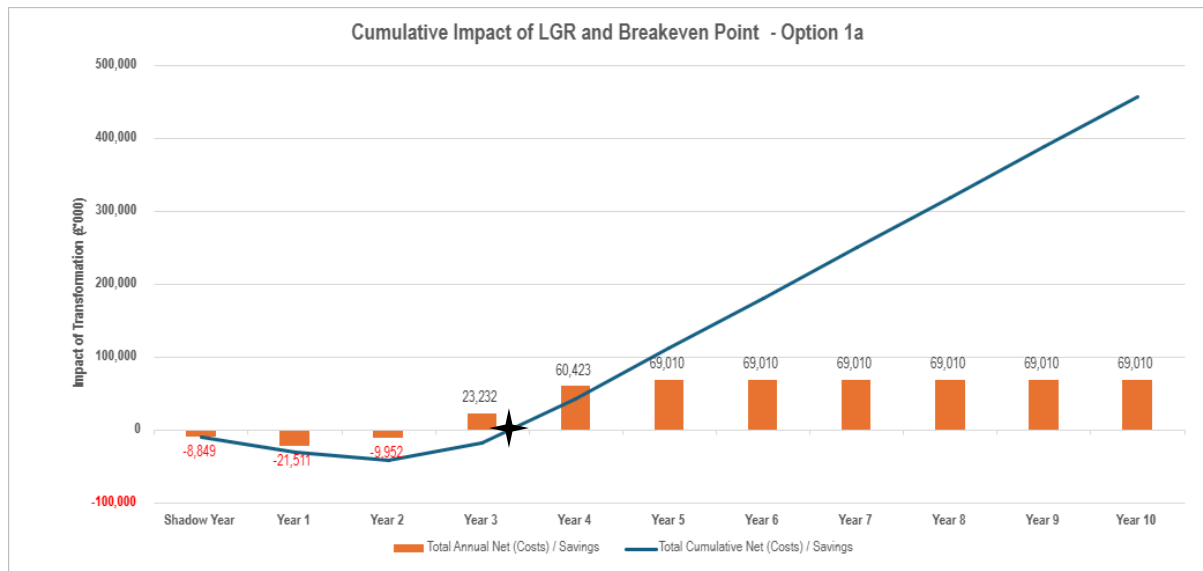
In the single unitary authority, the estimated payback period, allowing for phased costs and savings, is **3.3 years**. This is far quicker than any of the multi-unitary options, in particular options 4b and 4d which could take over 14 years to payback, and option 5a which may never achieve payback.

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 table and graph below.

### 10 year impact for the single unitary model

(£000s)	Shadow 27/28	Yr 1 28/29	Yr 2 29/30	Yr 3 30/31	Yr 4 31/32	Yr 5 32/33	Yr 6 33/34	Yr 7 34/35	Yr 8 35/36	Yr 9 36/37	Yr 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
							<b>Cumulative impact of transformation after 10 years</b>				<b>£457,405</b>

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



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

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

### 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 below 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 below 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 & 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 & 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 & Malling	£245.30	£1,936.49	£53,849.82
Tunbridge Wells	£211.20	£1,902.39	£49,134.60
		<b>Total</b>	<b>680,022.11</b>

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 above, 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 below 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		3a – three unitaries		4b – four unitaries	
	Total council tax yield	Council tax yield per head	Total council tax yield	Council tax yield per head	Total council tax yield	Council tax yield per head
Kent and Medway	£1,305.6	£688	-	-	-	-
North	-	-	£411.6m	£613	£315.7m	£613
East	-	-	£457.6m	£685	£281.9m	£673
Mid	-	-	-	-	£271.5m	£670
West	-	-	£436.4m	£783	£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 tables below 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 the councils in the multi-unitary models. The figures set out in the tables below 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 & 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 & Malling	0	£0
Tunbridge Wells	0	£0
<b>Total</b>	<b>1,730,351</b>	<b>£912</b>

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***

	<b>1a - Single unitary</b>		<b>3a – three unitaries</b>		<b>4b – four unitaries</b>	
	Total inherited (£000s)	Debt per head	Total inherited (£000s)	Debt per head	Total inherited (£000s)	Debt per head
Kent and Medway	1,739,531	£912	-	-	-	-
North	-	-	728,325	£1,085	646,003	£1,254
East	-	-	675,108	£1,010	415,885	£993
Mid	-	-	-	-	341,545	£843
West	-	-	326,918	£586	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 below.

