

# Public sector reform in Greater Essex

Refreshed summary of evidence – Interim Report

January 2025

## DRAFT

This is a work in progress draft to support discussions at the Essex Chief Executives workshop. The contents remain under review

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# 01 Introduction and Context

# Introduction

## Purpose and scope

Grant Thornton UK LLP were commissioned to support Essex Leaders and Chief Executives in assessing evidence in relation to the potential for local government reorganisation across the Greater Essex area.

The report is a work in progress with the explicit purpose of supporting the discussion at the Essex Chief Executives Forum workshop on 15 January 2025. Following this meeting the report will then be refined and updated to support a discussion amongst Leaders later in January.

The purpose of this report is to offer an objective and balanced overview of a range of different unitary configurations drawing upon socio-economic data and financial information.

This report represents a preliminary stage of the analysis, with further input and work planned to refine and expand upon the findings presented here.

This report does not make recommendations or identify any preferred option but is intended to support local leaders in moving forward with a positive, collaborative and informed conversation about reorganisation if they wish to do so.

This content of this report does not reflect any agreed policy proposals nor individual or collective views of the Councils.

## Work undertaken

To support the analysis of potential unitary configurations and their implications, we have undertaken the following key areas of work:

- **Socio-Economic Analysis** - We have developed a customised analytical tool to evaluate various unitary authority configurations against a comprehensive range of socio-economic metrics. This enables us to assess how different configurations align with local needs, economic functionality, and community characteristics.
- **Financial Analysis** - To enhance financial visibility and understanding, we have provided a detailed financial overlay and a review of current activity. Our analysis considers the implications of different unitary configurations in terms of: Financial Resilience, Unit Cost and Spending Variations and Indebtedness. The financial analysis contained within this version of the report is in the process of being supplemented by locally provided data from each authority

This integrated approach ensures a robust evaluation of potential unitary options, providing insights to help inform decision-making.

## Acknowledgements

We would like to record our thanks for the input and support of Finance leads and other officers in the production of this interim report.

# A changing context and policy landscape

## How have things changed?

### A brief history

Since 2020, UK policy and legislation regarding devolution and unitarisation have advanced significantly, focusing on improving regional autonomy and governance structures:

- **Devolution Deals** - The UK government has expanded devolution within England, introducing "level 2" and "level 3" frameworks. Level 3 agreements, such as those in Hull, East Yorkshire, and Greater Lincolnshire, grant broader powers in areas like transport and skills management, with directly elected mayors providing local leadership. Level 2 deals, seen in Cornwall and Lancashire, confer more limited powers without necessitating mayoral governance.
- **Trailblazer Agreements** - In 2023, trailblazer devolution agreements with Greater Manchester and the West Midlands set a precedent by introducing new powers and single financial settlements, simplifying funding processes. These serve as models for the proposed "level 4" framework, which aims to grant even greater fiscal autonomy to regions.
- **Local Government Reorganisation** - Unitarisation efforts have streamlined governance by consolidating two-tier systems into single-tier unitary authorities. Recent reforms, such as those in North Yorkshire, Cumbria, and Somerset, completed in 2023, aim to improve efficiency and local accountability.
- **Legislation and Policy Frameworks** - The 2024 "Levelling Up" White Paper clarified the Government's ambitions to reduce regional disparities, empower local leadership, and drive economic growth by mandating devolution and combining it with a renewed focus on LGR.

The past five years has seen the momentum behind devolution grow significantly, with the recent change in Government confirming the trajectory for further powers and reorganisation which has culminated in the

publication of the English Devolution White Paper in December 2024 which set out a desire to have universal coverage in England of Strategic Authorities (a number of councils working together) alongside a programme of local government reorganisation.

### Current context

Local government is navigating an increasingly complex landscape, with significant challenges threatening their ability to deliver essential services. Financial pressures remain critical, with councils forced to scale back services, raise taxes, and deplete reserves to balance budgets. These pressures are compounded by demographic shifts and social inequalities, as an ageing population, greater cultural diversity, and rising inequality drive increased demand for tailored, inclusive services.

Additionally, many councils face workforce capacity gaps, with the loss of experienced staff and a shortage of technical expertise. Digital transformation presents both an opportunity and a challenge as councils strive to modernise services while ensuring robust governance and security.

This is the current context for unitarisation as the Labour government see the replacement of two-tier systems with a single level of governance as an opportunity to improve service delivery, reduce costs, enhance strategic leadership and ultimately better meet public needs.



# Greater Essex as a place



1,896,590	1,967,306
Population in mid-2023	Forecast population in 2030
19.1%	18.3%
Aged 0-15 in 2023	Forecast 0-15 in 2030
20.0%	22.2%
Aged 65+ in 2023	Forecast 65+ in 2030
4.0%	11.7%
Of LSOAs in the most deprived decile	Of LSOAs in the least deprived decile
£50,818m	2.6%
Gross Value Added (2022)	Of English GVA (2022)
1	12
County Council	District and Borough Councils
2	696
Unitary authorities	Local Council electoral seats
£1.86 billion	2.9%
Budget revenue expenditure in 2024/25 (excluding education)	Of total net revenue expenditure by English local authorities (excluding "Other" authority types)

# The context for Greater Essex

## Greater Essex as a place

Greater Essex is comprised of a wide diversity of places with distinct identities ranging from coastal communities to historic towns to commuter suburbs on the periphery of London. On many key measures Greater Essex is a successful place with good public services, resilient communities and productive local economies. The headline measures also mask significant socio-economic inequality across the area, pockets of localised deprivation, rising levels of demand for services.

Like much of the local government sector as a whole These impacts have significantly intensified underlying public service and financial challenges and have stimulated the need to discussions around reorganisation and devolution.

## Public sector reform in Greater Essex

The Greater Essex map was last redrawn in 1998 when the boroughs of Southend-on-Sea and Thurrock were separated from the administrative county of Essex and became unitary authorities.

In the intervening years Greater Essex authorities have not developed substantive proposals for further structural reform, although there are positive examples of informal collaboration between authorities, including the Association of South Essex Local Authorities.

The UK Government's recent white paper on devolution however marks a transformative step in with potentially far-reaching implications for local authorities as it set out ambitious plans to streamline and enhance local governance through universal coverage of Strategic Authorities while – at the same time – introducing a reorganisation agenda to address inefficiencies in two-tier systems, with an emphasis on creating larger, more resilient authorities.

It is this context that has reignited conversations and discussions across all Local Authorities in Greater Essex. This report was commissioned to support those discussions and enable decisions to be taken around the future for public sector reform in Essex.

## 02 Methodological approach



# Methodological approach

## Socio-economic modelling

### Scope

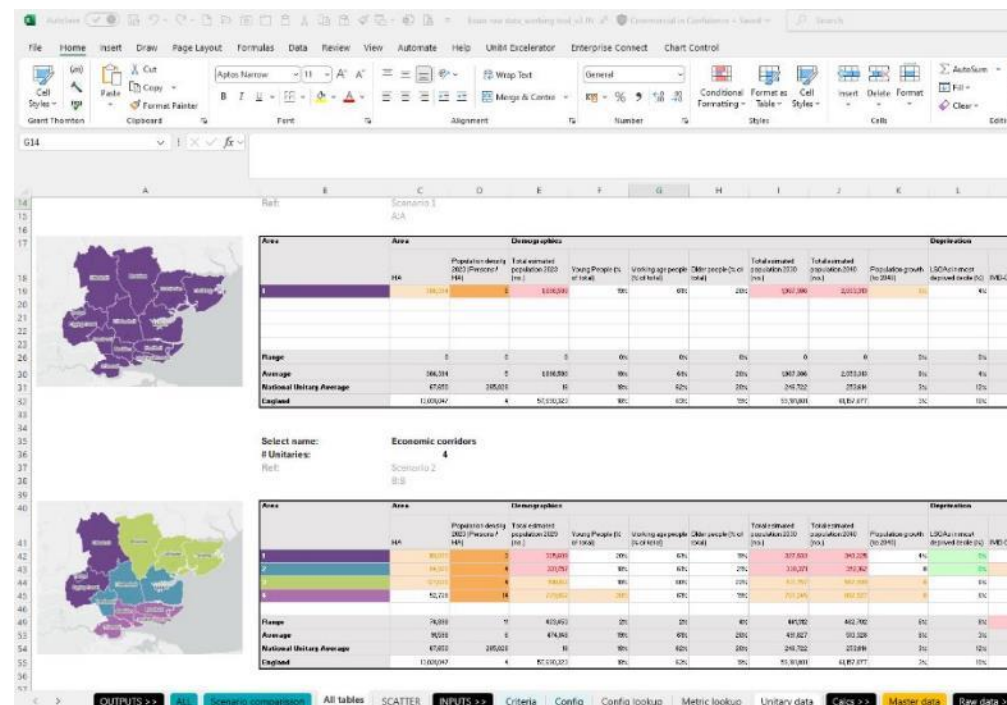
The aim of the socio-economic analysis is to provide:

1. A **snapshot view** on the potential socio-economic make-up of each proposed new unitary
2. Easy **cross-comparison between new unitaries** within a proposed configuration
3. The ability to **benchmark** new unitaries against all other existing unitaries in England.
4. Understanding of the **scale of variation** between different unitaries within each configuration.

### Our approach

Data has been collected and analysed across the following six measures:

- **Area:** size of area (ha) and publication density.
- **Demographics:** total population (2023), proportions of young/working age/older people, forecast total population (2030 and 2040) and population growth 2023-2040).
- **Deprivation:** proportion of LSOA's in the top decile of deprivation within England.
- **Labour market:** employment rate, total employees, businesses per 10,000 population and median weekly earnings.
- **Economy:** total GVA, GVA per job and business rates per employee.
- **Housing:** net additional dwellings per 1,000 dwellings, annual housing target, housing target as % of 2023 dwellings



A screen shot of the socio-economic analysis tool

# Methodological approach

## Financial analysis

### Scope

The aim of the financial analysis is to provide a financial overlay and a review of current activity to enhance financial visibility and understanding. This includes exploring key cost drivers.

Together this enables an analysis of potential unitary options with regard to:

- Financial resilience
- Unit cost and spending variations
- Indebtedness

We are also working with ECC colleagues to refresh the work undertaken in 2020, disaggregating county expenditure across districts.

### Potential financial benefits of unitary models

The move to unitary models in Essex has the potential for financial benefits including;

- i) Service delivery efficiencies through single organisation delivering all services, reducing duplication and adopting best practice approaches
- ii) Reduction in senior management and democracy costs as organisations are streamlined

Achieving these savings in full will take time and there will be costs associated with delivering this change.

### Approach

#### *Financial Resilience*

- Using a combination of data from our Financial Foresights tool, which assesses financial resilience by taking Revenue Outturn ('RO') data submitted by local authorities and projects forward income and expenditure based on macro-level demand and inflation assumptions, and data lifted directly from the council's MTFS' financial resilience of the different options has been assessed.
- Financial resilience has been assessed by estimating the year at which the configuration of local authorities would deplete its reserves below 5% of net revenue expenditure based on the projected gap between income and expenditure. This forecast has been made on a 'do nothing' scenario with no savings delivered beyond any already reflected in MTFS'
- Reserves data has been taken from the 23/24 RO data, validated against MTFS' and aggregated based on the options presented. The reserves figures used for this analysis are;
  - Budget stabilisation reserves level and other reserves level from estimated other earmarked financial reserves level
  - Unallocated financial reserves level
- Essex County Council spend will be disaggregated based on the methodology being refreshed from the 2020 work and is detailed further on in this document. For the purposes of this initial analysis we have disaggregated spend based on percentage of disaggregated spend allocated in the 2020 work.

# Methodological approach

## Financial analysis

### Our approach (cont'd)

#### Unit cost and spending variations

- RO data submitted for 23/24 has been used, along with relevant population data to calculate unit costs (spend per head of relevant population) across each RO category and for each of the local authority areas.
- The unit cost for each of the options has then been calculated on the same basis (per head of relevant population).
- Essex County Council spend will be disaggregated based on the methodology being refreshed from the 2020 work. For the purposes of this initial analysis, Essex County Council spend has been disaggregated based on percentage of disaggregated spend allocated in the 2020 work. This has been assessed against disaggregation by population and there is not a material difference.

#### Indebtedness

- Data on external debt held by each of the local authorities has been taken from the 2024/25 Treasury Management Strategy (or equivalent) published on the local authority website as part of the budget setting process. We note that this is a point in time and will be updated based on most up-to-date information provided by local authorities.
- This has then been aggregated to assess the indebtedness of the proposed options.

- For the purposes of this stage of the work, Essex County Council indebtedness has been disaggregated based on percentage of disaggregated spend allocated in the 2020 work. This has been compared to disaggregation by population and is not materially different. This will be reviewed as the work develops to be more nuanced as required (i.e. aligned to the distribution of relevant assets that the borrowing has funded).

### Essex County Council disaggregation

In 2020 an exercise was completed to disaggregate the spend of Essex County Council to each of the district councils. We have reviewed this to see if there is a population proxy that delivers reliable outputs. However, we have not identified a reliable and suitable proxy and therefore are working with Essex CC colleagues to assess most appropriate approach at this point of the exercise.

### Use of Council data

For each of these areas the data provided by the Council will be used to validate the initial findings and, where appropriate, ensure that the financial analysis is based on current data.

We will also be using the data provided by the individual councils to deepen the analysis, especially when looking at spending variations.

From experience, the RO data is very useful at comparing individual local authorities but there are often inconsistencies in how the data is classified by individual local authorities. Having access to budget books will enable us to identify and remove inconsistencies where possible.

# Methodological approach

## Introducing the spatial configurations

Our analysis has looked at 16 different potential spatial configurations across greater Essex.

### Previous configurations re-examined

In the previous report the Councils provided us with a representative range of eleven unitary models which would entail the creation of between two and five new unitary authorities for Greater Essex. (options 2.1-5.2)

We have re-examined these options within this refreshed analysis. These options have been identified to provide a representative sample for the purposes of generating meaningful analysis. They do not necessarily reflect a policy proposal from any of the Greater Essex authorities.

### Alignment with other geographies

We have also considered the coherence of unitary options alongside other functional and organisational geographies that already exist. We have therefore highlighted configurations which align with the geographies set out to the right. The economic partnerships and economic corridors options mirrored options 2.1 and 4.1 respectively.

### Further suggestions

Four alternative configurations were also suggested and these have been modelled accordingly (suggest 1-4).

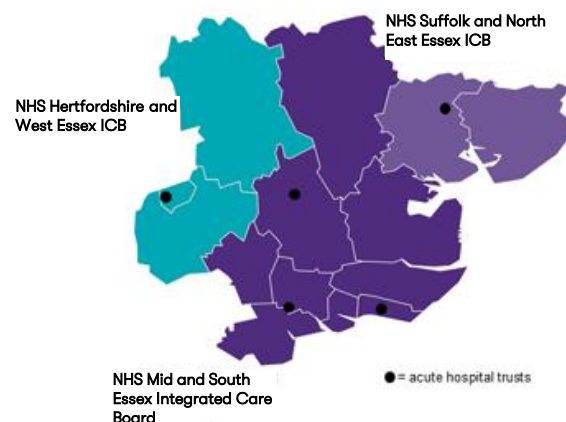
#### Economic partnerships



#### Economic corridors



#### Health boundaries





# Methodological approach

## Configurations overview

### 2 unitaries

#### Economic Partnerships/2.1



### 5 unitaries

5.1

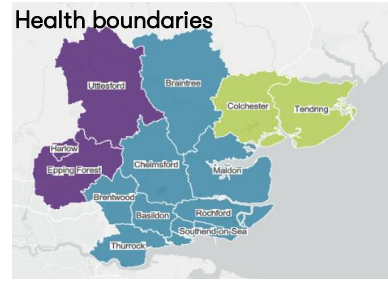


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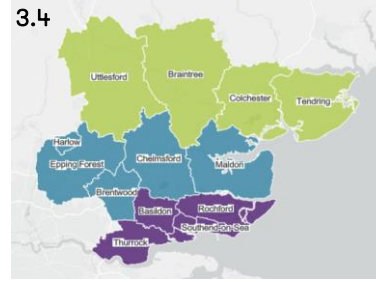


### 3 unitaries

#### Health boundaries



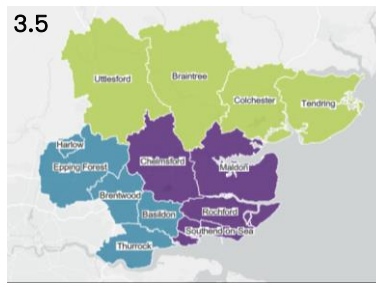
3.4



3.1



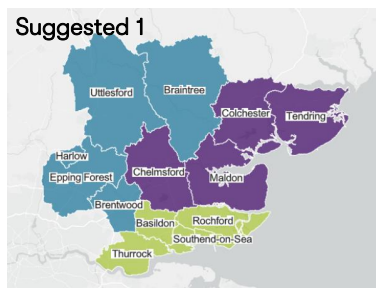
3.5



3.2



#### Suggested 1

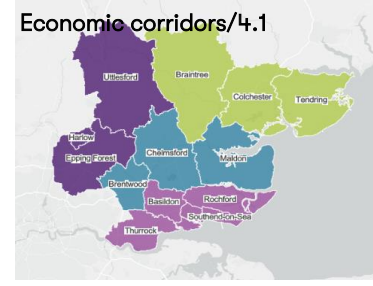


3.3

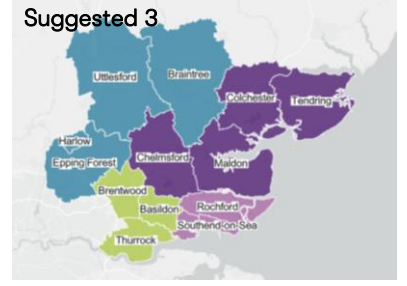


### 4 unitaries

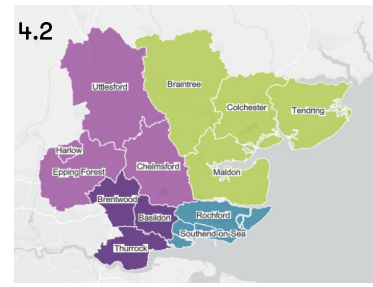
#### Economic corridors/4.1



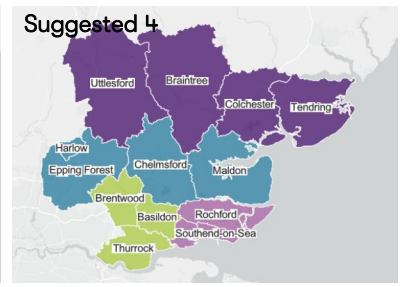
#### Suggested 3



4.2



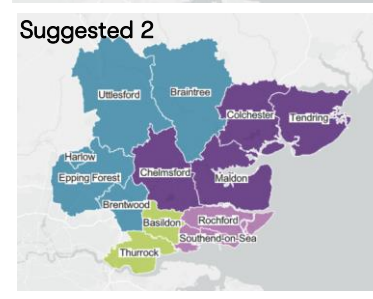
#### Suggested 4



4.3



#### Suggested 2





# Methodological approach

## Navigating the report

With 16 different spatial configurations and a large number of different financial and social economic indicators, this report is long. The detailed analysis is also repetitive as each measure is analysed for each configuration.

Therefore, in order to aid engagement with the detail, the remainder of the report is structured as follows:

- The next section provides a very high level summary of the emerging findings for each of the 16 different spatial considerations. **These summaries should be read alongside Appendix A which provides the detail and individual data points for each option.**
- Following the analysis of each options the report then provides an overview of a number of additional considerations that need to inform and shape discussions and decisions around a preferred configuration for Greater Essex.
- The final section (which is to be developed following the workshop with Chief Executives) then sets out a range of considerations and priorities that can be used to reduce the long-list of 16 down to a short-list of options for consideration by Members.

## **03 Analysis: Long-list of options**

# Analysis: two unitaries



## Key considerations – Economic Partnerships/2.1

There are large differences in the total land area and population density between the two unitaries with the population of unitary 1 over 1 million.

In terms of economic scale, deprivation and age profile the two areas are however broadly comparable.

While the overall spend difference is relatively small across all services there are some notable differences in unit costs on highways and transport services, planning and development services and children's social care. With regard to financial resilience unitary 2 is less resilient and has significantly higher debt levels than unitary 1.

# Analysis: three unitaries



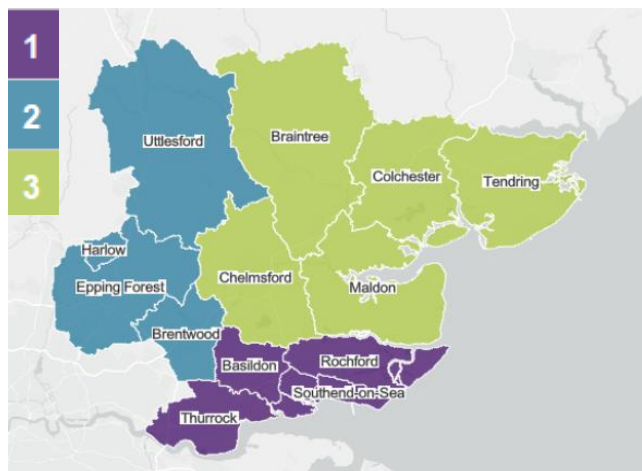
## Key considerations – health boundaries

Total population is notably higher in unitary 2 (exceeding 1 million) whilst it falls below 500,000 in unitaries 1 and 3.

There is also variation in the age profile and deprivation levels and notable variation in economic scale and productivity.

Unitary 1 has the highest unit costs with significant variation for unitary 2 in terms of children's social care costs. Unitary 2 also has the highest level of indebtedness, although in terms of external debt as a proportion of net revenue expenditure unitary 1 has the highest.

Unitary 2 is also the least financially resilient.



## Key considerations – 3.1

Unitary 2 is notably smaller in terms of population than both unitaries 1 and 3. Unitaries 1 and 3 are also forecast to have the greater rates of population growth. Unitary 2 is however notably less deprived.

From an economic perspective the three unitaries are more comparable and perform well against national averages.

There are relatively small differences between total spend although unitary 1 spend significantly more on children's social care.

Unitary 1 has the highest level of indebtedness, closely followed by unitary 2, with both notably higher than unitary 3. Unitary 1 is also the least financially resilient.



## Key considerations – 3.2

The overall population level is comparable across all three unitaries and all are above 500,000,

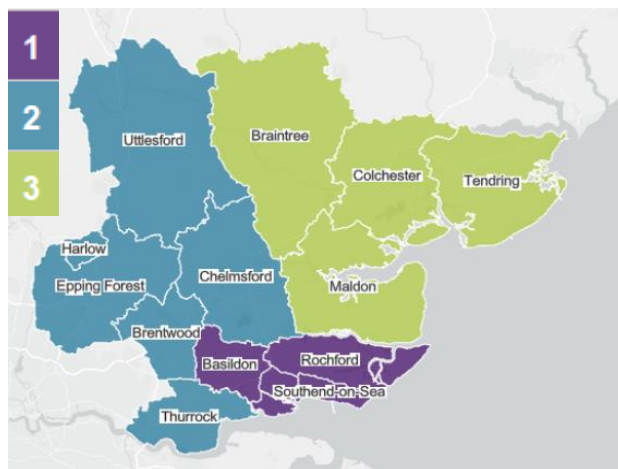
Deprivation does vary with unitary 2 having no LSOAs that rank in the top 10% most deprives while unitaries 1 and 3 have over 5%.

Economic scale is fairly even and is of a size that would place them in the top 25% of all unitaries nationally.

At the aggregate level spend is similar, although unitary 1 spends significantly more on children's social care than the other two.

Unitary 1 also has the highest levels of indebtedness, although both unitaries 1 and 3 have notably higher levels of debt than unitary 2.

# Analysis: three unitaries

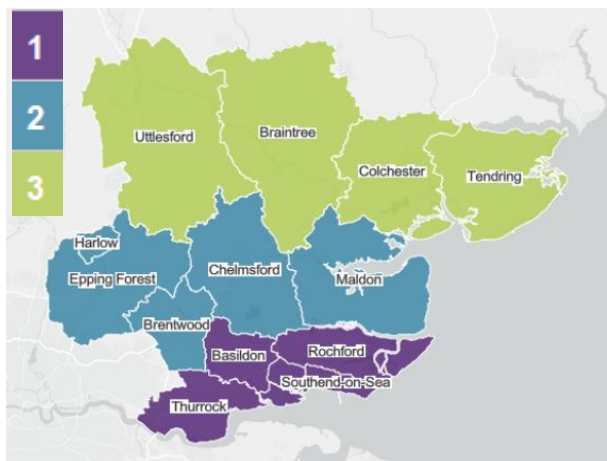


## Key considerations – 3.3

The population for all three exceeds 500,000 although there is some variation in age composition, most notably the higher proportion of older people in unitary 3 and the higher proportion of younger people in unitary 2.

Economic scale for all three is high relative to other English unitaries although there is some variation between the three. There is also a difference in net additional dwellings with unitary 1 below the national average and notably lower than unitary 3.

Of the 3 unitaries, unitary 2 would have the highest level of indebtedness, although unitaries 2 and 1 are both have much higher levels of debt than unitary 3. Unitaries 1 and 2 have higher children's social care unit costs, and unitary 1 also has a higher cost on housing services.



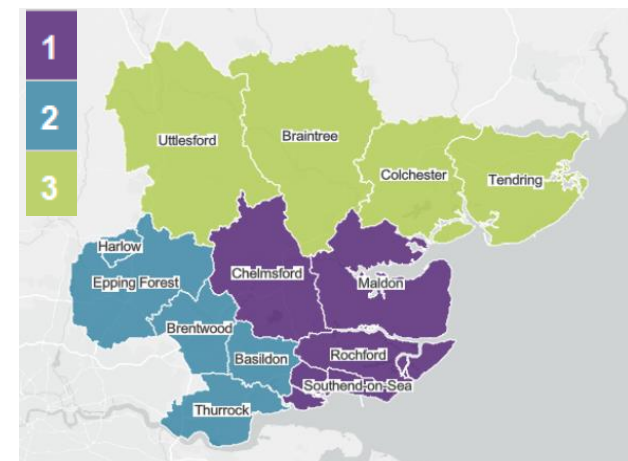
## Key considerations – 3.4

While unitary 1 is a smaller area geographically, the population is comparable between the three and above 500,000 in each. Unitary 2 is however much less deprived and has higher levels of productivity – although the economic scale is comparable across all three unitaries.

