Three new councils
One bright future

The Proposal for Greater Essex

Contents

Foreword

Seizing this opportunity

Greater Essex is a great place with a bright future and tremendous opportunities.

We have embraced local government reorganisation (LGR), based on a three cities unitary model, to enable us to maximise that potential so that we can continue to support our residents to achieve their ambitions. Our proposal will not only deliver better and more sustainable local services for the residents of Greater Essex, but also more affordable and Best Value services for local taxpayers and national government.

- North Essex Unitary
- Mid Essex Unitary
- South Essex Unitary

1

Braintree

Uttlesford

Colchester

Colchester

Tendring

Harlow

Harlow

Chelmsford

Chelmsford

Epping Forest

Maldon

2

Brentwood

Basildon

Basildon

Rochford

3

Southend-on-Sea

Thurrock

Southend-on-Sea

Castle Point

Unleashing opportunity

All public services are under strain. Ageing and growing populations mean more people are requesting help and support from social care, while there is a need to ensure growing communities can enjoy the housing, services, facilities, and access to green spaces that enhance our quality of life. Over the last 15 years funding has struggled to keep up with demand. Collectively we have managed the strain through huge transformation efforts. The Greater Essex system has delivered hundreds of millions of pounds of savings over the last decade while still maintaining or improving levels of performance.

Despite those efforts it is clear to us, to our partners, to government, and most importantly to our residents, that services are struggling to keep up with demand and outcomes and opportunity are suffering. We need to reset for renewal. Not for the short-term but for the long-term. The foundations that we lay now will shape outcomes, opportunity and life chances into the second half of the century, creating councils that do not simply survive for the next four to five years but thrive for the next 40-50.

That is why our case does not propose a mere tweaking of business as usual. It does not attempt to maximise the number of councils in Greater Essex (and the corresponding costs of systems, senior managers and councillors) or to simply recreate, in larger geographical units, the existing system.

Strong foundations

Our case aims to build the most effective and efficient system of government we can, based on sound fundamentals including:

- strengthening the financial resilience of local government;

- safeguarding our critical services – including social care and homelessness - with prevention at their core;

- reinvigorating the dynamism of the Greater Essex economy – once the fastest growing region in Europe – by building the capacity for economic and housing growth and the capability to drive it forwards sustainably;

- reforging the links between citizens, communities and government – at the heart of which is nurturing the trust that comes from delivering decent services day in, day out;

- enlarging the headroom for the long-term transformation and public service reform that will still be needed if we are to rise to tomorrow's challenges as well as today's;

- simplifying and accelerating transition to the new models so that our residents reap the benefits quickly.

Better services, because that's what people want

And our case is built on these fundamentals because among the thousands of words in this and others' business cases there is one simple fact that we should not lose sight of: people want better services. In the survey commissioned by all authorities across Greater Essex:

- 85% identified the potential for better public services as the key benefit of change – way ahead of any other factor;

- residents' top priority for future councils was that they ensured public funds are spent efficiently on what matters most.

Our proposal responds directly to these priorities – safeguarding critical services and spending less money on the structures of local government , and more money on the services our residents want.

A safe and speedy transition

Importantly, our proposal recognises the urgency of achieving this. It keeps the transition to new structures as simple as possible so that we can get on this firmer footing quickly – minimising the risk to our most vulnerable residents; maximising the rapid realisation of benefits.

Empowered communities and neighbourhoods

Our case recognises that the world has changed and so must we. We must focus more on prevention and reshape our services so that we build capability and competence into our communities and support people of all ages, including giving children the best start in life. The future of local government will not be secured by delivering more and more services but by putting more and more power into the hands of people and communities and enabling them to solve problems with our support. That is why we are the only business case proposing a multi-million pound endowment to our new neighbourhood structures. It is why we are proposing a new responsibility on all of our unitaries to prepare a local prevention account. And it is what sits behind our proposal with the University of Essex to create a local What Works Centre to strengthen the evidence base underpinning prevention activity.

Facing boldly into the future

We cannot capture the potential of the future if we continue to cling to the past. In particular we must accelerate our understanding of how digital, data and AI can transform and target our core services. We must hardwire digital and tech into our ways of working in the same way that digital and tech is already hardwired into the lives of the people we are here to serve.

Government as a partnership

And finally, we must never forget that government is a relationship. If we allow the gap to grow between government and the people it is here to serve then it will become more and more difficult to achieve our collective ambitions. We have heard from residents throughout this process that they want to be informed, involved and to have influence on the issues that matter most to them. That is why our business case takes very seriously the need for a system of government that will have the wherewithal to listen to what people are saying, and to invest in the local services that people want and need. That's why our business case argues for a strong model of neighbourhood engagement. And that's why we are promoting through this business case, operating models for the new unitaries, that connect people to the places in which they really live their lives.

We believe, working with our partners, and through this business case, we can create government that is simpler, smarter and more sustainable than the current system. Three new councils; one bright future.

Kevin Bentley,
Leader Essex County Council

Other signatories to be confirmed

We believe, working with our partners, and through this business case, we can create government that is simpler, smarter and more sustainable than the current system.

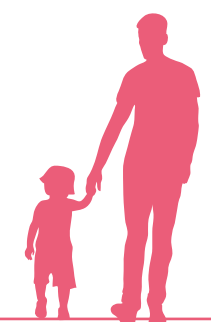**Three new councils; one bright future.**

Executive Summary

"The case for local government reorganisation is that there are significant opportunities available to areas from the creation of suitably sized unitary councils responsible for local government services for that area. Unitarisation can cut wasteful duplication of bodies, reduce the number of politicians and reduce fragmentation of public services"

English Devolution White Paper, p102

This proposal sets out a new vision for local councils and public services in Greater Essex. It is based on a firm understanding of our residents' priorities, rigorous engagement with the evidence and an ambition which is equal to the demands that we face.

The change proposed – based on a three cities unitary model - provides the strongest possible foundation for ensuring that Greater Essex residents enjoy the services they need at a cost they can afford and provides the best opportunity to unlock the growth and prosperity that will enable our region to thrive into the second half of the century.

In this Executive Summary, we show how the two-tier model is no longer capable of addressing the challenges we face. We set out our proposal for unitary government and the evidence that underpins it and demonstrate why a three unitary model is the best fit with the government's criteria. We lay out the core financial arguments that underpin our case; the risk that we need to manage through the transition to the creation of the new authorities and our approach for doing that safely and swiftly.

The rest of this proposal expands on these points and provides the detailed evidence to back them up.

Map legend:
- 1 — North Essex Unitary
- 2 — Mid Essex Unitary
- 3 — South Essex Unitary

Areas labelled: Uttlesford, Braintree, Colchester, Tendring, Harlow, Chelmsford, Epping Forest, Maldon, Brentwood, Basildon, Rochford, Southend-on-Sea, Thurrock, Castle Point
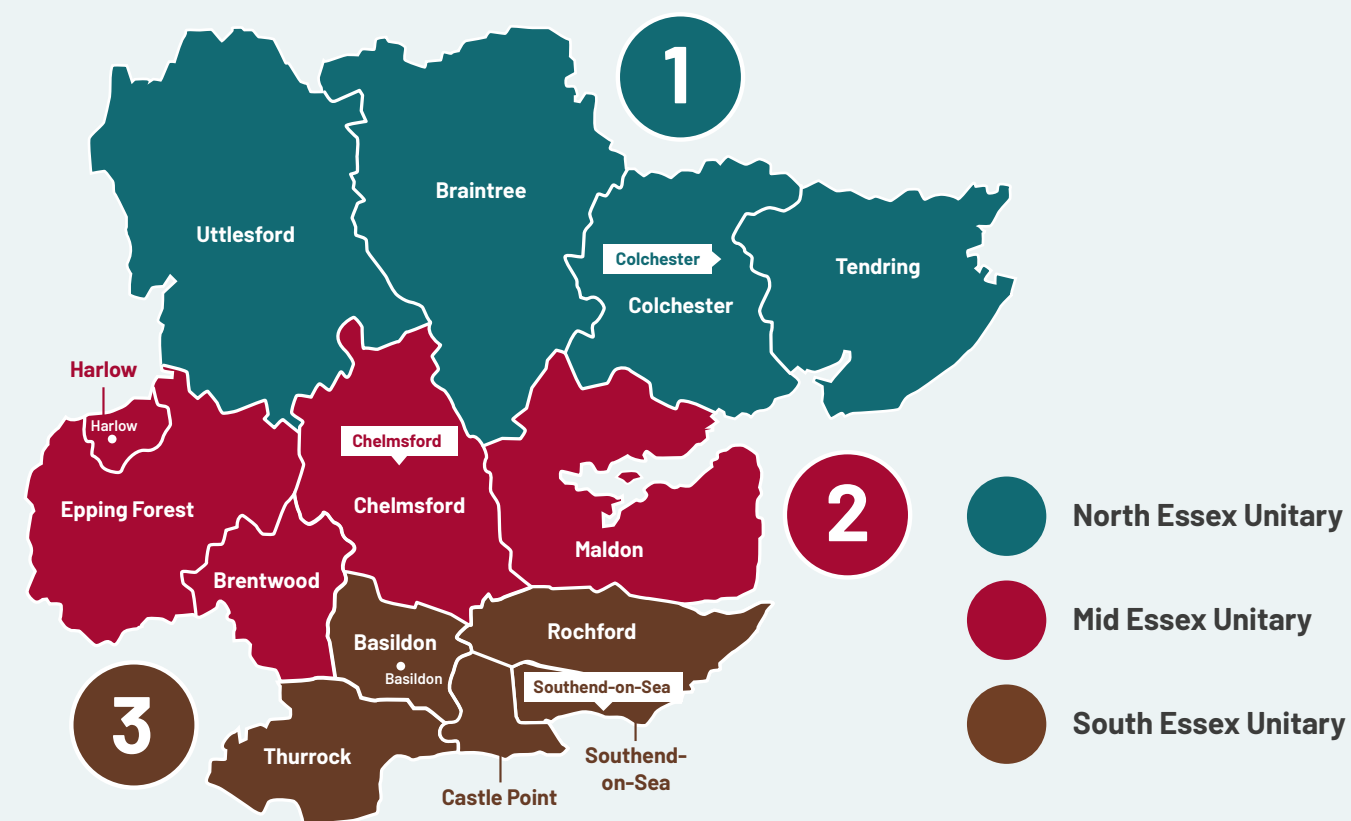
The case for replacing two-tier government

We start with the case for replacing two-tier government in general. Although the local authorities across Greater Essex have worked collaboratively over the years, we all recognise that the bureaucracy, duplication and inefficiencies built into the two-tier system of government are holding us back. We cannot take advantage of the latent opportunities in Greater Essex to be an economic and growth powerhouse for the UK, or address the systemic challenges that exist in some of our communities and lead to inequality and the frustration of opportunity, in the current system.

Two-tier government in Greater Essex needs to go for the following reasons:

- **Complexity** – people don't understand who does what at a local level – that is why Essex County Council (ECC) receives more than 9,000 calls a year about district council services; and Epping Forest District Council alone received over 2000 calls last year for Essex County Council. More than three quarters of Greater Essex residents (76%) believe that a single council for their area responsible for all services is a key benefit of reorganisation. The current level of complexity undermines accountability and transparency and slows down our ability to get things done;

- **Strategic capacity** - the fragmented structure of our existing system means that we don't have the capacity to plan effectively for housing, transport, skills and economic growth. The co-ordination overhead for fifteen planning authorities to strategically support the housing and economic growth needed across our three economic sub-regions is significant. Because there are so many councils the approach is relatively geographically siloed and the skills in the system are not always where they most need to be;

- **Duplication** – 15 authorities serving a population of 1.9 million means there is a lot of duplication in leadership and back-office

functions which could be streamlined to protect investment in front-line services;

- **Capability** – competition for roles across 15 local authorities contributes to recruitment pressures and skills shortages for statutory officers and in key service areas such as planning, enforcement, and social care. That in turn causes wage inflation impacting on service budgets;

- **Inefficiency** - multiple authorities managing the same or related services means that the ability to take advantage of economies of scale in service provision, recruitment, procurement, market management, contracting and other areas is not maximised;

- **Alignment with modern public service models** - modern services, focused on prevention, require integration across care, housing, education, leisure and culture, and other areas which are currently managed across different tiers of government. The effective join-up and integration of these services, including the data and intelligence that is currently unconnected, and the exploitation of new AI capabilities, is vital to creating a more preventative state.

In short, two-tier government in Greater Essex can no longer guarantee the achievement of value for money or quality public services into the medium-term. A new simpler, smarter, more sustainable model of government is needed.

Our proposal – the three cities model

Our business case proposes replacing the two-tier system with three new unitary authorities, aligned with our economic geographies, and built around Essex's principal cities – Colchester, Chelmsford and Southend with a view to strengthening the whole region's long-term prosperity by creating the conditions for economic dynamism and growth. This is an intuitive, simple and logical structure for Greater Essex. Our proposed new unitaries are:

- **North Essex** - covering Colchester, Tendring, Braintree, and Uttlesford;
- **Mid Essex** - covering Chelmsford, Brentwood, Epping Forest, Harlow, and Maldon;
- **South Essex** – covering Southend, Thurrock, Basildon, Castle Point, and Rochford.

