Interim plan for local government reorganisation in Warwickshire

1) Introduction

This interim plan has been prepared following the receipt of the formal invitation for local government reorganisation proposals received from the Minster of State for Local Government and Devolution by all six principal councils in Warwickshire on 5 February 2025. It has also been assisted in further discussion with officials from the Ministry of Housing, Communities and Local Government.

This interim plan has been developed by the five districts and boroughs within Warwickshire and has been constructed around the eight points included within the invitation letter.

At this stage this interim plan, following clarification from Ministry of Housing, Communities and Local Government officials, is regarded as a "progress check". This interim plan simply identifies potential options for local government reorganisation. Given that there is significant additional engagement, evaluation and analysis to be undertaken before the formal response to the invitation no decisions have been made in relation to the preferred local government structures. To assist in consideration of all options clarification on the deliverability of certain proposals will be required from central government.

This interim plan identifies the significant additional work which will need to be completed before the formal submission in November 2025.

The five districts and boroughs are in dialogue with the County Council in relation to the preparation of the formal proposals and will work positively and collaboratively on such submission.

2) Warwickshire: Background and context

Warwickshire is a mainly semi-rural county area which covers a total of 1,975 km2. The economy of Warwickshire is strong with an average GVA per head of £33,105. The population of the county area has grown significantly over the last decade, the current estimate for the county is a resident population of 617,823, this compares to 549,517 in 2013 (68,306 or 12.4%), similar or even higher growth is expected in the future.

Warwickshire as a ceremonial county council has undergone several changes over the years. Various parts of the historic county have been ceded as local government structures have developed and areas such as Birmingham and Coventry have grown.

Elected county councils were created in 1889 under the Local Government Act 1888, taking over many administrative functions which had previously been performed by unelected magistrates at the quarter sessions. The cities of Birmingham and Coventry were considered large enough to provide their own county-level services and so were made county boroughs, independent from Warwickshire County Council. The administrative county also ceded Aston Manor and Erdington to Birmingham in 1911. Solihull was made a county borough in 1964.

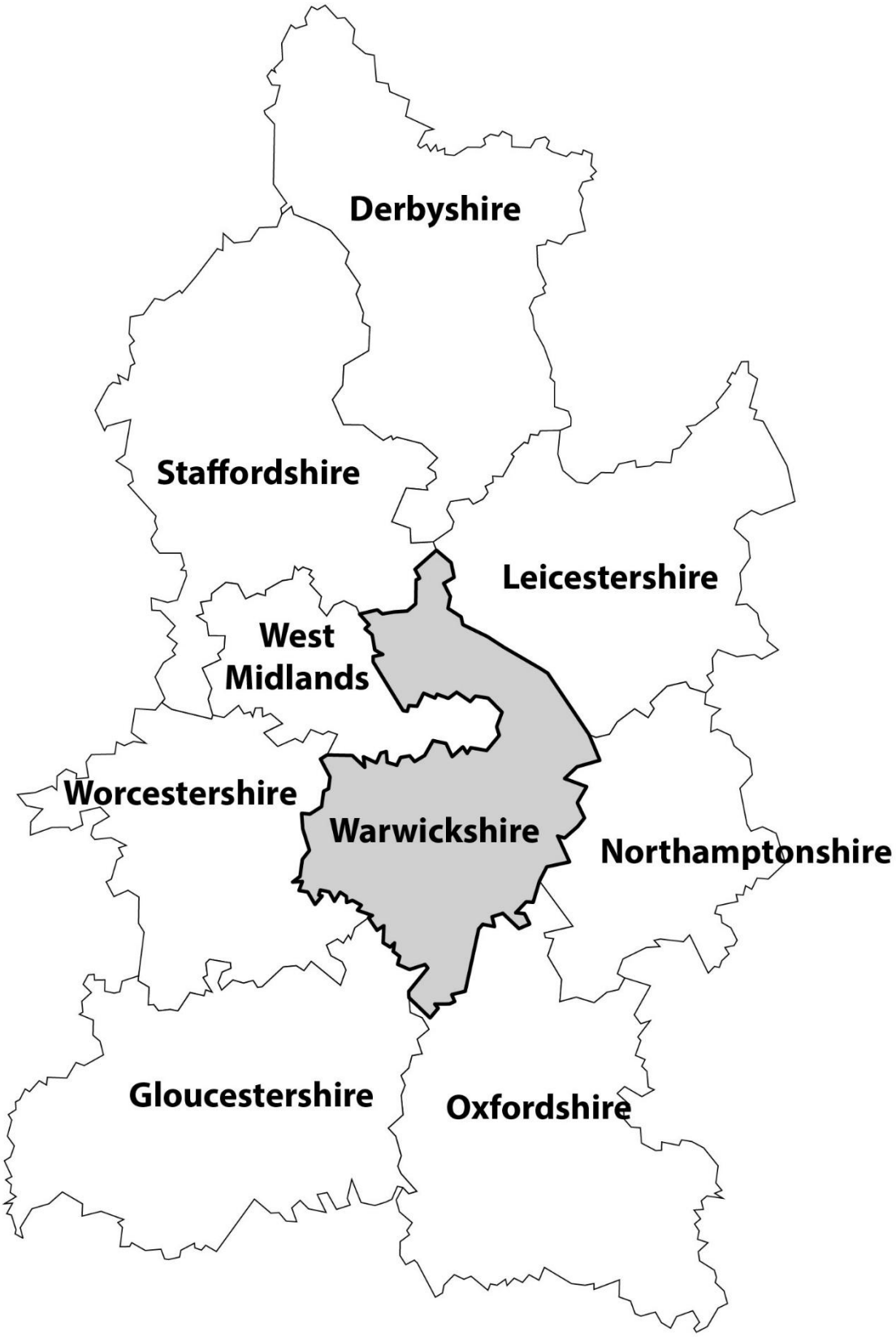
The current administrative county was reformed in 1974 to become a non-metropolitan county, at which point it also ceded Sutton Coldfield, Hockley Heath and much of the Meriden Rural District to the new West Midlands metropolitan county, which also covered the already independent county boroughs of Birmingham, Coventry and Solihull, alongside other territory from Staffordshire and Worcestershire. At the same time, Warwickshire was divided into five non-metropolitan districts/boroughs which form a lower tier of local government.