The employment rate does however differ with a much lower rate in unitary 3.

Unitary 1 would have the highest level of indebtedness although for all 3 areas the indebtedness would exceed 100% of net revenue expenditure.

Unitary 1 also has a significantly higher unit cost for children's social care.



## Key considerations – 3.5

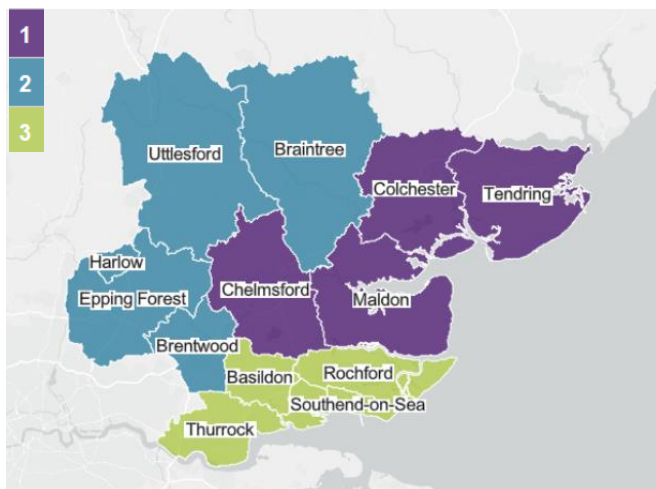
The population figures across the three unitaries show minimal variation, with all populations ranging between 600,000 and 680,000, a narrower range compared to all other configurations tested.

Deprivation is also the narrowest observed and economic scale is comparable in terms employees and businesses with more variation in terms of employment rates and productivity.

Unitary 2 has the highest indebtedness by a significant amount with indebtedness in excess of £2.2bn – 417.15% of net revenue expenditure. For unitary 1 and unitary 3 the overall level of indebtedness is significantly lower but, for both unitaries, it would be in excess of 100% of net revenue expenditure.



# Analysis: three unitaries



## Key considerations – Suggested 1

Population levels are comparable and while all three exceed 500,000, unitary 1 is the largest and also has a higher proportion of young people. Unitary 2 has no LSOAs in the most deprived decile, while unitary 3 stands out with 6%.

In terms of economic scale the areas are comparable. There is however substantial variation in net additional dwellings per 1,000 existing dwellings. Unitary 3, with a rate of 5, falls in the lowest quartile of English unitaries while Unitary 1 and 2 have a rate of double, at 10.

Unitary 3 would have the highest level of indebtedness at £1.817bn, 290% of net revenue expenditure. Unitary 1 would have the lowest level of indebtedness at £330m, 65% of net revenue expenditure.

# Analysis: four unitaries



## Key considerations – Economic corridors/4.1

The population figures show notable variation, unitary 1, with a population of 326,000, has less than half the population of the largest unitary, unitary 4. Unitaries 1 and 2 have no LSOAs in the most deprived decile, while unitaries 3 and 4 each have 6% of their LSOAs in this category. In terms of economic scale, the four unitaries are fairly comparable when considering total numbers of employees. However, substantial variation emerges when examining employment rate.

Unitary 4 would have the highest level of indebtedness at £1.817bn which equates to 297.02% of net revenue expenditure. Although unitary 1 would have a significantly lower level of indebtedness at £889m, it would be in excess of 338% of net revenue expenditure.



## Key considerations – 4.2

Unitary 2, is the smallest with a population of 360,000, and even after the projected 10% growth by 2040 remains below the 500,000 threshold.

The four unitaries are fairly comparable when considering total numbers of employees and businesses as well as employment rates. However, substantial variation emerges when examining GVA per job.

Unitary 1 would have the highest level of indebtedness at £1.634bn and this would equate to 474.55% of net revenue expenditure, significantly higher than the other 3 unitaries.

Unitary 4 has the highest unit cost with it being 6.53% higher than the lowest unit cost.



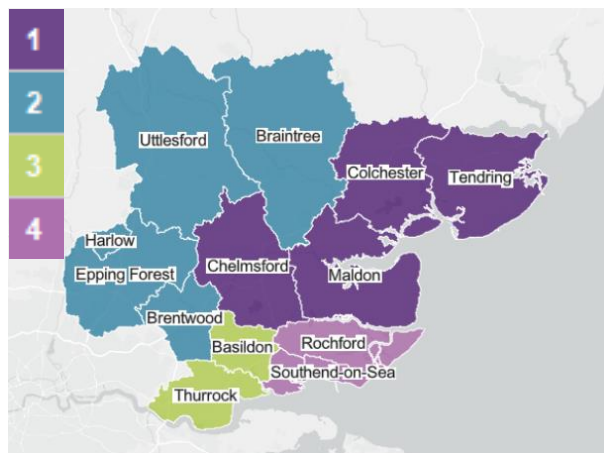
## Key considerations – 4.3

The population figures across the four unitaries exhibit substantial variation, especially when compared to most other configurations tested. Unitary 3, with a population of 350,000, has nearly half the population of the largest unitary, unitary 1.

The range of deprivation levels across the unitaries is also among the widest observed in all configurations. Unitary 2 has no LSOAs in the most deprived decile, while unitary 3 stands out with 9% of its LSOAs in this category.

Unitary 1 has the highest level of indebtedness at £2.203bn, which equates to 417.15% of net revenue expenditure. Unitary 3 has the lowest level of indebtedness at £221m. This equates to 68.75% of net revenue expenditure.

# Analysis: four unitaries



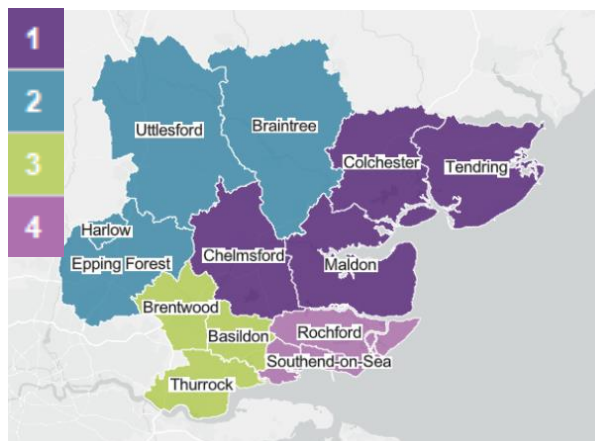
## Key considerations – Suggested 2

Unitary 4, with a population of 360,000, has 243,000 less residents than the population of the largest unitary, unitary 1.

The total numbers of employees, businesses, employment rates, and median weekly earnings are all comparable. However, notable differences arise in Gross Value Added (GVA) per job.

Unitary 3 would have the highest level of indebtedness at £1.336bn. Unitary 2 is close behind with indebtedness of £1.260bn. For all areas, except for unitary 1, the indebtedness would exceed 100% of net revenue expenditure.

When looking at 'Children's Social Care', unitary 3 and unitary 4 have significantly higher unit cost than the other two areas.

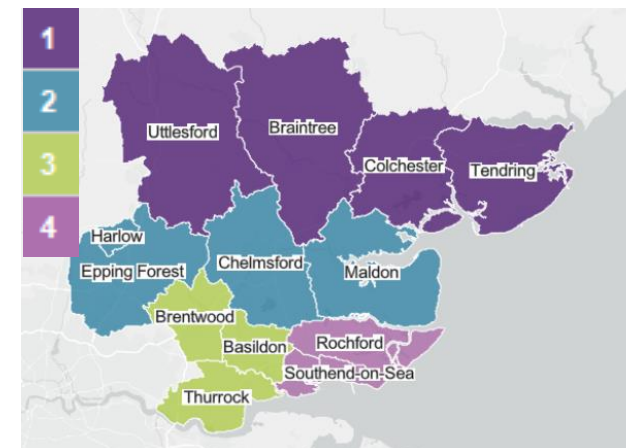


## Key considerations – Suggested 3

Unitary 4, with a population of c.360,000, has 243,000 less residents than the population of the largest unitary, unitary 1. Despite projected growth, both unitary 3 and unitary 4 are still projected to fall short of the 500,000 population threshold in 2040.

Unitary 3 stands out with a notably higher proportion of young people and a lower proportion of older people. Additionally, the variation in the proportion of both young and older people between unitaries within this configuration is among the highest observed across all tested configurations.

Unitary 3 would have the highest level of indebtedness at £1.634bn. For all areas, except for unitary 1, the indebtedness would exceed 100% of net revenue expenditure.



## Key considerations – Suggested 4

Three of the four unitaries have a population below 500,000 (unitary 1 being the exception). By 2040 unitary 2 also has a population over 500,000.

In terms of economic scale, the four unitaries are fairly comparable when considering total numbers of employees and businesses as well as employment rates. However, substantial variation emerges when examining median weekly earnings.

Unitary 3 would have the highest level of indebtedness at £1.634bn. For all 4 areas the indebtedness would exceed 100% of net revenue expenditure. When looking across all areas of spend it is noticeable that unitary 2 has the highest unit cost, 6.17% higher than the lowest.

# Analysis: five unitaries



## Key considerations – 5.1

Population figures across the five unitaries are relatively consistent, ranging from 350,000 to 450,000, with all remaining below the 500,000 threshold. The current age composition across three of the five unitaries shows a broadly similar distribution of young, working-age, and older populations. However, unitary 1 stands out with a higher proportion of young people.

In terms of economic scale, the five unitaries are fairly comparable. However, substantial variation exists in terms of businesses per 10,000 population and median weekly earnings.

Unitary 1 has the highest level of indebtedness at £1.6bn, which equates to 474.55% of net revenue expenditure. Both unitary 2 and unitary 4 have indebtedness below £250m and also below 70% on net revenue expenditure.



## Key considerations – 5.2

Population figures across the five unitaries are relatively consistent, ranging between 325,000 and 370,000, except for unitary 4, which has a larger population of just over half a million.

In terms of economic scale, the five unitaries are fairly comparable when considering total numbers of employees and businesses. However, substantial variation emerges when examining businesses per 10,000 population and employment rates.

Unitary 1 has the highest level of indebtedness at £1.3bn, which equates to 480.10% of net revenue expenditure. Unitary 4 has indebtedness of £294m which is 64.24% of net revenue expenditure. Unitary 2 and unitary 3 have the highest unit cost at c.5% above the lowest unit cost.

## 04 Additional considerations



# Additional considerations

## Learning from others

In September 2024, Grant Thornton published a report looking at the lesson from the most recent round of local government reorganisation. This report identified a number of important considerations for both authorities considering further reorganisation and for central government. Many of these lessons relate specifically to the transition process itself and on ensuring that the future unitary authorities are developed on as solid a foundation as possible. Within this there are several important aspects that should inform considerations and discussions within Greater Essex.

### Delivering business as usual alongside reorganisation creates significant pressure

*All of the councils reviewed as part of our analysis were impacted by the unprecedented, and yet not fully understood, post-COVID-19 landscape and the financial challenges that it brought, including the significant additional demand for services. In most cases these councils were established post pandemic and during a cost-of-living crisis with high inflationary pressures, which added significant additional pressures to the leadership and workforce and has tested financial sustainability.*

Many of these pressure remain in one form or another across Greater Essex.

### The time and monetary costs for reorganisation are significant

The transformation costs associated with reorganisation are large, and these costs need keeping under control if councils are to be financially sustainable. During the transition, areas with legacy county council arrangements need to build in time to agree an estimated

balance sheet disaggregation to enable them to understand their capital finance requirements, minimum revenue provision needs and their reserves positions as soon as possible as this will strengthen the new council's financial sustainability.

In light of this and given the complexity across Essex with the County, existing unitaries and a large number of districts it will be particularly important that finance is at the heart of the decisions being made when disaggregating and aggregating services.

### There is a need to understand the legacy reserves position early

Understanding and maintaining sound reserves is vital and a key indicator of sound financial governance. New unitary councils inherit a range of legacy financial systems which mean they have multiple financial ledgers and a range of systems feeding into these such as benefits and payroll. Our analysis raised concerns about the ongoing risks of operating multiple financial systems on the accuracy of its financial position and recommend moving to a single ledger as soon as possible.

As critical part of this is also producing timely accounts to a high standard in the run up to and immediately after vesting day (the first day of the new council).

Across the different authorities in Greater Essex it will be important to ensure that accounts are as up to date as possible so that the risk of changes to key finance staff post vesting day can be managed and mitigated.

# Additional considerations

## Learning from others

### Transformation and programme management capabilities are key to success

Strong programme management arrangements are critical to establishing the new councils. Setting-up a dedicated and properly resourced programme management office (PMO) will help to manage the process and ensure that sufficient internal resources and external support are devoted to it. Councils also benefited from having external support to act as a critical friend and supplement existing capacity or bring in new skills. Too often councils don't retain their transformation PMO for long enough post vesting day leaving transitional programme management to overstretched existing staff delivering business as usual activities and risking the loss of built-up knowledge which could effectively smooth that transition.

Given the potential number of new authorities created within Greater Essex capacity will be as important as capability if the transition is to be delivered successfully.

### Any savings from LGR require multi-year savings and transformation programmes

Like any council across England if material savings are to be delivered this requires capacity and focus. The new authorities will continue to see increased service demands, particularly in children services, adults, and housing and they have increased costs from inflationary pressures. This puts pressure on the transformation programmes to deliver at pace.

Our analysis identified an over-reliance on existing teams and an assumption that staff can work in transformation while delivering

business as usual. There is a clear need for specialist skills in this area and capacity and capability to change. In particular we found that Business cases for new unitaries make assumptions on the level of transformation and savings that will be possible. While it's attractive to assume that these will be developed pre vesting day and can start to be realised during the first year of the new unitary, we identified significant shortfalls in capacity, systems, management information, governance arrangements and focus which have slowed the path to transformation.

Therefore, within Greater Essex it will be very important to carefully consider the timing of any savings assumptions and there needs to be an acceptance that such transformation and savings might not be available for a twelve to eighteen month period or possibly longer.

Full details of the different lessons identified can be found at:

<https://www.grantthornton.co.uk/insights/local-government-reorganisation-lessons-from-new-unitaries/>

# Additional considerations

## Implications of the White Paper

The UK Government's recent white paper on devolution marks a transformative step in the governance of England, with far-reaching implications for local authorities.

Central to the proposals is the ambition to streamline and enhance local governance through universal coverage of Strategic Authorities—partnerships that bring councils and mayors together to deliver on regional priorities.

To achieve this, the government has outlined a dual approach: fostering collaboration within coherent and functional geographies while undertaking significant local government reorganisations in areas where current structures hinder effective delivery.

Devolution will be the default position, with the government prepared to mandate reforms where progress is slow. Local authorities will be expected to align with criteria for defining geographies, ensuring that new governance structures reflect local identities, functional economies, and contiguous boundaries.

At the same time, the government's reorganisation agenda will address inefficiencies in two-tier systems and underperforming unitary councils, with an emphasis on creating larger, more resilient authorities. These changes aim to establish governance models that are not only efficient and economically viable but also responsive to the needs of local communities.

This dual focus on reorganisation and geographic coherence underpins the government's vision for devolution, positioning local authorities as key drivers of regional growth and public service reform.

The key implications for Greater Essex are captured opposite.

### Devolution – key considerations

#### Defining Geographies for Strategic Authorities

Local authorities will need to align with government criteria for Strategic Authority geographies:

**Population Scale:** A target of 1.5 million residents, with exceptions for smaller, viable authorities.

**Economic Focus:** Areas must reflect functional economic geographies.

**Contiguity and Alignment:** Geographies must be contiguous, avoid isolated areas, and align with other public sector boundaries.

**Local Identity:** Geographies should foster accountability and public engagement through shared local identity.

**Effective Delivery:** Authorities must demonstrate capacity to deliver on spatial planning, transport, and employment strategies.

### Local Government Reorganisation – key considerations

#### Delivering better outcomes for residents, saving money and improving accountability

A programme to reorganise local government in two-tier areas and struggling unitary councils will be facilitated.

#### Criteria for Reorganisation:

- Councils must be of sufficient size (typically 500,000+ population) to achieve efficiencies and withstand financial pressures.
- Proposals must complement devolution plans.

**Phased Delivery:** Reorganisation will occur where it unlocks devolution, addresses failings, or accelerates reform.

**Support for Transition:** The government will assist local leaders in developing proposals and may postpone elections to smooth transitions.

# Additional considerations

## A more ambitious vision for Greater Essex

[This section will be drafted following the workshop with Chief Executives].

### ***Capturing the local vision for future places and local services.***

- *This section of the report will set out an initial set of key design principles that need to be considered and developed alongside the technical analysis presented for the options above.*
- *These principles should include service design and consideration of the right scale for the delivery of different services; the opportunity presented by devolution; the need to retain community identity; and the future vision for the place.*

## **05 Conclusion: Short-list of options**



# Conclusion: Short-list of options

[This section will be drafted following the workshop with Chief Executives and only finalised following the workshop with Leaders].

The section will be split into three parts.

- *Part 1 will set out the broad assessment criteria against which the options should be shortlisted – this is likely to include: alignment to White Paper, financial viability, risk, political appetite and clarify of vision.*
- *Part 2 will then set out the short-listed options against the different criteria.*
- *Part 3 will then set out any residual risks or questions that need to be resolved and mitigated alongside details of the next steps.*

# **Appendix A – Detailed analysis of long list of options**


# Understanding the data

# Understanding the data – Socio-economic analysis


The more detailed socio-economic analysis provides a detailed comparison of 20 key indicators across the potential configurations. Definitions for these indicators can be found in Appendix B.

Each "new" unitary is listed along the left side of the tables, numbered and color-coded to correspond with the map for clarity. To interpret the data within the context of White Paper thresholds, existing English unitaries, and other tested configurations, certain cells are color-coded against a key, with the following guidelines:


## 1. Population Set Limits

-  Population figures are evaluated against the 500,000 minimum threshold established in the White Paper. Figures below 500,000 or above 900,000 are highlighted in red to signal non-compliance with these thresholds.

## 2. Indicator Upper and Lower Quartile Limits

-  Shading is applied to identify whether each unitary falls into the upper or lower quartile when compared to existing English unitaries. This helps assess the relative standing of each unitary based on the specific indicator.

## 3. Range Set Limits

-  The range, displayed below the figures for each unitary, highlights the variation within the configuration. If the range falls into the top quartile (highest variation) across all tested configurations, it is marked in red for easier identification.

## 4. Additional Comparative Metrics

Min, Max, and Average: The tables display the minimum, maximum, and average figures for the unitaries within the specific configuration being examined.

National Unitary Average: A row is included to show the average value for all existing English unitaries.

England Figures: The overall figure for the whole of England is also provided for broader context.

This structured approach, combined with the visual cues and comparative benchmarks, allows for an insightful analysis of how each configuration aligns with policy thresholds and performs against other tested configurations and national averages. Key insights and notable observations from this analysis are highlighted within the accompanying text to ensure clarity and focus on the most significant findings.

# Understanding the data – Financial analysis

## Financial resilience

The analysis of financial resilience assesses the gap between income and expenditure, based on our Financial Foresight projection and information taken from individual council's MTFS', and the subsequent impact this would have on useable General Fund reserves if no savings were delivered over the period. The MIN/MAX figures shown in the gap between income and expenditure projections table are based on the minimum gap and the maximum gap from our Financial Foresight analysis and the Council's MTFS'. This figure is then used to forecast impact on useable General Fund Reserves in the following table. For the purposes of this, useable General Fund figures have been taken from Revenue Outturn ('RO') forms and calculated as unallocated General Fund reserves and earmarked reserves that have been classified as 'Other' or 'Budget Stabilisation'. 'Year at Risk' is defined as the year in which the useable General Fund reserves deplete to less than 5% of Net Revenue Expenditure ('NRE'). NRE has also been taken from the RO forms.

## Unit cost

The unit cost show the net cost per head of relevant population across each of the categories shown in the RO forms. The first table shows the calculated unit cost and the colour coding shows which percentile each areas unit cost sits relative to the other areas in the scenario. The second table provides additional context by showing the percentage difference in unit cost from the minimum unit cost (i.e. lowest spend) in the cohort.

## Indebtedness

Indebtedness has been calculated as the total external debt held by the councils with the information taken from published Treasury Management Strategies for 2024/25.



# Two unitary options



# Economic partnerships (2 unitaries)

## Socio-economic

SET LIMIT ■  
 UA UPPER PERCENTILE LIMIT ■  
 UA LOWER PERCENTILE LIMIT ■  
 \* UA lower percentile  
 (good outcome) ■

Area	Area		Demographics							Deprivation	
	HA	Population density 2023 (Persons / HA)	Total estimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) *	Total estimated population 2030 (no.)	Total estimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most deprived decile (%)	*
1	298,353	4	1,089,376	18.5%	60.5%	21.0%	1,121,426	1,172,384	8%	2.8%	
2	68,040	12	807,214	19.9%	61.3%	18.8%	845,880	880,929	9%	5.5%	
<b>Range</b>	230,313	8	282,162	1.3%	0.8%	2.2%	275,546	291,455	2%	2.7%	
<b>Average</b>	183,197	8	948,295	19.2%	60.9%	19.9%	983,653	1,026,657	8%	4.2%	
<b>National Unitary Average</b>	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3%	12.1%	
<b>England</b>	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	3%	10.0%	

There is a notable difference in the total land area between unitary 1 and 2, with a difference of approximately 230,000 hectares. This is also reflected in the population density, with unitary 1 having a significantly lower population density, which is also low compared to other English unitaries.

Similarly, there is a large difference in total population between the two unitaries, with unitary 1 having a far greater total population (exceeding 1 million), both now and in future years.

In terms of age composition of the population, the split between young, working age and older people is broadly similar across the two unitaries.



# Economic partnerships (2 unitaries)

## Socio-economic

SET LIMIT

UA UPPER PERCENTILE LIMIT

UA LOWER PERCENTILE LIMIT

\* UA lower percentile  
(good outcome)

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£000)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	75%	434,000	440	778	28,523	54,167	791	10	7,988	1.7%
2	79%	307,000	408	813	22,295	59,844	967	5	5,780	1.7%
Range	3%	127,000	32	35	6,228	5,677	176	5	2,208	0.0%
Average	77%	370,500	424	796	25,409	57,006	879	8	6,884	1.7%
National Unitary Average	76%	121,792	378	711	8,206	57,462	793	9	1,595	1.3%
England	76%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

In terms of economic scale, the two unitaries are comparable. For instance, both the total Gross Value Added (GVA) and the total number of employees are fairly similar across both unitaries, suggesting equitable economic opportunities.

There is some difference in net additional dwellings per 1000 dwellings, with unitary 2 having half the number in unitary 1, and ranks in the bottom 25% compared to other English unitary authorities.

The total annual housing target is very similar between both unitaries and this is also reflected in the housing target as a percentage of 2023 dwellings. However, it is worth noting that owing to the scale of these unitaries, the housing targets are large relative to other unitary authorities in England.



# Economic partnerships (2 unitaries)

## Financial Resilience

### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	20,975	37,307	35,205	42,939	51,616	64,248	42,313	64,248
2	46,516	96,224	58,546	90,728	77,407	98,371	65,913	98,371
MIN	20,975	37,307	35,205	42,939	51,616	64,248	42,313	64,248
MAX	46,516	96,224	58,546	90,728	77,407	98,371	65,913	98,371
Range	25,541	58,917	23,342	47,789	25,792	34,123	23,600	34,123
Average	33,746	66,765	46,875	66,834	64,511	81,309	54,113	81,309

### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	196,551	175,575	159,244	140,371	116,305	88,755	52,057	46,442	-12,191
2	165,377	118,861	69,154	60,315	-21,574	-17,092	-119,945	-83,006	-218,315
MIN	165,377	118,861	69,154	60,315	-21,574	-17,092	-119,945	-83,006	-218,315
MAX	196,551	175,575	159,244	140,371	116,305	88,755	52,057	46,442	-12,191
Range	31,173	56,714	90,090	80,056	137,879	105,848	172,002	129,447	206,125
Average	180,964	147,218	114,199	100,343	47,365	35,831	-33,944	-18,282	-115,253



# Economic partnerships (2 unitaries)

## Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	19.40%	17.60%	15.06%	12.48%	9.25%	5.42%	4.70%	-1.23%
2	17.53%	10.20%	8.64%	-3.09%	-2.38%	-16.68%	-11.21%	-29.49%
MIN	17.53%	10.20%	8.64%	-3.09%	-2.38%	-16.68%	-11.21%	-29.49%
MAX	19.40%	17.60%	15.06%	12.48%	9.25%	5.42%	4.70%	-1.23%
Range	1.87%	7.40%	6.42%	15.57%	11.62%	22.11%	15.91%	28.26%
Average	18.47%	13.90%	11.85%	4.69%	3.43%	-5.63%	-3.26%	-15.36%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2028/29	2028/29
2	2027/28	2026/27

In this configuration unitary 1 demonstrates a greater level of financial sustainability as, based on both minimum and maximum gap scenarios, the year at risk is 2028/29. Whereas unitary 2 could be at risk as early as 2026/27, were the maximum gap between income and expenditure to materialise.





# Economic partnerships (2 unitaries)

## Unit cost

### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,039.17	230.34	63.23	764.44	547.71	50.56	25.54	47.08	115.12	36.66	58.01	1.41
2	1,011.64	206.81	52.33	943.33	495.18	60.40	27.57	44.87	115.95	23.65	46.47	-2.36
MIN	1,011.64	206.81	52.33	764.44	495.18	50.56	25.54	44.87	115.12	23.65	46.47	-2.36
MAX	1,039.17	230.34	63.23	943.33	547.71	60.40	27.57	47.08	115.95	36.66	58.01	1.41
Range	27.53	23.53	10.90	178.89	52.53	9.84	2.02	2.21	0.83	13.00	11.54	3.77
Average	1,025.40	218.57	57.78	853.89	521.44	55.48	26.56	45.98	115.54	30.16	52.24	-0.48

### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	2.72%	11.38%	20.84%	0.00%	10.61%	0.00%	0.00%	4.92%	0.00%	54.96%	24.82%	159.64%
2	0.00%	0.00%	0.00%	23.40%	0.00%	19.46%	7.92%	0.00%	0.72%	0.00%	0.00%	0.00%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	2.72%	11.38%	20.84%	23.40%	10.61%	19.46%	7.92%	4.92%	0.72%	54.96%	24.82%	159.64%
Range	2.72%	11.38%	20.84%	23.40%	10.61%	19.46%	7.92%	4.92%	0.72%	54.96%	24.82%	159.64%
Average	1.36%	5.69%	10.42%	11.70%	5.30%	9.73%	3.96%	2.46%	0.36%	27.48%	12.41%	79.82%

See following page for commentary on the unit cost analysis



# Economic partnerships (2 unitaries)

## Indebtedness

### Indebtedness

Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	1,293,983	143.00%
2	2,115,372	312.03%
MIN	1,293,983	143.00%
MAX	2,115,372	312.03%
Range	821,389	169.02%
Average	1,704,678	227.52%

### Unit Cost

Across all RO categories there is a relatively small (2.72%) difference between the two areas with unitary 1 having the higher unit cost. However, when looking at individual service line expenditure there is a notable difference in unit cost between the two areas on 'Highways and transport services' (20.84%) and 'Planning and development services' (54.96%). For 'Children's Social Care', unitary 2 has a unit cost that is 23.40% higher than Area 1.