The North/Mid/South configuration is easy to understand and accords with people's sense of place. Each new unitary authority will:

- commission all local government services within its area—streamlining accountability and improving outcomes;
- empower communities via local delivery structures (Neighbourhood Delivery Committees) to ensure services remain rooted in local identity;
- enable better planning, infrastructure and housing delivery, and economic growth by working closely with the Mayor, and aligning governance with functional economic areas.

Taken as a whole the three cities model will:

- **secure financial resilience** – the three cities model is more cost effective than the current system of local government in Greater Essex – delivering, in steady state, £380m+ of savings by 2040, even before the benefits of integrating services and transformation and public service reform are incorporated. It aims to balance the demand that will be placed on the new unitaries with their tax base – in a way that the four and five unitary options cannot – so that we can be confident that these authorities will be able to deliver high quality statutory services from day one.

Unlike other proposals, we will invest the savings from transformation and public service reform activity into better services, not paying down the costs of expensive local government structures;

- **safeguard critical services** – over 46% of the net spend in the Greater Essex system is on social care. We are very mindful in our Proposal of the need to ensure that the value for money and outcomes of current high quality social care services are not impaired as a result of this reorganisation. And given the extent of whole system spend in this area, this is the cornerstone to a safe and financially sustainable transition.

We currently have three social care authorities across Greater Essex which are highly rated by Ofsted and the Care Quality Commission (CQC) and provide good value for money. A three unitary model will not increase the number of social care departments in a way which might be unhelpful for our partners. It will also create authorities that are of sufficient scale to avoid unnecessary fragmentation of the skilled social care workforce in order to support effective preventative practice.

The risk of not achieving this cannot be understated. If we just take the children in care service as an example, the number of children in care per head of population in the Essex County Council area is so low – because of the focus on early intervention and prevention - that if this performance fell away so that children in care numbers rose to the average of our statistical neighbours, costs to the Greater Essex system would escalate quickly and be an additional £114m per year by 2040 (by statistical neighbour in this instance and throughout when we refer to this metric our statistical neighbours are those authorities that are most like us based on a key set of metrics – they include Kent, Hampshire, Warwickshire etc. They are identified in the Newton Europe report). The opportunity is to spread best in practice operating models to the whole system – to reduce costs and improve life chances for young people.

Addressing the critical interface between housing and homelessness duties and the social care system will be a key priority for the new local government system. With homelessness rising in Essex, new unitaries will bring together the capacity and functions to make strategic interventions; the financial incentives to better match accommodation and support with complex and diverse population needs; and the financial clout to invest in properties and in preventative services that bring together a range of professions and disciplines;

- **support economic and housing growth** – our three cities model builds our new unitary authorities around our key economic geographies to ensure Greater Essex can capture its untapped potential.

These economic geographies are well-balanced – each of the new unitaries will have a Gross Value Added (GVA) of £14-19bn and between 269,000-317,000 jobs; and each will have to deliver around a third of the housing growth Greater Essex needs to 2040.

Our new authorities will be able to plan for growth at a scale which matches transport corridors and housing markets. They will be able to maximise the coordination of housing growth alongside necessary strategic infrastructure investments, aligning developer contributions with the delivery programmes of infrastructure providers and public services - several of which will benefit from functioning under the same unitary authority structure.

Furthermore, by operating over a larger area, our new authorities will be able to deliver plan-led housing growth without the same constraints that smaller planning authorities have faced in the past (and would continue to face in the future). All new authorities will have enough developable land to support accelerated housing growth. They will all have the scale to accommodate future

development beyond Green Belt areas. They will have the ability to prioritise strategic development – focussing ambitious new developments in locations that make the best use of existing infrastructure, and maximising contributions from developers.

The importance of this cannot be overstated – the country needs growth. There is a housing crisis. Only authorities on the scale envisaged in our proposal will have the capacity to address this seriously and comprehensively across the whole geography;

- **enhance localism** – our three cities model will enable financial flexibility and the leadership capacity to support investment in more local ways of working. Supporting the ability of neighbourhoods and communities to shape decisions about their local areas is a key component of what we are trying to achieve through this proposal. It can only be secured by strong and stable management and political leadership and by releasing investment to better support front line councillors to engage with their residents; by investing in genuinely empowered neighbourhood governance models; by protecting the investment in the services and amenities that local people value and that add to quality of life; and by shifting the focus of commissioning to communities and neighbourhoods;

- **support transformation and public service reform** – our residents' top priority for future councils is that public funds are spent efficiently on services that are faster, more flexible and more responsive to their needs. To achieve that we need to invest capacity in transformation to capture the benefits of digital and data-enabled change, exploit the potential of AI, and build services around the needs of residents. Going further, we will need to seize the opportunities of

public service reform to deliver over the longer-term a more sustainable system of public services across Greater Essex. Our three cities model is based on achieving financial sustainability, building on realistic and evidence-based assumptions about the contribution that transformation and public service reform can make and recognising that it is important that momentum on these areas is carried forward into vesting day. It is the right approach to maintain ambition for the opportunities that transformation and public service reform can bring; and to exercise prudence on tempering that ambition when we build it into the finances of yet to exist authorities. Three unitaries will have more potential to achieve transformation and public service reform savings in terms of both the greater capacity of the organisations themselves and the simplification of the system that three, rather than four or five, new authorities will create.

And it is important to remember that the future sustainability of the new system will need to make sense not just in the aggregate where no one lives their life, but in each of the new unitaries that are formed. As the government's criteria make clear, this reorganisation has to work for everyone and therefore the system as a whole is only as strong as its weakest link. We are confident that in the three cities model we are setting up all of our new unitaries on firm foundations to succeed;

- **enhance collaboration** – our proposal simplifies the partnership landscape to ensure we maximise the value of collaboration across public services. Health partners and the police have indicated that they want the new local government system to be more sustainable, simpler, and more preventative, and the three cities model will deliver this. With three unitaries, rather than four or five, it will be easier to develop collaborative commissioning models across the unitaries and with wider system partners,

to achieve economies of scale benefits and a more preventative approach, in line with Ministerial guidance. This will also be facilitated by the move to a single integrated care board (ICB) for Greater Essex;

- **provide for a safe and speedy implementation** – our proposal reduces the risk of transition compared to other models. Firstly, we are reducing the degree of change by keeping the same number of upper tier authorities as we have today – 74% of the spend in the system is through the three strategic authorities. The disaggregation and aggregation of social care services will be complex. However the social care systems in Greater Essex differ considerably in size and scale. Essex's system is approximately eight times larger than either Southend or Thurrock's. Therefore the way to minimise complexity and risk as part of this process is to disaggregate the County Council's social care function through a single process in the South - rather than doing it twice. Although that means combining three social care functions, given the relative scale of the authorities, and the fact that all authorities work within national guidelines that is the simplest means of achieving a safe transition. Second, we are minimising the risk of disruption to service users and partners by attempting to keep the transition as simple as possible and by ensuring that the new operating environment is not more complex than the current one. Third, we are creating new authorities that will have the financial and workforce wherewithal to manage the risks associated with transition and the requirement to move forward with transformation and public service reform activity in collaboration with partners.

This proposal supports deeper devolution, simplifies local government, unlocks transformation in service delivery, and sets a firm foundation for public service reform.

Appraising the options

Five different reorganisation options were assessed through a robust options appraisal. These included models with two, three, four and five unitary authorities (UAs).

Figure 1: unitary authority options considered as part of the final options appraisal

Two unitary
(no proposal being submitted)

Three unitary
(Essex County Council led proposal)

Four unitary
(Thurrock Council proposal)

Four unitary
(Rochford District Council proposal)

Five unitary
(Southend City Council led proposal)
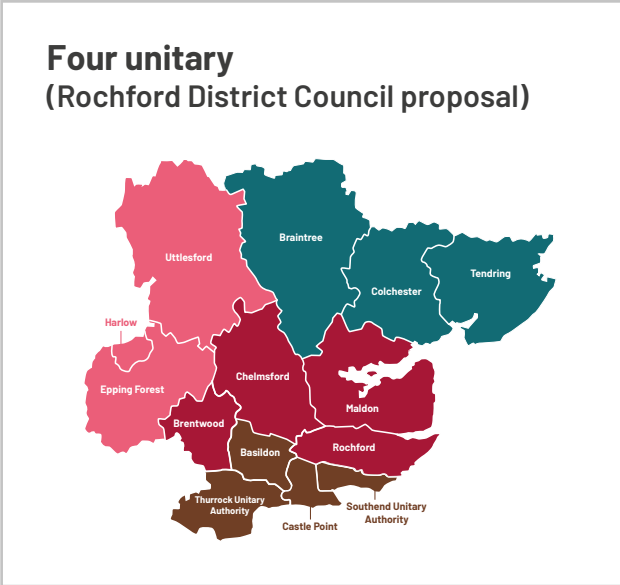
Key conclusions:

- **Two unitary model** - creates units of government that are too large to balance the criteria the government has set out for reorganisation, particularly if future population growth is factored in (e.g. North Essex would cover 1.17 million people by 2040); and which would weaken accountability and local identity;

- **Four and five unitary models** - creates authorities that will lack the scale and financial resilience not only to address the challenges we currently face but to withstand any potential future financial shocks – we are already projecting £716m of additional social care pressures in the system by 2040. These councils will struggle to create the headroom to invest in neighbourhood-level governance or in the transformation that will be required to keep services at the cutting edge of efficiency. Four and five unitary models will create more social care, public health, and highways authorities than we currently have in Greater Essex which will increase the risks of disaggregation of critical services and runs counter to the fundamental principle of LGR which is to simplify and streamline the existing system of government in Essex. The consequence will be more complexity for our partners and an increase in the time, cost, and risk of implementation. In a consultation commissioned by the group of authorities supporting a five unitary model, every part of Essex was opposed to the five unitary configuration proposed, except Southend-on-Sea where there was a small majority in favour;

- **Three unitary model** - strikes the right balance between creating authorities that are financially viable, geographically coherent, service-resilient, and focused enough to meet local need. It creates a system of local government cheaper than the current system, maximising the money available to invest in communities, in services and in the transformation and system reform that will be necessary to underpin the long-term success of local government in Greater Essex.

In addition to the general benefits of a three unitary model, the specific advantage of the geography we have identified, based around our three cities is its alignment with economic corridors, housing market areas, travel to work patterns and existing partnership structures – particularly with health. It balances the economic assets and housing needs of new unitary authorities. It smooths demand in our critical services across different parts of the area and ensures the tax base of the new unitaries is better matched to the demands placed on them from day one. And it minimises the disruption that will be created by this change ensuring that the residents of Greater Essex enjoy its benefits relatively quickly.

> The three unitary model strikes the right balance between creating authorities that are financially viable, geographically coherent, service-resilient, and focused enough to meet local need.

This model represents the best trade-off between economy of scale, local identity, and ease of delivery. And it minimises the risks that compound across different dimensions of the change:

		3UA (ECC-led proposal)	4UA (Thurrock Council proposal)	4UA (Rochford Council proposal)	5UA (Southend Council proposal)
Financial Cost/Benefit	One-off costs of implementation	£74m	£89m		£105m
	Net financial benefits after five years	£86m	– £21m	– £21m	–£114m
	Years taken to pay back one-off implementation costs	2.7 years	6.1 years	6.1 years	53.6 years
Sustainability of new UAs	Debt financing costs (% of UA's budget)[1]	18.7%	22.6%	19.7%	26.2%
	Gap between new UA's service costs and funding[2]	4.6%	6.1%	5.6%	5.6%
Value for Money	Number of new sets of statutory posts created	0	1	1	2
	Percentage reduction in back-office spend and through initial reorganisation	2%	1%	1%	0.5%

1   Based on the highest debt financing costs (as % of revenue budget) experienced by any of the UAs created under this scenario.
2   This shows the gaps between the disaggregated costs and funding for existing county council services. The figure reports the largest gap of all new UAs created under this scenario.

		Forecast 2040 Children in Care costs	Forecast 2040 Children in care costs assuming unit costs of statistical neighbours	Forecast 2040 Children in care costs assuming unit costs unit costs typical of the average LA
Performance	Financial costs of destabilising children's social care services[1]	c.£365m	c.£475-482m	c. £588-597m

1   Illustrates the potential financial impact of service disaggregation in one key area of social care – children in care costs. The table shows projected children in care costs in 2040 and illustrates the magnitude of additional costs that will be incurred if service disaggregation weakens ECC's current practice model which has safely kept children in care at levels substantially below the average for Essex's statistical neighbours and national averages.

