

2. Executive Summary

Kent and Medway: A county of national significance

Kent and Medway is a county 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 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 would:

- ✓ 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 xxxx *(to be added)* people who completed our online survey, and the many partners who took the time to tell us their views. The most important things for people in Kent and Medway about the future of local government and LGR are:

Summary of key engagement points to be added here in the final Strategic Business Case

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 118, delivering nearly £2.5 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. With smaller electoral divisions than the current county council and enhanced tools to manage casework, councillors will be better equipped to serve their communities meaningfully and effectively.

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.