As a result of these changes Warwickshire as a County now wraps around the areas of Solihull and Coventry. Coventry has very close economic and administrative links with Warwickshire. There is significant cross border working with between areas this the includes:

- Coventry and Warwickshire Growth Hub
- Coventry and Warwickshire Destination Partnership; and
- Coventry and Warwickshire Integrated Care Board covers the whole of the County area as well as Coventry.

The area over which Warwickshire Police operates is fully aligned with the County Council area, as is Warwickshire Fire & Rescue (a department of the County Council).

This map shows Warwickshire and the ceremonial counties that surround it.



This map shows the five districts/boroughs in the county of Warwickshire, all of which have been on their present boundaries since 1974.



The table shows the population of the districts and county area using ONS's 2023 mid-year estimates and ONS's population projections for 2043 (ONS, 2018-based projections, 24 March 2020).

	Mid-year estimate, 2023	Projection, 2043
North Warwickshire	66,166	79,123
Nuneaton and Bedworth	137,794	148,345
Rugby	118,781	126,528
Sub-total: North Warwickshire	*322,741*	*353,996*
Stratford on Avon	141,929	164,750
Warwick	153,153	165,564
Sub-total: South Warwickshire	*295,082*	*330,314*
Warwickshire	**617,823**	**684,310**

It should be noted that a revised population projection is expected from the ONS in March 2025, these are expected to be higher than shown in the table and will be available for the November 2025 submission.

In addition, the new housing projections included within the National Planning Policy Framework published in December 2024 expect significant more housing to be delivered in Warwickshire. In developing the South Warwickshire Local Plan this is expected to lead to a growth in population of c129,000 from current figures between now and 2050.

3. Devolution arrangements

Government is seeking to devolve powers to Strategic Authorities which have an elected Mayor. In undertaking initial analysis of options, the ultimate strategic authority solution for Warwickshire will have a significant bearing on the local government structure which underpins these arrangements.

This interim plan identifies three potential options for devolution/strategic authorities:

a. West Midlands Combined Authority

Whilst sharing a border with six other counties, the West Midlands Combined Authority (WMCA) (Dudley, Sandwell, Walsall, Wolverhampton, Coventry, Solihull and Birmingham) is the only strategic authority in the region. The WMCA is an Established Mayoral Strategic Authority.

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

All six Warwickshire principal Councils are non-constituent members of the WMCA. Given the historic ties mentioned above all Warwickshire Councils are engaged in the work of the WMCA, and whenever possible, ensure our strategic approaches align and interface with each other. It is worth noting that the Local Plans for the districts and boroughs are based on accepting housing/employment growth from the Housing Market Areas of Birmingham and Coventry, both in the WMCA.

A single unitary Council for Warwickshire would if it joined the West Midlands Combined Authority become the second largest authority and between twice and three times the population of the other authorities, which would not comply with the sensible population ratios required by Government.

b. Single County Strategic Authority (Cumbria Model)

Warwickshire is bordered by six other county council areas. However, due to the geography of the remaining County of Warwickshire there is no one county council area which would be a strong fit for the whole of Warwickshire.