### ***Council reserves***

	<b>Net Revenue Reserves (excl. schools and DSG) (£000s)</b>	<b>Net Revenue Reserves (excl. schools and DSG) per head</b>
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 & 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 & Malling	39,374	£291
Tunbridge Wells	20,880	£178
<b>Total</b>	<b>773,221</b>	<b>£408</b>

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***

	<b>1a - Single unitary</b>		<b>3a – three unitaries</b>		<b>4b – four unitaries</b>	
	<b>Total inherited (£000s)</b>	<b>Reserves per head</b>	<b>Total inherited (£000s)</b>	<b>Reserves per head</b>	<b>Total inherited (£000s)</b>	<b>Reserves per head</b>
Kent and Medway	773,221	£408	-	-	-	-
North	-	-	238,257	£355	185,591	£360
East	-	-	287,661	£430	178,857	£427
Mid	-	-	-	-	161,469	£399
West	-	-	247,304	£443	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 tables below 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)***

	<b>Total value</b>	Banks	Debt Management Account	Money Markets	External Funds	Other	Local Authority Loans	Value per head
Kent CC	<b>481,566</b>	11,71	27,890	187,76	126,74	127,44	0	£299
Medway UA	<b>53,734</b>	14,14	0	39,591	0	0	0	£187
Ashford	<b>36,398</b>	0	0	17,398	19,000	0	0	£263
Canterbury	<b>12,624</b>	267	0	12,357	0	0	0	£79
Dartford	<b>183,169</b>	614	0	56,059	112,42	14,069	0	£1,518
Dover	<b>57,087</b>	111	0	7,885	49,091	0	0	£481
Folkestone & Hythe	<b>18,590</b>	180	0	18,410	0	0	0	£167
Gravesham	<b>28,048</b>	0	0	3,927	14,121	0	10,000	£260
Maidstone	<b>33,985</b>	11,71	0	187,76	126,74	127,44	0	£185
Sevenoaks	<b>53,734</b>	604	0	5,700	5,164	6,384	0	£147
Swale	<b>11,032</b>	122	0	10,910	0	0	0	£71
Thanet	<b>35,392</b>	2,386	0	31,006	2,000	0	0	£252
Tonbridge & Malling	<b>53,965</b>	6,050	0	16,524	4,250	27,141	0	£399
Tunbridge Wells	<b>47,000</b>	25,00	7,000	0	0	0	15,000	£402
<b>Total</b>	<b>1,070,442</b>	<b>61,365</b>	<b>34,890</b>	<b>416,346</b>	<b>332,802</b>	<b>168,705</b>	<b>50,000</b>	<b>£564</b>

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***

	<b>1a - Single unitary</b>		<b>3a – three unitaries</b>		<b>4b – four unitaries</b>	
	Value of investments (£000s)	Value per head	Value of investments (£000s)	Value per head	Value of investments (£000s)	Value per head
Kent and Medway	1,070,442	£564	-	-	-	-
North	-	-	390,921	£582	333,268	£647
East	-	-	359,939	£539	230,401	£550
Mid	-	-	-	-	187,192	£462
West	-	-	319,582	£573	319,582	£573

Source - Modelling by KCC Finance Officers

**Net revenue**

The table below 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***

	<b>Net Revenue (£000s)</b>	<b>Net Revenue per head</b>	<b>Net revenue per head – combined</b>
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 & 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 & Malling	22,521	£167	£1,222
Tunbridge Wells	17,909	£153	£1,208
<b>Total</b>	<b>2,337,031</b>	<b>-</b>	<b>£1,232</b>

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***

	<b>1a - Single unitary</b>		<b>3a – three unitaries</b>		<b>4b – four unitaries</b>	
	Net revenue (£000s)	Net revenue per head	Net revenue (£000s)	Net revenue per head	Net revenue (£000s)	Net revenue per head
Kent and Medway	2,337,031	£1,232	-	-	-	-
North	-	-	829,491	£1,236	634,685	£1,232
East	-	-	828,447	£1,240	515,856	£1,231
Mid	-	-	-	-	627,828	£1,252
West	-	-	679,093	£1,218	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***