### Indebtedness

Based on this analysis, unitary 2 would have indebtedness of £2.115bn, 63.48% higher than unitary 1's figure of £1.294bn. This indebtedness would also be significantly higher as a percentage of net revenue expenditure at 312.03% compared to 143.00%.

# Three unitary options



# Health boundaries (3 unitaries)

## Socio-economic

**SET LIMIT**

**UA UPPER PERCENTILE LIMIT**

**UA LOWER PERCENTILE LIMIT**

**\* UA lower percentile (good outcome)**

Area	Area		Demographics							Deprivation	
	HA	Population density 2023 (Persons / HA)	Total estimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) *	Total estimated population 2030 (no.)	Total estimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most deprived decile (%)	*
1	101,070	3	325,609	19.8%	61.5%	18.7%	327,933	340,225	4.5%	0.0%	
2	198,868	6	1,220,776	19.3%	61.1%	19.5%	1,263,832	1,315,650	7.8%	3.7%	
3	66,455	5	350,205	17.7%	59.3%	23.0%	375,541	397,438	13.5%	8.8%	
<b>Range</b>	132,414	3	895,167	2.1%	2.2%	4.3%	935,899	975,425	9.0%	8.8%	
<b>Average</b>	122,131	5	632,197	18.9%	60.6%	20.4%	655,769	684,438	8.6%	4.2%	
<b>National Unitary Average</b>	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3.1%	12.1%	
<b>England</b>	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	2.6%	10.0%	

The first observation with this configuration is that unitary 3 has a much smaller landmass than the other two unitaries. Population density is broadly similar, but particularly low in unitary 1, which is also below the average of English unitaries.

Total population is notably high in unitary 2 (exceeding 1 million) whilst in unitary 1 and 3 the population falls below the 500,000 threshold noted in the White Paper both now and in future years (up to 2040).

There is some variation in age composition, with unitary 3 having the lowest percentage of working age population, and ranks in the bottom quartile of English unitaries.

There is significant variation in this configuration in deprivation levels. For example, within unitary 1 there are no LSOAs that rank in the top 10% most deprived LSOAs in England, whilst in unitary 3, 8.8% of the LSOAs rank in the top 10% most deprived.



# Health boundaries (3 unitaries)

## Socio-economic

SET LIMIT ■  
 UA UPPER PERCENTILE LIMIT ■  
 UA LOWER PERCENTILE LIMIT ■  
 \* UA lower percentile (good outcome) ■

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	72.8%	145,000	536	816	9,404	54,785	838	7	2,607	1.3%
2	79.2%	471,000	419	800	34,018	59,084	913	8	8,828	1.7%
3	72.9%	125,000	348	747	7,396	48,864	706	10	2,333	1.5%
<b>Range</b>	6.4%	346,000	189	69	26,622	10,221	208	3	6,495	0.4%
<b>Average</b>	75.0%	247,000	434	788	16,939	54,245	819	8	4,589	1.7%
<b>National Unitary Average</b>	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	1.3%
<b>England</b>	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

There is notable variation in economic scale with this configuration. For example, total Gross Value Added (GVA) ranges from as low as £9,404m in unitary 1 to £34,018m in unitary 2. Additionally, there is high variation in total employees across the unitaries with, a difference of 346,000 employees between unitary 3 and 2.

Productivity levels also vary between the three unitaries, with GVA per job much lower in unitary 3. Furthermore, the average GVA per job figure across all three unitaries is the lowest of all configurations.

There is also considerable variation in terms of annual housing targets between the three unitaries. Specifically, unitary 2 which has more than three times the volume compared to unitary 3.





# Health boundaries (3 unitaries)

## Financial Resilience

### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	5,200	10,336	13,113	15,784	17,881	21,761	16,594	21,761
2	53,440	112,148	71,337	107,702	98,845	122,073	79,423	122,073
3	8,852	11,046	9,300	10,182	12,297	18,785	12,209	18,785
MIN	5,200	10,336	9,300	10,182	12,297	18,785	12,209	18,785
MAX	53,440	112,148	71,337	107,702	98,845	122,073	79,423	122,073
Range	48,240	101,812	62,037	97,520	86,547	103,288	67,215	103,288
Average	22,497	44,510	31,250	44,556	43,008	54,206	36,076	54,206

### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	64,855	59,656	54,519	46,542	38,736	28,661	16,975	12,067	-4,786
2	242,546	189,106	130,398	117,769	22,697	18,925	-99,376	-60,499	-221,449
3	54,526	45,674	43,480	36,374	33,298	24,076	14,513	11,868	-4,271
MIN	54,526	45,674	43,480	36,374	22,697	18,925	-99,376	-60,499	-221,449
MAX	242,546	189,106	130,398	117,769	38,736	28,661	16,975	12,067	-4,271
Range	188,020	143,432	86,918	81,395	16,039	9,737	116,351	72,566	217,177
Average	120,643	98,145	76,133	66,895	31,577	23,888	-22,629	-12,188	-76,835



# Health boundaries (3 unitaries)

## Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	22.72%	20.76%	17.22%	14.33%	10.30%	6.10%	4.21%	-1.67%
2	18.94%	13.06%	11.45%	2.21%	1.79%	-9.39%	-5.55%	-20.31%
3	14.19%	13.51%	10.97%	10.04%	7.05%	4.25%	3.37%	-1.21%
MIN	14.19%	13.06%	10.97%	2.21%	1.79%	-9.39%	-5.55%	-20.31%
MAX	22.72%	20.76%	17.22%	14.33%	10.30%	6.10%	4.21%	-1.21%
Range	8.53%	7.70%	6.25%	12.12%	8.51%	15.49%	9.76%	19.10%
Average	18.62%	15.78%	13.21%	8.86%	6.38%	0.32%	0.68%	-7.73%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2028/29	2028/29
2	2027/28	2026/27
3	2028/29	2027/28

In this configuration unitary 2 demonstrates a lower level of financial resilience as, were the maximum gap between income and expenditure to materialise then it could be at risk as early as 2026/27. Both unitary 1 and unitary 3, under the minimum scenario, would be at risk in 2028/29. Were the maximum gap scenario to materialise then the financial resilience of unitary 3 is lower with it being at risk in 2027/28.



# Health boundaries (3 unitaries)

## Unit cost

### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,057.48	230.34	71.03	766.46	547.77	50.83	23.61	41.66	118.21	45.68	57.29	0.19
2	1,026.89	214.25	53.51	886.44	512.42	57.04	29.86	45.96	116.68	27.98	55.21	-0.39
3	1,001.04	230.34	64.66	763.50	548.94	50.64	16.93	50.74	111.58	28.40	41.44	0.00
MIN	1,001.04	214.25	53.51	763.50	512.42	50.64	16.93	41.66	111.58	27.98	41.44	-0.39
MAX	1,057.48	230.34	71.03	886.44	548.94	57.04	29.86	50.74	118.21	45.68	57.29	0.19
Range	56.44	16.09	17.52	122.94	36.53	6.40	12.93	9.07	6.63	17.70	15.85	0.58
Average	1,028.47	224.97	63.06	805.47	536.38	52.84	23.47	46.12	115.49	34.02	51.31	-0.07

### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	5.64%	7.51%	32.75%	0.39%	6.90%	0.37%	39.46%	0.00%	5.94%	63.25%	38.25%	147.48%
2	2.58%	0.00%	0.00%	16.10%	0.00%	12.63%	76.36%	10.32%	4.57%	0.00%	33.25%	0.00%
3	0.00%	7.51%	20.84%	0.00%	7.13%	0.00%	0.00%	21.78%	0.00%	1.52%	0.00%	100.00%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	5.64%	7.51%	32.75%	16.10%	7.13%	12.63%	76.36%	21.78%	5.94%	63.25%	38.25%	147.48%
Range	5.64%	7.51%	32.75%	16.10%	7.13%	12.63%	76.36%	21.78%	5.94%	63.25%	38.25%	147.48%
Average	2.74%	5.01%	17.86%	5.50%	4.68%	4.33%	38.61%	10.70%	3.51%	21.59%	23.84%	82.49%

See following page for commentary on the unit cost analysis



# Health boundaries (3 unitaries)

## Indebtedness

### Indebtedness

Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
<b>1</b>	889,597	338.78%
<b>2</b>	2,298,487	230.23%
<b>3</b>	221,271	68.75%
<b>MIN</b>	221,271	68.75%
<b>MAX</b>	2,298,487	338.78%
<b>Range</b>	2,077,216	270.03%
<b>Average</b>	1,136,452	212.58%

### Unit Cost

Across all configurations, unitary 1 has the highest unit costs. When looking at specific service areas there is a big variance for unitary 2 on 'Children's Social Care' with unit cost 16.10% higher than the lowest unit cost. There are variances across other areas of spend but this is the most notable difference between the options.

### Indebtedness

Based on this analysis, unitary 2 would have a significantly higher level of indebtedness than the other two unitaries at £2.298bn, compared with unitary 1 at £889m and unitary 3 at £221m. However, it should be noted that the indebtedness level for unitary 1 would equate to 338.78% of net revenue expenditure, significantly higher than the other two areas.



## 3.1 (3 unitaries)

### Socio-economic

**SET LIMIT**

**UA UPPER PERCENTILE LIMIT**

**UA LOWER PERCENTILE LIMIT**

**\* UA lower percentile (good outcome)**

Area	Area		Demographics							Deprivation	
	HA	Population density 2023 (Persons / HA)	Total estimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) *	Total estimated population 2030 (no.)	Total estimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most deprived decile (%)	*
1	52,728	14	729,062	20.0%	61.4%	18.6%	769,245	802,927	10.1%	6.1%	
2	116,383	3	403,761	19.6%	61.4%	19.0%	404,568	418,227	3.6%	0.0%	
3	197,283	4	763,767	18.0%	60.1%	21.9%	793,493	832,159	9.0%	4.0%	
<b>Range</b>	144,555	10	360,006	2.0%	1.3%	3.3%	388,925	413,932	6.5%	6.1%	
<b>Average</b>	122,131	7	632,197	19.2%	60.9%	19.8%	655,769	684,438	7.6%	3.4%	
<b>National Unitary Average</b>	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3.1%	12.1%	
<b>England</b>	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	2.6%	10.0%	

Whilst unitary 2 and 3 are broadly similar in land area, unitary 1 has a notably smaller land area. It also exhibits a high population density relative to the other two unitaries. Unitary 2 has a particularly low population density and the estimated population both now and in the future remains below the 500,000 threshold set out in the White Paper. By comparison, unitary 1 and 3 have a similar population scale of around 700,000 people.

Unitaries 1 and 3 are also forecast to have greater rates of population growth up to 2040 (around 10%), whilst unitary 2 is forecast to have levels more inline with other English unitaries (3.6%).

In comparison to other configurations, the age composition leans slightly more towards the younger demographic. For example, the average proportion of younger people across the three unitaries is 19.2%, surpassing both the national unitary average and England average.

There is some variation in deprivation levels, with unitary 2 containing no LSOA's ranking in the top 10% nationally on deprivation, whilst unitary 1 has 6.1% of LSOA's in the top 10% most deprived.



## 3.1 (3 unitaries)

### Socio-economic

**SET LIMIT**

**UA UPPER PERCENTILE LIMIT**

**UA LOWER PERCENTILE LIMIT**

**\* UA lower percentile (good outcome)**

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
<b>1</b>	78.7%	273,000	391	802	19,056	56,992	1,002	5	5,089	1.6%
<b>2</b>	74.4%	179,000	541	836	12,643	60,097	810	8	3,298	1.9%
<b>3</b>	76.6%	289,000	398	762	19,119	53,857	767	12	5,381	1.6%
<b>Range</b>	4.3%	110,000	150	74	6,476	6,240	235	7	2,083	0.3%
<b>Average</b>	76.6%	247,000	444	800	16,939	56,982	859	8	4,589	1.7%
<b>National Unitary Average</b>	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	1.3%
<b>England</b>	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

Economic scale is fairly even across the 3 unitaries and all three have a level of scale that is in the top 25% of unitaries nationally.

Business density is also high on average across all three unitaries, achieving the second highest business density of all configurations and surpassing the national unitary average and England average. Specifically, unitary 2 stands out for having the highest business density overall, as well as a high Gross Value Added (GVA) per job figure, indicating strong economic productivity.

The average median weekly earnings across the three unitaries is £800 which is the highest figure of all configurations and greater than both the national unitary average and England average. However, it should also be noted that there is some notable variation between the three unitaries, with a difference of £74 between unitary 2 and 3.

There is some variation in the level of house building, with unitary 1 having the lowest number of net additional dwellings per 1,000 dwellings, and ranking in bottom 25% of unitaries nationally.





## 3.1 (3 unitaries)

### Financial Resilience

#### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	45,414	91,622	56,760	86,065	74,004	92,313	62,525	92,313
2	6,302	14,938	14,899	20,446	21,284	27,819	19,982	27,819
3	15,776	26,971	22,091	27,156	33,735	42,487	25,719	42,487
MIN	6,302	14,938	14,899	20,446	21,284	27,819	19,982	27,819
MAX	45,414	91,622	56,760	86,065	74,004	92,313	62,525	92,313
Range	39,113	76,684	41,861	65,619	52,721	64,494	42,543	64,494
Average	22,497	44,510	31,250	44,556	43,008	54,206	36,076	54,206

#### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	152,657	107,242	61,035	50,482	-25,030	-23,522	-117,343	-86,047	-209,656
2	77,576	71,274	62,638	56,375	42,192	35,091	14,373	15,109	-13,446
3	131,695	115,920	104,725	93,828	77,569	60,094	35,082	34,375	-7,404
MIN	77,576	71,274	61,035	50,482	-25,030	-23,522	-117,343	-86,047	-209,656
MAX	152,657	115,920	104,725	93,828	77,569	60,094	35,082	34,375	-7,404
Range	75,081	44,646	43,690	43,346	102,599	83,615	152,425	120,422	202,251
Average	120,643	98,145	76,133	66,895	31,577	23,888	-22,629	-12,188	-76,835



## 3.1 (3 unitaries)

### Financial Resilience

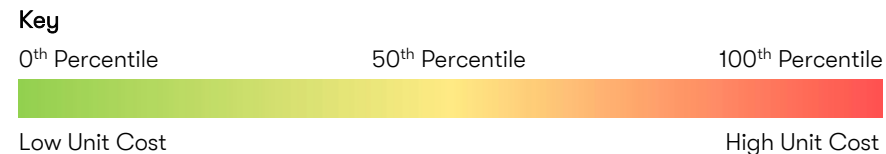
Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	17.52%	9.97%	8.01%	-3.97%	-3.62%	-18.08%	-12.88%	-31.38%
2	21.69%	19.06%	16.66%	12.47%	10.08%	4.13%	4.21%	-3.75%
3	18.05%	16.31%	14.18%	11.72%	8.82%	5.15%	4.90%	-1.05%
MIN	17.52%	9.97%	8.01%	-3.97%	-3.62%	-18.08%	-12.88%	-31.38%
MAX	21.69%	19.06%	16.66%	12.47%	10.08%	5.15%	4.90%	-1.05%
Range	4.17%	9.09%	8.65%	16.44%	13.70%	23.23%	17.77%	30.32%
Average	19.09%	15.11%	12.95%	6.74%	5.09%	-2.94%	-1.26%	-12.06%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2027/28	2026/27
2	2028/29	2027/28
3	2028/29	2028/29

In this scenario unitary 2 and unitary 3 have higher levels of financial sustainability than unitary 1. Were the maximum gap scenario to materialise then unitary 1 would be at risk as early as 2026/27 whereas unitary 3 would be at risk in 2028/29. Under the minimum gap scenario, unitary 1 would be at risk a year earlier than both unitary 2 and unitary 3.

## Unit cost



Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,015.37	204.46	51.29	961.24	489.59	61.40	29.89	45.31	117.38	20.79	50.25	-2.61
2	1,041.39	230.34	69.24	765.91	547.53	50.86	20.07	41.48	117.55	46.63	48.09	0.15
3	1,031.47	230.34	59.95	763.50	547.68	50.44	26.36	49.36	113.82	32.86	58.31	1.92
MIN	1,015.37	204.46	51.29	763.50	489.59	50.44	20.07	41.48	113.82	20.79	48.09	-2.61
MAX	1,041.39	230.34	69.24	961.24	547.68	61.40	29.89	49.36	117.55	46.63	58.31	1.92
Range	26.02	25.87	17.96	197.74	58.09	10.96	9.82	7.88	3.72	25.84	10.22	4.54
Average	1,029.41	221.71	60.16	830.22	528.27	54.23	25.44	45.38	116.25	33.43	52.22	-0.18

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	0.00%	0.00%	0.00%	25.90%	0.00%	21.72%	48.92%	9.24%	3.12%	0.00%	4.47%	0.00%
2	2.56%	12.65%	35.01%	0.31%	11.83%	0.84%	0.00%	0.00%	3.27%	124.26%	0.00%	105.73%
3	1.59%	12.65%	16.89%	0.00%	11.86%	0.00%	31.33%	19.00%	0.00%	58.04%	21.25%	173.55%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	2.56%	12.65%	35.01%	25.90%	11.86%	21.72%	48.92%	19.00%	3.27%	124.26%	21.25%	173.55%
Range	2.56%	12.65%	35.01%	25.90%	11.86%	21.72%	48.92%	19.00%	3.27%	124.26%	21.25%	173.55%
Average	1.38%	8.44%	17.30%	8.74%	7.90%	7.52%	26.75%	9.41%	2.13%	60.77%	8.57%	93.09%

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## 3.1 (3 unitaries)

### Indebtedness

#### Indebtedness

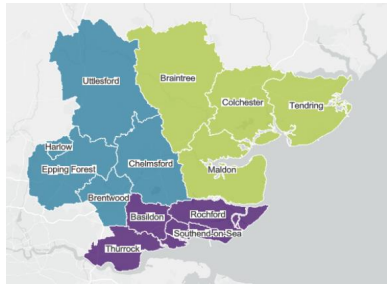
Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	1,817,683	297.02%
2	1,187,285	361.35%
3	404,386	62.96%
MIN	404,386	62.96%
MAX	1,817,683	361.35%
Range	1,413,297	298.38%
Average	1,136,452	240.44%

#### Unit Cost

Across all three configurations there is a relatively small difference between the areas with unitary 2 having the higher unit cost. At the individual service line level there is a notable difference in the 'Children's Social Care' unit cost between the areas with unitary 1 having a unit cost 25.90% higher than the lowest. This is offset to an extent by 'Adult Social Care' unit cost where unitary 1 has the lowest unit cost, 11.8% lower than both unitary 2 and unitary 3.

#### Indebtedness

Based on this analysis, unitary 1 would have the highest level of indebtedness at £1.818bn. Unitary 2's indebtedness of £1.187bn is significantly higher level than unitary 3's figure of £404m. For both unitary 1 and unitary 2, the indebtedness level is a significant percentage of net revenue expenditure. This is not replicated for unitary 3 where indebtedness would be 62.96% of net revenue expenditure.



## 3.2 (3 unitaries)

### Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

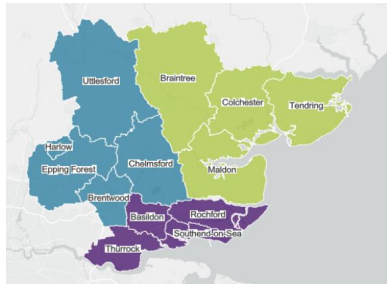
**\* UA lower percentile (good outcome)** ■

Area	Area		Demographics							Deprivation	
	HA	Population density 2023 (Persons / HA)	Total estimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) *	Total estimated population 2030 (no.) *	Total estimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most deprived decile (%)	*
<b>1</b>	52,728	14	729,062	20.0%	61.4%	18.6%	769,245	802,327	10.1%	6.1%	
<b>2</b>	150,259	4	589,039	19.4%	61.4%	19.1%	596,892	619,631	5.2%	0.0%	
<b>3</b>	163,407	4	578,489	17.7%	59.6%	22.7%	601,169	630,755	9.0%	5.3%	
<b>Range</b>	110,679	10	150,573	2.3%	1.9%	4.1%	172,353	183,296	4.9%	6.1%	
<b>Average</b>	122,131	7	632,197	19.0%	60.8%	20.2%	655,769	684,438	8.1%	3.8%	
<b>National Unitary Average</b>	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3.1%	12.1%	
<b>England</b>	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	2.6%	10.0%	

Whilst the difference in land area is not as stark compared to some of the other configurations, it can not be overlooked that unitary 1 has a smaller land area than unitaries 2 and 3. This is also reflected in the population density, which is much greater in unitary 1 compared to unitaries 2 and 3. Despite these differences, the overall population across all 3 unitaries is relatively similar, and all are above the 500,000 threshold set out in the White Paper.

The age composition of the 3 unitaries is fairly similar, with the exception of unitary 1 which has a slightly higher proportion of young people, placing it in the top 25% of unitaries in England.

There is some variation in the level of deprivation, with unitary 2 having no LSOA's that rank in the top 10% most deprived in England, whilst unitary 1 and 3 have over 5% ranking in the top 10% most



## 3.2 (3 unitaries)

### Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
<b>1</b>	78.7%	273,000	391	802	19,056	56,992	1,002	5	5,089	1.6%
<b>2</b>	77.2%	269,000	510	820	18,952	59,812	823	9	4,704	1.9%
<b>3</b>	74.5%	199,000	385	754	12,810	51,419	729	12	3,975	1.5%
<b>Range</b>	4.2%	74,000	125	66	6,246	8,394	272	7	1,114	0.3%
<b>Average</b>	76.8%	247,000	429	792	16,939	56,074	851	8	4,589	1.7%
<b>National Unitary Average</b>	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	1.3%
<b>England</b>	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

Economic scale is fairly even across the 3 unitaries, with all exhibiting a level of scale that places them in the top 25% of unitaries nationally.

Business density is also high on average across all three unitaries, achieving the second highest business density of all configurations and surpassing the national unitary average and England average. Specifically, unitary 2 stands out for having the highest business density overall, as well as a high Gross Value Added (GVA) per job figure, indicating strong economic productivity.

Whilst average earnings are generally good overall compared to the national unitary average and England average, unitary 3 has the lowest earnings of the three unitaries and also exhibits a lower employment rate, falling below the national unitary average and England average.

House building activity is varied across the three unitaries, with unitary 1 showing a rate of net additional dwellings that is in the bottom 25% of unitaries nationally, whilst unitary 3 performs in the top 25%.

Positively the annual housing target is fairly similar across all three unitaries. However, when compared to other unitaries in England, these target figures are large.





## 3.2 (3 unitaries)

### Financial Resilience

#### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	45,414	91,622	56,760	86,065	74,004	92,313	62,525	92,313
2	8,913	24,335	23,045	30,245	34,691	41,517	26,036	41,517
3	13,164	17,573	13,946	17,357	20,327	28,788	19,665	28,788
MIN	8,913	17,573	13,946	17,357	20,327	28,788	19,665	28,788
MAX	45,414	91,622	56,760	86,065	74,004	92,313	62,525	92,313
Range	36,501	74,048	42,814	68,708	53,677	63,525	42,861	63,525
Average	22,497	44,510	31,250	44,556	43,008	54,206	36,076	54,206

#### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	152,657	107,242	61,035	50,482	-25,030	-23,522	-117,343	-86,047	-209,656
2	111,246	102,333	86,911	79,288	56,666	44,597	15,149	18,560	-26,369
3	98,025	84,861	80,452	70,915	63,095	50,588	34,307	30,923	5,519
MIN	98,025	84,861	61,035	50,482	-25,030	-23,522	-117,343	-86,047	-209,656
MAX	152,657	107,242	86,911	79,288	63,095	50,588	34,307	30,923	5,519
Range	54,632	22,381	25,876	28,806	88,125	74,110	151,650	116,970	215,174
Average	120,643	98,145	76,133	66,895	31,577	23,888	-22,629	-12,188	-76,835



## 3.2 (3 unitaries)

### Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	17.52%	9.97%	8.01%	-3.97%	-3.62%	-18.08%	-12.88%	-31.38%
2	22.39%	19.02%	16.85%	12.04%	9.20%	3.13%	3.72%	-5.29%
3	16.52%	15.66%	13.40%	11.92%	9.28%	6.29%	5.51%	0.98%
MIN	16.52%	9.97%	8.01%	-3.97%	-3.62%	-18.08%	-12.88%	-31.38%
MAX	22.39%	19.02%	16.85%	12.04%	9.28%	6.29%	5.51%	0.98%
Range	5.88%	9.04%	8.84%	16.01%	12.90%	24.37%	18.38%	32.36%
Average	18.81%	14.88%	12.75%	6.66%	4.95%	-2.89%	-1.22%	-11.89%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2027/28	2026/27
2	2028/29	2027/28
3	N/A	2028/29

Under this configuration, unitary 3 has the greatest level of financial resilience as under the minimum gap scenario it does not become 'at risk'. Unitary 1 has the lowest level of financial resilience and, were the maximum gap scenario to materialise, would be at risk in 2026/27.