An alternative approach therefore could be to implement arrangements like that which has been selected for Cumbria. In Cumbria, a strategic authority has been formed on the previous county boundary and includes unitary authorities of Cumberland Council and Westmorland & Furness Council. This type of arrangement could continue the very close working arrangement with the West Midlands Combined Authority.

This option however would not meet the government's objective of establishing a strategic authority with a population of 1.5m, the population of Warwickshire being 618,000.

Under this option there would be the requirement for two unitary authorities, as a single council cannot make up the geography of a strategic authority.

c. Other County Areas (in whole or in part)

As discussed in the previous option there is not a single county council area which borders Warwickshire which has strong economic links with the whole county area.

For instance, in the South of the County there are links with areas in Worcestershire, however, these links are not shared in the North. Likewise, there are links in the North with Staffordshire and Leicestershire which are not shared with the south.

It is therefore difficult under this scenario to identify a solution for the whole of the county area. If this option is ultimately taken forward it would only work effectively alongside a two unitary solution for the county area.

It will be necessary for clarity as soon as practicably possible as to what the position is in relation to the option of an expanded WMCA. Whilst the Mayor of the WMCA is reported to have initially rejected the concept it is unclear as to whether this the formal position.

There are also potential different configurations of strategic authority which may be available involving specific elements of the existing West Midlands Combined Authority, e.g. Coventry and Solihull Councils joining Warwickshire to form a new strategic authority. These have not been discussed within this interim plan, guidance would be appreciated on whether such an approach would be supported from Government.

4. Options for a unitary structure

The Government's policy set out in the English Devolution White Paper makes it clear that the move to unitary government across England is required to support the devolution agenda. Whilst some Councils would welcome the retention of the two-tier system which has served our communities well over the last 50 years, it is accepted that the move to a unitary system is the way forward.

Warwickshire County Council has historically been an advocate of moving to a unitary system. In September 2020, the County Council commissioned a report from PWC "The Case for Change", this report identified a single option for unitary government in Warwickshire based on the existing county boundary.

In response the districts and borough reviewed all potential options and concluded that there was a viable alternative option of a North and South Warwickshire Unitary. These proposals were not progressed at the time as there was no invitation from central government for local government reorganisation, and there was not agreement between the principal councils.

It is in that context that the six principal councils of Warwickshire expect reorganisation on 1 April 2028 as well as the county's participation in devolution. To assist in our preparations, we would welcome feedback from the Government on this interim plan.

The six principal Councils in Warwickshire authorities have agreed to work positively together in the preparation of the formal submission in November 2025. The Councils will share information as required to ensure that the submissions are as informed as possible. Whilst ultimately, the six councils may not agree on the preferred option for local government reorganisation in Warwickshire, when government determines the way forward all Councils will work together to deliver this option to best serve our residents, businesses, staff and stakeholders.

Government have advised that the earliest that local government reorganisation will be implemented in Warwickshire is April 2028. The Councils believe that a unitary structure in this scenario should be implemented across from this date and with shadow elections being held in May 2027. Warwickshire Councils and the Government should provide this clarity on the timetable, as it is essential to provide certainty for staff, councillors, partners and others.

Any proposal submitted should address the full range of the Government's criteria set out in the statutory guidance issued on 5 February. As mentioned above for the interim plan, it has not been possible in the time available to undertake detailed assessment against all criteria and the borough and district Councils do not want to form any premature conclusions without having considered the options in full consideration of the facts.

The six Councils support reorganisation being within the boundaries of the county of Warwickshire only and using whole districts and boroughs as building blocks.

There are six criteria which will need to be considered when making the formal submission for local government reorganisation, population is just one of these factors. Issues surrounding our communities, culture and local identity will be crucial in the final submission.

However, as required within the interim plan, it is informally agreed between the Warwickshire principal councils, that there are two options for a unitary structure in respect of size and boundaries:

(a) **a unitary council** for the whole county of Warwickshire, population 617k (2023 mid-year estimate). This accords with the statutory guidance that "As a guiding principle, new councils should aim for a population of 500,000 or more".

(b) **two unitary councils** in Warwickshire, these being made up as follows:

i. one comprising the districts of North Warwickshire, Nuneaton and Bedworth and Rugby (population 323k) and

ii. the other comprising the districts of Stratford on Avon and Warwick (population 295k).