Satisfying the government's tests

Our three cities unitary configuration is the model that best satisfies the government's criteria for reorganisation, by:

- **providing a single tier of local government based on sensible places** – the three cities model creates a single tier of local government for the Greater Essex area. It aligns well with key spatial development patterns (travel to work areas; housing market areas and growth corridors), and benefits from founding the three unitaries on the three cities of Greater Essex. The delivery of housing, economic growth and infrastructure under this scenario is likely to be successful across all three unitary areas, with geographically larger authorities better able to manage constraints around developable land and Green Belt policy;

- **being the right size to achieve efficiencies, improve capacity and withstand shocks** – the three cities model has the potential to deliver significant financial benefits (before considering transformation or public service reform opportunities c.£86m after five years with an ongoing annual benefit of c.£38m). The new councils created will have the financial and workforce capacity and resilience to respond to unexpected shocks and new demand. There is expected to be a negative gap for one unitary between the annual costs and funding that would result from the disaggregation of ECC services but this gap is smaller than in the configurations proposed for a four or five unitary model. Larger councils will be better placed to manage the historic debt being carried across the system, particularly in the South where the residual stranded debt from Thurrock will have the greatest impact. Populations of all unitary authorities in this scenario reflect the Government's 'guiding principle' of 500,000 residents. This is the only business case from Greater Essex which meets this guiding principle;

- **prioritising delivery of high quality public services** – we know from our research that residents regard this as the most important potential benefit of reorganisation. The three cities model balances the need to secure economies of scale in the delivery of large-scale strategic services with the potential to effectively deliver district-level functions that

require greater levels of local responsiveness. It enjoys a relatively even distribution of current and projected demand for people services - the level of demand in the highest demand unitary authority is a factor of 1.7 times higher than in the lowest. The variance in performance (across a range of services/outcomes) between authorities in our three unitary configuration is lower than in all four and five unitary options ensuring that a three unitary model is the most effective model for equalising life chances;

- **reflecting joint work and informed by local views** – extensive joint work has been undertaken by all 15 authorities across Greater Essex and a shared evidence base has supported all business cases put forward. We have engaged with partners throughout this process and have undertaken surveys, deliberative workshops and focus groups with residents (including groups who are typically under-represented in research) supplementing existing insight on their views and priorities. The only option that residents have expressed more opposition to than support for in nearly every part of Greater Essex is the five unitary option;

- **supporting devolution** – in this model there is a good balance between the populations represented by new unitary authority leaders on the Greater Essex Combined County Authority (the population of the largest unitary (South Essex) is only 29% larger than the population of the smallest (Mid Essex)) whereas in the five unitary model this gap is pushing 60%; the GVA of all three authorities is in a range of £14-19bn; and all have strong sector specialisms. There is clear precedent from elsewhere in England, for the development of effective MCAs with three constituent members. This plan will allow us to transition to a more balanced Combined Authority constitution and operating model from the mid-point in the Mayor's first term;

- **strengthening community engagement and neighbourhood empowerment** – this model supports community empowerment through the creation of the headroom to invest in genuinely neighbourhood-level governance and decision-making and in ensuring there is a reasonable number of councillors per elector to ensure strong representation of voters through an enhanced member support programme.

Delivering financial benefits

The three cities model will ensure that local government in Greater Essex is more financially secure than it is today. We have worked with PwC to undertake analysis of the costs and benefits of local government reorganisation using the same model that MHCLG used in its own White Paper.

PwC's broader modelling demonstrates that the costs of the local government system increase the more councils you create. The simple truth is that fewer councils cost less. PwC's analysis suggests that, by limiting the number of future councils to three, our proposal has the potential to deliver significant financial benefits. The net cumulative benefits of local government reorganisation (before

opportunities for service transformation and public service reform) could total c.£86m after five years, with an annual benefit of c.£38m per year thereafter from 2030/31, enabling the reinvestment in prevention and neighbourhood empowerment required to deliver our vision for local government and aid financial sustainability in a challenging economic environment. We can expect the three cities model to pay back the costs of reorganisation within three years – well within the first term of the new unitaries' administrations. This will be essential at a time when service demand and cost pressures are escalating far beyond anticipated funding streams.

The table below shows the costs, benefits and payback periods associated with creating two, three, four and five UAs.

Table 1: Summary of costs and savings of the local government reorganisation options in Greater Essex (excludes transformation and public service reform benefits)

	Number of unitaries			
	Two £m	Three £m	Four £m	Five £m
Implementation costs	**(60)**	**(74)**	**(89)**	**(105)**
On-going annual net savings/(costs)				
2028/29	27	19	3	(12)
2029/30	40	28	11	(5)
2030/31 (first year of on-going net saving excl. implementation costs)	**53**	**38**	**18**	**2**
2031/32	53	38	18	2
2032/33	53	38	18	2
Total net benefits/(costs) after 5 years	**167**	**86**	**(21)**	**(114)**
Payback period (years)	**1.8**	**2.7**	**6.1**	**53.6**

Note: The four unitary option provides the same forecast outcome for both the Rochford and the Thurrock models

The three cities model compares well in financial terms against any four and five unitary scenarios, with lower one-off implementation costs, lower ongoing costs and higher levels of projected savings. The net annual benefits associated with our proposal are more than double that of any four unitary model and many times greater than any five unitary model - the cumulative financial gap between the three and five unitary models will be c.£480m+ by 2040. Even on very cautious assumptions, it will take any five unitary model 50 years to generate net financial benefits without taking forward transformational change.

These benefits will become an increasingly important factor in providing financial resilience and delivering twenty-first century local government.

Resident and partner support

The ultimate purpose of reorganisation is to improve local government for the benefit of residents, service users and taxpayers. Our support for the three cities model is informed by robust research exploring what residents want from future councils, the concerns they have about reorganisation, and the opportunities they see for themselves, their families and their communities.

This research has shown that what matters most to Greater Essex residents – regardless of where they come from – is that local government reorganisation:

- improves the quality of local services (85% identified the potential for better public services as the key benefit of change – way ahead of any other factor);

- ensures public funds are spent efficiently and on what matters most;

- enables clear accountability about when, how and who is making decisions on the spending of public money; and

- is delivered in a way that minimises disruption to services.

The three cities model delivers on these priorities by:

- enabling significant financial benefits when compared with any four or five unitary scenarios (see above);

- balancing the need to secure scale economies in the delivery of large strategic services with the potential to effectively deliver district-level functions;

- reducing the risk of disruption in the short-term by enabling a smoother transition and in the longer-term by avoiding unnecessary fragmentation of key services; and

- bringing decision-making closer to communities – creating the financial headroom to invest in neighbourhood-level governance and decision-making.

We have also engaged with a wide range of partners on the development of our proposal through discussions at partner forums, specific bilateral discussions, and by issuing a general survey to a wide range of partner agencies.

The feedback received sets out partners' main priorities for LGR which include:

- creating a simpler system of local government with which partners can work on shared priorities;

- enabling a greater focus on prevention; and

- minimising disruption in service delivery, shared projects and programmes and funding streams.

Again, the three cities model delivers on these priorities by:

- minimising the number of new authorities with which partners such as the Police Service, Fire and Rescue Service and NHS will need to align and integrate their operational work – reducing cost, duplication and hand-offs; and simplifying mechanisms for business engagement across Essex;

- therefore also reducing the number of separate and disparate policies and approaches, which will simplify engagement and sharpen the focus of joint working;

- creating the financial headroom to allow for greater investment in preventative activity across health, public health and social care, crime and community safety;
- reducing the risk of short-term, transitional disruption, and unnecessary long-term fragmentation.

Implementing our proposal

The implementation of LGR is a key concern for residents and a critical component of its success. A smooth and relatively quick transition to the new authorities will ensure that disruption is minimised and that the benefits of reorganisation can be captured as quickly as possible.

Our proposal provides the ability to move at pace. We will manage the process of change, working in partnership with our colleagues and communities, through four phases:

- **Phase 1 – Pre-Implementation:** following submission of the LGR Business Case, we will continue to engage with communities and partners. Our dialogue with residents has emphasised the need for transparency and consultation. We will therefore work openly to establish robust programme management and governance arrangements that last to vesting day;
- **Phase 2 – Collaboration and design:** following the Government's formal decision, we will continue to build strong collaboration, including with the new combined authority. We will create a Greater Essex joint programme team, with a single methodology, clear governance arrangements and set of common design principles, to set out future operating models for the new unitary authorities;
- **Phase 3 – Implementation:** robust programme governance will remain firmly in place to ensure delivery is consistently supported, with a shadow board established to provide clear and timely formal decision-making on behalf of the new unitaries. We will also work with Greater Essex employees to develop the culture, values and identities of the new unitary authorities;
- **Phase 4 – Post Vesting Day:** this stage represents the culmination of the implementation/transition plan, when the three new unitary authorities will become the constituent members of the Greater Essex Combined Authority under the Mayor. The new authorities will assume full responsibility for all local government functions across Greater Essex from 1 April 2028, with formal financial planning and accountability. We will prioritise service continuity, ensuring effective delivery of services and a seamless transition for residents and that the new authorities are 'safe and legal' from day one while also looking ahead to the potential for transformation and longer-term public service reform opportunities.

Our asks of government to support implementation

To support our ability to implement this proposal effectively we have three key asks of government:

- **Financial support for the costs of reorganisation** – we are seeking a significant contribution from government to the initial £74m costs of reorganisation to avoid any financial disruption to Greater Essex. If a significant contribution is not forthcoming that will slow down the ability to invest in transformation and public service reform as all costs will need to be met from reserves and consequent savings will then need to replenish those reserves over the payback period.
- **Early and supportive resolution of Thurrock's debt** – the Greater Essex system is carrying substantial debt but of most significance is the stranded debt in Thurrock. Government has previously acknowledged as part of its feedback to the Interim Plan that Thurrock's unsupported debt cannot be managed locally in its entirety and Government is committed to providing an initial tranche of financial support for debt repayment for Thurrock Council in 2026-27. We are seeking early confirmation of the continuing support the government will provide and welcome ongoing discussions about how the residual debt may be supported between now and vesting day to reduce the revenue burden on the proposed South Essex unitary authority.
- **Equitable and safe interim governance arrangements** - Greater Essex has a well-developed and mature set of relationships that include regular, recognised meetings of all Chief Executives and all Leaders. We have already collectively developed system-wide programme governance to deliver Mayoral Devolution in Greater Essex successfully with Southend, Thurrock and Essex working as equal partners.

LGR represents a further scale of complexity and asymmetry of citizen representation, statutory and financial responsibility. We propose interim governance arrangements are put in place around each new unitary, which provides for parity between the two tiers of local government. This will help de risk transition and anchor the implementation programme ensuring that we utilise the existing infrastructure and experience of the 'legacy' organisations.

We seek to ensure that all services, but particularly statutory services such as social care, are safeguarded during the transition to three new unitary councils, formally securing the right combination of domain experience and expertise.

A smooth and relatively quick transition to the new authorities will ensure that disruption is minimised and that the benefits of reorganisation can be captured as quickly as possible.

In conclusion

To summarise – our argument for why a three unitary option is better than the proposed alternatives is that:

- **it is the most equitable model of local government being proposed:**
    - the three councils in the three cities model will have less performance, demand and funding variance than in the four and five unitary models;

- **it exposes our residents to the least risk:**
    - it involves the least amount of disruption to critical services;
    - the transition to the new arrangements will be faster than in the other proposed models;
    - it is the safest and least complicated route to building new social care authorities, protecting the strengths of the existing system – both in outcomes and in cost. If Essex performed at the level of our statistical neighbours for children in care, it would cost taxpayers in Greater Essex an additional £114m per year;

- **it involves the least disruption to our strategic partners – particularly police and health – and therefore supports effective safeguarding:**
    - it does not involve the proliferation of statutory roles – we will only have three Directors of Adult Social Care; three Directors of Public Health; three Directors of Children's Services etc. All of these services perform well now with three statutory roles, we do not need four or five of these roles in the Greater Essex system with the expense and workforce quality risk that might create;
    - it doesn't increase the regulatory burden for government by creating additional social care authorities for Ofsted and CQC to inspect;

- **it reflects the priorities set out through our engagement with Greater Essex residents:**
    - it unlocks significant efficiencies and financial benefits, enabling investment in improving and sustaining public services rather than supporting structures of government;
    - it reduces the risk of disruption in the short-term by enabling a smoother transition and in the longer-term by avoiding unnecessary fragmentation of key services; and
    - it brings decision-making closer to communities – creating the financial headroom to invest in neighbourhood-level governance and decision-making.