	<b>1a - Single unitary</b>	<b>3a – three unitaries</b>	<b>4b – four unitaries</b>
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 tables below, 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***

	<b>1a - Single unitary</b>	<b>3a – three unitaries</b>	<b>4b – four unitaries</b>
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***

	<b>1a - Single unitary</b>	<b>3a – three unitaries</b>	<b>4b – four unitaries</b>
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***

	<b>1a - Single unitary</b>	<b>3a – three unitaries</b>	<b>4b – four unitaries</b>
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***

	<b>1a - Single unitary</b>	<b>3a – three unitaries</b>	<b>4b – four unitaries</b>
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 & 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 & Hythe districts.

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

	<b>1a - Single unitary</b>	<b>3a – three unitaries</b>	<b>4b – four unitaries</b>
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***

	<b>1a - Single unitary</b>	<b>3a – three unitaries</b>	<b>4b – four unitaries</b>
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 above 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.

## 7. 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, as set out below.

Criterion	Arguments for a single unitary in Kent and Medway	Arguments against multiple unitaries in Kent and Medway
<p><b>Criterion A: A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.</b></p> <p>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'</p>	<ul style="list-style-type: none"> <li>✓ 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.</li> <li>✓ A single unitary ensures that resources, demand, and financial pressures are balanced across the whole area, preventing unsustainable burdens on specific localities.</li> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ 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.</li> </ul>	<ul style="list-style-type: none"> <li>✗ 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.</li> <li>✗ 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.</li> <li>✗ 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.</li> <li>✗ 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,</li> </ul>

		financial resilience and sustainability.
<p><b>Criterion B: Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.</b></p> <p>More detail is available in the section 'Financial Assessment'</p>	<p>✓ 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.</p> <p>✓ 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).</p> <p>✓ 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.</p> <p>✓ 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</p>	<p>✗ 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).</p> <p>✗ Multiple unitaries have high disaggregation costs – between £20 million to £68 million per year.</p> <p>✗ Multiple unitaries results in uneven debt distribution, with West Kent inheriting significantly lower levels of debt compared to North and East Kent.</p> <p>✗ 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.</p> <p>✗ High disaggregation and transition costs would constrain limited resources for small unitaries, whilst the fragmentation of services</p>

	<p>to facilitate more localised transformation programmes that are tailored to the individual needs of communities.</p> <ul style="list-style-type: none"> <li>✓ It offers the most fair and manageable solution to managing the county's debt as all debt and reserves would be evenly distributed.</li> <li>✓ 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.</li> </ul>	<p>would increase the risk of duplication and inefficiencies.</p> <ul style="list-style-type: none"> <li>✗ 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.</li> </ul>
<p><b>Criterion C: Unitary structures must prioritise the delivery of high-quality and sustainable public services to citizens.</b></p> <p>More detail is available throughout the business case including in the section <b>'The geographical and spatial reality of Kent and Medway'</b> and the section <b>'Better outcomes for people and place'</b></p>	<ul style="list-style-type: none"> <li>✓ 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.</li> <li>✓ Provides the necessary scale and capacity to manage Kent's nationally-significant border issues while meeting Kent and Medway needs.</li> <li>✓ This option creates fully balanced service demand levels for both adult and children's social care through continued countywide management.</li> <li>✓ A single unitary would benefit from increased purchasing power, greater capacity and</li> </ul>	<ul style="list-style-type: none"> <li>✗ 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.</li> <li>✗ 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</li> </ul>

	<p>more market influence, allowing it to shape more resilient and responsive markets.</p> <ul style="list-style-type: none"> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ The geography of the Area Assemblies aligns well with the service delivery footprints of</li> </ul>	<p>costs but also risk service instability and poorer outcomes for vulnerable residents.</p> <ul style="list-style-type: none"> <li>✗ 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.</li> <li>✗ 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</li> </ul>
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	<p>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.</p> <p>✓ 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.</p>	<p>single, coordinated point of contact.</p>
<p><b>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.</b></p> <p>More detail is available in the section <b>‘Engagement with Kent and Medway residents and stakeholders’</b></p>	<p>✓ 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.</p> <p>✓ 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.</p>	<p>✗ 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.</p> <p>✗ There would be discrepancies in council tax charges, which some residents might consider to be unfair.</p>