## 3.2 (3 unitaries)

### Unit cost

#### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

#### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,015.37	204.46	51.29	961.24	489.59	61.40	29.89	45.31	117.38	20.79	50.25	-2.61
2	1,052.69	230.34	61.96	765.17	547.23	50.68	30.12	49.86	116.40	43.16	54.78	0.09
3	1,016.87	230.34	64.36	763.50	548.03	50.50	18.19	43.39	113.80	31.98	54.81	2.55
MIN	1,015.37	204.46	51.29	763.50	489.59	50.50	18.19	43.39	113.80	20.79	50.25	-2.61
MAX	1,052.69	230.34	64.36	961.24	548.03	61.40	30.12	49.86	117.38	43.16	54.81	2.55
Range	37.32	25.87	13.07	197.74	58.43	10.90	11.93	6.47	3.58	22.36	4.56	5.16
Average	1,028.31	221.71	59.20	829.97	528.28	54.19	26.07	46.19	115.86	31.98	53.28	0.01

#### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	0.00%	0.00%	0.00%	25.90%	0.00%	21.59%	64.28%	4.42%	3.15%	0.00%	0.00%	0.00%
2	3.68%	12.65%	20.80%	0.22%	11.77%	0.35%	65.56%	14.90%	2.29%	107.55%	9.03%	103.45%
3	0.15%	12.65%	25.48%	0.00%	11.93%	0.00%	0.00%	0.00%	0.00%	53.81%	9.08%	197.51%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	3.68%	12.65%	25.48%	25.90%	11.93%	21.59%	65.56%	14.90%	3.15%	107.55%	9.08%	197.51%
Range	3.68%	12.65%	25.48%	25.90%	11.93%	21.59%	65.56%	14.90%	3.15%	107.55%	9.08%	197.51%
Average	1.27%	8.44%	15.43%	8.71%	7.90%	7.31%	43.28%	6.44%	1.81%	53.79%	6.04%	100.32%

See following page for commentary on the unit cost analysis



## 3.2 (3 unitaries)

### Indebtedness

#### Indebtedness

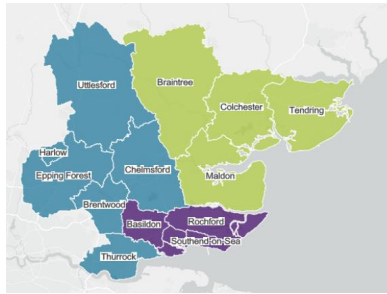
Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	1,817,683	297.02%
2	1,269,643	277.81%
3	322,029	62.67%
MIN	322,029	62.67%
MAX	1,817,683	297.02%
Range	1,495,655	234.35%
Average	1,136,452	212.50%

#### Unit Cost

When looking across all areas of spend there is a relatively small difference between the three areas with unitary 2 having the highest unit cost, 3.68% higher than the lowest. When looking at 'Children's Social Care', unitary 1 has a significantly higher unit cost than the other two areas with it being 25.90% higher than the lowest unit cost.

#### Indebtedness

Based on this analysis, unitary 1 would have the highest level of indebtedness at £1.818bn. Unitary 2 (£1.269bn) also has a significantly higher level of indebtedness than unitary 3 (£332M). For both unitary 1 and unitary 2, the indebtedness level is a significant percentage of net revenue expenditure. This is not replicated for unitary 3 where indebtedness would be 62.67% of net revenue expenditure.



## 3.3 (3 unitaries)

### Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

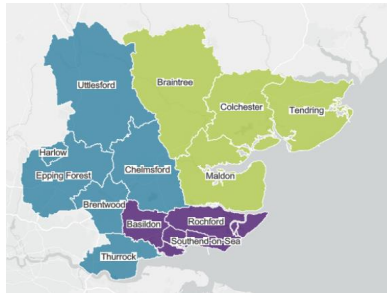
**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Area		Demographics							Deprivation	
	HA	Population density 2023 (Persons / HA)	Total esimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) *	Total esimated population 2030 (no.) *	Total esimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most * deprived decile (%)	
1	36,344	15	550,861	19.1%	60.7%	20.2%	577,583	600,600	9.0%	6.7%	
2	166,642	5	767,240	20.2%	61.9%	17.9%	788,554	821,958	7.1%	0.9%	
3	163,407	4	578,489	17.7%	59.6%	22.7%	601,169	630,755	9.0%	5.3%	
Range	130,298	12	216,379	2.5%	2.4%	4.9%	210,971	221,358	1.9%	5.8%	
Average	122,131	8	632,197	19.0%	60.7%	20.3%	655,769	684,438	8.4%	4.3%	
National Unitary Average	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3.1%	12.1%	
England	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	2.6%	10.0%	

While unitary 2 and unitary 3 have similar land areas, unitary 1 stands out as having a much smaller area. Consequently, there are large differences in population density between the unitaries, with unitary 1 having a much high population density than unitaries 2 and 3. Despite this, total population is not notably different between the three unitaries, and all exceed the 500,000 threshold set in the White Paper, both now and in the future.

There is some variation in age composition between the three unitaries, most notably in the proportion of older people. For example, in unitary 3, 22.7% of the population is made up of older people, while in unitary 2 older people make up a smaller share of the population at 17.9%. Unitary 2 also has a higher proportion of younger people relative to the two other unitaries.



## 3.3 (3 unitaries)

### Socio-economic

SET LIMIT

UA UPPER PERCENTILE LIMIT

UA LOWER PERCENTILE LIMIT

\* UA lower percentile  
(good outcome)

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	78.9%	197,000	391	802	13,440	55,564	742	5	4,023	1.7%
2	77.4%	345,000	483	815	24,568	60,007	1,011	7	5,770	1.8%
3	74.5%	199,000	385	754	12,810	51,419	729	12	3,975	1.5%
Range	4.5%	148,000	98	61	11,758	8,588	281	7	1,795	0.2%
Average	76.9%	247,000	419	790	16,939	55,663	827	8	4,589	1.7%
National Unitary Average	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	1.3%
England	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

Economic scale is high relative to other English unitaries across all three unitaries, but there is some variation within this. For example, there is a difference in total GVA of £8.588m between unitary 2 and 3, suggesting an imbalance in economic opportunity across the 3 unitaries.

House building activity is also varied across the three unitaries, with unitary 1 showing a rate of net additional dwellings that is in the bottom 25% of unitaries nationally, whilst unitary 3 performs in the top 25%.

Business rates per employee are notably larger in unitary 2, exceeding both the national unitary average and England average.



## 3.3 (3 unitaries)

### Financial Resilience

#### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	10,517	33,011	20,816	34,568	36,991	54,224	38,385	54,224
2	43,811	82,946	58,988	81,742	71,705	79,606	50,176	79,606
3	13,164	17,573	13,946	17,357	20,327	28,788	19,665	28,788
MIN	10,517	17,573	13,946	17,357	20,327	28,788	19,665	28,788
MAX	43,811	82,946	58,988	81,742	71,705	79,606	50,176	79,606
Range	33,294	65,373	45,042	64,385	51,377	50,818	30,512	50,818
Average	22,497	44,510	31,250	44,556	43,008	54,206	36,076	54,206

#### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	106,014	95,497	73,003	74,680	38,435	37,690	-15,789	-696	-70,013
2	157,889	114,078	74,943	55,090	-6,799	-16,615	-86,405	-66,791	-166,012
3	98,025	84,861	80,452	70,915	63,095	50,588	34,307	30,923	5,519
MIN	98,025	84,861	73,003	55,090	-6,799	-16,615	-86,405	-66,791	-166,012
MAX	157,889	114,078	80,452	74,680	63,095	50,588	34,307	30,923	5,519
Range	59,864	29,217	7,449	19,590	69,894	67,202	120,712	97,714	171,530
Average	120,643	98,145	76,133	66,895	31,577	23,888	-22,629	-12,188	-76,835





## 3.3 (3 unitaries)

### Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	19.46%	14.88%	14.80%	7.61%	7.26%	-3.04%	-0.13%	-13.11%
2	19.73%	12.96%	9.24%	-1.14%	-2.70%	-14.07%	-10.55%	-26.23%
3	16.52%	15.66%	13.40%	11.92%	9.28%	6.29%	5.51%	0.98%
MIN	16.52%	12.96%	9.24%	-1.14%	-2.70%	-14.07%	-10.55%	-26.23%
MAX	19.73%	15.66%	14.80%	11.92%	9.28%	6.29%	5.51%	0.98%
Range	3.21%	2.70%	5.55%	13.06%	11.98%	20.36%	16.06%	27.21%
Average	18.57%	14.50%	12.48%	6.13%	4.61%	-3.61%	-1.73%	-12.78%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2028/29	2027/28
2	2027/28	2026/27
3	N/A	2028/29

Under this configuration unitary 3 has the greatest level of financial resilience, and under the minimum gap scenario it would not be considered 'at risk'. Unitary 2 has the lowest level of financial resilience and, were the maximum gap scenario to materialise, would be at risk in 2026/27.



## 3.3 (3 unitaries)

### Unit cost

#### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

#### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,044.00	281.92	54.16	915.42	519.07	55.02	32.97	52.27	116.13	22.48	52.04	-6.00
2	1,022.69	169.41	57.32	849.02	511.93	57.93	27.78	43.63	117.55	36.64	52.39	1.96
3	1,016.87	230.34	64.36	763.50	548.03	50.50	18.19	43.39	113.80	31.98	54.81	2.55
MIN	1,016.87	169.41	54.16	763.50	511.93	50.50	18.19	43.39	113.80	22.48	52.04	-6.00
MAX	1,044.00	281.92	64.36	915.42	548.03	57.93	32.97	52.27	117.55	36.64	54.81	2.55
Range	27.13	112.51	10.20	151.91	36.10	7.43	14.78	8.88	3.75	14.15	2.77	8.54
Average	1,027.85	227.22	58.61	842.65	526.34	54.48	26.31	46.43	115.83	30.37	53.08	-0.50

#### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	2.67%	66.41%	0.00%	19.90%	1.40%	8.96%	81.21%	20.45%	2.05%	0.00%	0.00%	0.00%
2	0.57%	0.00%	5.83%	11.20%	0.00%	14.71%	52.71%	0.55%	3.30%	62.94%	0.67%	132.67%
3	0.00%	35.96%	18.84%	0.00%	7.05%	0.00%	0.00%	0.00%	0.00%	42.24%	5.32%	142.50%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	2.67%	66.41%	18.84%	19.90%	7.05%	14.71%	81.21%	20.45%	3.30%	62.94%	5.32%	142.50%
Range	2.67%	66.41%	18.84%	19.90%	7.05%	14.71%	81.21%	20.45%	3.30%	62.94%	5.32%	142.50%
Average	1.08%	34.13%	8.22%	10.37%	2.82%	7.89%	44.64%	7.00%	1.78%	35.06%	1.99%	91.72%

See following page for commentary on the unit cost analysis



## 3.3 (3 unitaries)

### Indebtedness

#### Indebtedness

Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	1,179,683	240.43%
2	1,907,643	329.85%
3	322,029	62.67%
MIN	322,029	62.67%
MAX	1,907,643	329.85%
Range	1,585,614	267.18%
Average	1,136,452	210.99%

#### Unit Cost

When looking across all areas of spend there is a relatively small difference between the three areas with unitary 2 having the highest unit cost, 2.67% higher than the lowest. When looking at 'Children's Social Care', unitary 1 and unitary 2 have noticeably higher unit costs than unitary 3. There is also a significant variance in 'Housing Services' where unitary 1 has a unit cost that is 81.21% higher than the lowest unit cost.

#### Indebtedness

Based on this analysis, unitary 2 would have the highest level of indebtedness at £1.907bn. Unitary 1 (£1.179bn) also has a significantly higher level of indebtedness than unitary 3 (£332m). For both unitary 1 and unitary 2, the indebtedness level is a significant percentage of net revenue expenditure. This is not replicated for unitary 3 where indebtedness would be 62.67% of net revenue expenditure.



## 3.4 (3 unitaries)

### Socio-economic

**SET LIMIT** ■  
**UA UPPER PERCENTILE LIMIT** ■  
**UA LOWER PERCENTILE LIMIT** ■  
 \* UA lower percentile (good outcome) ■

Area	Area		Demographics							Deprivation	
	HA	Population density 2023 (Persons / HA)	Total estimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) ★	Total estimated population 2030 (no.)	Total estimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most ★ deprived decile (%)	
1	52,728	14	729,062	20.0%	61.4%	18.6%	769,245	802,927	10.1%	6.1%	
2	121,922	5	563,772	19.1%	61.3%	19.6%	565,383	585,415	3.8%	0.0%	
3	191,744	3	603,756	18.1%	59.8%	22.1%	632,678	664,971	10.1%	5.2%	
Range	139,016	11	165,290	1.9%	1.6%	3.5%	203,862	217,512	6.3%	6.1%	
Average	122,131	7	632,197	19.1%	60.8%	20.1%	655,769	684,438	8.0%	3.8%	
National Unitary Average	67,650	265,028	16	18.3%	62.0%	19.7%	246,722	253,614	3.1%	12.1%	
England	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	2.6%	10.0%	

Similarly to the previous three unitary configurations, unitary 1 stands out as having a much smaller area. This leads to a differences in population density between the unitaries, with unitary 1 having a much higher population density than unitaries 2 and 3. Despite this, total population is comparable between the three unitaries, and exceeds the 500,000 threshold set out in the White Paper, both now and in the future.

There is some variation in age composition between the three unitaries, most notably in the proportion of younger people, with unitary 1 having a figure of 20.0% compared to 18.1% in unitary 3.

Population growth levels vary between the three unitaries, with unitaries 1 and 3 forecast to see an increase in population of around 10% up to 2040, compared to just 3.8% growth in unitary 2.

There is some variation in the level of deprivation, with unitary 2 having no LSOA's that rank in the top 10% most deprived in England, whilst unitary 1 and 3 have over 5% of their LSOA's ranking in the top 10% most deprived.



## 3.4 (3 unitaries)

### Socio-economic

SET LIMIT ■  
 UA UPPER PERCENTILE LIMIT ■  
 UA LOWER PERCENTILE LIMIT ■  
 \* UA lower percentile (good outcome) ■

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	78.7%	273,000	391	802	19,056	56,992	1,002	5	5,089	1.6%
2	79.6%	242,000	494	799	17,567	61,516	786	9	4,499	1.8%
3	72.4%	226,000	404	776	14,195	50,598	781	11	4,180	1.6%
Range	7.2%	47,000	103	25	4,861	10,918	221	6	909	0.3%
Average	76.9%	247,000	430	792	16,939	56,368	856	8	4,589	1.7%
National Unitary Average	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	1.3%
England	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

Economic scale (e.g. total employees and total GVA) is very similar across the three unitaries, and of a scale that places them in the top 25% of unitaries nationally. However, economic productivity levels are more varied, with GVA per job notably higher in unitary 2, exceeding the national unitary average.

There are also differences in the employment rate. Unitaries 1 and 2 both have employment rates exceeding both the unitary average and England average, whilst unitary 3 has a much lower employment rate (72%).

Business rates per employee are notably larger in unitary 1, exceeding both the national unitary average and England average.



## 3.4 (3 unitaries)

### Financial Resilience

#### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	45,414	91,622	56,760	86,065	74,004	92,313	62,525	92,313
2	9,224	22,303	16,890	24,402	28,624	35,133	19,852	35,133
3	12,854	19,606	20,101	23,200	26,394	35,173	25,849	35,173
MIN	9,224	19,606	16,890	23,200	26,394	35,133	19,852	35,133
MAX	45,414	91,622	56,760	86,065	74,004	92,313	62,525	92,313
Range	36,190	72,016	39,870	62,865	47,610	57,180	42,674	57,180
Average	22,497	44,510	31,250	44,556	43,008	54,206	36,076	54,206

#### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	152,657	107,242	61,035	50,482	-25,030	-23,522	-117,343	-86,047	-209,656
2	102,516	93,292	80,213	76,402	55,811	47,778	20,678	27,926	-14,455
3	106,755	93,902	87,149	73,801	63,949	47,407	28,777	21,557	-6,396
MIN	102,516	93,292	61,035	50,482	-25,030	-23,522	-117,343	-86,047	-209,656
MAX	152,657	107,242	87,149	76,402	63,949	47,778	28,777	27,926	-6,396
Range	50,141	13,950	26,114	25,920	88,980	71,299	146,120	113,973	203,260
Average	120,643	98,145	76,133	66,895	31,577	23,888	-22,629	-12,188	-76,835



## 3.4 (3 unitaries)

### Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	17.52%	9.97%	8.01%	-3.97%	-3.62%	-18.08%	-12.88%	-31.38%
2	21.54%	18.52%	17.13%	12.51%	10.40%	4.50%	5.91%	-3.06%
3	17.46%	16.21%	13.32%	11.54%	8.31%	5.04%	3.67%	-1.09%
MIN	17.46%	9.97%	8.01%	-3.97%	-3.62%	-18.08%	-12.88%	-31.38%
MAX	21.54%	18.52%	17.13%	12.51%	10.40%	5.04%	5.91%	-1.09%
Range	4.08%	8.55%	9.12%	16.49%	14.03%	23.13%	18.78%	30.29%
Average	18.84%	14.90%	12.82%	6.70%	5.03%	-2.85%	-1.10%	-11.84%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2027/28	2026/27
2	N/A	2027/28
3	2028/29	2028/29

In this configuration unitary 2 demonstrates a greater level of financial resilience than the other two areas as, were the minimum gap to materialise then it would not be at risk. Unitary 1 could be at risk as early as 2026/27, were the maximum gap between income and expenditure to materialise. unitary 3 would be at risk under both the minimum and maximum gap scenario in 2028/29.





## 3.4 (3 unitaries)

### Unit cost

#### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

#### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,015.37	204.46	51.29	961.24	489.59	61.40	29.89	45.31	117.38	20.79	50.25	-2.61
2	1,049.04	230.34	61.35	765.29	547.25	50.37	32.61	50.51	117.74	36.17	56.71	0.09
3	1,021.84	230.34	64.81	763.50	547.97	50.79	16.44	43.09	112.68	38.92	53.03	2.43
MIN	1,015.37	204.46	51.29	763.50	489.59	50.37	16.44	43.09	112.68	20.79	50.25	-2.61
MAX	1,049.04	230.34	64.81	961.24	547.97	61.40	32.61	50.51	117.74	38.92	56.71	2.43
Range	33.67	25.87	13.52	197.74	58.38	11.03	16.17	7.42	5.06	18.13	6.47	5.05
Average	1,028.75	221.71	59.15	830.01	528.27	54.19	26.31	46.30	115.93	31.96	53.33	-0.03

#### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	0.00%	0.00%	0.00%	25.90%	0.00%	21.89%	81.83%	5.16%	4.17%	0.00%	0.00%	0.00%
2	3.32%	12.65%	19.62%	0.23%	11.78%	0.00%	98.39%	17.23%	4.49%	73.94%	12.87%	103.62%
3	0.64%	12.65%	26.36%	0.00%	11.92%	0.83%	0.00%	0.00%	0.00%	87.19%	5.53%	193.12%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	3.32%	12.65%	26.36%	25.90%	11.92%	21.89%	98.39%	17.23%	4.49%	87.19%	12.87%	193.12%
Range	3.32%	12.65%	26.36%	25.90%	11.92%	21.89%	98.39%	17.23%	4.49%	87.19%	12.87%	193.12%
Average	1.32%	8.44%	15.33%	8.71%	7.90%	7.57%	60.07%	7.46%	2.89%	53.71%	6.14%	98.91%

See following page for commentary on the unit cost analysis



## 3.4 (3 unitaries)

### Indebtedness

#### Indebtedness

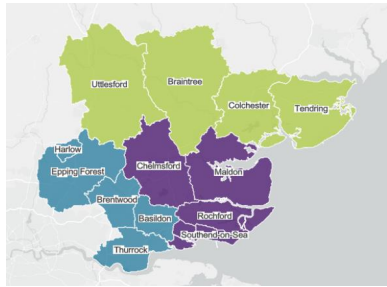
Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	1,817,683	297.02%
2	976,534	225.49%
3	615,138	114.39%
MIN	615,138	114.39%
MAX	1,817,683	297.02%
Range	1,202,546	182.63%
Average	1,136,452	212.30%

#### Unit Cost

When looking across all areas of spend there is a relatively small difference between the three areas with unitary 2 having the highest unit cost, 3.32% higher than the lowest. When looking at 'Children's Social Care', unitary 1 has a significantly higher unit cost than the other two areas with it being 25.90% higher than the lowest unit cost. There is also a significant variance across 'Housing Services' unit cost with unitary 2 and unitary 3 unit cost c.12% higher than that of unitary 1.

#### Indebtedness

Based on this analysis, unitary 1 would have the highest level of indebtedness at £1.817bn. For all 3 areas the indebtedness would exceed 100% of net revenue expenditure and unitary 1 would not have only the highest level of indebtedness but also the highest level of debt as a percentage of net revenue expenditure.



## 3.5 (3 unitaries)

### Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

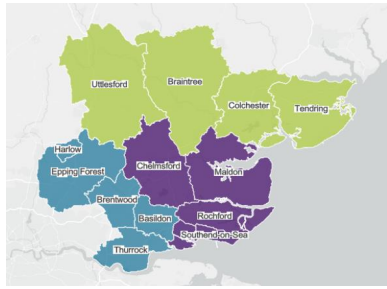
Area	Area		Demographics						Deprivation	
	HA	Population density 2023 (Persons / HA)	Total estimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) *	Total estimated population 2030 (no.)	Total estimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most * deprived decile (%)
1	95,001	6	613,922	18.2%	60.3%	21.6%	642,986	670,746	9.3%	2.7%
2	79,648	9	678,912	20.9%	62.4%	16.8%	691,642	717,596	5.7%	4.1%
3	191,744	3	603,756	18.1%	59.8%	22.1%	632,678	664,971	10.1%	5.2%
<b>Range</b>	112,095	5	75,156	2.8%	2.6%	5.4%	58,964	52,625	4.4%	2.5%
<b>Average</b>	122,131	6	632,197	19.0%	60.8%	20.2%	655,769	684,438	8.4%	4.0%
<b>National Unitary Average</b>	67,650	265,028	16	18.3%	62.0%	19.7%	246,722	253,614	3.1%	12.1%
<b>England</b>	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	2.6%	10.0%

The three unitaries exhibit some differences in total land area, with a gap of approximately 112,000 hectares between the largest and smallest. Despite this, the variation in population density within this configuration is relatively low, although unitary 3 falls into the lowest quartile compared to other existing English unitaries.

The population figures across the three unitaries show minimal variation, with all populations ranging between 600,000 and 680,000, a narrower range compared to all other configurations tested. Population projections suggest growth of 6–10% by 2040, with Unitary 3 expected to see the most significant increase. This projected growth further reduces the variation between the unitaries, and all remain above the 650,000 threshold in 2040.

The current age composition across the three unitaries is broadly similar; however, unitary 2 stands out for having a higher proportion of young people, placing it in the lowest quartile compared to all other existing English unitaries, and a comparatively lower proportion of elderly residents.

The range of deprivation levels across the unitaries is the narrowest observed in all configurations. Unitary 1 has 3% LSOAs in the most deprived decile, with unitary 2 4% and unitary 3 5%.



## 3.5 (3 unitaries)

### Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	81.9%	218,000	416	798	13,765	50,151	735	8	4,682	1.7%
2	76.5%	297,000	455	803	22,858	65,699	1,021	5	4,906	1.7%
3	72.4%	226,000	404	776	14,195	50,598	781	11	4,180	1.6%
<b>Range</b>	9.5%	79,000	50	26	9,093	15,548	286	6	726	0.2%
<b>Average</b>	77.0%	247,000	425	792	16,939	55,483	846	8	4,589	1.7%
<b>National Unitary Average</b>	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	1.3%
<b>England</b>	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

In terms of economic scale, the three unitaries are fairly comparable when considering total numbers of employees and businesses. However, more variation emerges when examining employment rates with a range of 9.5 percentage points between unitary 1 and unitary 3. Unitary 2 also stands out with GVA per job in the upper quartile compared to other English unitary authorities.

In terms of housing, there is some variation in net additional dwellings per 1,000 existing dwellings. Unitary 2, with a rate of 5, falls in the lowest quartile when compared to other English unitaries. Despite these differences, all three unitaries have set total annual housing targets that place them within the top 25% of all English unitaries. This is also reflected in the housing target as a percentage of 2023 dwelling stock.



## 3.5 (3 unitaries)

### Financial Resilience

#### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	10,199	40,302	25,883	42,029	43,711	58,507	37,573	58,507
2	44,439	73,622	47,768	68,438	58,918	68,939	44,805	68,939
3	12,854	19,606	20,101	23,200	26,394	35,173	25,849	35,173
MIN	10,199	19,606	20,101	23,200	26,394	35,173	25,849	35,173
MAX	44,439	73,622	47,768	68,438	58,918	68,939	44,805	68,939
Range	34,240	54,016	27,667	45,238	32,524	33,767	18,955	33,767
Average	22,497	44,510	31,250	44,556	43,008	54,206	36,076	54,206

#### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	122,205	112,006	81,903	86,124	39,874	42,413	-18,632	4,840	-77,139
2	132,967	88,528	59,345	40,761	-9,093	-18,157	-78,032	-62,962	-146,971
3	106,755	93,902	87,149	73,801	63,949	47,407	28,777	21,557	-6,396
MIN	106,755	88,528	59,345	40,761	-9,093	-18,157	-78,032	-62,962	-146,971
MAX	132,967	112,006	87,149	86,124	63,949	47,407	28,777	21,557	-6,396
Range	26,212	23,478	27,804	45,363	73,042	65,564	106,809	84,519	140,576
Average	120,643	98,145	76,133	66,895	31,577	23,888	-22,629	-12,188	-76,835



## 3.5 (3 unitaries)

### Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	21.67%	15.85%	16.19%	7.50%	7.75%	-3.40%	0.86%	-13.69%
2	16.76%	11.23%	7.49%	-1.67%	-3.24%	-13.92%	-10.90%	-25.44%
3	17.46%	16.21%	13.32%	11.54%	8.31%	5.04%	3.67%	-1.09%
MIN	16.76%	11.23%	7.49%	-1.67%	-3.24%	-13.92%	-10.90%	-25.44%
MAX	21.67%	16.21%	16.19%	11.54%	8.31%	5.04%	3.67%	-1.09%
Range	4.92%	4.97%	8.70%	13.21%	11.55%	18.96%	14.57%	24.35%
Average	18.63%	14.43%	12.33%	5.79%	4.27%	-4.09%	-2.12%	-13.41%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2028/29	2027/28
2	2027/28	2026/27
3	2028/29	2028/29

In this composition unitary 3 demonstrates a greater level of financial resilience than the other two areas as, based on both minimum and maximum gap scenarios, the year at risk is 2028/29. Whereas unitary 3 could be at risk as early as 2026/27, were the maximum gap between income and expenditure to materialise. Unitary 1 also demonstrates challenges around financial resilience with the year at risk under the maximum gap scenario being 2027/28.

## Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,044.87	279.33	48.97	907.77	521.93	54.58	39.66	53.57	110.25	25.15	59.57	-5.45
2	1,015.87	163.60	61.66	857.18	507.26	58.62	23.13	41.98	124.22	29.40	46.98	2.22
3	1,021.84	230.34	64.81	763.50	547.97	50.79	16.44	43.09	112.68	38.92	53.03	2.43
MIN	1,015.87	163.60	48.97	763.50	507.26	50.79	16.44	41.98	110.25	25.15	46.98	-5.45
MAX	1,044.87	279.33	64.81	907.77	547.97	58.62	39.66	53.57	124.22	38.92	59.57	2.43
Range	29.00	115.73	15.83	144.27	40.71	7.83	23.23	11.59	13.97	13.77	12.59	7.88
Average	1,027.53	224.42	58.48	842.82	525.72	54.66	26.41	46.21	115.72	31.16	53.19	-0.27

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	2.85%	70.74%	0.00%	18.90%	2.89%	7.47%	141.30%	27.60%	0.00%	0.00%	26.80%	0.00%
2	0.00%	0.00%	25.91%	12.27%	0.00%	15.42%	40.75%	0.00%	12.67%	16.87%	0.00%	140.64%
3	0.59%	40.79%	32.33%	0.00%	8.03%	0.00%	0.00%	2.63%	2.20%	54.75%	12.87%	144.65%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	2.85%	70.74%	32.33%	18.90%	8.03%	15.42%	141.30%	27.60%	12.67%	54.75%	26.80%	144.65%
Range	2.85%	70.74%	32.33%	18.90%	8.03%	15.42%	141.30%	27.60%	12.67%	54.75%	26.80%	144.65%
Average	1.15%	37.18%	19.41%	10.39%	3.64%	7.63%	60.68%	10.08%	4.96%	23.87%	13.23%	95.10%

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## 3.5 (3 unitaries)

### Indebtedness

#### Indebtedness

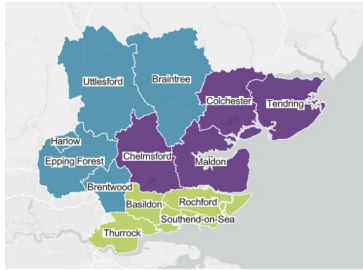
Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	590,470	114.26%
2	2,203,747	417.15%
3	615,138	114.39%
MIN	590,470	114.26%
MAX	2,203,747	417.15%
Range	1,613,277	302.89%
Average	1,136,452	215.27%

#### Unit Cost

Across all RO categories there is a relatively small (2.85%) difference between the highest unit cost and the lowest cost with unitary 1 having the highest unit cost. At a service line level there is a notable difference in unit cost between the lowest unit cost unitary and the other two unitaries for 'Highways and transport services' and 'Children's Social Care'. On 'Highways and transport services' unitary 2 and unitary 3 have a higher unit cost by 25.91% and 32.33% respectively. Unitary 1 and Unitary 2 have the higher unit costs on 'Children's Social Care' with Unitary 1's unit cost being 18.90% higher than the lowest unit cost.

#### Indebtedness

Based on this analysis, unitary 2 would have the highest indebtedness by a significant amount with indebtedness in excess of £2.2bn. This would equate to 417.15% of net revenue expenditure. For unitary 1 and unitary 3 the overall level of indebtedness is significantly lower but, for both unitaries, it would be in excess of 100% of net revenue expenditure.



# Suggested 1 (3 unitaries)

## Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

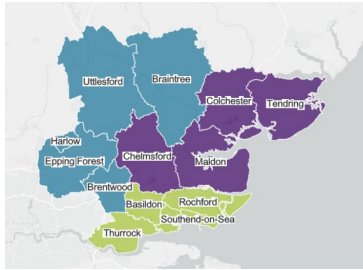
Area	Area		Demographics							Deprivation
	HA	Population density 2023 (Persons / HA)	Total esimated population 2023 (no.)	Young People (% of total)	Working age people (%of total)	Older people (%of total) *	Total esimated population 2030 (no.)	Total esimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most * deprived decile (%)
1	136,112	4	603,810	17.9%	59.9%	22.2%	637,277	671,598	11%	5%
2	177,554	3	563,718	19.3%	61.2%	19.5%	560,784	578,788	3%	0%
3	52,728	14	729,062	20.0%	61.4%	18.6%	769,245	802,927	10%	6%
Range	124,826	11	165,344	2.1%	15%	3.6%	208,461	224,139	9%	6%
Average	122,131	7	632,197	19.1%	60.8%	20.1%	655,769	684,438	8%	4%
National Unitary Average	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3%	12%
England	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	3%	10%

The three unitaries in this configuration differ notably in terms of total land area, with the largest and smallest separated by a difference of approximately 125,000 hectares. These variations are reflected in population density as well, with unitary 3 standing out due to its significantly higher density of 14 persons per hectare, while unitary 2 falls into the lowest quartile when compared to other English unitaries.

Population figures across the three unitaries show a variation of up to 165,000, which is relatively modest when compared to other configurations tested. Among them, unitary 2 has the smallest population at 564,000, though it still exceeds the 500,000 threshold established by the White Paper. Population growth across the unitaries is projected to range from 3% to 11% by 2040, with unitary 1 anticipated to experience the highest rate of growth.

The age composition across the three unitaries is broadly similar, but unitary 3 stands out with a higher proportion of young people, placing it in the upper quartile among all English unitaries.

The range of deprivation levels across the unitaries does vary; Unitary 2 has no LSOAs in the most deprived decile, while unitary 3 stands out with 6% of its LSOAs in this category.



# Suggested 1 (3 unitaries)

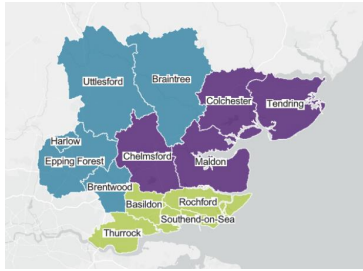
## Socio-economic

SET LIMIT ■  
 UA UPPER PERCENTILE LIMIT ■  
 UA LOWER PERCENTILE LIMIT ■  
 \* UA lower percentile  
 (good outcome) ■

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as %2023 dwellings
1	78%	236,000	394	756	15,023	52,726	758	10	4,283	16%
2	74%	232,000	505	821	16,739	59,821	809	10	4,396	18%
3	79%	273,000	391	802	19,056	56,992	1,002	5	5,089	16%
Range	5%	41,000	114	64	4,033	7,095	244	6	806	0.2%
Average	77%	247,000	430	793	16,939	56,513	856	8	4,589	1.7%
National Unitary Average	76%	121,792	378	711	8,206	57,462	793	9	1,595	1.3%
England	76%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

In terms of economic scale, the three unitaries are fairly comparable when considering total numbers of employees and businesses as well as employment rates, GVA and GVA per job. However, more variation emerges when examining businesses per 10,000 and median weekly earnings.

In terms of housing, there is a substantial variation in net additional dwellings per 1,000 existing dwellings. Unitary 3, with a rate of 5, falls in the lowest quartile when compared to other existing English unitaries while Unitary 1 and 2 have a rate of double, at 10. Despite these differences, all three unitaries have set annual housing targets that place them within the top 25% of all English unitaries. This is also reflected in the housing target as a percentage of 2023 dwelling stock.



# Suggested 1 (3 unitaries)

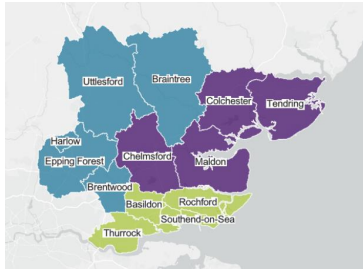
## Financial Resilience

### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	12,986	23,275	19,181	22,877	27,934	36,656	20,492	36,656
2	9,091	18,633	17,810	24,725	27,084	33,650	25,209	33,650
3	45,414	91,622	56,760	86,065	74,004	92,313	62,525	92,313
MIN	9,091	18,633	17,810	22,877	27,084	33,650	20,492	33,650
MAX	45,414	91,622	56,760	86,065	74,004	92,313	62,525	92,313
Range	36,323	72,988	38,950	63,188	46,920	58,663	42,033	58,663
Average	22,497	44,510	31,250	44,556	43,008	54,206	36,076	54,206

### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	103,327	90,340	80,052	71,159	57,174	43,225	20,518	22,733	-16,137
2	105,944	96,853	87,311	79,044	62,586	51,959	28,937	26,750	-4,713
3	152,657	107,242	61,035	50,482	-25,030	-23,522	-117,343	-86,047	-209,656
MIN	103,327	90,340	61,035	50,482	-25,030	-23,522	-117,343	-86,047	-209,656
MAX	152,657	107,242	87,311	79,044	62,586	51,959	28,937	26,750	-4,713
Range	49,330	16,902	26,276	28,561	87,617	75,481	146,280	112,797	204,943
Average	120,643	98,145	76,133	66,895	31,577	23,888	-22,629	-12,188	-76,835



# Suggested 1 (3 unitaries)

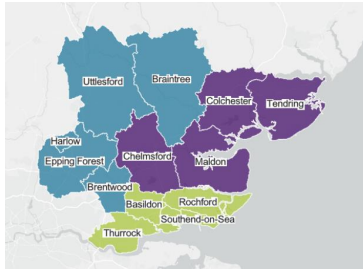
## Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	17.89%	15.85%	13.68%	10.99%	8.06%	3.83%	4.12%	-2.92%
2	20.79%	18.75%	16.48%	13.05%	10.52%	5.86%	5.26%	-0.93%
3	17.52%	9.97%	8.01%	-3.97%	-3.62%	-18.08%	-12.88%	-31.38%
MIN	17.52%	9.97%	8.01%	-3.97%	-3.62%	-18.08%	-12.88%	-31.38%
MAX	20.79%	18.75%	16.48%	13.05%	10.52%	5.86%	5.26%	-0.93%
Range	3.27%	8.77%	8.47%	17.02%	14.15%	23.94%	18.14%	30.45%
Average	18.74%	14.86%	12.72%	6.69%	4.99%	-2.80%	-1.17%	-11.74%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2028/29	2027/28
2	N/A	2028/29
3	2027/28	2026/27

In this configuration unitary 2 demonstrates a greater level of financial resilience than the other two areas as, were the minimum gap to materialise then it would not be at risk. Unitary 3 could be at risk as early as 2026/27, were the maximum gap between income and expenditure to materialise. Unitary 1 would be at risk under the minimum gap scenario in 2028/29 and under the maximum gap scenario in 2027/28.



# Suggested 1 (3 unitaries)

## Unit cost

### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

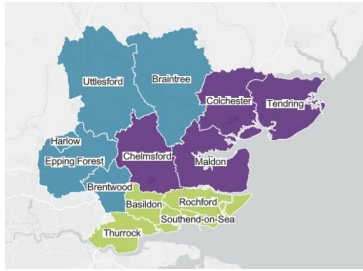
### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,030.63	230.34	58.51	763.50	547.96	50.49	28.50	54.57	113.54	31.67	55.93	-0.01
2	1,039.49	230.34	68.18	765.25	547.26	50.70	19.52	38.06	116.80	44.03	53.56	2.75
3	1,015.37	204.46	51.29	961.24	489.59	61.40	29.89	45.31	117.38	20.79	50.25	-2.61
MIN	1,015.37	204.46	51.29	763.50	489.59	50.49	19.52	38.06	113.54	20.79	50.25	-2.61
MAX	1,039.49	230.34	68.18	961.24	547.96	61.40	29.89	54.57	117.38	44.03	55.93	2.75
Range	24.12	25.87	16.89	197.74	58.37	10.91	10.36	16.50	3.84	23.24	5.68	5.36
Average	1,028.50	221.71	59.32	830.00	528.27	54.19	25.97	45.98	115.90	32.17	53.25	0.04

### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1.50%	12.65%	14.08%	0.00%	11.92%	0.00%	45.99%	43.35%	0.00%	52.30%	11.31%	99.54%
2	2.38%	12.65%	32.93%	0.23%	11.78%	0.41%	0.00%	0.00%	2.87%	111.75%	6.61%	205.08%
3	0.00%	0.00%	0.00%	25.90%	0.00%	21.61%	53.09%	19.04%	3.38%	0.00%	0.00%	0.00%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	2.38%	12.65%	32.93%	25.90%	11.92%	21.61%	53.09%	43.35%	3.38%	111.75%	11.31%	205.08%
Range	2.38%	12.65%	32.93%	25.90%	11.92%	21.61%	53.09%	43.35%	3.38%	111.75%	11.31%	205.08%
Average	1.29%	8.44%	15.67%	8.71%	7.90%	7.34%	33.02%	20.80%	2.09%	54.68%	5.97%	101.54%

See following page for commentary on the unit cost analysis



# Suggested 1 (3 unitaries)

## Indebtedness

### Indebtedness

Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	330,747	65.48%
2	1,260,925	270.73%
3	1,817,683	297.02%
MIN	330,747	65.48%
MAX	1,817,683	297.02%
Range	1,486,936	231.54%
Average	1,136,452	211.08%

### Unit Cost

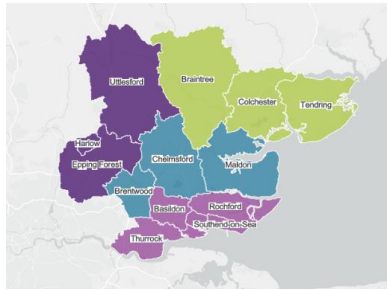
When looking across all areas of spend there is a relatively small difference between the three areas with unitary 2 having the highest unit cost, 2.38% higher than the lowest. When looking at 'Children's Social Care', unitary 3 has a significantly higher unit cost than the other two areas with it being 25.90% higher than the lowest unit cost. There is also a significant variance across 'Housing Services' unit cost with unitary 2 and unitary 3 unit cost c.50% higher than that of unitary 1.

### Indebtedness

Based on this analysis, unitary 3 would have the highest level of indebtedness at £1.817bn, also exceeding 290% of net revenue expenditure. Unitary 1 would have the lowest level of indebtedness at £330m but also a significantly lower level of debt as a percentage of net revenue expenditure.

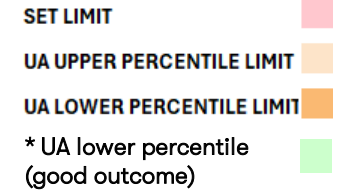


# Four unitary options



# Economic corridors (4 unitaries)

## Socio-economic



Area	Area		Demographics							Deprivation	
	HA	Population density 2023 (Persons / HA)	Total estimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) *	Total estimated population 2030 (no.)	Total estimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most deprived decile (%)	*
1	101,070	3	325,609	19.8%	61.5%	18.7%	327,933	340,225	4.5%	0.0%	
2	84,970	4	331,757	18.4%	60.7%	20.9%	338,371	352,162	6.2%	0.0%	
3	127,626	4	510,162	17.9%	59.8%	22.3%	531,757	557,999	9.4%	6.0%	
4	52,728	14	729,062	20.0%	61.4%	18.6%	769,245	802,927	10.1%	6.1%	
Range	74,898	11	403,453	2.1%	1.7%	3.7%	441,312	462,702	5.6%	6.1%	
Average	91,598	6	474,148	19.0%	60.8%	20.1%	491,827	513,328	7.5%	3.0%	
National Unitary Average	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3.1%	12.1%	
England	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	2.6%	10.0%	

The four unitary configuration shows some differences in total land area, with a gap of around 75,000 hectares separating the largest and smallest. This disparity is also evident in population density, where unitary 4 has a notably higher population density of 14 persons per hectare, while unitary 1 falls into the lowest quartile compared to other existing English unitaries.

The population figures across the four unitaries exhibit notable variation, unitary 1, with a population of 326,000, has less than half the population of the largest unitary, unitary 4. Population projections indicate growth of 5–10% by 2040, with unitary 4 expected to experience the most significant increase. However, despite this projected growth, both unitary 1 and unitary 2 are still projected to fall short of the 500,000 population threshold identified in the White Paper in 2040.

The current age composition across three of the four unitaries shows broadly similar distributions. Unitary 4 stands out, however, with a proportion of young people that places it in the top 25% compared to other existing English unitaries.

The range of deprivation levels across the unitaries falls in the middle range of all configurations observed. Unitaries 1 and 2 have no LSOAs in the most deprived decile, while unitaries 3 and 4 each have 6% of their LSOAs in this category.



# Economic corridors (4 unitaries)

## Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Labour market				Economy			Housing		
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	72.8%	145,000	536	816	9,404	54,785	838	7	2,607	1.9%
2	83.5%	145,000	483	805	10,866	63,096	786	11	2,641	1.8%
3	72.8%	178,000	368	758	11,492	51,849	736	12	3,431	1.5%
4	78.7%	273,000	391	802	19,056	56,992	1,002	5	5,089	1.6%
Range	10.7%	128,000	168	58	9,652	11,247	265	7	2,482	0.4%
Average	77.0%	185,250	445	795	12,705	56,681	840	9	3,442	1.7%
National Unitary Average	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	1.3%
England	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

In terms of economic scale, the four unitaries are fairly comparable when considering total numbers of employees. However, substantial variation emerges when examining employment rate and businesses per 10,000 population.

In terms of housing, there is some variation in net additional dwellings per 1,000 existing dwellings. Unitary 4, with a rate of 5, falls in the lowest quartile when compared to other English unitaries. All four unitaries have total annual housing targets that place them within the top 25% of all English unitaries. This is also reflected in the housing target as a percentage of 2023 dwelling stock.



# Economic corridors (4 unitaries)

## Financial Resilience

### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	5,200	10,336	13,113	15,784	17,881	21,761	16,594	21,761
2	5,236	16,831	11,667	17,358	19,040	23,929	11,671	23,929
3	11,641	14,742	12,211	14,460	18,098	24,616	17,436	24,616
4	45,414	91,622	56,760	86,065	74,004	92,313	62,525	92,313
MIN	5,200	10,336	11,667	14,460	17,881	21,761	11,671	21,761
MAX	45,414	91,622	56,760	86,065	74,004	92,313	62,525	92,313
Range	40,215	81,286	45,093	71,605	56,124	70,552	50,854	70,552
Average	16,873	33,383	23,438	33,417	32,256	40,655	27,057	40,655

### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	64,855	59,656	54,519	46,542	38,736	28,661	16,975	12,067	-4,786
2	61,521	56,285	44,691	44,618	27,332	25,578	3,403	13,907	-20,526
3	82,895	71,253	68,153	59,043	53,693	40,945	29,077	23,509	4,462
4	152,657	107,242	61,035	50,482	-25,030	-23,522	-117,343	-86,047	-209,656
MIN	61,521	56,285	44,691	44,618	-25,030	-23,522	-117,343	-86,047	-209,656
MAX	152,657	107,242	68,153	59,043	53,693	40,945	29,077	23,509	4,462
Range	91,136	50,958	23,462	14,425	78,723	64,467	146,420	109,556	214,117
Average	90,482	73,609	57,099	50,171	23,683	17,916	-16,972	-9,141	-57,626



# Economic corridors (4 unitaries)

## Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	22.72%	20.76%	17.22%	14.33%	10.30%	6.10%	4.21%	-1.67%
2	22.59%	17.93%	17.39%	10.65%	9.68%	1.29%	5.11%	-7.54%
3	15.52%	14.85%	12.48%	11.35%	8.40%	5.97%	4.68%	0.89%
4	17.52%	9.97%	8.01%	-3.97%	-3.62%	-18.08%	-12.88%	-31.38%
MIN	15.52%	9.97%	8.01%	-3.97%	-3.62%	-18.08%	-12.88%	-31.38%
MAX	22.72%	20.76%	17.39%	14.33%	10.30%	6.10%	5.11%	0.89%
Range	7.20%	10.79%	9.38%	18.30%	13.92%	24.18%	17.99%	32.27%
Average	19.59%	15.88%	13.77%	8.09%	6.19%	-1.18%	0.28%	-9.93%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2028/29	2028/29
2	2028/29	2027/28
3	2028/29	2028/29
4	2027/28	2026/27

Were the minimum gap scenario to materialise then all unitaries, with the exception of unitary 4, would be at risk in 2028/29. Unitary 4 would be at risk in 2027/28 in this scenario. Unitary 1 and unitary 3 would remain at risk in 2028/29 under the maximum gap scenario. Although, under this scenario unitary 2 would be at risk in 2027/28 and unitary 4 in 2026/27.



# Economic corridors (4 unitaries)

## Unit cost

### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,057.48	230.34	71.03	766.46	547.77	50.83	23.61	41.66	118.21	45.68	57.29	0.19
2	1,049.17	230.34	52.81	763.50	546.58	50.44	35.37	55.32	115.95	39.67	60.59	-0.02
3	1,011.43	230.34	64.91	763.50	548.22	50.53	17.30	44.14	112.61	31.19	49.47	2.88
4	1,015.37	204.46	51.29	961.24	489.59	61.40	29.89	45.31	117.38	20.79	50.25	-2.61
MIN	1,011.43	204.46	51.29	763.50	489.59	50.44	17.30	41.66	112.61	20.79	49.47	-2.61
MAX	1,057.48	230.34	71.03	961.24	548.22	61.40	35.37	55.32	118.21	45.68	60.59	2.88
Range	46.05	25.87	19.74	197.74	58.63	10.96	18.07	13.66	5.60	24.88	11.12	5.50
Average	1,033.36	223.87	60.01	813.68	533.04	53.30	26.54	46.61	116.03	34.33	54.40	0.11

### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	4.55%	12.65%	38.49%	0.39%	11.88%	0.77%	36.45%	0.00%	4.97%	119.65%	15.80%	107.16%
2	3.73%	12.65%	2.96%	0.00%	11.64%	0.00%	104.44%	32.79%	2.97%	90.79%	22.47%	99.16%
3	0.00%	12.65%	26.56%	0.00%	11.97%	0.17%	0.00%	5.96%	0.00%	50.02%	0.00%	210.33%
4	0.39%	0.00%	0.00%	25.90%	0.00%	21.72%	72.73%	8.76%	4.23%	0.00%	1.56%	0.00%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	4.55%	12.65%	38.49%	25.90%	11.97%	21.72%	104.44%	32.79%	4.97%	119.65%	22.47%	210.33%
Range	4.55%	12.65%	38.49%	25.90%	11.97%	21.72%	104.44%	32.79%	4.97%	119.65%	22.47%	210.33%
Average	2.17%	9.49%	17.00%	6.57%	8.87%	5.67%	53.40%	11.88%	3.04%	65.11%	9.96%	104.16%

See following page for commentary on the unit cost analysis



# Economic corridors (4 unitaries)

## Indebtedness

### Indebtedness

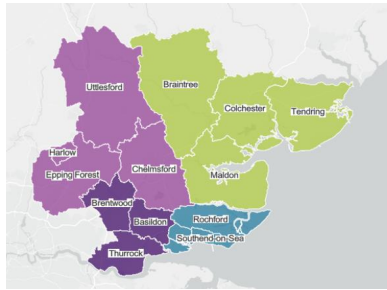
Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	889,597	338.78%
2	407,165	163.39%
3	294,911	64.24%
4	1,817,683	297.02%
MIN	294,911	64.24%
MAX	1,817,683	338.78%
Range	1,522,773	274.53%
Average	852,339	215.86%

### Unit Cost

Across all RO categories, unitary 1 and unitary 2 have the highest unit cost, 4.55% and 3.73% higher than unitary 4's unit cost respectively. When looking across other categories there is a noticeable difference in unit cost for 'Children's Social Care' with unitary 4's unit cost being 25.90% higher than the lowest unit cost and all other areas aligning closely with the lowest unit cost. There is also a noticeable difference on 'Adult Social Care' with unitary 1, unitary 2 and unitary 3 all having a unit cost c.11% higher than unitary 4.

### Indebtedness

Based on this analysis, unitary 4 would have the highest level of indebtedness at £1.817bn which equates to 297.02% of net revenue expenditure. Although unitary 1 would have a significantly lower level of indebtedness at £889m, it would be in excess of 338% of net revenue expenditure. Unitary 3 has the lowest level of indebtedness at £294.911m and this equates to 64.24% of net revenue expenditure, significantly lower than the other 3 areas.



## 4.2 (4 unitaries)

### Socio-economic

**SET LIMIT** ■  
**UA UPPER PERCENTILE LIMIT** ■  
**UA LOWER PERCENTILE LIMIT** ■  
 \* UA lower percentile (good outcome) ■

Area	Area		Demographics							Deprivation	
	HA	Population density 2023 (Persons / HA)	Total esimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) ★	Total esimated population 2030 (no.)	Total esimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most ★ deprived decile (%)	
1	42,696	10	446,897	21.3%	62.4%	16.3%	464,630	484,343	8.4%	6.3%	
2	25,344	14	360,317	18.2%	60.0%	21.9%	381,250	396,586	10.1%	4.6%	
3	163,407	4	578,489	17.7%	59.6%	22.7%	601,169	630,755	9.0%	5.3%	
4	134,946	4	510,887	19.5%	61.6%	19.0%	520,257	541,629	6.0%	0.0%	
Range	138,063	11	218,172	3.6%	2.9%	6.4%	219,919	234,169	4.0%	6.3%	
Average	91,598	8	474,148	19.2%	60.9%	20.0%	491,827	513,328	8.4%	4.1%	
National Unitary Average	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3.1%	12.1%	
England	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	2.6%	10.0%	

The four unitaries in this configuration display differences in total land area, with a gap of approximately 138,000 hectares between the largest and smallest. This disparity is also reflected in population density. Unitary 2 has a notably higher population density of 14 persons per hectare, while unitary 3 falls into the lowest quartile when compared to other existing English unitaries.

The population figures across the four unitaries exhibit some variation, unitary 2, is the smallest with a population of 360,000, and even after the projected 10% growth by 2040 remains below the 500,000 threshold set in the White Paper.

The current age composition across three of the four unitaries shows broadly similar age distributions. However, there is notable disparity between the young and older populations. This is primarily driven by unitary 1, which has a higher proportion of young people, placing it in the upper quartile compared to other English unitaries, and a lower proportion of older people, positioning it in the lowest quartile compared to all other English unitaries.

The range of deprivation levels across the unitaries falls within the middle of what is observed in all configurations. Unitary 4 has no LSOAs in the most deprived decile, while Unitary 3 has 6% of its LSOAs in this category, highlighting some variation in deprivation levels within this configuration.