- **it operates with the grain of our key economic geographies:**
    - people understand what is meant by North; Mid and South Essex. These are simple, common sense areas of Greater Essex which are intuitive for residents to understand;
    - it doesn't cleave economic geographies in two – most notably the internationally recognised Thames Estuary;
    - it doesn't create authorities that are too small or poorly configured to support strategic housing growth underpinned with decent infrastructure;
    - it doesn't create small indebted unitaries with very significant demand pressures and insufficient scale to address them – as the five model does in Basildon/Thurrock;

- **it is the most cost effective – delivering highest savings and lowest costs – of any of the reorganisation models being proposed:**
    - by 2040, the cumulative difference between the three and five unitary model will be nearly half a billion pounds;
    - the realisation of benefits will be relatively quick – within three years;
    - it more evenly distributes debt across the system – maximising our ability to manage it without impacting front-line services;
    - in the five unitary proposal, we will be closer to the next century than to the start of this one before any benefits from reorganisation materialise;
    - it is the only proposal that is suggesting an endowment for our neighbourhoods to guarantee funding flows into more local ways of working.

Introduction

This proposal sets out a new vision for local government in Greater Essex. It seeks to build on what works well today, as well as capturing the new opportunities we can create through this reorganisation. Together with the creation of a new Greater Essex Mayoralty and devolution from Westminster, this proposal will give the people of Essex much greater control over the outcomes that matter most to them.

Here, we set out the three part structure of our business case and the process we have been through to develop its findings – including the evidence base we have used to underpin our consultations; the engagement we have undertaken with local partners including other local authorities; our approach to understanding the views of residents and the check and challenge that we have exposed our thinking to throughout the process.

The structure of this document

This document is divided into three parts.

1 **Part One – sets out the case for change;** why we need to reorganise local government structures in Greater Essex, the challenges and opportunities we face and the local authority structure that we believe will serve Greater Essex best. This includes a detailed assessment of the various options we have considered and the reasons why we are proposing the three cities model.

2 **Part Two – describes key operational and policy drivers** for these new unitary authorities. This includes strengthening the capacity of the new authorities to secure economic growth; strengthen and empower communities and build a more prevention focused local state.

3 **Part Three – sets out how we will manage the process of transition,** mitigate the risks associated with local government reorganisation and ensure that change is seamless and swift for residents and those who rely on council services.

How we have developed our Proposal

Reforming local government structures is a once-in-a-generation opportunity. Our approach has been guided by a set of key principles, ensuring our proposal is:

- evidence-led;
- informed by input from residents and partners;
- developed in collaboration with other Greater Essex local authorities;
- reviewed externally through check and challenge processes.

Evidence-led

Our proposal is based on rigorous engagement with the evidence. We recognised early on that while there is a strong in-principle case for LGR, different configurations of new unitary councils could lead to very different outcomes, especially in a place as large and diverse as Greater Essex. We therefore committed ourselves at the outset of this process to go where the evidence takes us. That is why we didn't rush to take an early decision on our preferred model but rather waited until all the necessary evidence had been compiled and properly reviewed through a robust options appraisal process which we have returned to throughout as new evidence has become available.

It is this commitment to evidence that has led some partners, most notably the county council, to resist any instinct to back a single unitary or two unitary model for Greater Essex – a position often adopted by large county councils working through the LGR process. Careful consideration of the evidence, weighed across the full range of criteria set by the government, has led us to identify a three unitary model as the overall best option for Greater Essex.

Informed by input from residents

Our proposal is based on insight on what matters most to our residents, their views on what good local government looks like, and their aspirations for their families and communities.

We have **not** asked our residents to tell us which LGR configuration they prefer – consulting on options is, rightly, a matter for government at the appropriate time. Rather, we have surveyed residents; undertaken deliberative workshops; and held focus groups, including with groups whose voices are less often heard in public decision making (young people, minority ethnic groups and people with disabilities), to better understand what they want from their councils, now and in the future. The data and insight gathered from this engagement work has been directly reflected in our proposal. We are therefore confident that it reflects residents' priorities, addresses their concerns about the process of reorganisation, and provides the best possible platform for delivering a system of local government that can meet residents' aspirations for the future.

Our engagement has highlighted that **residents support LGR in Essex and their support for change is greatest where it can deliver better public services** and greater clarity on who is responsible and accountable for local decisions. The quality of public services is far more important to a far larger proportion of residents than concerns about whether or not council structures reflect patterns of local identity. Indeed, it was a clear theme throughout our qualitative research that residents' sense of local identity is driven by hyper-local factors – their neighbourhood, their links with friends, family and people in their immediate community. Local government structures have no bearing on this at all.

Figure 2: Residents' views on Local Government Reorganisation in Greater Essex
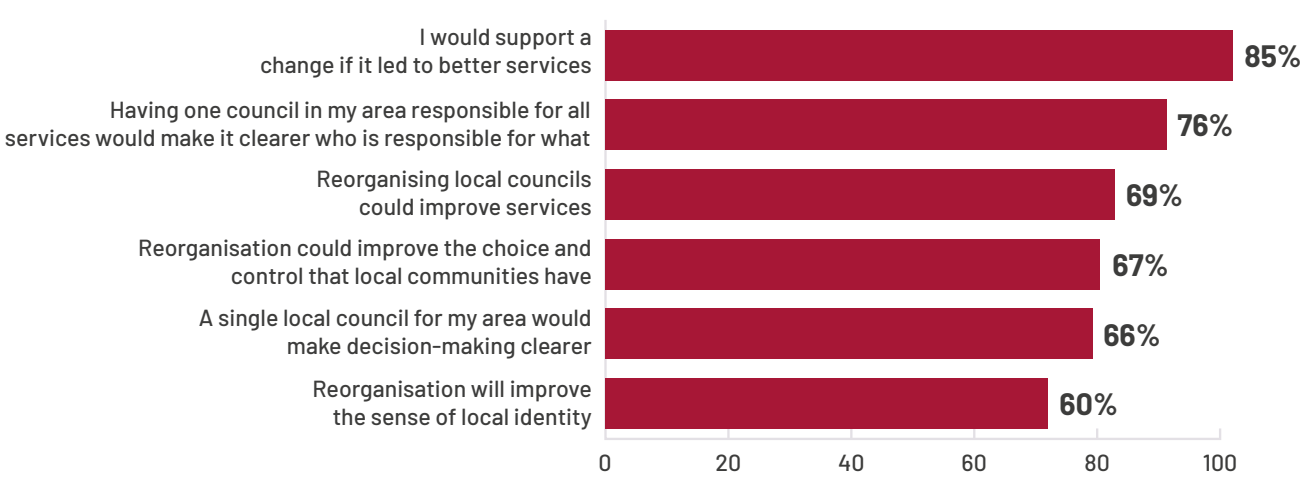
As well as gathering insight on residents' support for LGR, our engagement afforded us an understanding of some of the concerns residents had about the process of reorganisation. Residents greatest concerns about LGR are about the risk of service disruption and that services will not be delivered at the local level, informed by local knowledge and the specific needs of their areas.

But despite these concerns, Essex residents see opportunity in LGR. They see it as an opportunity to improve the quality of public services, with a focus on efficiency, joined-up working, and delivering services based on local needs. Residents identified this as the opportunity most likely to positively impact the greatest number people.

Figure 3: Residents' views on the main benefits of Local Government Reorganisation for themselves and their families, and their community

For themselves and their families

Improved quality of public services	44%
Services delivered based on local needs	37%
Saving the public money	36%
Easy access to services and support	30%
Simpler council structures	30%
More clarity over who is responsible for decisions	29%
Easy to contact the council with queries or concerns	22%
More influence over local decisions	21%
Don't know	4%
None of the above	4%
Other	1%

For the community

Improved quality of public services	42%
Public services that work together effectively and efficiently	40%
More money spent on local priorities	34%
Increased investment in local infrastructure	30%
More local jobs and economic opportunities	28%
More focused support for vulnerable people	25%
Fairer distribution of resources (across urban/rural/coastal areas)	23%
Stronger local voice in regional and national decisions	21%
None of the above	5%
Don't know	5%

Illustration 3: What is most important to you when it comes to how local councils work?

Ensuring public funds are spent efficiently on what matters most to me and my area	52%
Improving the quality of council services	45%
Clear accountability about when, how and who is making decisions and how public money is spent	45%
Having a local councillor who knows and stands up for my area	37%
Having a say in decisions that affect me	27%
Prioritising services for the most vulnerable	22%
Councils work to protect existing local services	19%
Clear and accessible information available on council services and councillors	18%
Effectively working with Police and Fire and Rescue Services to promote public safety	17%
Councils have a physical presence in your local area	13%

Looking to the future, the most important factor for residents is that councils are efficient in their use of resources, are accountable and that they improve the quality of public services.

Our proposal has been developed to reflect the issues that are most important to residents, to respond to their concerns, and to provide a platform for a model of local government that reflects residents' priorities. The full detail of our approach is set out in the body of this document, but the key examples of how our proposal has been shaped to reflect resident views are summarised in the table below.

Table 2: How our proposal reflects and responds to residents' views

Resident views	How this has been reflected in our proposals
Residents' support for LGR is based on the potential to secure better public services.	Our three unitaries proposal has been shaped to ensure that new UAs can balance the need to secure scale economies in the delivery of large strategic services with the potential to effectively deliver district-level functions. Our proposal provides a strong platform for public service transformation, that will enable public services to change to reflect the changing needs of communities over the decades ahead.
Residents are concerned about the risk of service disruption.	Our three UA proposal reduces the risk of disruption in the short-term by enabling a smoother transition and in the longer-term by avoiding unnecessary fragmentation of key services (compared to proposals for four and five UAs).
Residents are concerned that services will not be delivered at the local level, informed by local knowledge and the specific needs of their areas.	Our proposal will sustain hyper-local service delivery in key public services. It will also deliver a model of local government that is more local than the current system. Our 3UA proposal creates financial headroom to invest in new community governance to ensure that decisions can be taken locally and that services are informed by local knowledge and the specific needs of local areas.
The most important factor for residents is that councils are efficient in their use of resources, are accountable and that they improve the quality of public services.	Our three UA proposal will deliver greater financial savings and efficiencies than any four or five UA proposals and will cost less than the current system of local government – allowing greater reinvestment in local services.

An overview or our approach to resident research – together with the full results of our representative resident survey and qualitative work – can be found in Appendix A.

Informed by input from partners

We have engaged with a wide range of partners on the development of our proposal. We have done this through:

- tabling discussions on LGR at existing partnership board meetings – for example the Health and Wellbeing Board (for health partners) and the Greater Essex Business Board (for businesses);
- setting up specific meetings with partners to discuss LGR;
- a general survey that was emailed out to a wide range of partners.

While partners have understandably not been able to express specific preferences at this stage, ahead of business cases being submitted, they have given some general feedback about their main LGR priorities. This is set out in the table below:

Table 3: Partner priorities for Local Government Reorganisation

Partner group	Main points of feedback so far	How we address these points in our proposal
Health partners	We understand from feedback so far that health partners want LGR to: - create a simpler system that is easier to work with and recognises their own boundaries and their own capacity reductions and constraints; - enable resilient and sustainable social care systems – if LGR weakens the performance and sustainability of social care it will further drive up demand pressures on the NHS; - facilitate the opportunity for more joined-up working around prevention, early intervention, public service reform and data sharing/analytics; - support bold leadership focused on tackling inequalities and improving outcomes for deprived communities.	Our three unitary proposal simplifies the system from a health perspective. 95.6% of GP catchment areas are fully contained within the boundaries of our new unitaries; as are 85.7% of Primary Care Network (PCN) catchments. Our proposal supports the sustainability of social care systems by reducing disaggregation costs and risks. Unlike other options, it avoids creating additional social care authorities. Our model helps to tackle inequalities. It creates areas that each have a balance of affluence and deprivation meaning that no area will be left behind. The new unitary authorities will have the scale and financial capacity to be able to invest in prevention and early intervention.

Partner group	Main points of feedback so far	How we address these points in our proposal
Police/Fire	We understand from feedback from Essex Police and Fire that they want LGR to: • create a well-functioning Mayoral Combined Authority that will be able to carry out its duties effectively on community safety and crime prevention; • ensure that community safety is embedded in the design and delivery of transport and the built environment to help reduce and prevent crime; • create a simpler system of local Community Safety Partnerships that will lead effective action on local crime detection and prevention with reduced administrative overheads; • deliver a more effective public health model for prevention to address the upstream drivers of crime and anti-social behaviour; • enable safeguarding partners to develop shared missions, ambitions and priorities for safeguarding children.	Our three cities model will support an effective approach to community safety and to collaboration with the Police and Fire and Rescue Services by: • creating a simpler system that avoids setting up new social care and public health authorities and therefore increasing the number of boards, meetings, plans and strategies that Police and Fire need to contribute to. This will also provide the strongest foundation for reaching agreements across unitaries in terms of joined-up safeguarding arrangements; • putting in place Neighbourhood Delivery Committees that will work with Police/Fire to ensure that council services and their delivery support community safety in neighbourhoods; • creating councils that have the scale and financial capacity to address the upstream inequalities that drive demand pressures for Police and Fire. They will also have the capacity to design community safety into the development of transport and the built environment.