	<p>✓ 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.</p> <p>✓ 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).</p> <p>✓ Area Assemblies and the enhanced community engagement approach set out can counter any perception of remoteness and provide local decision making on visible services.</p> <p>✓ 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.</p>	<p>✗ The creation of multiple unitaries would lead to service fragmentation and reduced capacity for strategic planning, something stakeholders expressed concerns about.</p> <p>✗ 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.</p> <p>✗ 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.</p>
<b>Criterion E: New unitary structures</b>	<p>✓ A single unitary would provide the strategic capacity for the</p>	<p>✗ Adding an additional layer of governance through a</p>



<p><b>must support devolution arrangements.</b></p> <p>More detail is available in the section <b>‘Devolution’</b></p>	<p>devolution of responsibilities and funding that Government is seeking to embed.</p> <ul style="list-style-type: none"> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ 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.</li> <li>✓ 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.</li> </ul>	<p>Mayoral Combined Authority for Kent and Medway will add cost and delivery complexity.</p> <ul style="list-style-type: none"> <li>✗ 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.</li> <li>✗ 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.</li> </ul>
<p><b>Criterion F: New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment</b></p> <p>More detail is available in the section <b>‘Effective and efficient governance and engagement’</b></p>	<ul style="list-style-type: none"> <li>✓ 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.</li> <li>✓ 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</li> </ul>	<ul style="list-style-type: none"> <li>✗ 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.</li> </ul>

	<p>partners.</p> <p>✓ This approach combines the benefits of scale with strong local connections, ensuring that engagement is consistent, inclusive and effective across the county.</p>	
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## 8. The geographic and spatial reality of Kent and Medway

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 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 & 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 peninsula 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.

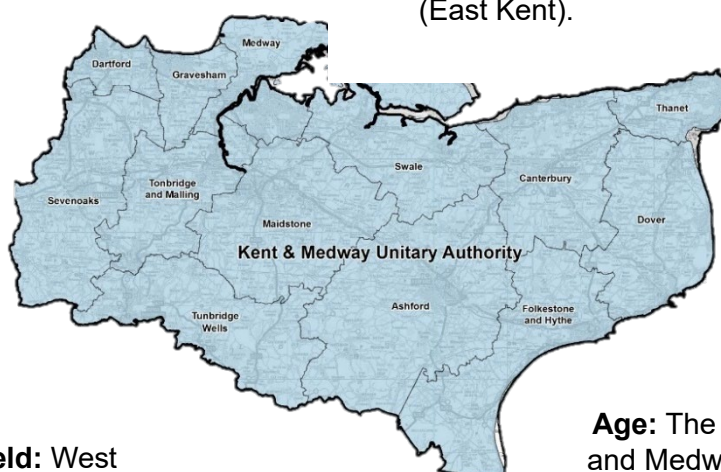
**Debt:** West Kent has lower levels of debt than other parts of Kent. Tunbridge Wells and Tonbridge and Malling do not have any debt, while Medway has £1,543 of debt per head and Dover £865 per head.

**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 & 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.

**Education Attainment:** West Kent has a higher proportion of residents with Level 4 qualifications or higher.

**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 & 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), coordinating the implementation of traffic management measures (Operation Brock) when there is planned/unplanned disruption at the portals.

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.

Kent County Council (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 & 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.

### **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 and 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 coordinating 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.