Any proposal for this option would set out the rationale for it, relying on the statutory guidance that "*there may be certain scenarios in which this 500,000 figure does not make sense for an area, including on devolution".*

Whilst all Councils accept that these are the only two options, they all recognise that views differ on whether both options meet the full range of the Government's criteria.

At present, there is not unanimity among the six principal Councils. More work will be done to identify which structure will feature in the proposal submitted by 28 November, with a view to reaching agreement upon it. However, all Councils recognise that ultimately there might be competing proposals.

5. Potential Costs and savings of a unitary structure

Work is being done on the costs and savings associated with moving to a unitary structure. To ensure that the submission in November is as informed as possible the districts and boroughs have jointly commissioned Deloitte's to help provide robust evidence on which to base the estimates of costs and savings.

Transitioning to any new organisational structure inevitably involves costs associated with the change process itself. Whilst the support from Deloitte is at an early stage, an initial financial analysis of the estimated change costs associated with each proposed unitary model for Warwickshire indicates that costs would be similar for either a single or two unitary solution. The indicative costs at this stage are estimated to be within the range of £15-£17m for both options.

Transitioning to a unitary system for Warwickshire necessitates a careful examination of the existing Council Tax landscape and its implications for each proposed model. Currently, significant disparities in Council Tax rates across the county present challenges.

Addressing these disparities will be essential to ensure fairness and transparency in local taxation under a new unitary structure. Harmonizing rates will likely involve a multi-year approach, with some areas experiencing a freeze in Council Tax while others see gradual increases to avoid placing undue financial burden on residents.

The types of costs which would need to be fully considered relates to areas such as Redundancy, Integrated Project Management Office, Digital and ICT, Estates and Assets along with issues associated with Council Tax harmonisation as discussed above. In coming to a robust and transparent basis for estimating the costs and savings associated with each unitary model, an analysis will utilise a set of clearly defined assumptions. These assumptions will be based on industry best practices, benchmarking data, and insights from previous local government reorganisations.

By comparing the assumptions made around costs with the assumptions made around benefits, the financial assessment seeks to provide high-level financial insights necessary to evaluate the feasibility of each option against the Government's criteria.

Again, further detailed analysis will be required in order to properly estimate the level of savings which could be achieved. An initial high-level estimate at this stage undertaken by Deloitte's on behalf of all 5 districts and borough councils identifies savings of c£21m could be delivered through a single unitary Warwickshire (this estimate accords to the initial estimate from Warwickshire County Council), and the potential savings from a 2 unitary model of c£18m.

Further detailed analysis will be undertaken ahead of to help provide a high-level understanding of the financial implications associated with each model, enabling informed and responsible decision-making, ahead of the submission in November 2025.

6. Electoral arrangements

The current number of elected members for each principal council in Warwickshire is as follows:

Council	**Number of Councillors**
North Warwickshire	35
Nuneaton and Bedworth	38
Rugby	42
Stratford on Avon	41
Warwick	44
Warwickshire County	57
Total	**257**

There are currently 57 electoral divisions for Warwickshire County Council. In a recent review, by officers, these now meet all three criteria for the Local Government Boundary Commission for England (LGBCE) to undertake a review. This is mainly due to population growth which is not consistently spread across all areas of the County leading to voter imbalance. Whilst the May 2025 elections will be based on the existing electoral divisions, it would be preferable to review these to correct such imbalance, especially if these electoral divisions are used as the building blocks for elections for any shadow authorities.

As a working assumption one option for future temporary electoral arrangements could be simply to double the number of councillors in each division (this approach has been used in a number of areas), a simple solution would provide councils of the following sizes:

Option (a) – a unitary council of 114 members;
Option (b) – a unitary council for northern Warwickshire of 60 members and a unitary council for southern Warwickshire of 54 members.

This would represent a reduction of 143 councillors (-55%) compared to the current structure of 257 councillors. The reduction in Councillors whilst providing savings would result in additional electors per councillor. Across Warwickshire currently at district and borough level on average there are 2,244 electors per councillor and on average 7,875 electors per councillor at Warwickshire County Council. Such a reduction in councillor as identified above would result in an average of 3,937 per councillor, almost twice that at the current district and borough level.

The current schedule for elections in each of the district and boroughs is as follows:

- North Warwickshire Borough Council, Stratford on Avon District Council and Warwick District Council have whole council elections scheduled for May 2027.
- Rugby Borough Council have elections in thirds, the next scheduled elections are in May 2026.
- Nuneaton and Bedworth Borough Council have elections in halves, the next scheduled elections are in May 2026.