Partner group	Main points of feedback so far	How we address these points in our proposal
Businesses	We understand from feedback so far that businesses want LGR to deliver a much simpler system of local government that is easier for them to engage with and that will be able to work effectively with a new Mayor to drive economic growth. Businesses generally do not operate within local government boundaries and are therefore not keen to create more boundaries than are necessary.	Our model provides simplified access to growth support, skills programmes, innovation networks and funding. It will embed business-led skills training, giving local employers a stronger voice in shaping provision and enabling a more agile response to sector-specific skills needs. This will ensure that training is relevant, up to date, and aligned to real job opportunities. The three cities model also presents strong opportunities for collaboration between the Mayor and the unitaries. Each unitary will have the scale to plan and deliver major initiatives while remaining close enough to local communities and businesses to ensure responsiveness. The model avoids creating new administrative boundaries that cut across economic geographies and it aligns with how people live, work, travel, and do business across Essex. Local delivery and place shaping will be facilitated by new Neighbourhood Delivery Committees (NDCs). These will build on the experience we already have of Towns Boards in Clacton, Harlow, and Canvey Island – each empowering local communities to develop long-term regeneration plans to shape the future of their towns. They bring together residents, businesses, local government, and community leaders to create a shared vision and roadmap for transformation over the next decade and beyond. This joined-up approach will accelerate regeneration, making it more coherent and impactful. The three cities model will provide the structure, scale and leadership needed to connect skills, employment and economic development in a more strategic and responsive way. It will also ensure that residents and businesses receive the support they need to grow, adapt and succeed. A smaller number of unitaries, working in partnership with the Mayor, and informed by the Greater Essex Business Board, will make it easier to attract long-term capital into housing, infrastructure and commercial development.

Partner group	Main points of feedback so far	How we address these points in our proposal
Voluntary and community sector	We understand from feedback so far that voluntary and community sector (VCS) partners want LGR to: • recognise and properly invest in voluntary sector organisations as professional and long-term partners, not just short-term service providers; • ensure continuity and clarity in funding and commissioning to avoid disruption to vital community services; • strengthen collaboration between councils and voluntary organisations, especially in areas like domestic abuse, youth services, climate action, and social isolation; • embed community voices and lived experience into decision-making processes, beyond consultation; • support rural communities by recognising their distinct needs and ensuring equitable access to services and funding; • enable voluntary organisations to contribute to strategic planning and delivery, especially in rural and cultural sectors; • anticipate and mitigate risks from policy changes, such as funding uncertainty and climate-related impacts on vulnerable communities.	Our model provides the strongest possible basis for supporting and working with the voluntary and community sector going forward. • our proposal is the one that provides the strongest possible financial stability for future local authorities and therefore the strongest basis for investing in collaborative working arrangements with the VCS; • a smaller number of strategic authorities should reduce the partnership overhead for VCS organisations, enable strong relationships to be built and streamline and simplify approaches to funding; • the commitment to neighbourhood level working will ensure that partnerships on the ground with local VCS organisations can flourish and will be brought into local decisions; • we are committed through this business case to engaging with the VCS as part of the transition process, so that we build the new institutions together.

Partner group	Main points of feedback so far	How we address these points in our proposal
Universities /colleges	We understand from feedback so far that our universities and colleges want LGR to recognise the important role that these institutions can play in supporting the economy of Greater Essex as economic entities in their own right, as anchor institutions, and in terms of addressing the future skills needs of the economy. This will become increasingly important as there is more devolution in this area. The universities also have a key role to play in ensuring that their expertise is able to be integrated into public service provision.	Our model builds on the strong links that already exist between skills providers/the universities and local authorities through a variety of forums including the Greater Essex Business Board. The development of the local skills improvement plan (LSIP) and other elements of the devolution of skills and economic growth will be strengthened by close collaboration with skills partners. In addition some early thinking, reflected in this proposal, has taken place with the University of Essex to consider how best to strengthen the evidence base for preventative interventions and for establishing the value for money of specific aspects of public service provision in general.
Town and parish councils	We understand from feedback so far that town and parish councils want LGR to: • recognise their unique experience and role in representing local voices; • establish formal structures for parish councils to contribute to decision-making and policy consultations; • ensure equitable representation and resourcing across different regions, particularly coastal and rural areas; • address local challenges such as deprivation, health inequalities, and environmental pressures through locally informed planning; • maintain the individuality and heritage of communities while enabling strategic coordination across the county; • avoid centralisation that could dilute local accountability and responsiveness.	Our three cities model sets out a robust approach for neighbourhood working. Our business case proposes a model for Neighbourhood Delivery Committees (NDCs) which would be constituted as formal committees of the new unitary authorities. NDCs would cover all areas within each unitary authority and would be expected to include local partners including any town and parish councils in the area, local NHS partners, housing associations, local police commands, and the voluntary sector. NDCs will help to ensure that the council's services and local investments are tailored to meet the needs and opportunities of neighbourhoods, with local residents having a real say in the decisions that affect them. We envisage NDCs operating at a range of geographical scales: from groups of villages, to market towns and their surrounding hinterlands, to large and fast-growing cities. NDCs will thus provide a sound basis for local place leadership, ensuring that towns and parishes can articulate their priorities and concerns within the new unitary authority structure on the same footing as larger towns and cities.

In general, there is a strong and consistent message from partners about wanting to see LGR deliver on the promise of a simpler system of public services – because they understand the risks of a more complex system and because partnerships are based on people and building and nurturing constructive relationships. Our three cities model best delivers this. It aligns well with existing neighbourhood structures - in particular in health - and it creates fewer new councils and fewer new boundaries than other proposals. It avoids increasing the number of social care authorities compared to what we have now. It will therefore avoid increasing the number of inspections, strategies, plans, and boards on upper tier authority responsibilities compared to the status quo and it will reduce them compared to other proposals. It will involve less disruption to existing partnerships and structures and therefore mean a safer transition not just for the new local authorities but for the whole system of public services across Greater Essex.

Developed in collaboration with other local authorities in Greater Essex

Although Greater Essex's 15 local authorities may have different views on the best unitary configuration option for the area, we have sought to work in a way that preserves our track record of effective joint working and collaboration. We see this as vital in enabling our councils to deliver effective business as usual services; advance discussions on devolution; deliver value for the taxpayer; and ultimately enable us to come back together, as a group of 15, to implement whatever LGR option the government decides on. The key features of our collaboration have included:

- regular meetings of the Essex Leaders and Chief Executives (ELCE) forum – bringing all 15 councils together throughout the LGR process;

- the production of a core common evidence base, including jointly commissioning third-party research and analysis and shared partner engagement;

- the use of a shared platform for sharing evidence and data in line with agreed protocols;

- collective financial analysis and input co-ordinated through the Essex Finance Officers Association, which comprises the S151 officers of the 15 local authorities in Greater Essex;

- the use of a common resident engagement survey agreed and distributed across all authorities to support this business case;

- the joint appointment of external advisors (Newtrality) to help support collaboration across the business cases on common issues like communications, engagement and evidence sharing.

The collaboration has meant that relationships and communication across all 15 authorities in Greater Essex has remained strong at both political and officer level. This stands us in good stead for the implementation phase, when we will all need to come back together to collectively implement the Government's chosen model for LGR.

Externally checked and challenged

We have received check and challenge on this business case from a number of external partners:

- Newtrality – has supported all business cases to ensure joint working, a common evidence base, and collaboration where that has made sense;

- PwC - has provided financial modelling based on a nationally recognised methodology;

- Chartered Institute of Public Finance and Accountancy (CIPFA) – has reviewed the debt of each authority and ensured that there is a common and shared understanding of the debt levels and asset backing in the Essex system;

- 31ten – has reviewed the work that the county council has undertaken to disaggregate its budget to ensure the validity of the assumptions and approach;

- Newton Europe – has reviewed social care spend across Essex, Southend and Thurrock to support our understanding of the demand pressures that will be faced by new unitary configurations;

- Impower – has supported work on understanding the transformation potential in the Greater Essex system.

This external check and challenge has significantly enhanced the quality of our business case, enabling us to ensure that:

- the evidence base is robust;

- the conclusions we have drawn from the evidence are fair and accurate;

- the overall narrative we have constructed in the business case links back to the evidence base and is grounded firmly in the Government's criteria and in the outcomes we want to see for our residents.

A fuller description of the process we have been through to develop the business case is included at Appendix H.

Part One: Case for Change

In this part, we set out our case for change - why we think this reorganisation is necessary to support the sustainability and quality of local government across Greater Essex. We set out why, balancing all criteria, we believe our three cities model proposal is the strongest basis for achieving the outcomes and best value for money our residents want and deserve. We anchor our case for change in the challenges that local government is currently facing and show how our proposal can meet those challenges with confidence and creativity. And in this part, we set out the detailed basis of our case for three unitaries and the consideration that has led us to conclude that the options promoted by others provide a less solid basis for the fundamental reform that is needed to shift the focus of public services to prevention.

Greater Essex: opportunities and challenges

Essex, including the unitary authorities of Southend and Thurrock, has been a unit of government since the first Kings of England in the sixth century. Its historic boundaries are broadly the same as they were a thousand years ago, stretching from the Thames Estuary in the south to the Stour Valley in the North; and westwards from the North Sea coast to the Lea and Stort Valleys. Many of our towns have long-standing historical identities which can be traced through Roman, Saxon, Norman, medieval and industrial periods to the present day.

Over the past century, hundreds of thousands of people have come to Greater Essex to improve their lives. People have moved here to enjoy the quality of life offered in our villages, towns, and cities, and to grasp new economic opportunities. While there is no single Greater Essex character, most of the 1.9m people who live in the area are here because they or their parents saw an opportunity and seized it.

Today we are a dynamic, thriving, entrepreneurial and creative region. Our ambition, which will be enabled by a new Mayoral Strategic Authority, is to have the fastest growing economy in the UK outside London.

A thriving, inclusive, and sustainable economy, underpinned by housing growth and modern infrastructure is the strongest possible foundation for improvements in local living standards lifting more people out of poverty; with better jobs, health outcomes and educational attainment; and protecting the future viability of public services.

We have significant assets upon which to build. We are a gateway to global trade and investment with two international airports and two Freeports. We are well-connected and have strengths in key economic sectors (including construction and retrofit; clean energy; advanced manufacturing; digitech; life sciences, cultural and creative). We are home to global businesses, to two universities with global reach and reputation, and to some of the best schools in the country. We have a well-skilled and locally connected workforce who care about the communities they live in and serve and deliver outstanding services across our localities and to our residents.

Map 1: Key Economic Assets

Contains Ordnance Survey data
© Crown copyright and database right 2019

Legend:
- Greater Essex
- Railway Station
- Railway Line
- Airports
- Major Ports
- Universities
- Freeport
- Universities
- Economic Hubs
- Colleges
- Garden Communities

NORTH
Cities
Colchester

Garden communities
Tendring Colchester Borders

Economic hubs
101 London Stansted Airport
102 Harwich Port/Freeport East
103 Chesterford Research Park
105 Horizon 120
106 Knowledge Gateway
      (University of Essex)

Universities
201 University of Essex

Colleges
206 Colchester Institute
207 Stansted Airport College

MID
Cities
Chelmsford

Garden communities
North East Chelmsford
Harlow Gilston
Dunton Hills

Economic hubs
104 Harlow Innovation Park
112 Pinnacles, Harlow
113 Dukes Park Industrial
      Estate, Chelmsford
114 Edinburgh Way, Harlow

Universities
202 Anglia Ruskin University

Colleges
204 Harlow College
205 Chelmsford College

SOUTH
Cities
Southend-on-Sea

Economic hubs
107 Thames Enterprise Park
108 Port of Tilbury/Thames
      Freeport
109 London Gateway
110 London Southend
      Airport/Airport Business
      Park Southend
111 A127 Enterprise Corridor

Colleges
201 University of Essex
203 Performers College
208 South Essex College
209 National College for
      Creative Industries
210 USP

Map 2: Sector growth and major construction projects

Contains Ordnance Survey data
© Crown copyright and database right 2019

Legend:
- Greater Essex
- Unitary Authorities
- Railway Station
- Railway Line
- Airports
- Major Ports
- Freeport

Sector Specialisms
- Creative Industries / Digital and Technologies
- Advanced Manufacturing
- Life Sciences
- Financial / Professional & Business Services
- Clean Energy Industries (Essex Energy Coast)
- Innovation Hubs
- Nationally Significant Infrastructure Projects
- Garden Communities

But there is also untapped potential in Greater Essex. In recent years we have seen Greater Essex fall behind its neighbours in the wider South East in terms of the pace of economic growth and levels of productivity. This is partly driven by strains on our infrastructure fuelled by high levels of commuting placing a strain on our local transport infrastructure; a growth in economic inactivity – so that more than 315,000 people are economically inactive in Greater Essex due to long-term health conditions; and significant skills deficits – Greater Essex would have an additional 100,000 people with degree-level qualifications if local workforce skill levels were in line with national averages.