## **PART THREE – THE NEW KENT COUNCIL**

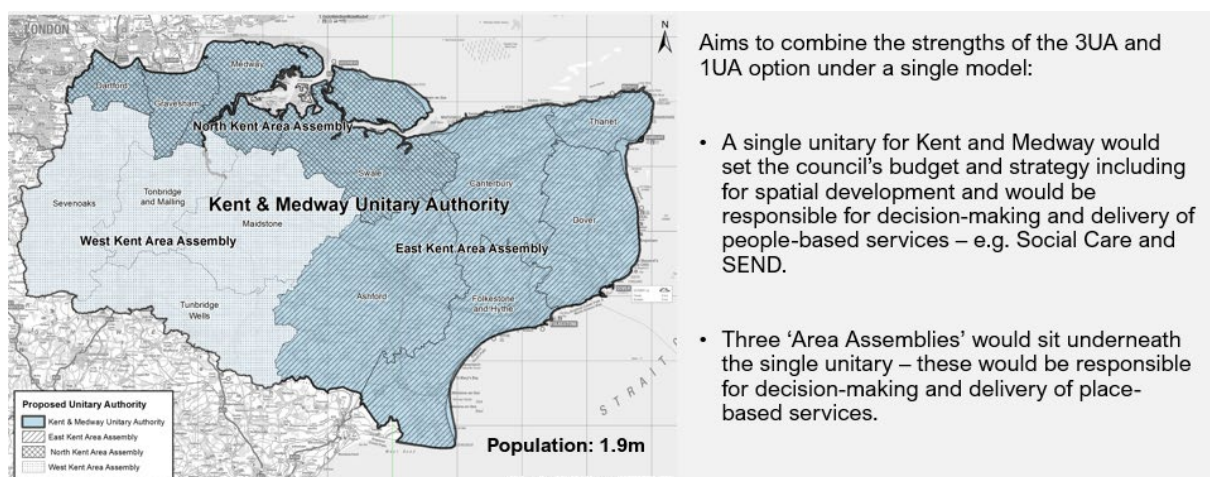


## 9. Effective and efficient governance and engagement

**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.



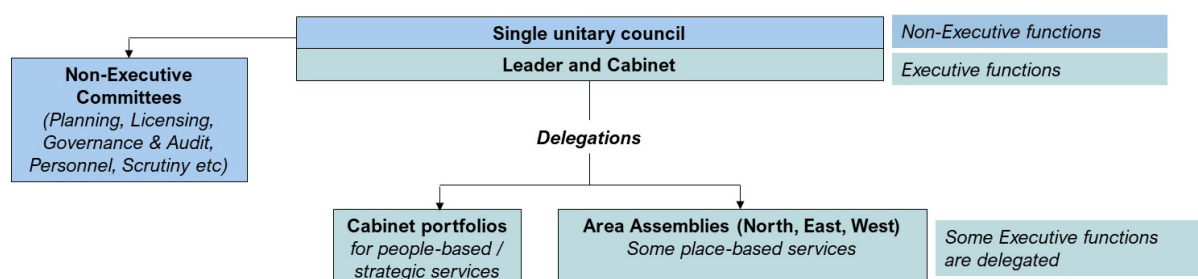
This section of the Strategic Business Case sets out how the Kent Council would work and later sections set out the outcomes it would deliver.

### 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	Executive
<ul style="list-style-type: none"> <li>• <b>‘Non-Executive’ functions are powers and duties that are the responsibility of the Full Council.</b> The power to exercise these is either <i>reserved</i> to Full Council or delegated by them to committees or officers.</li> <li>• For example, <i>reserved powers</i> include: <ul style="list-style-type: none"> <li>○ Agreeing county strategy, Policy Framework and budget</li> <li>○ Oversight of delegations that are statutory including Town and Country Planning and development, highways</li> <li>○ Regulatory, and statutory, functions including planning, licensing, transport appeals, standards, personnel, governance and audit and pensions</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>The Leader is responsible for the exercise of all Executive functions.</b> The Leader may arrange for these functions to be <i>discharged</i> 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.</li> <li>• Under the <a href="#">Local Government Act 2000</a> a Council Leader, may also <i>delegate</i> Executive council functions to: <ul style="list-style-type: none"> <li>○ A committee of the Executive</li> <li>○ An Area Committee</li> </ul> </li> <li>• <a href="#">The Local Authorities (Functions and Responsibilities) (England) Regulations 2000</a> also specifies which functions are and are not the responsibility of the Executive.</li> </ul>