## 4.2 (4 unitaries)

### Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop '16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	77.8%	200,000	426	808	16,157	68,873	1,136	4	3,048	16%
2	80.3%	107,000	386	819	6,138	42,968	652	6	2,732	17%
3	74.5%	199,000	385	754	12,810	51,419	729	12	3,975	15%
4	76.6%	235,000	502	805	15,713	56,494	843	8	4,013	18%
<b>Range</b>	5.8%	128,000	117	65	10,019	25,905	484	8	1,281	0.3%
<b>Average</b>	77.3%	185,250	424	796	12,705	54,938	840	8	3,442	17%
<b>National Unitary Average</b>	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	13%
<b>England</b>	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

In terms of economic scale, the four unitaries are fairly comparable when considering total numbers of employees and businesses as well as employment rates. However, substantial variation emerges when examining GVA per job. Unitary 2 stands out with particularly low GVA per job, positioning it in the lowest quartile compared to other English unitary authorities.

In terms of housing, there is some variation in net additional dwellings per 1,000 existing dwellings. Unitary 1, with a rate of 4, falls in the lowest quartile when compared to other English unitaries, while unitary 3, with a rate of 12, ranks in the upper quartile. Despite these differences, all four unitaries have total annual housing targets that place them within the top 25% of all English unitaries. This is also reflected in the housing target as a percentage of 2023 dwelling stock.



## 4.2 (4 unitaries)

### Financial Resilience

#### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	40,452	68,150	42,544	61,395	49,333	57,735	36,624	57,735
2	6,065	28,074	16,002	29,333	28,074	40,635	29,289	40,635
3	13,164	17,573	13,946	17,357	20,327	28,788	19,665	28,788
4	7,811	19,733	21,259	25,583	31,288	35,459	22,649	35,459
MIN	6,065	17,573	13,946	17,357	20,327	28,788	19,665	28,788
MAX	40,452	68,150	42,544	61,395	49,333	57,735	36,624	57,735
Range	34,387	50,577	28,598	44,038	29,005	28,947	16,959	28,947
Average	16,873	33,383	23,438	33,417	32,256	40,655	27,057	40,655

#### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	91,972	51,521	23,823	8,976	-37,572	-40,356	-95,307	-76,981	-153,043
2	73,405	67,340	45,331	51,338	15,998	23,264	-24,638	-6,025	-65,273
3	98,025	84,861	80,452	70,915	63,095	50,588	34,307	30,923	5,519
4	98,525	90,714	78,792	69,456	53,210	38,167	17,750	15,519	-17,709
MIN	73,405	51,521	23,823	8,976	-37,572	-40,356	-95,307	-76,981	-153,043
MAX	98,525	90,714	80,452	70,915	63,095	50,588	34,307	30,923	5,519
Range	25,121	39,193	56,629	61,939	100,667	90,944	129,614	107,903	158,561
Average	90,482	73,609	57,099	50,171	23,683	17,916	-16,972	-9,141	-57,626



## 4.2 (4 unitaries)

### Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	14.96%	6.92%	2.53%	-10.59%	-11.03%	-26.06%	-20.42%	-40.61%
2	20.19%	13.59%	14.96%	4.66%	6.59%	-6.98%	-1.66%	-17.97%
3	16.52%	15.66%	13.40%	11.92%	9.28%	6.29%	5.51%	0.98%
4	23.20%	20.15%	17.25%	13.22%	9.21%	4.28%	3.64%	-4.15%
MIN	14.96%	6.92%	2.53%	-10.59%	-11.03%	-26.06%	-20.42%	-40.61%
MAX	23.20%	20.15%	17.25%	13.22%	9.28%	6.29%	5.51%	0.98%
Range	8.24%	13.23%	14.72%	23.80%	20.31%	32.35%	25.93%	41.59%
Average	18.72%	14.08%	12.03%	4.80%	3.51%	-5.62%	-3.24%	-15.43%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2026/27	2026/27
2	2028/29	2026/27
3	N/A	2028/29
4	2028/29	2027/28

Unitary 3 demonstrates the greatest level of financial resilience with it not being at risk were the minimum gap scenario to materialise. Under this scenario it is unitary 1 that has the lowest level of financial resilience with it being at risk in 2026/27. Unitary 2 and unitary 4 would be at risk in 2028/29 under the minimum gap scenario. Were the maximum gap scenario to materialise then unitary 1 would be at risk in 2026/27 with unitary 4 in 2027/28 and unitary 3 in 2028/29.



## 4.2 (4 unitaries)

### Unit cost

#### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

#### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	999.42	132.04	55.58	899.50	486.47	62.79	20.43	41.25	126.15	28.58	44.95	3.19
2	1,026.48	312.43	48.37	1,005.25	505.32	57.49	36.25	49.27	106.18	17.67	48.32	-9.11
3	1,016.87	230.34	64.36	763.50	548.03	50.50	18.19	43.39	113.80	31.98	54.81	2.55
4	1,064.69	230.34	61.94	765.42	547.33	50.63	33.95	51.30	116.64	42.00	61.67	0.10
MIN	999.42	132.04	48.37	763.50	486.47	50.50	18.19	41.25	106.18	17.67	44.95	-9.11
MAX	1,064.69	312.43	64.36	1,005.25	548.03	62.79	36.25	51.30	126.15	42.00	61.67	3.19
Range	65.26	180.39	15.99	241.75	61.55	12.29	18.05	10.05	19.97	24.33	16.72	12.29
Average	1,026.86	226.29	57.56	858.42	521.78	55.35	27.21	46.30	115.69	30.06	52.44	-0.82

#### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	0.00%	0.00%	14.92%	17.81%	0.00%	24.33%	12.28%	0.00%	18.81%	61.71%	0.00%	135.01%
2	2.71%	136.61%	0.00%	31.66%	3.87%	13.85%	99.22%	19.46%	0.00%	0.00%	7.49%	0.00%
3	1.75%	74.44%	33.06%	0.00%	12.65%	0.00%	0.00%	5.20%	7.17%	80.97%	21.92%	127.99%
4	6.53%	74.44%	28.06%	0.25%	12.51%	0.25%	86.62%	24.37%	9.85%	137.68%	37.19%	101.15%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	6.53%	136.61%	33.06%	31.66%	12.65%	24.33%	99.22%	24.37%	18.81%	137.68%	37.19%	135.01%
Range	6.53%	136.61%	33.06%	31.66%	12.65%	24.33%	99.22%	24.37%	18.81%	137.68%	37.19%	135.01%
Average	2.75%	71.37%	19.01%	12.43%	7.26%	9.61%	49.53%	12.26%	8.96%	70.09%	16.65%	91.03%

See following page for commentary on the unit cost analysis



## 4.2 (4 unitaries)

### Indebtedness

#### Indebtedness

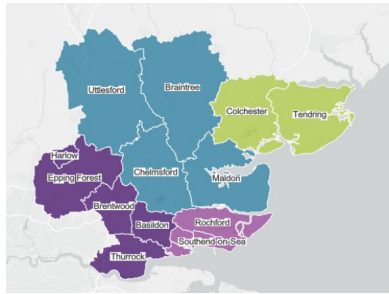
Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	1,634,378	474.55%
2	480,995	144.21%
3	322,029	62.67%
4	971,954	248.56%
MIN	322,029	62.67%
MAX	1,634,378	474.55%
Range	1,312,349	411.88%
Average	852,339	232.50%

#### Unit Cost

When looking across all RO categories, unitary 4 has the highest unit cost with it being 6.53% higher than the lowest unit cost. When looking at specific categories there is a noticeable difference in unit cost for 'Children's Social Care' with unitary 2 having a unit cost 31.66% higher than unitary 3, which has the lowest unit cost.

#### Indebtedness

Based on this combination of authorities, unitary 1 would have the highest level of indebtedness at £1.634bn and this would equate to 474.55% of net revenue expenditure, significantly higher than the other 3 unitaries. Unitary 3 has the lowest level of indebtedness at £332m and this equates to 62.67% of net revenue expenditure.



## 4.3 (4 unitaries)

### Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

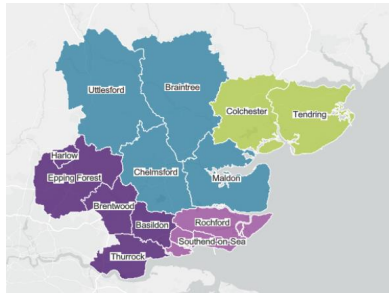
Area	Area		Demographics					Deprivation		
	HA	Population density 2023 (Persons / HA)	Total estimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) *	Total estimated population 2030 (no.)	Total estimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most deprived decile (%) *
1	79,648	9	678,912	20.9%	62.4%	16.8%	691,642	717,596	5.7%	4.1%
2	194,946	3	507,156	18.4%	60.6%	21.0%	518,873	541,693	6.8%	0.0%
3	66,455	5	350,205	17.7%	59.3%	23.0%	375,541	397,438	13.5%	8.8%
4	25,344	14	360,317	18.2%	60.0%	21.9%	381,250	396,586	10.1%	4.6%
<b>Range</b>	169,602	12	328,707	3.2%	3.1%	6.3%	316,101	321,010	7.8%	8.8%
<b>Average</b>	91,598	8	474,148	18.8%	60.5%	20.7%	491,827	513,328	9.0%	4.4%
<b>National Unitary Average</b>	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3.1%	12.1%
<b>England</b>	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	2.6%	10.0%

The four unitaries in this configuration show substantial differences in total land area, with a gap of around 170,000 hectares separating the largest and smallest. This disparity is also evident in population density, where unitary 4 has a notably higher population density of 14 persons per hectare, while unitary 2 falls into the lowest quartile compared to other existing English unitaries.

The population figures across the four unitaries exhibit substantial variation, especially when compared to most other configurations tested. Unitary 3, with a population of 350,000, has nearly half the population of the largest unitary, unitary 1. Population projections indicate growth of 6–14% by 2040, with unitary 3 expected to experience the most significant increase. However, despite this projected growth, both unitary 3 and unitary 4 are still projected to fall short of the 500,000 population threshold set in the White Paper in 2040.

The current age composition across three of the four unitaries reveals broadly similar proportions. However, unitary 1 stands out for having a higher proportion of young people, while unitary 3 is distinct for having a lower percentage of working-age adults, placing it in the lowest quartile compared to all other English unitaries.

The range of deprivation levels across the unitaries is among the widest observed in all configurations. Unitary 2 has no LSOAs in the most deprived decile, while unitary 3 stands out with 9% of its LSOAs in this category, highlighting substantial variation in deprivation levels within this configuration.



## 4.3 (4 unitaries)

### Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	76.5%	297,000	455	803	22,858	65,699	1,021	5	4,906	17%
2	77.9%	212,000	471	793	14,426	55,012	843	12	3,797	17%
3	72.9%	125,000	348	747	7,396	48,864	706	10	2,333	15%
4	80.3%	107,000	386	819	6,138	42,968	652	6	2,732	17%
<b>Range</b>	7.4%	190,000	123	72	16,720	22,731	369	7	2,573	0.3%
<b>Average</b>	76.9%	185,250	415	790	12,705	53,136	805	8	3,442	17%
<b>National Unitary Average</b>	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	13%
<b>England</b>	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

In terms of economic scale, the four unitaries are fairly comparable when considering total numbers of employees and businesses as well as employment rates. However, substantial variation emerges when examining median weekly earnings. Unitary 4 stands out with particularly low GVA per job, positioning it in the lowest quartile compared to other English unitary authorities.

In terms of housing, there is a substantial variation in net additional dwellings per 1,000 existing dwellings. Unitary 1, with a rate of 5, falls in the lowest quartile when compared to other English unitaries, while unitary 2, with a rate of 12, ranks in the upper quartile. Despite these differences, all four unitaries have set annual housing targets that place them within the top 25% of all English unitaries. This is also reflected in the housing target as a percentage of 2023 dwelling stock (except for unitary 3).



## 4.3 (4 unitaries)

### Financial Resilience

#### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	44,439	73,622	47,768	68,438	58,918	68,939	44,805	68,939
2	8,136	20,788	20,681	25,714	29,733	34,259	21,924	34,259
3	8,852	11,046	9,300	10,182	12,297	18,785	12,209	18,785
4	6,065	28,074	16,002	29,333	28,074	40,635	29,289	40,635
MIN	6,065	11,046	9,300	10,182	12,297	18,785	12,209	18,785
MAX	44,439	73,622	47,768	68,438	58,918	68,939	44,805	68,939
Range	38,375	62,576	38,467	58,257	46,620	50,154	32,596	50,154
Average	16,873	33,383	23,438	33,417	32,256	40,655	27,057	40,655

#### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	132,967	88,528	59,345	40,761	-9,093	-18,157	-78,032	-62,962	-146,971
2	101,029	92,894	80,241	72,213	54,528	42,479	20,269	20,555	-13,990
3	54,526	45,674	43,480	36,374	33,298	24,076	14,513	11,868	-4,271
4	73,405	67,340	45,331	51,338	15,998	23,264	-24,638	-6,025	-65,273
MIN	54,526	45,674	43,480	36,374	-9,093	-18,157	-78,032	-62,962	-146,971
MAX	132,967	92,894	80,241	72,213	54,528	42,479	20,269	20,555	-4,271
Range	78,441	47,219	36,761	35,839	63,621	60,636	98,301	83,517	142,700
Average	90,482	73,609	57,099	50,171	23,683	17,916	-16,972	-9,141	-57,626





## 4.3 (4 unitaries)

### Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	16.76%	11.23%	7.49%	-1.67%	-3.24%	-13.92%	-10.90%	-25.44%
2	23.28%	20.11%	17.57%	13.27%	10.04%	4.79%	4.72%	-3.21%
3	14.19%	13.51%	10.97%	10.04%	7.05%	4.25%	3.37%	-1.21%
4	20.19%	13.59%	14.96%	4.66%	6.59%	-6.98%	-1.66%	-17.97%
MIN	14.19%	11.23%	7.49%	-1.67%	-3.24%	-13.92%	-10.90%	-25.44%
MAX	23.28%	20.11%	17.57%	13.27%	10.04%	4.79%	4.72%	-1.21%
Range	9.09%	8.87%	10.08%	14.94%	13.28%	18.71%	15.62%	24.23%
Average	18.60%	14.61%	12.75%	6.57%	5.11%	-2.96%	-1.12%	-11.96%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2027/28	2026/27
2	2028/29	2027/28
3	2028/29	2027/28
4	2028/29	2026/27

Were the minimum gap scenario to materialise then all areas show a reasonable level of financial resilience with unitary 1 at risk in 2027/28 and unitary 2, 3 and 4 not at risk until 2028/29. Under the maximum gap scenario this changes with unitary 1 and unitary 4 being at risk in 2026/27 and unitary 2 and unitary 3 being at risk in 2027/28.



## 4.3 (4 unitaries)

### Unit cost

#### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

#### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,015.87	163.60	61.66	857.18	507.26	58.62	23.13	41.98	124.22	29.40	46.98	2.22
2	1,061.53	230.34	57.46	763.50	546.58	50.63	30.22	46.15	115.25	44.96	72.75	2.91
3	1,001.04	230.34	64.66	763.50	548.94	50.64	16.93	50.74	111.58	28.40	41.44	0.00
4	1,026.48	312.43	48.37	1,005.25	505.32	57.49	36.25	49.27	106.18	17.67	48.32	-9.11
MIN	1,001.04	163.60	48.37	763.50	505.32	50.63	16.93	41.98	106.18	17.67	41.44	-9.11
MAX	1,061.53	312.43	64.66	1,005.25	548.94	58.62	36.25	50.74	124.22	44.96	72.75	2.91
Range	60.49	148.83	16.29	241.75	43.63	7.99	19.32	8.75	18.04	27.29	31.31	12.01
Average	1,026.23	234.18	58.04	847.36	527.02	54.35	26.63	47.03	114.31	30.11	52.37	-1.00

#### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1.48%	0.00%	27.50%	12.27%	0.38%	15.79%	36.65%	0.00%	16.99%	66.34%	13.38%	124.33%
2	6.04%	40.79%	18.79%	0.00%	8.17%	0.00%	78.52%	9.91%	8.54%	154.41%	75.57%	131.94%
3	0.00%	40.79%	33.69%	0.00%	8.63%	0.04%	0.00%	20.85%	5.08%	60.72%	0.00%	100.00%
4	2.54%	90.97%	0.00%	31.66%	0.00%	13.56%	114.09%	17.37%	0.00%	0.00%	16.62%	0.00%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	6.04%	90.97%	33.69%	31.66%	8.63%	15.79%	114.09%	20.85%	16.99%	154.41%	75.57%	131.94%
Range	6.04%	90.97%	33.69%	31.66%	8.63%	15.79%	114.09%	20.85%	16.99%	154.41%	75.57%	131.94%
Average	2.52%	43.14%	19.99%	10.98%	4.30%	7.35%	57.31%	12.03%	7.65%	70.37%	26.39%	89.07%

See following page for commentary on the unit cost analysis



## 4.3 (4 unitaries)

### Indebtedness

#### Indebtedness

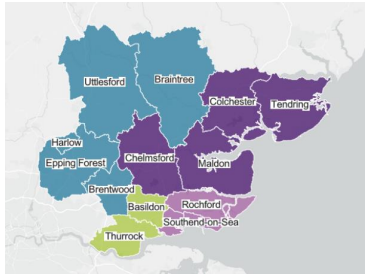
Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	2,203,747	417.15%
2	503,342	126.12%
3	221,271	68.75%
4	480,995	144.21%
MIN	221,271	68.75%
MAX	2,203,747	417.15%
Range	1,982,476	348.40%
Average	852,339	189.06%

#### Unit Cost

Unitary 2 has the highest unit cost when looking across all RO categories with it being 6.04% higher than that of unitary 3. There is a noticeable difference in unit cost when looking at 'Children's Social Care' with unitary 4 having a unit cost 31.66% higher than that of unitary 2 and unitary 3.

#### Indebtedness

Unitary 1 has the highest level of indebtedness at £2.203bn, which equates to 417.15% of net revenue expenditure. Unitary 3 has the lowest level of indebtedness at £221m. This equates to 68.75% of net revenue expenditure which is significantly lower than the other unitaries in this configuration.



# Suggested 2 (4 unitaries)

## Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Area		Demographics							Deprivation
	HA	Population density 2023 (Persons / HA)	Total esimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) ★	Total esimated population 2030 (no.)	Total esimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most ★ deprived decile (%)
1	136,112	4	603,810	17.9%	59.9%	22.2%	637,277	671,598	11%	5%
2	177,554	3	563,718	19.3%	61.2%	19.5%	560,784	578,788	3%	0%
3	27,384	13	368,745	21.8%	62.8%	15.4%	387,995	406,341	10%	8%
4	25,344	14	360,317	18.2%	60.0%	21.9%	381,250	396,586	10%	5%
Range	152,210	11	243,493	3.9%	2.9%	6.8%	256,027	275,012	9%	8%
Average	91,598	9	474,148	19.3%	61.0%	19.8%	491,827	513,328	9%	4%
National Unitary Average	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3%	12%
England	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	3%	10%

The four unitaries in this configuration show substantial differences in total land area, with a gap of around 152,000 hectares separating the largest and smallest. This disparity is also evident in population density, where unitary 4 has a notably higher population density of 14 persons per hectare, while unitary 2 falls into the lowest quartile compared to other existing English unitaries.

The population figures across the four unitaries show some variation, Unitary 4, with a population of 360,000, has 243,000 less residents than the population of the largest unitary, unitary 1. Population projections indicate growth of between 3–11% by 2040, with unitary 1 expected to experience the most significant increase. However, despite this projected growth, both unitary 3 and unitary 4 are still projected to fall short of the 500,000 population threshold, set in the White Paper, in 2040.

The current age composition across three of the four unitaries shows broadly similar proportions. However, unitary 3 stands out with a notably higher proportion of young people and a lower proportion of older people. Additionally, the variation in the proportion of both young and older people between unitaries within this configuration is among the highest observed across all tested configurations.

There is a range of deprivation levels across the unitaries, Unitary 2 has no LSOAs in the most deprived decile, while unitary 3 stands out with 8% of its LSOAs in this category, highlighting substantial variation in deprivation levels within this configuration.



# Suggested 2 (4 unitaries)

## Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

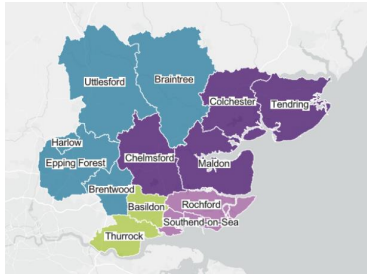
**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	78%	236,000	394	756	15,023	52,726	758	10	4,283	16%
2	74%	232,000	505	821	16,739	59,821	809	10	4,396	18%
3	77%	166,000	397	785	12,918	66,031	1,227	3	2,357	16%
4	80%	107,000	386	819	6,138	42,968	652	6	2,732	17%
Range	6%	129,000	119	64	10,601	23,064	575	8	2,039	0.2%
Average	77%	185,250	420	795	12,705	55,387	861	7	3,442	17%
National Unitary Average	76%	121,792	378	711	8,206	57,462	793	9	1,595	13%
England	76%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

In terms of economic scale, the four unitaries fall within the mid-range of variation among configurations when considering total numbers of employees, businesses, employment rates, and median weekly earnings. However, notable differences arise in Gross Value Added (GVA) per job. Unitary 4 stands out with particularly low GVA per job, placing it in the lowest quartile compared to other existing English unitary authorities.

Housing trends across the four unitaries reveal substantial variation in net additional dwellings per 1,000 existing dwellings. Unitary 3, with a rate of 3, falls into the lowest quartile compared to other English unitaries, while unitaries 1 and 2 exceed this figure more than twofold, with rates of 10. Despite these differences, all four unitaries have ambitious annual housing targets, placing them in the top 25% of English unitaries. This is further reflected in their housing targets as a percentage of the 2023 dwelling stock.



# Suggested 2 (4 unitaries)

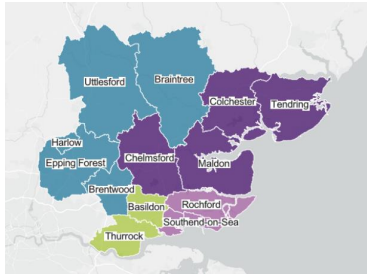
## Financial Resilience

Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	12,986	23,275	19,181	22,877	27,934	36,656	20,492	36,656
2	9,091	18,633	17,810	24,725	27,084	33,650	25,209	33,650
3	39,350	63,548	40,758	56,732	45,930	51,677	33,236	51,677
4	6,065	28,074	16,002	29,333	28,074	40,635	29,289	40,635
MIN	6,065	18,633	16,002	22,877	27,084	33,650	20,492	33,650
MAX	39,350	63,548	40,758	56,732	45,930	51,677	33,236	51,677
Range	33,285	44,915	24,756	33,855	18,845	18,028	12,744	18,028
Average	16,873	33,383	23,438	33,417	32,256	40,655	27,057	40,655

General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	103,327	90,340	80,052	71,159	57,174	43,225	20,518	22,733	-16,137
2	105,944	96,853	87,311	79,044	62,586	51,959	28,937	26,750	-4,713
3	79,252	39,902	15,704	-856	-41,028	-46,786	-92,705	-80,022	-144,383
4	73,405	67,340	45,331	51,338	15,998	23,264	-24,638	-6,025	-65,273
MIN	73,405	39,902	15,704	-856	-41,028	-46,786	-92,705	-80,022	-144,383
MAX	105,944	96,853	87,311	79,044	62,586	51,959	28,937	26,750	-4,713
Range	32,539	56,951	71,607	79,899	103,614	98,745	121,642	106,772	139,670
Average	90,482	73,609	57,099	50,171	23,683	17,916	-16,972	-9,141	-57,626



# Suggested 2 (4 unitaries)

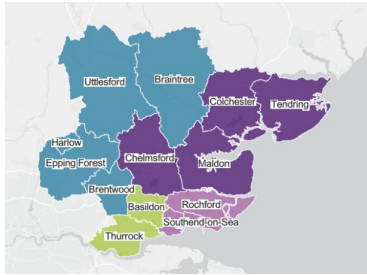
## Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	17.89%	15.85%	13.68%	10.99%	8.06%	3.83%	4.12%	-2.92%
2	20.79%	18.75%	16.48%	13.05%	10.52%	5.86%	5.26%	-0.93%
3	14.33%	5.64%	-0.30%	-14.30%	-15.82%	-31.34%	-26.25%	-47.36%
4	20.19%	13.59%	14.96%	4.66%	6.59%	-6.98%	-1.66%	-17.97%
MIN	14.33%	5.64%	-0.30%	-14.30%	-15.82%	-31.34%	-26.25%	-47.36%
MAX	20.79%	18.75%	16.48%	13.05%	10.52%	5.86%	5.26%	-0.93%
Range	6.46%	13.11%	16.78%	27.35%	26.34%	37.20%	31.51%	46.43%
Average	18.30%	13.46%	11.20%	3.60%	2.34%	-7.16%	-4.63%	-17.29%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2028/29	2027/28
2	N/A	2028/29
3	2026/27	2026/27
4	2028/29	2026/27

In this configuration unitary 2 demonstrates a greater level of financial resilience than the other three areas as, were the minimum gap to materialise then it would not be at risk. Unitary 3 could be at risk as early as 2026/27, under both the minimum gap and maximum gap between income and expenditure to materialise.