The challenges we are facing that this reorganisation must help us address

Deprivation and inequality

These macro-level economic facts have a real impact on the lives of our residents – often leading to acute demand for public services. Around 183,000 Greater Essex residents now live in areas that are among the most deprived 20% in England. This inequality is heavily concentrated in certain areas – in Basildon, Southend-on-Sea, Thurrock and Tendring - and this disadvantage disproportionately impacts on young people.

Our model provides the best balance of deprivation and affluence across the three unitaries, ensuring that no areas and no residents will be "left behind".

Map 3: Index of Multiple Deprivation in Greater Essex
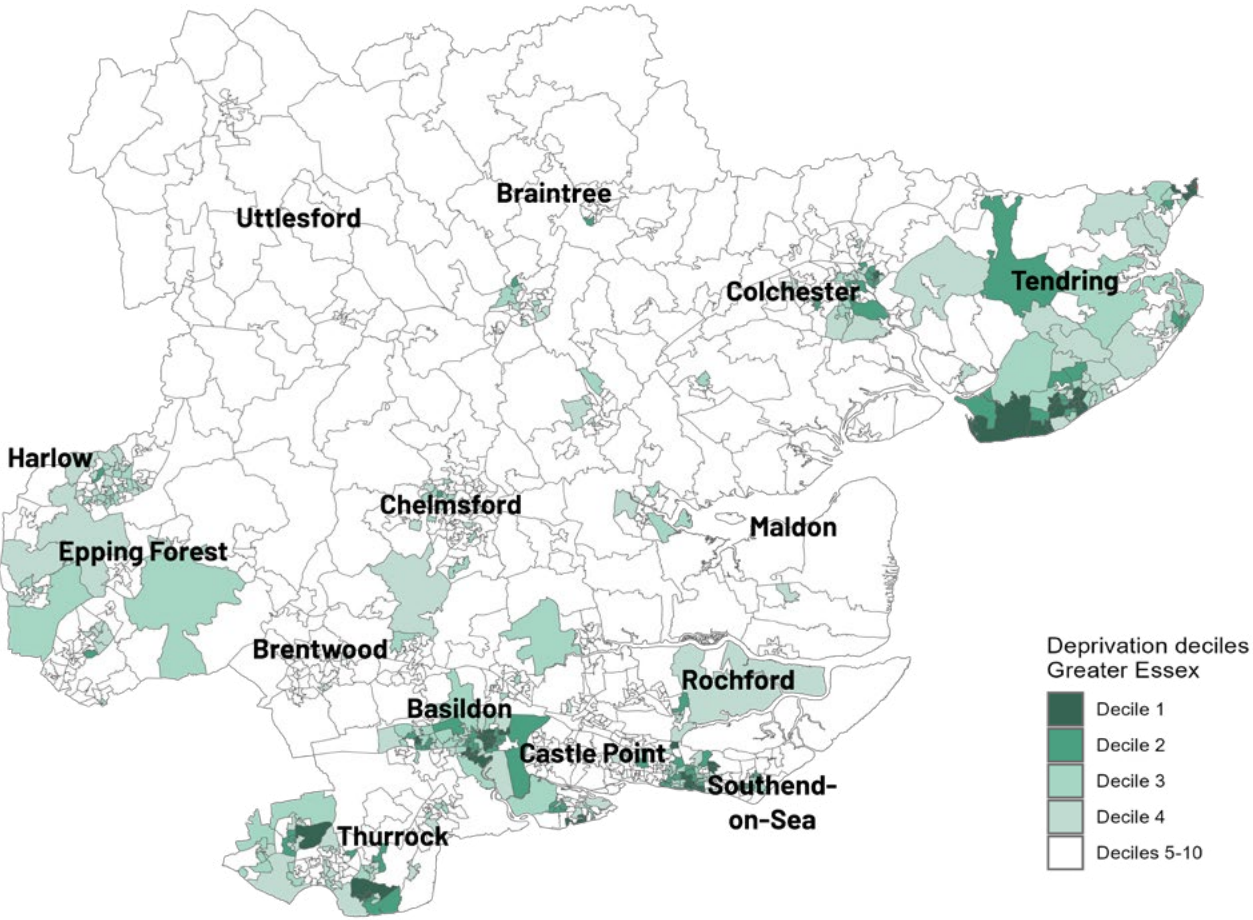
Source: Indices of Deprivation 2019, Department for Levelling Up, Housing and Communities (DLUHC)

Demand in critical services

The pressure on public services is unlikely to reduce in the short or medium-term – by 2040, the Greater Essex population will exceed 2 million. The number of over-65s is projected to rise by 33%, with an 80% increase in people over 85. This will place strain on critical services – social care and SEND together are likely to have to absorb in the region of £716m in additional pressures by 2040 – which is why we argue throughout for the need to keep a very tight focus on the performance of critical services.

Throughout this proposal we are very conscious of the risks that we have to manage in order to maintain and improve the quality of service to our most vulnerable residents. This risk is particularly apparent in the social care system. Alongside the £716m of additional pressure we are facing, the Essex system currently enjoys practice models that keep our costs among the lowest in the country. For example, if the Essex rate of children in care were the same as our statistical neighbours, costs would quickly escalate and we would be spending £114m more a year by 2040 just on this one service; and if children in care numbers rose to the national average, we would be spending £228m more a year on this service. It is imperative that we minimise the disruption to these services and maximise our ability to attract the best possible leaders – it will not be possible to do that by proliferating social care departments.

Housing growth

Under the current model, our housing system has not kept up with the growth in demand for housing. Six of the 14 planning authorities are currently failing the Housing Delivery Test; two authorities have not adopted a new Local Plan since 1998. The new housing targets for Greater Essex set the bar higher still. We will need to double housing growth rates, from the 7,000 annual completions achieved in recent years to 14,000 annually through to the 2040s.

One in eight of these new homes will need to be supported or specialist housing, to meet the needs of our population.

Our proposal creates new unitary authorities that have the right scale and geographical configuration to support the housing needs of our communities. Balanced future housing growth requirements across our three new authorities are linked to their economic potential, ensuring that housing and economic growth are mutually supportive.

Homelessness

Greater Essex is experiencing severe strains on housing and homelessness. There are currently in excess of 3,700 homeless families across Greater Essex seeking council support and more than 5,000 children living in temporary accommodation – an 84% increase in the last six years. The demand for affordable housing is well in excess of the available supply and the current housing authorities find themselves consistently unable to deliver growth to meet planned numbers – particularly in the South where developable land is constrained by the Green Belt

Our proposal will not only benefit from enhanced data and intelligence sharing and the integration of key services, it also creates new unitary authorities that will be more balanced in the demand placed on them (our highest demand for temporary accommodation will be in South Essex where six households in 1,000 will need this support; in the five unitary model the most challenged authority will face demand pressures 50% higher than this at nine households per 1,000). As we show later, not only is demand very asymmetrical in other models, but supply – in terms of local authority and registered provider stock - is also less well matched to demand in other models.

Public satisfaction and trust in government

Given the challenges we face and the pressure on public services to keep up with demand it is hardly surprising that residents' satisfaction with their local area has dropped from 85% to 70% in the last 15 years. It is because of the need to address these challenges that we are creating a model of government in Greater Essex that is simpler, smarter and more sustainable, removing the inefficiencies that inevitably exist in the current two-tier system and capturing the benefits of devolution and the creation of a new Mayoral Strategic Authority for Greater Essex.

It is clear from our engagement with residents that, unsurprisingly, they prioritise good services and value for money over everything else. In Greater Essex we are building on success. We provide some of the best services in the country in some of the hardest pressed parts of the public sector. Our proposal seeks to ensure that we build on that success by creating new authorities that minimise disruption to our service users by not increasing the number of social care or highways authorities and maximising the investment we can make into frontline service provision by spending 1.5% less on the administrative overhead of our councils than the four and five models. Moreover, our proposal for Neighbourhood Delivery Committees will ensure that local people are able to influence decisions in their area to a greater extent than they can today.

Child poverty

Child poverty is growing. North-East Essex includes some of the most deprived areas in the country and areas in South Essex face challenges driven in part by proximity to London and the migration of deprived families and families with no access to

public funds into Greater Essex. Both our coastal and rural communities face particular challenges associated with distance from economic centres. Devolution and LGR provide opportunities to address these issues, including through enhancing investment in local transport and economic development.

Our proposal creates the greatest potential to address and balance the ability to develop solutions locally with the scale required to generate alternative approaches for housing and sustain a focus on prevention. Success will come from being able to centrally coordinate, support and drive change, delivering a consistent core offer for all our residents, while also having the flexibility to meet the needs of individual families and communities. Having a robust centralised infrastructure, which is what a three unitary model will allow, will provide the leverage needed to most effectively identify and draw sustainable external funding to the county to invest in localised approaches. It also provides the capacity needed both to address extreme and persistent poverty and to support families who are on the edge of this.

Although pockets of poverty can be found across Essex, it is concentrated within districts – in the North and South, and around coastal areas. Our three unitary model will result in unitaries with a more equitable balance of poverty and wealth across the areas, and also with more sustainable social care and education services. Other unitary models do not achieve this same balance. For example, in the Rochford four unitary proposal, it is striking that 100% of the people living in the highest decile of deprivation in Greater Essex will live in two of the four unitaries, and 0% will live in the other two unitaries. Poverty correlates to demand on social care, and creating significant concentrations of poverty in areas where the capacity to provide good services may be most stretched is likely to undermine the ability to deliver positive outcomes.

Life expectancy, including healthy life expectancy

Improvements in life expectancy have stalled since 2010, and in some parts of our region healthy life expectancy has declined so that the gaps between those parts of Greater Essex that are doing well and those that are doing less well are actually widening.

Given the current footprint of Greater Essex, levels of need are not accurately represented in national datasets on public health outcomes because data is not presented at a local level. LGR will enable new unitary councils to more easily identify variation in need and better target their resources and activities to address inequalities and narrow the gap between the best and worst off in our communities.

To do this effectively, sufficient resources and expertise are required and a three unitary model will best achieve this. We will create authorities of a similar size to existing large unitaries that have greater financial flexibility to respond to the needs of different populations or communities and which can attract and retain sufficient staff expertise to improve and reduce variation in health outcomes experienced by residents.

Map 4: Healthy life expectancy in Greater Essex
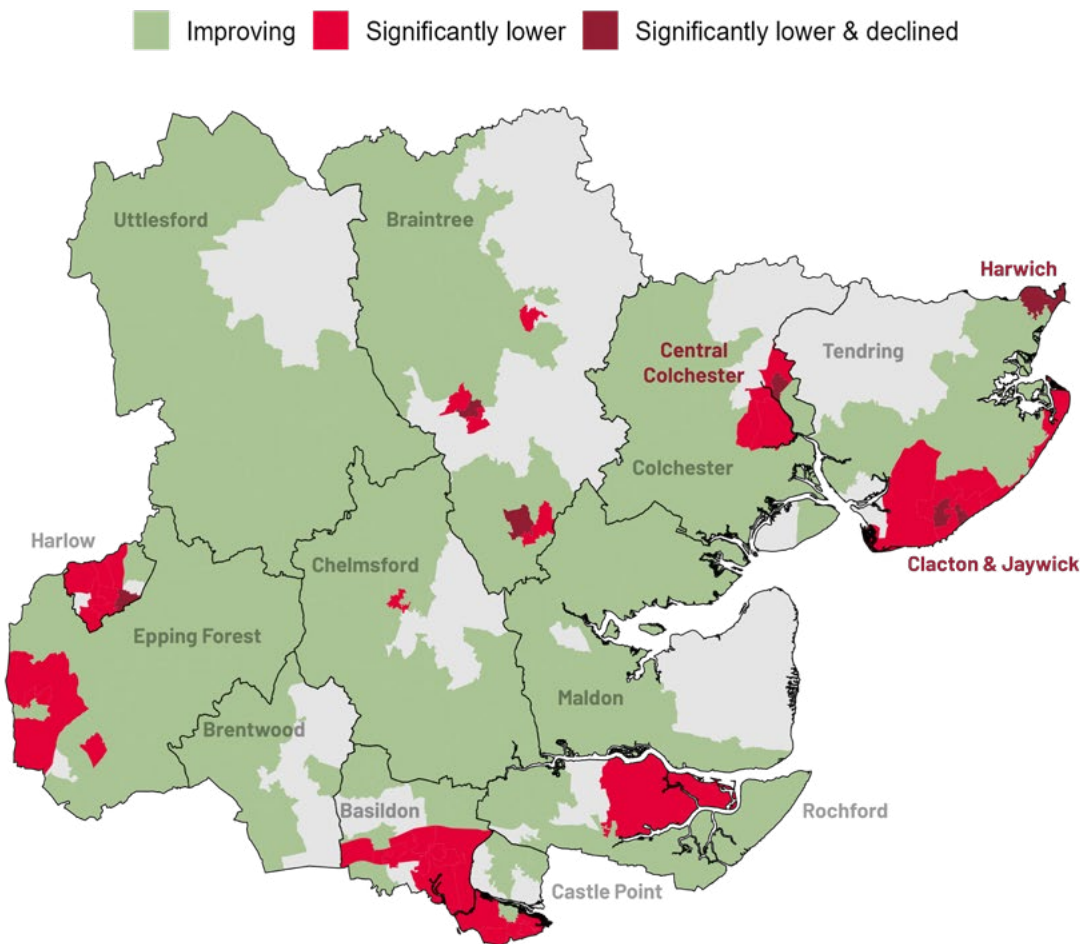
> In the next section we set out our case for the three unitary model and how it will enable us to address these challenges and seize these opportunities.