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

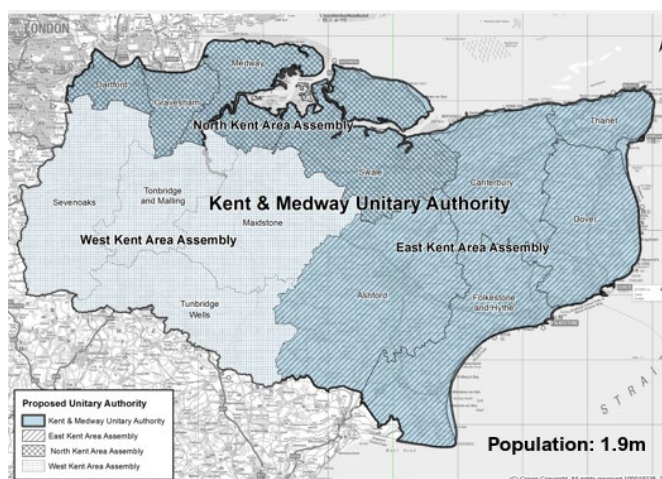
While the new council would operate at a countywide scale to ensure strategic oversight, resilience, and efficiency, local responsiveness would remain central to service delivery. Building on Kent County Council's proven model, the new council would continue to tailor services to local needs through 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 & Swale, with a population of 663,111.
- East: Ashford, Canterbury, Dover, Folkestone & Hythe and Thanet, with a population of 661,559.
- West: Maidstone, Tonbridge & Malling, Tunbridge Wells and Sevenoaks, with a population of 551,223.



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, 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.

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

The Kent Council would also include the addition of a Licensing Committee. Licencing 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 & Audit, Electoral & 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.

<b>Countywide</b> <i>People-based &amp; Strategic services / functions</i>	<b>Area Assemblies</b> <i>Some Place-based services / functions</i>
<b>Corporate services and council strategy</b> <ul style="list-style-type: none"> <li>• County Strategy (Strategic Statement), Policy Framework and budget</li> <li>• Advocating for Kent</li> <li>• Governance (Democratic services etc.)</li> <li>• Standards; Personnel; Governance &amp; Audit; Pensions</li> <li>• Corporate support services and infrastructure</li> </ul>	<b>Delegated budget/s and strategy development</b>
<b>Revenue and Benefits</b> <ul style="list-style-type: none"> <li>• Council Tax benefit and collection</li> <li>• Housing Benefit administration</li> <li>• Property searches and Land charges</li> <li>• Car parks</li> <li>• Business Rates collection (National non-domestic rate)</li> </ul>	
<b>Strategic planning</b> (Housing / Infrastructure Strategy) <ul style="list-style-type: none"> <li>• Building development (Spatial Development Strategy (SDS)); Local Plan; Local Development Framework (LDF))</li> <li>• Housing delivery</li> <li>• Minerals</li> <li>• Planning applications</li> <li>• Heritage (Conservation/listed buildings)</li> </ul>	<b>Housing support</b> <ul style="list-style-type: none"> <li>• Housing options service (assessing local housing needs, advice and assistance)</li> <li>• Building control</li> </ul>