The district council elections in May 2027 would need to be cancelled and the term of office of district councillors that was due to end then should be extended to 31 March 2028. Consideration would need to be given to those elections which are scheduled for 2026. In line with arrangements for unitary councils elsewhere, elections to the new structure should be held every four years from 2027 i.e. 2031, 2035 etc.

Adopting the proposed arrangements for the first elections to the unitary structure would not preclude a subsequent review by the LGBCE, for example to reduce councillor numbers further or to create single member divisions.

If mayoral elections were held in May 2027 (for example in the case where Warwickshire, as one or two Councils does not join the WMCA), at the same time as elections to the unitary structure, we advocate a different timetable for subsequent mayoral elections.

Holding elections in different years is preferable as it ensures that there is a clear, separate mandate for a mayor and for unitary councillors. If the first mayoral elections were held in 2027 at the same time as elections to the unitary structure, this could be achieved by the first term of office for a mayor being either three or five years, so that subsequent mayoral elections would be in 2030 or 2032. We will address this issue as appropriate in discussions with neighbouring areas about devolution.

7. Engagement

We are committed to working closely and collaboratively with all Councils in Warwickshire to develop future proposals. In preparing this initial response to the Government, we have held meetings between County, District and Borough Council Leaders and Chief Executives to discuss both local government re-organisation and options for future Strategic Authority arrangements. We have also entered early discussions with public sector partners.

We have begun to raise public awareness of the process and provide updates to our residents on the approach we are taking and our commitment to involve local people in developing any proposals through independent public consultation.

In the four Districts where there are Town and Parish Councils, we have begun early engagement and there has already been a mixed reaction from this sector.

In those areas which are not fully parished, under both options for unitary government within Warwickshire, there will need to be consideration of whether new town or parish Councils will need to be formed where they currently do not exist.

The current numbers of town and parish councils within Warwickshire are as follows:

Council	**Number of Parishes**
North Warwickshire	33
Nuneaton and Bedworth	0
Rugby	41
Stratford on Avon	110
Warwick	35
Total	**219**

In the next stage of the process, we will undertake further and more formal stakeholder engagement with:

- public sector partners in the NHS, education and policing, through strategic involvement in the development of proposals
- Members of Parliament, through one-to-one meetings to seek views and feedback as proposals develop
- Town and parish councils, with further meetings to discuss community governance in the context of future local authority arrangements
- residents, through consultation events in communities and running a formal independent public consultation to gather views.
- community groups and voluntary organisations through consultation events
- business, through groups such as Chambers of Commerce, along with meetings with individual businesses

The insights gathered through this engagement process will be instrumental in shaping the final submission to the Government, ensuring that any reorganisation of local government is developed collaboratively with our partners and communities and is supported by them.

8. Preparatory costs

This interim plan has identified options that will be further considered ahead of the determination and submission of the formal response to Local government reorganisation for Warwickshire. As highlighted in the letter from the Minister it is vital that when respective councils are required to make their decisions on which option is supported this is made on *"robust evidence and analysis and include an explanation of the outcomes it is expected to achieve".*

In the time allowed from the publication of the letter inviting responses there will be the need for significant additional investigations before such decisions can be made.

Further detailed review will be required in each of the six criteria areas by which Government will assess responses. The Councils will need to commission external support to ensure that responses are based on the latest information available from experiences from unitarization across the Country, small District and Borough Councils do not have large teams to prepare such analysis.

It is likely that costs of between £150k to £250k may need to be incurred in preparing the full review of options ahead of submission. Such work is a new burden on already stretched local authority budgets and as such should be reimbursed by government. In additional to these external costs there will need to be significant officer time required to ensure that the reports that elected members consider provide all relevant information.

9. Joint working on reorganisation and devolution

The six principal Councils in Warwickshire have a strong record of working together positively.

Whilst it is possible that ultimately all principal Councils will not agree on a single submission for Warwickshire, as previously mentioned, all Councils will cooperate fully with each other and share information in a positive way.

The leaders have met on two occasions following the publication of the English Devolution Deal White paper, there would be regular ongoing discussions which initially will concentrate on the preparation of the November 2025 submission.

When the Government has determined the structure for local authorities within Warwickshire all councils will commit to ensuring that the transition to these structures is conducted professionally.

10. Barriers or challenges requiring Government action

This interim plan has been prepared following the receipt of the letter on 5 February 2025, therefore, seeks to identify the key principles and options, without at this stage discounting one or other options.

Early feedback and views from Government following submission of the interim plan is welcomed and will ensure that no abortive work will be undertaken.

A significant issue for Warwickshire and the shape of future local government arrangements relates to questions surrounding which strategic authority options will be available. An early clarification surrounding the potential strategic authority options is therefore vital to assist our future considerations.