The business case for the three cities model

Our support for the three cities model is founded on robust evidence, and our deep knowledge of Greater Essex and its communities. We have arrived at this model following an evidence-led assessment of the available options, details of which are set out in the following section of this document.

Taken together, the evidence clearly shows that the three cities model provides the best possible balance between realising financial benefits and creating councils that are efficient and financially resilient; providing a platform for the provision of high-quality public services; and creating effective democratic structures that are capable of supporting devolution, enabling effective place leadership and unlocking investment in the ways of working required to engage and empower communities. It provides the firm foundations we will need to create a more prevention-focused and economically dynamic system of councils in Greater Essex.

Stability and capacity: the financial case for a three unitary model

The three cities model will ensure that local government across Greater Essex is more efficient and financially sustainable than it is today. Collectively with partners, we have worked with PwC to undertake analysis of the costs and benefits of local government reorganisation in Greater Essex, using the same model that MHCLG used in its own White Paper, illustrating the value that can be achieved through reorganisation.

PwC's broader modelling demonstrates that the costs of running the local government system increase the more councils you create. Its analysis suggests that, by limiting the number of future councils to three, the three cities model has the potential to deliver significant financial benefits. The net cumulative benefits could total c.£86m after five years, with annual benefit of c.£38m per year thereafter, enabling reinvestment in prevention and in the new ways of working required to deliver our vision for local government. We can expect our model to pay back the costs of reorganisation within three years – easily within the term of a first council administration. The payback is essential to rebuild balances, to mitigate financial shocks, and to enable investment into transformational change and public service reform.

Although the two unitary model saves even more than the three unitary model, the difference in payback periods between the two models is not significant; and as outlined in the options appraisal, there are other reasons overall for considering the three cities model to be optimal for Greater Essex.

The table below shows the costs, benefits and payback periods associated with creating two, three, four and five unitary authorities.

Table 4: Summary of costs and savings of the local government reorganisation options in Greater Essex (excludes transformation and public service reform benefits)

	Number of unitaries			
	Two £m	Three £m	Four £m	Five £m
Implementation costs	(60)	(74)	(89)	(105)
On-going annual net savings/(costs)				
2028/29	27	19	3	(12)
2029/30	40	28	11	(5)
2030/31 (first year of on-going net saving excl. implementation costs)	**53**	**38**	**18**	**2**
2031/32	53	38	18	2
2032/33	53	38	18	2
Total net benefits/(costs) after five years	**167**	**86**	**(21)**	**(114)**
Payback period (years)	**1.8**	**2.7**	**6.1**	**53.6**

Note: The four unitary option provides the same forecast outcome for both the Rochford and the Thurrock models.

The three cities model compares well in financial terms against any four and five unitary scenarios, with lower one-off implementation costs, lower ongoing costs and higher levels of projected savings. The net annual benefits associated with our model (c.£38m per year) are over double that of any four unitary model and over 15 times greater than any five unitary model. Even on very cautious assumptions, it will take any five unitary model five decades to generate a net financial benefit without delivering additional transformation and public service reform benefits. For example, the financial gap between the three cities model and any five unitary scenario will be over £480m by 2040.

As well as reducing the cost of local government in Greater Essex, our model will help secure the long-term stability and financial sustainability of the new councils.

To achieve that, it is essential that each new unitary authority area has a taxbase that is appropriate to the cost of providing services to its local population. In part that is secured by ensuring that the geographical disaggregation of a) current county council service costs, and b) funding streams, is as equitable as possible across all new unitary authorities.

The three cities model achieves a reasonably equal distribution of funding and service costs across each of the new councils that would be created. Each has a current funding base (its combined council tax and business rate base, and general government grants) that is within +/- 5% of the costs of providing services to the local population.

Our analysis, summarised in the table below, suggests that it is not possible to achieve a similarly equitable distribution while creating more than three new authorities in Greater Essex.

Table 5: Securing financial sustainability – aligning local funding and service costs

	Two UAs	Three cities model	Four UA (Thurrock)	Four UA (Rochford)	Five UAs
UA 1	Yes	Yes	Yes	No	Yes
UA 2	Yes	Yes	No	Yes	No
UA 3		Yes	No	No	Yes
UA 4			Yes	Yes	Yes
UA 5					No

Yes: UAs projected funding and service costs align (variance is < +/- 5%)

No: UAs projected funding and service costs do not align (variance is > +/- 5%)

Those councils for whom funding falls materially below service costs will experience significant structural deficits where the demand for services exceeds their ability to fund those services. These structural deficits will affect councils from day one. They will hamper councils' ability to maintain discretionary services, to direct resources towards prevention and to drive long-term service transformation.

Only by implementing the three cities model, or a two unitary solution, can we ensure a more sustainable distribution of funding compared to costs in Greater Essex. Any other model risks setting up some new councils to fail from the start, leaving these councils and the communities they serve disadvantaged as a result of the LGR process.

It would be a mistake to assume that the Fair Funding Review will fully resolve these imbalances when the Government has not confirmed its approach to future funding and when we know the constraints on the public finances. A more credible and sustainable approach is to set future unitaries up in a way that seeks to minimise these imbalances in the first place, while continuing to make the case that local government across Greater Essex should be fully funded to meet current and future needs.

In addition to the costs associated with LGR and the impact of disaggregation, we also need to take into account the impact of debt in the Greater Essex system. Greater Essex councils as a whole had a combined general fund external debt of £2.853bn at 31 March 2025, including £852m related to Thurrock. Taking into account the combined Capital Financing Requirement (which represents the underlying need to borrow for capital expenditure purposes) of £3.763bn, there was implied internal borrowing of £910m. It cannot be assumed that this can continue in the future if councils have to draw heavily on existing reserves to manage implementation and funding shortfalls. The annual cost of financing this debt from revenue exceeds £260m, c.14% of core spending power. The distribution of the debt across new unitaries must be manageable; the larger the unitary the greater the opportunity for this to be achievable. It is anticipated that the residual debt sitting with Thurrock Council by 2028/29 will total £400m and this will impact significantly on any new council that this moves into.

The wider debt position and the impact of financing on budgets is also clearly shown through the CIPFA Resilience Index, which sets out the stress currently seen across the Greater Essex system.

Table 6: CIPFA Resilience Index by Greater Essex Council

Indicators of financial stress		Essex CC	Basildon	Braintree	Brentwood*	Castle Point*	Chelmsford	Colchester*	Epping Forest	Harlow	Maldon	Rochford	Tendring	Uttlesford	Southend	Thurrock
Level of reserves	Overall level of reserves	L	L	L	A	L	L	A	H	L	L	L	L	L	L	L
	Unallocated reserves	L	H	A	L	L	L	H	A	A	A	H	A	A	A	L
	Earmarked reserves	L	A	L	A	L	H	L	H	L	H	A	L	L	L	L
Change in reserves	Overall change in reserves	L	H	L	L	L	A	H	H	A	L	L	A	L	A	L
	Change in unallocated reserves	H	H	A	H	A	H	A	A	L	H	L	A	H	A	H
	Change in earmarked reserves	L	A	L	L	L	H	H	H	A	L	L	L	A	L	A
	Change in Housing Revenue Account reserves	NA	H	NA	H	H	NA	A	H	A	NA	NA	NA	L	L	A	NA
External debt	Interest payable/net revenue expenditure	L	H	L	H	L	H	H	A	L	NA	A	A	H	H	H
	Gross external debt	H	H	L	H	A	L	NA	H	H	L	NA	A	H	A	H
Social care	Overall social care ratio	A	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	A	H
	Children social care ratio	L	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	A	H
	Adult social care ratio	H	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	L	H
Income and funding	Fees and charges to service expenditure	H	H	H	L	L	L	A	H	L	L	H	H	H	L	A
	Council tax requirement/net revenue expenditure	L	H	A	L	L	A	L	A	H	A	L	H	L	A	A
	Growth above baseline	L	L	A	L	L	A	A	A	L	A	L	A	A	L	H

* Data for 2023/24 not yet available – rating based on 2022/23 data

Key:

H	H	A	Average risk
L	L	NA	Data not yet available or the measure is not applicable

Critical Services: The public services case for a three unitary model

Local authorities across Greater Essex already deliver some of the best services in the country. The greatest risk to these services will be fragmentation through disaggregation, which will adversely impact outcomes and performance.

That risk has, for example, been raised nationally by the Association of Directors of Children's Services (ADCS) in a letter to the Minister of 23 June 2025, which made clear that the risk of quality care to vulnerable children is not a consequence of disaggregation per se but of the extent of disaggregation below the principle of population thresholds of 500,000 set out in the Government's White Paper.

This risk has also been raised locally in Essex by the Chief Constable and the Office of the Police, Fire and Crime Commissioner in a presentation to all Greater Essex local authority chief executives and leaders on 27 June 2025 which MHCLG officials also attended.

Furthermore, any deterioration of existing performance from current high levels will not only put outcomes at risk but will also cost hundreds of millions of pounds. Analysis undertaken by Newton Europe demonstrates that if the performance of just one of these services – children in care – were to deteriorate from its current position to the levels seen by our statistical neighbours then the cost to the Greater Essex system by 2040 would be an additional £114m. If performance deteriorated to the level of national averages, the additional cost could be an additional £230m.

The three cities model provides a sound platform for managing these risks – providing an effective basis for sustaining the delivery of large-scale, demand-led people services

and containing costs. It will do this by avoiding fragmentation beyond that which is necessary, by avoiding disaggregation below the 500,000 threshold supported by the Association of Directors of Children's Services, and by creating new authorities that balance rural and urban areas and distribute demand across the system.

The three cities model will create three large unitary authority areas, with populations ranging from 564,000 to 729,000. These resulting authorities will be large enough to exploit economies of scale in terms of purchasing power/market shaping and their ability to absorb operational risk. There will also be some level of equity between the new UAs as pressures on demand-led people services continue to grow. The geography of the three cities model helps ensure that current and future demand and service performance are not disproportionately skewed across different unitary areas.

The three cities model will also ensure that we avoid multiplying senior leadership posts across new councils, diverting money from front-line delivery to create new senior management structures and diluting an already challenging talent pool in the sector, particularly for key statutory roles. We are fortunate that the Greater Essex system already benefits from having three Directors of Adults Social Services, three Directors of Children's Services, three Directors of Public Health, three Highways Authorities etc. – the three cities model will sustain this, enabling money to be spent on front-line services rather than on a proliferation of senior management posts.

There are, of course, substantial advantages to be derived from creating new unitary councils that can join services up in a way that has proven difficult under the existing two-tier system. Engagement with professionals and subject matter experts across Greater Essex has highlighted the potential for our proposed model to unlock innovation to better enable:

- alignment between housing/planning and adult social care market shaping – opening-up opportunities to develop specialist accommodation, such as supported living, and extra care accommodation as well as joined-up accommodation pathways for people with mental health issues and learning disabilities as their needs change on the way to independence; and in children's services, creating opportunities to better address the needs of homeless families, care leavers, and young people with SEND;

- use of the Disabled Facilities Grants to make adaptations to people's homes, enabling them to remain in their own home for longer;

- the development of a simpler system that is easier for residents to understand, with fewer handoffs between organisations and therefore a more seamless customer experience. A three unitary model for Essex provides the opportunity to set a clear and consistent vision for customer experience across all services. Residents should be able to expect the same high standards wherever they live, with services designed around their needs, simple to access, and transparent in how performance is measured. By establishing meaningful customer standards, openly reporting on outcomes, and embedding a culture of continuous improvement, we will build trust and confidence with residents while ensuring services are accountable and responsive;

- alignment of local government with police and health, significantly reducing the number of local authority partners that the police and NHS need to work with, supporting greater consistency in approaches – an issue that has been flagged by both Police and Health partners in Greater Essex;

- the integration of wider public health services such as leisure facilities, benefit support and environmental health to strengthen early help and prevention and create more inclusive and dementia-friendly public spaces;

- linkages between trading standards and licensing services to improve collaboration around issues impacting on young people's health and safety – e.g. illegal vape sales;

- opportunities to strengthen neighbourhood approaches, working in partnership with local networks with GPs and health partners, schools, the voluntary sector, and parish councils to build community capacity and inclusive communities;

- alignment of the provision of benefit services to strategic priorities such as early help and prevention, to support earlier identification of families who may be falling into financial difficulty. There could be potential to strengthen Family Hubs by further aligning local preventative services around them, in line with the Government's vision for the Families First Partnership programme.