# Suggested 2 (4 unitaries)

## Unit cost

### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

### Unit cost

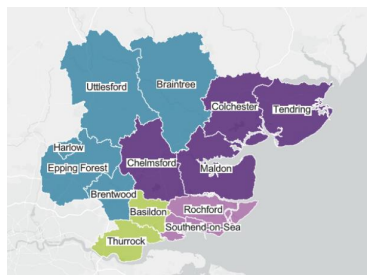
Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,030.63	230.34	58.51	763.50	547.96	50.49	28.50	54.57	113.54	31.67	55.93	-0.01
2	1,039.49	230.34	68.18	765.25	547.26	50.70	19.52	38.06	116.80	44.03	53.56	2.75
3	1,004.28	114.06	54.20	924.39	473.08	65.30	23.54	41.36	128.55	23.91	52.17	3.87
4	1,026.48	312.43	48.37	1,005.25	505.32	57.49	36.25	49.27	106.18	17.67	48.32	-9.11
MIN	1,004.28	114.06	48.37	763.50	473.08	50.49	19.52	38.06	106.18	17.67	48.32	-9.11
MAX	1,039.49	312.43	68.18	1,005.25	547.96	65.30	36.25	54.57	128.55	44.03	55.93	3.87
Range	35.21	198.37	19.81	241.75	74.88	14.81	16.72	16.50	22.37	26.36	7.61	12.97
Average	1,025.22	221.79	57.31	864.60	518.40	55.99	26.95	45.82	116.27	29.32	52.50	-0.63

### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	2.62%	101.95%	20.97%	0.00%	15.83%	0.00%	45.99%	43.35%	6.93%	79.20%	15.75%	99.87%
2	3.51%	101.95%	40.96%	0.23%	15.68%	0.41%	0.00%	0.00%	10.00%	149.16%	10.85%	130.16%
3	0.00%	0.00%	12.07%	21.07%	0.00%	29.34%	20.58%	8.64%	21.07%	35.30%	7.96%	142.47%
4	2.21%	173.93%	0.00%	31.66%	6.81%	13.87%	85.65%	29.45%	0.00%	0.00%	0.00%	0.00%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	3.51%	173.93%	40.96%	31.66%	15.83%	29.34%	85.65%	43.35%	21.07%	149.16%	15.75%	142.47%
Range	3.51%	173.93%	40.96%	31.66%	15.83%	29.34%	85.65%	43.35%	21.07%	149.16%	15.75%	142.47%
Average	2.09%	94.46%	18.50%	13.24%	9.58%	10.90%	38.06%	20.36%	9.50%	65.91%	8.64%	93.12%

See following page for commentary on the unit cost analysis





## Suggested 2 (4 unitaries)

### Indebtedness

#### Indebtedness

Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	330,747	65.48%
2	1,260,925	270.73%
3	1,336,689	480.10%
4	480,995	144.21%
MIN	330,747	65.48%
MAX	1,336,689	480.10%
Range	1,005,942	414.61%
Average	852,339	240.13%

#### Unit Cost

When looking across all areas of spend there is a relatively small difference between the three areas with unitary 2 having the highest unit cost, 3.51% higher than the lowest. When looking at 'Children's Social Care', unitary 3 and unitary 4 have significantly higher unit cost than the other two areas with it being 21.07% and 31.66% higher than the lowest unit cost respectively.

#### Indebtedness

Based on this analysis, unitary 3 would have the highest level of indebtedness at £1.336bn. Unitary 2 is close behind with indebtedness of £1.260bn. For all areas, except for unitary 1, the indebtedness would exceed 100% of net revenue expenditure and unitary 3 would not have only the highest level of indebtedness but also the highest level of debt as a percentage of net revenue expenditure.



# Suggested 3 (4 unitaries)

## Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Area		Demographics							Deprivation
	HA	Population density 2023 (Persons / HA)	Total esimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total)*	Total esimated population 2030 (no.)	Total esimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most * deprived decile (%)
1	136,112	4	603,810	17.9%	59.9%	22.2%	637,277	671,598	11%	5%
2	162,241	3	485,566	19.3%	61.3%	19.4%	484,149	500,786	3%	0%
3	42,696	10	446,897	21.3%	62.4%	16.3%	464,630	484,343	8%	6%
4	25,344	14	360,317	18.2%	60.0%	21.9%	381,250	396,586	10%	5%
Range	136,897	11	243,493	3.4%	2.6%	5.9%	256,027	275,012	8%	6%
Average	91,598	8	474,148	19.2%	60.9%	19.9%	491,827	513,328	8%	4%
National Unitary Average	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3%	12%
England	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	3%	10%

The four unitaries in this configuration show differences in total land area, with a gap of around 137,000 hectares separating the largest and smallest. This disparity is also evident in population density, where unitary 4 has a notably higher population density of 14 persons per hectare, while unitary 2 falls into the lowest quartile compared to other existing English unitaries.

The population figures across the four unitaries show some variation, Unitary 4, with a population of c.360,000, has 243,000 less residents than the population of the largest unitary, unitary 1. Population projections indicate growth of between 3–11% by 2040, with unitary 1 expected to experience the most significant increase. However, despite this projected growth, both unitary 3 and unitary 4 are still projected to fall short of the 500,000 population threshold, set in the White Paper, in 2040.

The current age composition across three of the four unitaries shows broadly similar proportions. However, unitary 3 stands out with a notably higher proportion of young people and a lower proportion of older people. Additionally, the variation in the proportion of both young and older people between unitaries within this configuration is among the highest observed across all tested configurations.

There is a range of deprivation levels across the unitaries, Unitary 2 has no LSOAs in the most deprived decile, while unitary 3 has 6% of its LSOAs in this category, highlighting some variation in deprivation levels within this configuration.



# Suggested 3 (4 unitaries)

## Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	77.8%	236,000	394	756	15,023	52,726	758	10	4,283	16%
2	72.7%	198,000	496	805	13,500	55,884	830	10	3,705	18%
3	77.8%	200,000	426	808	16,157	68,873	1,136	4	3,048	16%
4	80.3%	107,000	386	819	6,138	42,968	652	6	2,732	17%
Range	7.6%	129,000	110	63	10,019	25,905	484	6	1,551	0.2%
Average	77.2%	185,250	425	797	12,705	55,113	844	8	3,442	17%
National Unitary Average	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	13%
England	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

In terms of economic scale, the four unitaries fall within the mid-range of variation among configurations when considering total numbers of employees, businesses, employment rates, and median weekly earnings. However, notable differences arise in Gross Value Added (GVA) per job. Unitary 4 stands out with particularly low GVA per job, placing it in the lowest quartile compared to other existing English unitary authorities.

Housing trends across the four unitaries reveal substantial variation in net additional dwellings per 1,000 existing dwellings. Unitary 3, with a rate of 4, falls into the lowest quartile compared to other English unitaries, while unitaries 1 and 2 exceed this figure more than twofold, with rates of 10. Despite these differences, all four unitaries have ambitious annual housing targets, placing them in the top 25% of English unitaries. This is further reflected in their housing targets as a percentage of the 2023 dwelling stock.



# Suggested 3 (4 unitaries)

## Financial Resilience

### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	12,986	23,275	19,181	22,877	27,934	36,656	20,492	36,656
2	7,989	14,031	16,024	20,062	23,682	27,592	21,821	27,592
3	40,452	68,150	42,544	61,395	49,333	57,735	36,624	57,735
4	6,065	28,074	16,002	29,333	28,074	40,635	29,289	40,635
MIN	6,065	14,031	16,002	20,062	23,682	27,592	20,492	27,592
MAX	40,452	68,150	42,544	61,395	49,333	57,735	36,624	57,735
Range	34,387	54,118	26,542	41,333	25,651	30,144	16,132	30,144
Average	16,873	33,383	23,438	33,417	32,256	40,655	27,057	40,655

### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	103,327	90,340	80,052	71,159	57,174	43,225	20,518	22,733	-16,137
2	93,224	85,235	79,192	69,211	59,130	45,530	31,539	23,708	3,947
3	91,972	51,521	23,823	8,976	-37,572	-40,356	-95,307	-76,981	-153,043
4	73,405	67,340	45,331	51,338	15,998	23,264	-24,638	-6,025	-65,273
MIN	73,405	51,521	23,823	8,976	-37,572	-40,356	-95,307	-76,981	-153,043
MAX	103,327	90,340	80,052	71,159	59,130	45,530	31,539	23,708	3,947
Range	29,922	38,820	56,229	62,183	96,702	85,886	126,846	100,689	156,989
Average	90,482	73,609	57,099	50,171	23,683	17,916	-16,972	-9,141	-57,626



# Suggested 3 (4 unitaries)

## Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	17.89%	15.85%	13.68%	10.99%	8.06%	3.83%	4.12%	-2.92%
2	21.32%	19.81%	16.81%	14.36%	10.74%	7.44%	5.43%	0.90%
3	14.96%	6.92%	2.53%	-10.59%	-11.03%	-26.06%	-20.42%	-40.61%
4	20.19%	13.59%	14.96%	4.66%	6.59%	-6.98%	-1.66%	-17.97%
MIN	14.96%	6.92%	2.53%	-10.59%	-11.03%	-26.06%	-20.42%	-40.61%
MAX	21.32%	19.81%	16.81%	14.36%	10.74%	7.44%	5.43%	0.90%
Range	6.36%	12.89%	14.28%	24.95%	21.78%	33.50%	25.86%	41.51%
Average	18.59%	14.04%	11.99%	4.86%	3.59%	-5.44%	-3.13%	-15.15%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2028/29	2027/28
2	N/A	2028/29
3	2026/27	2026/27
4	2028/29	2026/27

In this configuration unitary 2 demonstrates a greater level of financial resilience than the other three areas as, were the minimum gap to materialise then it would not be at risk. Unitary 3 could be at risk as early as 2026/27, under both the minimum gap and maximum gap scenario.



# Suggested 3 (4 unitaries)

## Unit cost

### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,030.63	230.34	58.51	763.50	547.96	50.49	28.50	54.57	113.54	31.67	55.93	-0.01
2	1,049.96	230.34	69.20	765.52	547.37	50.65	21.81	37.62	117.12	42.96	60.64	3.20
3	999.42	132.04	55.58	899.50	486.47	62.79	20.43	41.25	126.15	28.58	44.95	3.19
4	1,026.48	312.43	48.37	1,005.25	505.32	57.49	36.25	49.27	106.18	17.67	48.32	-9.11
MIN	999.42	132.04	48.37	763.50	486.47	50.49	20.43	37.62	106.18	17.67	44.95	-9.11
MAX	1,049.96	312.43	69.20	1,005.25	547.96	62.79	36.25	54.57	126.15	42.96	60.64	3.20
Range	50.53	180.39	20.83	241.75	61.49	12.30	15.82	16.95	19.97	25.29	15.68	12.31
Average	1,026.62	226.29	57.91	858.44	521.78	55.35	26.75	45.68	115.75	30.22	52.46	-0.68

### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	3.12%	74.44%	20.97%	0.00%	12.64%	0.00%	39.52%	45.05%	6.93%	79.20%	24.42%	99.87%
2	5.06%	74.44%	43.07%	0.26%	12.52%	0.31%	6.75%	0.00%	10.30%	143.08%	34.89%	135.18%
3	0.00%	0.00%	14.92%	17.81%	0.00%	24.36%	0.00%	9.64%	18.81%	61.71%	0.00%	135.01%
4	2.71%	136.61%	0.00%	31.66%	3.87%	13.87%	77.43%	30.98%	0.00%	0.00%	7.49%	0.00%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	5.06%	136.61%	43.07%	31.66%	12.64%	24.36%	77.43%	45.05%	18.81%	143.08%	34.89%	135.18%
Range	5.06%	136.61%	43.07%	31.66%	12.64%	24.36%	77.43%	45.05%	18.81%	143.08%	34.89%	135.18%
Average	2.72%	71.37%	19.74%	12.44%	7.26%	9.64%	30.92%	21.42%	9.01%	71.00%	16.70%	92.51%

See following page for commentary on the unit cost analysis



# Suggested 3 (4 unitaries)

## Indebtedness

### Indebtedness

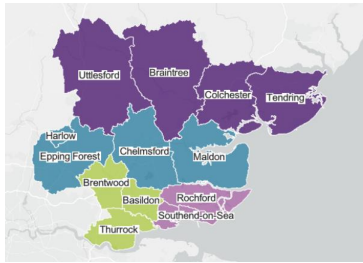
Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	330,747	65.48%
2	963,236	240.95%
3	1,634,378	474.55%
4	480,995	144.21%
MIN	330,747	65.48%
MAX	1,634,378	474.55%
Range	1,303,631	409.07%
Average	852,339	231.30%

### Unit Cost

When looking across all areas of spend it is noticeable that unitary 2 has the highest unit cost, 5.06% higher than the lowest. When looking at ‘Children’s Social Care’, unitary 4 has a significantly higher unit cost than the other three areas with it being 31.66% higher than the lowest unit cost.

### Indebtedness

Based on this analysis, unitary 3 would have the highest level of indebtedness at £1.634bn. For all areas, except for unitary 1, the indebtedness would exceed 100% of net revenue expenditure and unitary 3 would not have only the highest level of indebtedness but also the highest level of debt as a percentage of net revenue expenditure.



# Suggested 4 (4 unitaries)

## Socio-economic

SET LIMIT

UA UPPER PERCENTILE LIMIT

UA LOWER PERCENTILE LIMIT

\* UA lower percentile  
(good outcome)

Area	Area		Demographics							Deprivation
	HA	Population density 2023 (Persons / HA)	Total esimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) *	Total esimated population 2030 (no.)	Total esimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most★ deprived decile (%)
1	191,744	3	603,756	18%	60%	22%	632,678	664,971	10%	5%
2	106,610	5	485,620	19%	61%	19%	488,748	507,413	4%	0%
3	42,696	10	446,897	21%	62%	16%	464,630	484,343	8%	6%
4	25,344	14	360,317	18%	60%	22%	381,250	396,586	10%	5%
Range	166,400	11	243,439	3%	3%	6%	251,428	268,385	6%	6%
Average	91,598	8	474,148	19%	61%	20%	491,827	513,328	8%	4%
National Unitary Average	67,650	16	265,028	18%	62%	20%	246,722	253,614	3%	12%
England	13,031,047	4	57,690,323	18%	63%	19%	59,181,801	61,157,877	3%	10%

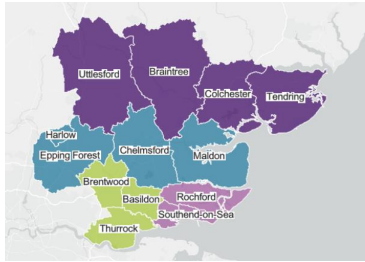
The four unitaries in this configuration show substantial differences in total land area, with a gap of around 166,000 hectares separating the largest and smallest. This disparity is also evident in population density, where unitary 4 has a notably higher population density of 14 persons per hectare, while unitary 1 falls into the lowest quartile compared to other existing English unitaries.

The population figures across the four unitaries show some variation, Unitary 4, with a population of c.360,000, has 243,000 less residents than the population of the largest unitary, unitary 1. Population projections indicate growth of between 4–11% by 2040, with unitary 1 and 4 expected to experience the most significant increase. However, despite this projected growth, both unitary 3 and unitary 4 are still projected to fall short of the 500,000 population threshold, set in the White Paper, in 2040.

The current age composition across three of the four unitaries shows broadly similar proportions. However, unitary 3 stands out with a notably higher proportion of young people and a lower proportion of older people. Additionally, the variation in the proportion of both young and older people between unitaries within this configuration is among the highest observed across all tested configurations.

There is a range of deprivation levels across the unitaries, Unitary 2 has no LSOAs in the most deprived decile, while unitary 1 and 4 have 5% of their LSOAs in this category, highlighting some variation in deprivation levels within this configuration.





# Suggested 4 (4 unitaries)

## Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

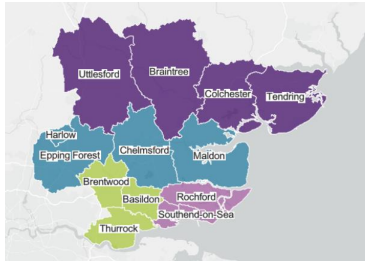
**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Labour market				Economy		Housing			
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1										
2	72%	226,000	404	776	14,195	50,598	781	11	4,180	0%
3	79%	208,000	483	780	14,328	58,045	801	9	3,808	0%
4	78%	200,000	426	808	16,157	68,873	1,136	4	3,048	2%
	80%	107,000	386	819	6,138	42,968	652	6	2,732	2%
Range	8%	119,000	98	42	10,019	25,905	484	7	1,448	0%
Average	77%	185,250	425	796	12,705	55,121	842	8	3,442	2%
National Unitary Average	76%	121,792	378	711	8,206	57,462	793	9	1,595	1%
England	76%	27,496,000	411	732	1,940,267		882	234,397	290,853	1%

In terms of economic scale, the four unitaries are fairly comparable when considering total numbers of employees and businesses as well as employment rates. However, substantial variation emerges when examining median weekly earnings. Unitary 4 stands out with particularly low GVA per job, positioning it in the lowest quartile compared to other English unitary authorities.

Housing provision across the four unitaries shows significant variation in net additional dwellings per 1,000 existing dwellings. Unitary 3, with a rate of 4, falls into the lowest quartile compared to other English unitaries, whereas unitary 1, with a rate of 11, achieves more than double this figure. Despite these disparities, all four unitaries have set ambitious annual housing targets, placing them within the top 25% of English unitaries. This ambition is also evident in their housing targets as a percentage of the 2023 dwelling stock.



# Suggested 4 (4 unitaries)

## Financial Resilience

### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	12,854	19,606	20,101	23,200	26,394	35,173	25,849	35,173
2	8,122	17,701	15,104	19,739	25,222	29,075	16,464	29,075
3	40,452	68,150	42,544	61,395	49,333	57,735	36,624	57,735
4	6,065	28,074	16,002	29,333	28,074	40,635	29,289	40,635
MIN	6,065	17,701	15,104	19,739	25,222	29,075	16,464	29,075
MAX	40,452	68,150	42,544	61,395	49,333	57,735	36,624	57,735
Range	34,387	50,449	27,440	41,655	24,111	28,660	20,160	28,660
Average	16,873	33,383	23,438	33,417	32,256	40,655	27,057	40,655

### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	106,755	93,902	87,149	73,801	63,949	47,407	28,777	21,557	-6,396
2	89,795	81,674	72,095	66,570	52,355	41,348	23,280	24,884	-5,795
3	91,972	51,521	23,823	8,976	-37,572	-40,356	-95,307	-76,981	-153,043
4	73,405	67,340	45,331	51,338	15,998	23,264	-24,638	-6,025	-65,273
MIN	73,405	51,521	23,823	8,976	-37,572	-40,356	-95,307	-76,981	-153,043
MAX	106,755	93,902	87,149	73,801	63,949	47,407	28,777	24,884	-5,795
Range	33,350	42,381	63,327	64,824	101,521	87,763	124,084	101,865	147,248
Average	90,482	73,609	57,099	50,171	23,683	17,916	-16,972	-9,141	-57,626



# Suggested 4 (4 unitaries)

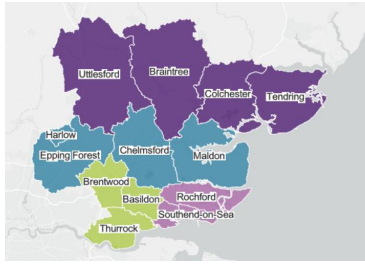
## Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	17.46%	16.21%	13.32%	11.54%	8.31%	5.04%	3.67%	-1.09%
2	22.25%	19.64%	17.61%	13.85%	10.62%	5.98%	6.21%	-1.45%
3	14.96%	6.92%	2.53%	-10.59%	-11.03%	-26.06%	-20.42%	-40.61%
4	20.19%	13.59%	14.96%	4.66%	6.59%	-6.98%	-1.66%	-17.97%
MIN	14.96%	6.92%	2.53%	-10.59%	-11.03%	-26.06%	-20.42%	-40.61%
MAX	22.25%	19.64%	17.61%	13.85%	10.62%	5.98%	6.21%	-1.09%
Range	7.29%	12.72%	15.08%	24.44%	21.66%	32.04%	26.63%	39.52%
Average	18.71%	14.09%	12.10%	4.87%	3.62%	-5.50%	-3.05%	-15.28%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2028/29	2028/29
2	N/A	2028/29
3	2026/27	2026/27
4	2028/29	2026/27

In this configuration unitary 2 demonstrates a greater level of financial resilience than the other three areas as, were the minimum gap to materialise then it would not be at risk. Unitary 3 could be at risk as early as 2026/27, under both the minimum and maximum gap scenario.



# Suggested 4 (4 unitaries)

## Unit cost

### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

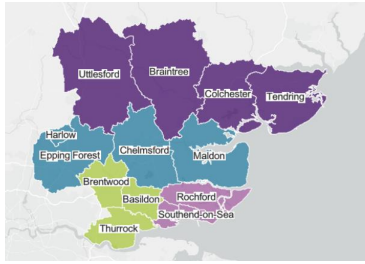
### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,021.84	230.34	64.81	763.50	547.97	50.79	16.44	43.09	112.68	38.92	53.03	2.43
2	1,061.11	230.34	61.23	765.58	547.37	50.27	37.08	52.14	118.22	33.78	64.32	0.11
3	999.42	132.04	55.58	899.50	486.47	62.79	20.43	41.25	126.15	28.58	44.95	3.19
4	1,026.48	312.43	48.37	1,005.25	505.32	57.49	36.25	49.27	106.18	17.67	48.32	-9.11
MIN	999.42	132.04	48.37	763.50	486.47	50.27	16.44	41.25	106.18	17.67	44.95	-9.11
MAX	1,061.11	312.43	64.81	1,005.25	547.97	62.79	37.08	52.14	126.15	38.92	64.32	3.19
Range	61.69	180.39	16.44	241.75	61.50	12.52	20.64	10.89	19.97	21.25	19.37	12.29
Average	1,027.21	226.29	57.50	858.46	521.78	55.33	27.55	46.44	115.81	29.74	52.65	-0.84

### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	2.24%	74.44%	33.99%	0.00%	12.64%	1.03%	0.00%	4.46%	6.12%	120.26%	17.96%	126.73%
2	6.17%	74.44%	26.60%	0.27%	12.52%	0.00%	125.57%	26.40%	11.33%	91.16%	43.08%	101.21%
3	0.00%	0.00%	14.92%	17.81%	0.00%	24.91%	24.28%	0.00%	18.81%	61.71%	0.00%	135.01%
4	2.71%	136.61%	0.00%	31.66%	3.87%	14.37%	120.51%	19.46%	0.00%	0.00%	7.49%	0.00%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	6.17%	136.61%	33.99%	31.66%	12.64%	24.91%	125.57%	26.40%	18.81%	120.26%	43.08%	135.01%
Range	6.17%	136.61%	33.99%	31.66%	12.64%	24.91%	125.57%	26.40%	18.81%	120.26%	43.08%	135.01%
Average	2.78%	71.37%	18.88%	12.44%	7.26%	10.08%	67.59%	12.58%	9.06%	68.28%	17.13%	90.74%

See following page for commentary on the unit cost analysis



# Suggested 4 (4 unitaries)

## Indebtedness

### Indebtedness

Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	615,138	114.39%
2	678,845	184.92%
3	1,634,378	474.55%
4	480,995	144.21%
MIN	480,995	114.39%
MAX	1,634,378	474.55%
Range	1,153,383	360.16%
Average	852,339	229.52%

### Unit Cost

When looking across all areas of spend it is noticeable that unitary 2 has the highest unit cost, 6.17% higher than the lowest. When looking at 'Children's Social Care', unitary 4 has a significantly higher unit cost than the other three areas with it being 31.66% higher than the lowest unit cost.

### Indebtedness

Based on this analysis, unitary 3 would have the highest level of indebtedness at £1.634bn. For all 4 areas the indebtedness would exceed 100% of net revenue expenditure and unitary 3 would not have only the highest level of indebtedness but also the highest level of debt as a percentage of net revenue expenditure.

# Five unitary options



## 5.1 (5 unitaries)

### Socio-economic

**SET LIMIT**

**UA UPPER PERCENTILE LIMIT**

**UA LOWER PERCENTILE LIMIT**

**\* UA lower percentile (good outcome)**

Area	Area		Demographics							Deprivation	
	HA	Population density 2023 (Persons / HA)	Total esimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) *	Total esimated population 2030 (no.)	Total esimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most deprived decile (%) *	
1	42,696	10	446,897	21.3%	62.4%	16.3%	464,630	484,343	8.4%	6%	
2	130,828	3	413,562	18.3%	60.8%	21.0%	417,952	434,721	5.1%	0%	
3	101,070	3	325,609	19.8%	61.5%	18.7%	327,933	340,225	4.5%	0%	
4	66,455	5	350,205	17.7%	59.3%	23.0%	375,541	397,438	13.5%	9%	
5	25,344	14	360,317	18.2%	60.0%	21.9%	381,250	396,586	10.1%	5%	
Range	105,484	11	121,288	3.6%	3.2%	6.8%	136,697	144,118	9.0%	9%	
Average	73,279	7	379,318	19.0%	60.8%	20.2%	393,461	410,663	8.3%	4%	
National Unitary Average	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3.1%	12%	
England	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	2.6%	10%	

There are notable differences in the total land area among the five unitaries, with a gap of approximately 105,000 hectares between the largest and smallest. This variation is reflected in population density, where unitary 2 and unitary 3 have substantially lower densities, placing them in the lowest quartile compared to other English unitaries.

Population figures across the five unitaries are relatively consistent, ranging from 350,000 to 450,000, with all remaining below the 500,000 threshold set in the White Paper, both now and in 2040. Population projections suggest growth of 5–14% by 2040, with unitary 4 experiencing the most significant increase.

The current age composition across three of the five unitaries shows a broadly similar distribution of young, working-age, and older populations. However, unitary 1 stands out with a higher proportion of young people and a notably lower percentage of older residents. Additionally, unitary 4 is distinct for having a percentage of working-age adults in the lower quartile compared to all English unitaries. This configuration reveals the most pronounced difference in the range of working-age proportions between unitaries across all the configurations tested.

The range in deprivation levels across the unitaries is among the widest observed across all configurations. Two unitaries have 0% of their LSOAs in the most deprived deciles, while unitary 4 stands out with 9%, highlighting substantial variation in deprivation levels within this configuration.



## 5.1 (5 unitaries)

### Socio-economic

SET LIMIT

UA UPPER PERCENTILE LIMIT

UA LOWER PERCENTILE LIMIT

\* UA lower percentile  
(good outcome)

Area	Labour market				Economy			Housing		
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	77.8%	200,000	426	808	16,157	68,873	1,136	4	3,048	1.6%
2	79.7%	164,000	441	774	11,723	57,662	813	13	3,048	1.7%
3	72.8%	145,000	536	816	9,404	54,785	838	7	2,607	1.9%
4	72.9%	125,000	348	747	7,396	48,864	706	10	2,333	1.5%
5	80.3%	107,000	386	819	6,138	42,968	652	6	2,732	1.7%
Range	7.5%	93,000	189	72	10,019	25,905	484	9	715	0.4%
Average	76.7%	148,200	427	793	10,164	54,630	829	8	2,754	1.7%
National Unitary Average	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	1.3%
England	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

In terms of economic scale, the five unitaries are fairly comparable when considering total numbers of employees and businesses as well as employment rates. However, substantial variation emerges when examining businesses per 10,000 population and median weekly earnings. Unitary 5 stands out with particularly low GVA per job, positioning it in the lowest quartile compared to other English unitary authorities.