<b>Social Care</b> (Adult's & Children's) and <b>Safeguarding</b>	
<b>Transport strategy</b> <ul style="list-style-type: none"> <li>• Highways and transport (traffic management) planning and operations</li> <li>• Home to school transport and appeals; concessionary travel and public &amp; community transport</li> <li>• Cycle routes</li> <li>• Road safety</li> <li>• Street lighting &amp; furniture</li> </ul>	<b>Highways maintenance</b> <ul style="list-style-type: none"> <li>• Potholes etc.</li> </ul>
<b>Economic Development strategy</b> <ul style="list-style-type: none"> <li>• Growth Plan</li> <li>• Skills</li> </ul>	<b>Place-based Economic Development</b> <ul style="list-style-type: none"> <li>• Local economy support and development</li> <li>• Tourism</li> <li>• Supported Employment</li> </ul>
<b>Education / Children</b> <ul style="list-style-type: none"> <li>• Schools including infrastructure and school improvement</li> <li>• Early years and childcare</li> <li>• SEND strategy and specialist support</li> </ul>	<b>Education / Children</b> <ul style="list-style-type: none"> <li>• Family Hubs</li> </ul>
<b>Regulatory services &amp; Licensing</b> <ul style="list-style-type: none"> <li>• Trading standards &amp; consumer protection</li> <li>• Taxis</li> <li>• Alcohol</li> <li>• Public entertainment</li> <li>• Gambling</li> </ul>	<b>Community services</b> <ul style="list-style-type: none"> <li>• Museums and Arts/Culture</li> <li>• Leisure</li> <li>• Markets</li> <li>• Libraries and Registration</li> <li>• Youth service</li> <li>• Village halls / community facilities</li> </ul>
<b>Environment</b> <ul style="list-style-type: none"> <li>• Maintenance of public rights of way</li> <li>• Coastal protection and watercourses (drainage)</li> </ul>	<b>Environment</b> <ul style="list-style-type: none"> <li>• Country parks and countryside management</li> <li>• Protecting and enhancing the environment</li> <li>• Grounds maintenance (parks and open spaces)</li> <li>• Cemeteries and crematoria</li> <li>• Street naming</li> </ul>
<b>Waste management</b> <ul style="list-style-type: none"> <li>• Waste recycling &amp; collection/disposal</li> </ul>	<b>Environmental Health</b> <ul style="list-style-type: none"> <li>• Pollution control and air quality</li> <li>• Private sector housing standards</li> <li>• Food hygiene and health &amp; safety</li> <li>• Street-scene (graffiti, litter etc.)</li> <li>• Street cleaning and fly-tipping</li> </ul>
<b>Public Health strategy</b> (via Director of Public Health)	<b>Public Health delivery</b>
<b>Public protection</b>	<b>Public protection</b>



<ul style="list-style-type: none"> <li>Emergency planning and county resilience</li> </ul>	<ul style="list-style-type: none"> <li>Community safety, including Community Wardens</li> </ul>
<b>Elections and electoral registration</b>	
<b>Archives</b>	

## 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 & Medway population of 1,931,684)

11,341 electors per councillor (Kent & 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, will 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 unitary 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 & 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 unitary 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.

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.

## 10. Devolution

In submitting our proposal, we acknowledge that our preferred model 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 (SDSs)
- 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, coordinating 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**

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 & 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.

## 11. Better outcomes for people and place

### 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 but 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 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 an important strategic understanding of the county's needs, and that one area does not have an unfair advantage.

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 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 ASC) 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 & Medway	Kent - 62%	Kent - 89%

However, alongside the delivery of housing targets and importantly, 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.

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.

**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.

### **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 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 for specialist services and those that the local authority relies on, specialist providers and their specialist skills to deliver. The Kent Council maintains the coherence to influence the market and ensure that markets are stable and responsive to the populations 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 post code 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 deescalate 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.

### **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, 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.

## 12. Implementation planning

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

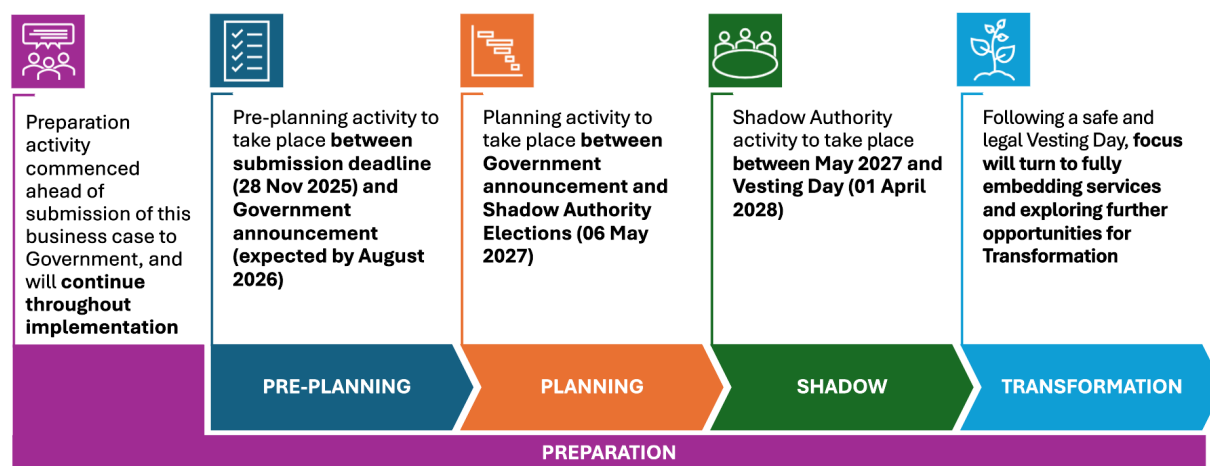
Principles will be developed to underpin our approach to implementing LGR in Kent and Medway. They will act as a framework for decision-making to ensure that transition is delivered consistently in a way that supports our residents, staff and communities.