In terms of housing, there is a substantial variation in net additional dwellings per 1,000 existing dwellings. Unitary 1, with a rate of 4, falls in the lowest quartile when compared to other English unitaries, while unitary 2, with a rate of 13, ranks in the upper quartile. Despite these differences, all five unitaries have total annual housing targets that place them within the top 25% of all English unitaries. This is also reflected in the housing target as a percentage of 2023 dwelling stock (except for unitary 4).





# 5.1 (5 unitaries)

## Financial Resilience

### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	40,452	68,150	42,544	61,395	49,333	57,735	36,624	57,735
2	6,924	15,924	12,791	16,974	21,437	23,702	13,510	23,702
3	5,200	10,336	13,113	15,784	17,881	21,761	16,594	21,761
4	8,852	11,046	9,300	10,182	12,297	18,785	12,209	18,785
5	6,065	28,074	16,002	29,333	28,074	40,635	29,289	40,635
MIN	5,200	10,336	9,300	10,182	12,297	18,785	12,209	18,785
MAX	40,452	68,150	42,544	61,395	49,333	57,735	36,624	57,735
Range	35,252	57,814	33,244	51,213	37,036	38,951	24,415	38,951
Average	13,498	26,706	18,750	26,733	25,805	32,524	21,645	32,524

### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	91,972	51,521	23,823	8,976	-37,572	-40,356	-95,307	-76,981	-153,043
2	77,169	70,245	61,245	57,455	44,271	36,017	20,569	22,507	-3,133
3	64,855	59,656	54,519	46,542	38,736	28,661	16,975	12,067	-4,786
4	54,526	45,674	43,480	36,374	33,298	24,076	14,513	11,868	-4,271
5	73,405	67,340	45,331	51,338	15,998	23,264	-24,638	-6,025	-65,273
MIN	54,526	45,674	23,823	8,976	-37,572	-40,356	-95,307	-76,981	-153,043
MAX	91,972	70,245	61,245	57,455	44,271	36,017	20,569	22,507	-3,133
Range	37,446	24,571	37,422	48,478	81,843	76,373	115,876	99,487	149,909
Average	72,386	58,887	45,680	40,137	18,946	14,333	-13,578	-7,313	-46,101



## 5.1 (5 unitaries) Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	14.96%	6.92%	2.53%	-10.59%	-11.03%	-26.06%	-20.42%	-40.61%
2	21.92%	19.12%	17.41%	13.42%	10.60%	6.05%	6.43%	-0.90%
3	22.72%	20.76%	17.22%	14.33%	10.30%	6.10%	4.21%	-1.67%
4	14.19%	13.51%	10.97%	10.04%	7.05%	4.25%	3.37%	-1.21%
5	20.19%	13.59%	14.96%	4.66%	6.59%	-6.98%	-1.66%	-17.97%
MIN	14.19%	6.92%	2.53%	-10.59%	-11.03%	-26.06%	-20.42%	-40.61%
MAX	22.72%	20.76%	17.41%	14.33%	10.60%	6.10%	6.43%	-0.90%
Range	8.53%	13.85%	14.88%	24.91%	21.63%	32.16%	26.86%	39.71%
Average	18.80%	14.78%	12.62%	6.37%	4.70%	-3.33%	-1.61%	-12.47%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2026/27	2026/27
2	N/A	2028/29
3	2028/29	2028/29
4	2028/29	2027/28
5	2028/29	2026/27

Under the minimum gap scenario unitary 2 demonstrates the highest level of financial resilience with it not being at risk during the period under review. Unitary 1 shows the lowest level of financial resilience under this scenario with it being at risk in 2026/27. Were the maximum gap scenario to materialise then unitary 2 and unitary 3 show the greatest financial resilience, being at risk in 2028/29. Unitary 1 and unitary 5 show the lowest financial resilience, being at risk in 2026/27.



# 5.1 (5 unitaries)

## Unit cost

### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	999.42	132.04	55.58	899.50	486.47	62.79	20.43	41.25	126.15	28.58	44.95	3.19
2	1,057.70	230.34	55.89	763.50	546.58	50.27	34.48	48.17	115.76	36.71	72.86	3.58
3	1,057.48	230.34	71.03	766.46	547.77	50.83	23.61	41.66	118.21	45.68	57.29	0.19
4	1,001.04	230.34	64.66	763.50	548.94	50.64	16.93	50.74	111.58	28.40	41.44	0.00
5	1,026.48	312.43	48.37	1,005.25	505.32	57.49	36.25	49.27	106.18	17.67	48.32	-9.11
MIN	999.42	132.04	48.37	763.50	486.47	50.27	16.93	41.25	106.18	17.67	41.44	-9.11
MAX	1,057.70	312.43	71.03	1,005.25	548.94	62.79	36.25	50.74	126.15	45.68	72.86	3.58
Range	58.27	180.39	22.66	241.75	62.47	12.52	19.32	9.49	19.97	28.00	31.43	12.68
Average	1,028.42	227.10	59.10	839.64	527.01	54.40	26.34	46.22	115.57	31.41	52.97	-0.43

### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	0.00%	0.00%	14.92%	17.81%	0.00%	24.91%	20.66%	0.00%	18.81%	61.71%	8.49%	135.01%
2	5.83%	74.44%	15.56%	0.00%	12.36%	0.00%	103.67%	16.79%	9.02%	107.71%	75.84%	139.30%
3	5.81%	74.44%	46.85%	0.39%	12.60%	1.12%	39.46%	1.01%	11.33%	158.46%	38.25%	102.05%
4	0.16%	74.44%	33.69%	0.00%	12.84%	0.75%	0.00%	23.01%	5.08%	60.72%	0.00%	100.00%
5	2.71%	136.61%	0.00%	31.66%	3.87%	14.37%	114.09%	19.46%	0.00%	0.00%	16.62%	0.00%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	5.83%	136.61%	46.85%	31.66%	12.84%	24.91%	114.09%	23.01%	18.81%	158.46%	75.84%	139.30%
Range	5.83%	136.61%	46.85%	31.66%	12.84%	24.91%	114.09%	23.01%	18.81%	158.46%	75.84%	139.30%
Average	2.90%	71.99%	22.20%	9.97%	8.33%	8.23%	55.58%	12.05%	8.85%	77.72%	27.84%	95.27%

See following page for commentary on the unit cost analysis



## 5.1 (5 unitaries)

### Indebtedness

#### Indebtedness

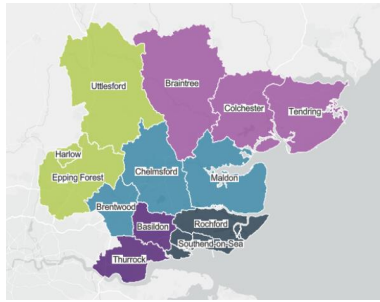
Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	1,634,378	474.55%
2	183,115	57.15%
3	889,597	338.78%
4	221,271	68.75%
5	480,995	144.21%
MIN	183,115	57.15%
MAX	1,634,378	474.55%
Range	1,451,263	417.40%
Average	681,871	216.69%

#### Unit Cost

When looking across all RO categories it is noticeable that unitary 2 and unitary 3 have the highest unit cost at 5.8% above the lowest unit cost. There is also a noticeable difference when looking at 'Children's Social Care' with unitary 5 having a unit cost c.31% above that of unitary 2, unitary 3 and unitary 4.

#### Indebtedness

Unitary 1 has the highest level of indebtedness at £1.6bn, which equates to 474.55% of net revenue expenditure. Both unitary 2 and unitary 4 have indebtedness below £250m and also below 70% on net revenue expenditure. Both unitary 3 and unitary 5 have indebtedness that exceeds 100% of net revenue expenditure with unitary 3's indebtedness equating to 338.78% of net revenue expenditure.



## 5.2 (5 unitaries)

### Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Area		Demographics							Deprivation	
	HA	Population density 2023 (Persons / HA)	Total esimated population 2023 (no.)	Young People (% of total)	Working age people (% of total)	Older people (% of total) ★	Total esimated population 2030 (no.)	Total esimated population 2040 (no.)	Population growth (to 2040)	LSOAs in most ★ deprived decile (%)	
1	27,384	13	368,745	21.8%	62.8%	15.4%	387,995	406,341	10.2%	8%	
2	84,970	4	331,757	18.4%	60.7%	20.9%	338,371	352,162	6.2%	0%	
3	101,070	3	325,609	19.8%	61.5%	18.7%	327,933	340,225	4.5%	0%	
4	127,626	4	510,162	17.9%	59.8%	22.3%	531,757	557,999	9.4%	6%	
5	25,344	14	360,317	18.2%	60.0%	21.9%	381,250	396,586	10.1%	5%	
Range	102,282	11	184,553	3.9%	3.0%	6.9%	203,824	217,774	5.7%	8%	
Average	73,279	8	379,318	19.2%	60.9%	19.8%	393,461	410,663	8.1%	4%	
National Unitary Average	67,650	16	265,028	18.3%	62.0%	19.7%	246,722	253,614	3.1%	12%	
England	13,031,047	4	57,690,323	18.5%	62.9%	18.7%	59,181,801	61,157,877	2.6%	10%	

There are some notable differences in the total land area between the five unitaries, with a difference of approximately 102,000 hectares between the largest and smallest. This disparity is reflected in the population density, where unitary 1 and unitary 5 have substantially higher densities compared to the others. In contrast, unitary 3 has one of the lowest population densities, falling into the lowest quartile when compared to other English unitaries.

The current population figures across the five unitaries are relatively consistent, ranging between 325,000 and 370,000, except for unitary 4, which has a larger population of just over half a million – the threshold set in the White Paper. Population projections indicate growth of 5–10% across all areas by 2040, but unitary 4 is expected to retain its status as the most populous area.

The current age composition across four of the five unitaries shows a broadly similar split between young, working-age, and older populations. However, unitary 1 stands out with a substantially lower proportion of older people and a correspondingly higher percentage of both young and working-age residents. This is the most marked difference in the range of proportions for both young and older people between unitaries across all the configurations tested.



## 5.2 (5 unitaries)

### Socio-economic

**SET LIMIT** ■

**UA UPPER PERCENTILE LIMIT** ■

**UA LOWER PERCENTILE LIMIT** ■

**\* UA lower percentile (good outcome)** ■

Area	Labour market				Economy			Housing		
	Employment rate (%)	Total employees (no.)	Businesses per 10,000 pop	Median weekly earnings (weighted average by pop 16-64) (£)	GVA (£m)	GVA per job (weighted average by employees) (£)	Business rates per employee (£)	Net additional dwellings per 1,000 dwellings 2023/24	Annual housing target	Housing target as % 2023 dwellings
1	77.2%	166,000	397	785	12,918	66,031	1,227	3	2,357	16%
2	83.5%	145,000	483	805	10,866	63,096	786	11	2,641	18%
3	72.8%	145,000	536	816	9,404	54,785	838	7	2,607	19%
4	72.8%	178,000	368	758	11,492	51,849	736	12	3,431	15%
5	80.3%	107,000	386	819	6,138	42,968	652	6	2,732	17%
Range	10.7%	71,000	168	61	6,780	23,064	575	9	1,074	0.4%
Average	77.3%	148,200	434	797	10,164	55,746	848	8	2,754	17%
National Unitary Average	76.0%	121,792	378	711	8,206	57,462	793	9	1,595	13%
England	75.7%	27,496,000	411	732	1,940,267		882	234,397	290,853	1.1%

In terms of economic scale, the five unitaries are fairly comparable when considering total numbers of employees and businesses. However, substantial variation emerges when examining businesses per 10,000 population and employment rates. Additionally, estimated GVA per job in unitary 5 is notably low, placing it in the lowest quartile compared to all English unitary authorities.

There is a comparatively large difference in net additional dwellings per 1,000 dwellings, with unitary 1 having half the number of the next smallest, unitary 5, and ranking in the bottom 25% of all English unitaries. Variations are also evident in the total annual housing targets across the unitaries, which are further reflected in the housing target as a percentage of 2023 dwelling stock.



## 5.2 (5 unitaries)

### Financial Resilience

#### Gap between income and expenditure projections

Area	Gap							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	39,350	63,548	40,758	56,732	45,930	51,677	33,236	51,677
2	5,236	16,831	11,667	17,358	19,040	23,929	11,671	23,929
3	5,200	10,336	13,113	15,784	17,881	21,761	16,594	21,761
4	11,641	14,742	12,211	14,460	18,098	24,616	17,436	24,616
5	6,065	28,074	16,002	29,333	28,074	40,635	29,289	40,635
MIN	5,200	10,336	11,667	14,460	17,881	21,761	11,671	21,761
MAX	39,350	63,548	40,758	56,732	45,930	51,677	33,236	51,677
Range	34,150	53,212	29,091	42,272	28,049	29,917	21,565	29,917
Average	13,498	26,706	18,750	26,733	25,805	32,524	21,645	32,524

#### General Fund reserves projections

Area	Reserves								
	Opening Balance	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	79,252	39,902	15,704	-856	-41,028	-46,786	-92,705	-80,022	-144,383
2	61,521	56,285	44,691	44,618	27,332	25,578	3,403	13,907	-20,526
3	64,855	59,656	54,519	46,542	38,736	28,661	16,975	12,067	-4,786
4	82,895	71,253	68,153	59,043	53,693	40,945	29,077	23,509	4,462
5	73,405	67,340	45,331	51,338	15,998	23,264	-24,638	-6,025	-65,273
MIN	61,521	39,902	15,704	-856	-41,028	-46,786	-92,705	-80,022	-144,383
MAX	82,895	71,253	68,153	59,043	53,693	40,945	29,077	23,509	4,462
Range	21,374	31,351	52,449	59,899	94,721	87,730	121,783	103,531	148,844
Average	72,386	58,887	45,680	40,137	18,946	14,333	-13,578	-7,313	-46,101



## 5.2 (5 unitaries)

### Financial Resilience

Reserves as percentage of Net Revenue Expenditure and 'Year at Risk'

Area	Reserves as % of NRE							
	2025/26 - MIN	2025/26 - MAX	2026/27 - MIN	2026/27 - MAX	2027/28 - MIN	2027/28 - MAX	2028/29 - MIN	2028/29 - MAX
1	14.33%	5.64%	-0.30%	-14.30%	-15.82%	-31.34%	-26.25%	-47.36%
2	22.59%	17.93%	17.39%	10.65%	9.68%	1.29%	5.11%	-7.54%
3	22.72%	20.76%	17.22%	14.33%	10.30%	6.10%	4.21%	-1.67%
4	15.52%	14.85%	12.48%	11.35%	8.40%	5.97%	4.68%	0.89%
5	20.19%	13.59%	14.96%	4.66%	6.59%	-6.98%	-1.66%	-17.97%
MIN	14.33%	5.64%	-0.30%	-14.30%	-15.82%	-31.34%	-26.25%	-47.36%
MAX	22.72%	20.76%	17.39%	14.33%	10.30%	6.10%	5.11%	0.89%
Range	8.39%	15.12%	17.68%	28.62%	26.12%	37.44%	31.36%	48.25%
Average	19.07%	14.55%	12.35%	5.34%	3.83%	-4.99%	-2.78%	-14.73%

Area	Year at which useable GF reserves below 5% of NRE	
	Year at risk - MIN	Year at risk - MAX
1	2026/27	2026/27
2	N/A	2027/28
3	2028/29	2028/29
4	2028/29	2028/29
5	2028/29	2026/27

Under the minimum gap scenario unitary 2 demonstrates the highest level of financial resilience with it not being at risk during the period under review. Unitary 1 shows the lowest level of financial resilience, under this scenario, with it being at risk in 2026/27. Were the maximum gap scenario to materialise then unitary 2 and unitary 3 show the greatest financial resilience, being at risk in 2028/29. Unitary 1 and unitary 5 show the lowest financial resilience, being at risk in 2026/27.





## 5.2 (5 unitaries)

### Unit cost

#### Key

0<sup>th</sup> Percentile50<sup>th</sup> Percentile100<sup>th</sup> Percentile

Low Unit Cost

High Unit Cost

#### Unit cost

Area	Unit Costs 2023/24											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	1,004.28	114.06	54.20	924.39	473.08	65.30	23.54	41.36	128.55	23.91	52.17	3.87
2	1,049.17	230.34	52.81	763.50	546.58	50.44	35.37	55.32	115.95	39.67	60.59	-0.02
3	1,057.48	230.34	71.03	766.46	547.77	50.83	23.61	41.66	118.21	45.68	57.29	0.19
4	1,011.43	230.34	64.91	763.50	548.22	50.53	17.30	44.14	112.61	31.19	49.47	2.88
5	1,026.48	312.43	48.37	1,005.25	505.32	57.49	36.25	49.27	106.18	17.67	48.32	-9.11
MIN	1,004.28	114.06	48.37	763.50	473.08	50.44	17.30	41.36	106.18	17.67	48.32	-9.11
MAX	1,057.48	312.43	71.03	1,005.25	548.22	65.30	36.25	55.32	128.55	45.68	60.59	3.87
Range	53.20	198.37	22.66	241.75	75.14	14.86	18.94	13.97	22.37	28.00	12.27	12.97
Average	1,029.77	223.50	58.26	844.62	524.19	54.92	27.22	46.35	116.30	31.63	53.57	-0.44

#### Unit cost – Percentage difference from minimum unit cost

Area	Unit Costs 2023/24 - Percentage difference from minimum unit cost											
	ALL	Education services	Highways and transport services	Children Social Care	Adult Social Care	Public health	Housing services	Cultural and related services	Environmental and regulatory services	Planning and development services	Central Services	Other services
1	0.00%	0.00%	12.07%	21.07%	0.00%	29.45%	36.05%	0.00%	21.07%	35.30%	7.96%	142.47%
2	4.47%	101.95%	9.18%	0.00%	15.54%	0.00%	104.44%	33.78%	9.20%	124.49%	25.39%	99.76%
3	5.30%	101.95%	46.85%	0.39%	15.79%	0.77%	36.45%	0.74%	11.33%	158.46%	18.55%	102.05%
4	0.71%	101.95%	34.21%	0.00%	15.88%	0.17%	0.00%	6.75%	6.05%	76.51%	2.38%	131.66%
5	2.21%	173.93%	0.00%	31.66%	6.81%	13.97%	109.47%	19.15%	0.00%	0.00%	0.00%	0.00%
MIN	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
MAX	5.30%	173.93%	46.85%	31.66%	15.88%	29.45%	109.47%	33.78%	21.07%	158.46%	25.39%	142.47%
Range	5.30%	173.93%	46.85%	31.66%	15.88%	29.45%	109.47%	33.78%	21.07%	158.46%	25.39%	142.47%
Average	2.54%	95.96%	20.46%	10.62%	10.80%	8.87%	57.28%	12.08%	9.53%	78.95%	10.86%	95.19%

See following page for commentary on the unit cost analysis



## 5.2 (5 unitaries)

### Indebtedness

#### Indebtedness

Area	Indebtedness	
	Indebtedness	External debt as % of net revenue expenditure
1	1,336,689	480.10%
2	407,165	163.39%
3	889,597	338.78%
4	294,911	64.24%
5	480,995	144.21%
MIN	294,911	64.24%
MAX	1,336,689	480.10%
Range	1,041,778	415.86%
Average	681,871	238.14%

#### Unit Cost

When looking across all RO categories it is noticeable that unitary 2 and unitary 3 have the highest unit cost at c.5% above the lowest unit cost. There is also a noticeable difference when looking at 'Children's Social Care' with unitary 5 having a unit cost c.31% above that of unitary 2, unitary 3 and unitary 4.

#### Indebtedness

Unitary 1 has the highest level of indebtedness at £1.3bn, which equates to 480.10% of net revenue expenditure. Unitary 4 has indebtedness of £294m which is 64.24% of net revenue expenditure. Unitary 2, unitary 3 and unitary 5 have indebtedness that exceeds 100% of net revenue expenditure with unitary 3's indebtedness equating to 338.78% of net revenue expenditure.

# Initial analysis of authority provided data

# Analysing the data provided by the individual councils

As set out earlier in this document, the majority of the analysis is based on data taken from our range of analytical tools. However, we have done some initial analysis based on the data provided by the individual councils. At this point of the process this analysis is high-level of focuses on a combination of the establishment and finance data provided. Based on the data provided we have analysed the average FTE cost across each of the proposed options. The findings are as follows;

## 2 unitaries

### *Economic partnerships*

Area	Average FTE cost
1	48,281
2	50,420
MIN	48,281
MAX	50,420
Range	2,139
Average	49,350

## 3 unitaries

### *Health boundaries*

Area	Average FTE cost
1	48,431
2	50,373
3	45,059
MIN	45,059
MAX	50,373
Range	5,314
Average	47,954

### 3.1

Area	Average FTE cost
1	50,213
2	49,188
3	48,190
MIN	48,190
MAX	50,213
Range	2,022
Average	49,197

# Analysing the data provided by the individual councils

3.2

Area	Average FTE cost
1	50,213
2	49,135
3	48,007
MIN	48,007
MAX	50,213
Range	2,206
Average	49,118

3.3

Area	Average FTE cost
1	50,467
2	49,145
3	48,007
MIN	48,007
MAX	50,467
Range	2,460
Average	49,206

3.4

Area	Average FTE cost
1	50,213
2	49,942
3	46,998
MIN	46,998
MAX	50,213
Range	3,215
Average	49,051

3.5

Area	Average FTE cost
1	50,877
2	49,278
3	46,998
MIN	46,998
MAX	50,877
Range	3,880
Average	49,051

Suggested 1

Area	Average FTE cost
1	47,495
2	49,545
3	50,213
MIN	47,495
MAX	50,213
Range	2,718
Average	49,084

# Analysing the data provided by the individual councils

## 4 unitaries

### Economic corridors/4.1

Area	Average FTE cost
1	48,431
2	50,439
3	47,031
4	50,213
MIN	47,031
MAX	50,439
Range	3,408
Average	49,028

### 4.2

Area	Average FTE cost
1	49,332
2	51,509
3	48,007
4	48,554
MIN	48,007
MAX	51,509
Range	3,501
Average	49,350

### 4.3

Area	Average FTE cost
1	49,278
2	49,433
3	45,059
4	51,509
MIN	45,059
MAX	51,509
Range	6,450
Average	48,820

### Suggested 2

Area	Average FTE cost
1	47,495
2	49,545
3	48,269
4	51,509
MIN	47,495
MAX	51,509
Range	4,014
Average	49,204

### Suggested 3

Area	Average FTE cost
1	47,495
2	49,067
3	49,332
4	51,509
MIN	47,495
MAX	51,509
Range	4,014
Average	49,350

### Suggested 4

Area	Average FTE cost
1	46,998
2	49,564
3	49,332
4	51,509
MIN	46,998
MAX	51,509
Range	4,511
Average	49,350

# Analysing the data provided by the individual councils

## 5 unitaries

### 5.1

Area	Average FTE cost
1	49,332
2	50,278
3	48,431
4	45,059
5	51,509
MIN	45,059
MAX	51,509
Range	6,450
Average	48,922

This analysis of council provided data shows that there is relatively little variation in the average FTE cost across each of the different options. There are some combinations where certain unitary options have higher average FTE costs but there is no material difference from the average FTE cost across the different options.

### 5.2

Area	Average FTE cost
1	48,269
2	50,439
3	48,431
4	47,031
5	51,509
MIN	47,031
MAX	51,509
Range	4,478
Average	49,136

# Appendix B – Data definitions



# Area, Demographics & Deprivation

Indicator short title	Indicator definition	Year	Source
HA	Area in hectares of the land count (clipped to coastline minus the inland water)	2022	ONS: Standard Area Measurements for Administrative Areas (December 2022) in the UK
Population density	Total estimated population per hectare	2023	ONS: Mid-Year Population Estimates and Standard Area Measurements for Administrative Areas
Total estimated population 2023 (no.)	Total estimated resident population for latest year of available data	2023	ONS: Mid-Year Population Estimated
Young People (% of total)	Estimated number of people aged 0-15 as a percentage of the total resident population	2023	ONS: Mid-Year Population Estimated
Working age people (% of total)	Estimated number of people aged 16-64 as a percentage of the total resident population	2023	ONS: Mid-Year Population Estimated
Older people (% of total)	Estimated number of people aged 65+ as a percentage of the total resident population	2023	ONS: Mid-Year Population Estimated
Total estimated population 2030 (no.)	Projected total estimated population in 2030	2030	ONS: Population projections
Total estimated population 2040 (no.)	Projected total estimated population in 2040	2040	ONS: Population projections
Population growth (to 2040)	Percentage change in total estimated population between 2023 and 2024	2023-2040	ONS: Population projections
LSOAs in most deprived decile (%)	The proportion of LSOA's that fall within the top 10% of deprived LSOA's nationally	2019	ONS: English Indices of Multiple Deprivation

# Labour market, Economy & Housing

Indicator short title	Indicator definition	Year	Source
Employment rate (%)	The proportion of residents aged 16 to 64 who are in employment.	Jul-2023-Jun 2024	Annual Population Survey
Total employees (no.)	Total number of employees (workplace based)	2023	Business Register and Employment Survey
Business density per 10,000 pop	Total number of businesses per 10,000 resident population	2023	ONS Business Counts and Mid-Year Population Estimates
Median weekly earnings - weighted (£)	Median gross weekly pay of full-time workers	2024	Annual Survey of Hours and Earnings
GVA (£000)	Total Gross Value Added in current prices, pound millions (balanced approach)	2022	ONS: Regional gross value added (balanced) by industry: local authorities by ITL1 region
GVA per job – weighted (£)	GVA per filled job in current prices	2022	ONS: Table B3: Current Price (smoothed) GVA (B) per filled job (£); Local Authority District,
Business rates per employee (£)	Business rates divided by the total number of employees	2023	MHCLG: Collection amounts and rates of council tax and non-domestic rates: Local Authority level data for 2021-22 and 2022-23  Business Register and Employment Survey
Net additional dwellings per 1,000 dwellings	Total net additional dwellings per 1,000 dwelling stock	2022-23	MHCLG: Net additional dwellings by local authority in England (Table LT122) and  Table 100: Number of Dwellings by Tenure and district
Annual housing target	Annual local authority housing target	2024	Governments House Building Targets Autumn 2024
Housing target as % 2023 dwellings	Total annual housing target as percentage of 2023 total dwellings	2024	Governments House Building Targets Autumn 2024



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