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 (*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*)**

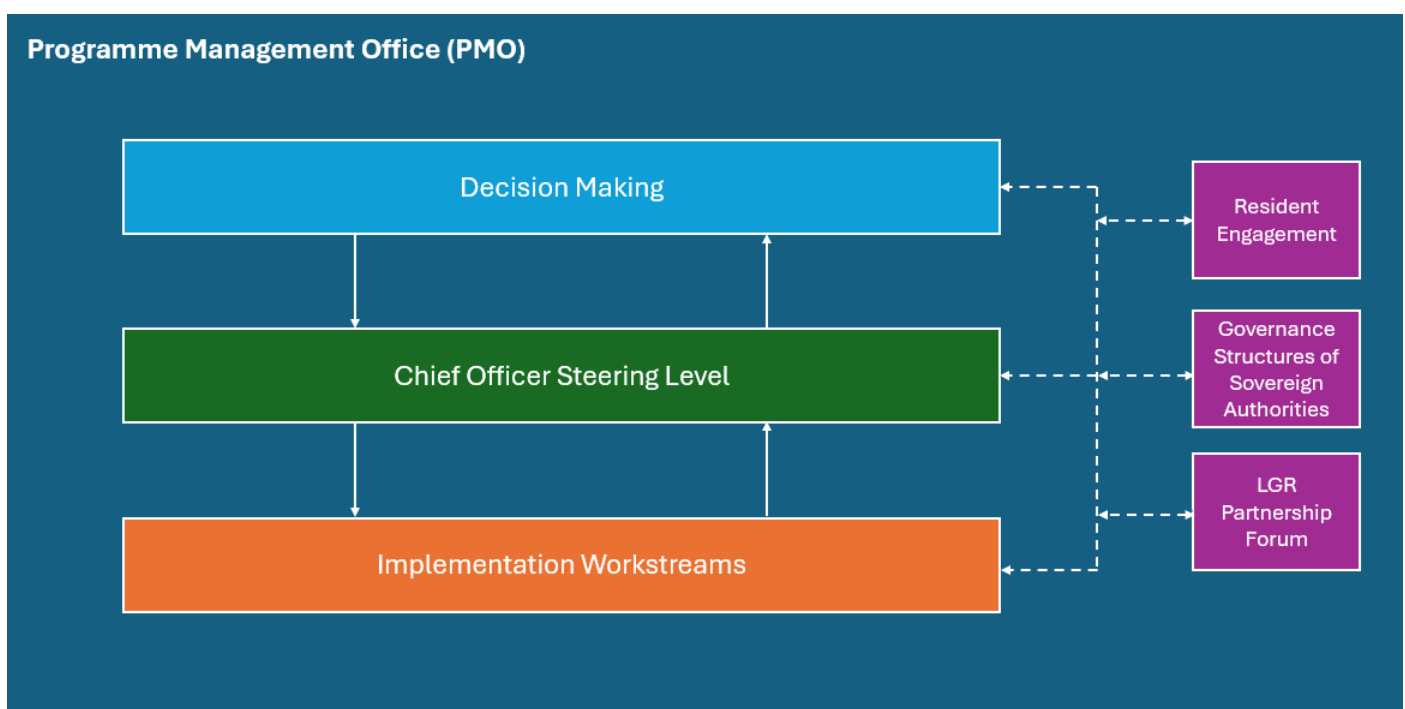
As of Vesting Day (01 April 2028) the priority will continue to be assuring safe, legal and efficient delivery of services. Closure activity will take place in legacy authorities while work to fully integrate services and embed new operating models in the new unitary authority will continue. Opportunities 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 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
- Coordinating 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 be 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).

## 13. 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 but 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.

**One Kent. One Council. Our Unique County.**

## **14. 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