Strategic growth: the economic case for a three unitary model

The three cities model provides the strongest basis for achieving sustained growth in jobs and homes, supported by investment in infrastructure.

We know that there is significant untapped potential in the Essex economy – the total value of output in Greater Essex is over £50bn, but it would be c.£8bn greater per year if it operated at the level of the South East average. This is economic value that is permanently lost to the economy – that is to individuals and families - and tax revenue that is permanently lost to the Exchequer.

Our business case is economically literate and provides the foundation for Essex to become the fastest growing regional centre – outside London – in England. By structuring local authorities around our three cities – Southend-on-Sea, Chelmsford and Colchester – our proposal provides a solid basis for strong and effective place leadership for the whole area and a firm foundation, working with the

Greater Essex Combined County Authority, for reinvigorating the Greater Essex economy to take advantage of current and future opportunities. The resulting unitary councils will be able to:

- plan for growth in new jobs and new homes on geographies that reflect Essex's principal growth corridors (the A127/A13 in South Essex, the A12 in Mid Essex and the A120 across North Essex), travel to work areas and housing market areas;

- realise growth at scale – by planning over a larger area, the new authorities will be able to ensure that spatial plans are ambitious and less constrained by concerns about the availability of developable sites than they have been in the past;

- manage pressures around Green Belt in particular in Mid and South Essex – the size of the local authority area created on the three cities model will ensure that all areas have development potential beyond designated Green Belt areas;

- prioritise strategic development – making the best use of existing infrastructure by focusing growth around major regional centres, and maximising contributions from developers;

- shape education, skills and business support provision to reflect the specific needs of the local area;

- drive major infrastructure projects like the Elizabeth Line (Crossrail), the DLR extensions, and the London Overground, alongside planned developments in areas like Canary Wharf, the Royal Docks, Thamesmead, and into Essex.

- engage potential investors, working with the Mayor and via the Combined Authority with a strong, locally tailored offer.

The three cities model would see the creation of large and coherent economic areas with the potential to drive strong housing and economic growth and regeneration across key locations and provide a strong platform for developer-funded infrastructure. These larger authorities will have more scope to make choices at the scale of the ambition required.

This ability to operate to scale will be vital given the opportunity capitalise on Essex's links with London. Essex's future success will depend, in large part, on its relationship with the capital. Residents commute to London, often earning higher salaries than is possible locally. Their personal histories also reflect waves of migration from the capital. Future opportunities for Essex will come from London's continued eastward expansion driven by major infrastructure projects like the Elizabeth Line, DLR extensions, and the London Overground. Realising the economic benefits of these developments within Essex will require authorities with strategic capacity to link macro-level developments to local opportunities.

We believe the three cities model will support business growth and that it aligns closely with the priorities of the Greater Essex Business Board, which includes the Essex Chambers of Commerce and the Federation of Small Businesses (FSB).

Finally, because the three unitary model is based on meaningful economic geographies, it will provide the firmest footing for partnership with the Combined Authority and Mayor, to create the conditions for growth and prosperity across Greater Essex. The three cities model ensures that councils on the Greater Essex Combined County Authority are of broadly equal size and scale – each with its unique regional assets, complementary economic strengths and a clear stake in the success of neighbouring cities. This provides a firm basis for strong partnership, focused on maximising the economic potential of Greater Essex.

Table 7: Comparison of key economic metrics across the three proposed unitary authority areas

Unitary authority	Jobs (2023)	GVA (2022)	Housing target (15 years)
North Essex	269,000	£14.2bn	63,795
Mid Essex	276,000	£17.6bn	66,585
South Essex	317,000	£19.1bn	77,295

Linking individuals, community and government: the localist case for a three unitary model

The three cities model will strengthen democracy in Greater Essex; support the devolution of power to the local level; and via the operating model set out in this business case, harness the power of community action.

Any model for unitary local government in Greater Essex – whether built around two, three, four or five authorities – will see:

- the creation of unitary authorities that are among the largest in England; and

- the number of elected members reduce from 700 today to less than 450.

In this context, all proposals for unitary government from Greater Essex will need to consciously design in the capacity for residents' hyper-local sense of identity, and their desire for greater influence and control over decisions that affect their local area. With this in mind, the Government has proposed that councils explore the creation of new neighbourhood governance arrangements.

Our proposal sees Neighbourhood Delivery Committees as the key vehicle for further devolution to communities. Through this and other mechanisms we are determined to create a system of government that is "more local" than current two-tier arrangements.

The three cities model makes that possible because it reduces the overall costs of local government in Greater Essex while maintaining a sufficiently large group of elected councillors to be effective as these councils' front-line in community engagement. The model creates the financial headroom necessary to enable the development of wholly new Neighbourhood Delivery Committee structures, and new ways of working to support and empower communities, and the wherewithal to invest in new models of support for elected members – enabling the 284 elected councillors who will serve and support the communities of Greater Essex even more effectively than the 700 who serve today.

Because of its solid financial foundations, the three cities model can invest in localism for the long term. All the evidence from across the local government sector suggests that, without this solid financial underpinning, pressures in statutory services can lead councils to retrench, often compromising their commitment to localism at an early stage. It is therefore only by creating the right financial headroom that local models of empowerment can flourish. The three cities model seeks to hardwire its commitment to localism through new councils' culture and operating models.

Capacity for longer-term change: the transformation and public service reform case for a three unitary model

Finally, even in achieving all of the above, we also need our new unitary authorities to be capable of responding to challenges and opportunities in the future. The three cities model will create new councils that are capable of driving continued transformation and public service reform, adapting to changing circumstances and navigating the changes in our social, economic and technological environment that we know we will face.

We recognise that councils do not do this in isolation; their work to improve life chances and outcomes for residents and communities is bound up in a wider system of public services and it is important that our proposal creates the conditions for that collaborative and partnership working to flourish. It will do that by:

- placing each unitary on a secure financial foundation – each new authority's transformation plans and programmes will be focused on delivering for residents, and not on recovering the unnecessary additional costs of creating a local government system that Greater Essex cannot afford;

- ensuring new councils have the financial capacity to invest in early intervention and prevention, which has the greatest long-term benefit both for citizens and the public purse;

- concentrating Greater Essex's existing transformation expertise in three authorities – rather than fragmenting it across a larger number. This will ensure that new councils have access to the expertise to hit the ground running, ensuring that each council's transformation journey begins on vesting day;

- creating the capacity for councils to retain expertise in specialist areas. This will be vital given the scale of change we expect to see in digital and AI-related fields. We need to be able to harness the rapid pace of technological change for the benefit of our residents;

- developing operating models that are designed with the customer in mind, empowering citizens to interact with councils when and where it suits them, amplifying their voice, and enabling employees to be as productive as possible;

- simplifying the public service system – reducing the number of councils to the minimum that can operate effectively while serving the needs of Greater Essex's residents, making it easier for local government services to align and integrate with partner organisations, improving joined-up public services that make sense at an individual and neighbourhood level.

We return to these key arguments throughout this business case. They provide a clear rationale for supporting the three cities model.

> The next section summarises our appraisal of the wider LGR options – making clear the reasons why this model is the best option for Greater Essex.

Options appraisal

As a consequence of the work we have done, we are confident that the three cities model is the optimum proposal for local government reorganisation in Greater Essex. But we began our work with no preconceived position as to what the right model might be. The three cities model for LGR emerged from an evidence-based assessment of the most viable options.

The options appraisal has been carried out against the Government's criteria for LGR – these are as follows:

A single tier of local government based on sensible places: A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.

1. Proposals should be for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area.

2. Proposals should be for a sensible geography which will help to increase housing supply and meet local needs.

The right size to achieve efficiencies, improve capacity and withstand shocks: Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks. The Government guidance is that new unitaries should cover areas of at least 500,000 people, although local areas can make a case for a smaller size if they consider that this best meets local needs.

Prioritises the delivery of high quality public services: Unitary structures must prioritise the delivery of high quality and sustainable public services to residents. They should avoid unnecessary disaggregation and mitigate risks to critical services.

Reflects joint work and is informed by local views: Proposals should consider issues of local identity and cultural and historic importance. They should reflect an intuitive sense of place. Proposals should be the product of joint work and should reflect the views of partners and residents.

Supports devolution: New unitary structures must support devolution arrangements. There should be sensible population size ratios between local authorities and any strategic authority.

Strengthens community engagement and neighbourhood empowerment: New unitary structures should deliver genuine opportunity for neighbourhood empowerment. They should enable investment in greater community engagement.

The options appraisal started off with a long list of 16 potential viable options for LGR models, which were developed with input from all 15 local government partners. These were independently assessed by Grant Thornton in their report which is included in Appendix B.

The options have been through a thorough assessment, involving joint commissioning of evidence, multi-partner evidence review, and input from partners and residents. While, as in other places, authorities in Greater Essex have not been able to agree on just one proposal, the collaboration on the evidence across the system has been positive, even if it hasn't prevented authorities from reaching different conclusions.

Our full options appraisal, below, is focused on the five models that emerged through the process as the most viable ones. Four of the five models are supported by one or more local authority partners in Greater Essex. The other model – the two unitary one – is not being proposed by any local authority in Greater Essex, but is being included as a benchmark because it delivers the most financial savings and the least disaggregation of critical public services.

We have given each of the models a score of "high", "medium", "low", or "none" against each of the components of the Government's LGR criteria. These scores correlate to the level of impact the model is assessed as having against each component of the criteria based on the evidence. The options appraisal methodology is set out at Appendix I.

The final options we have assessed are:
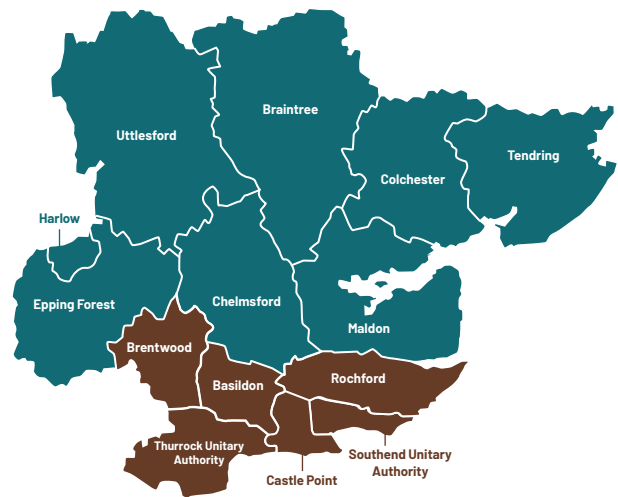
Two unitary model
(no proposal being submitted)

Estimated area population	
Unitary 1	807,000
Unitary 2	1,089,000
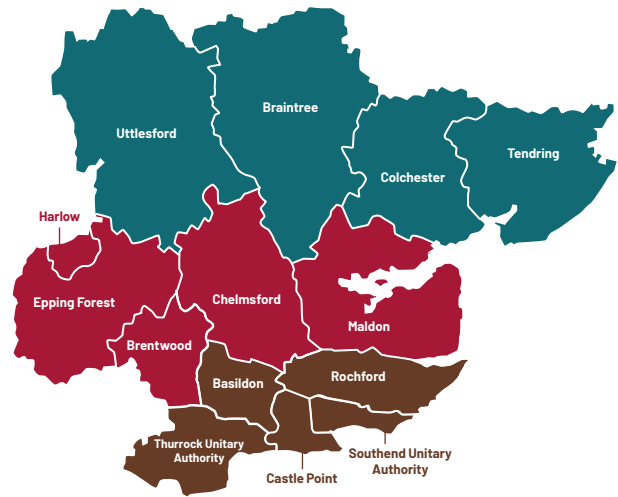
Three unitary model
(Essex County Council led proposal)

Estimated area population	
Unitary 1	604,000
Unitary 2	564,000
Unitary 3	729,000
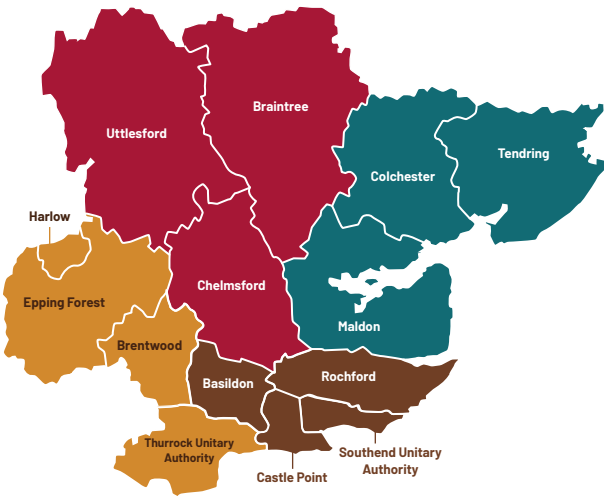
Four unitary model
(Thurrock Council proposal)

Estimated area population	
Unitary 1	488,000
Unitary 2	439,000
Unitary 3	419,000
Unitary 4	551,000

Four unitary model
(Rochford District Council proposal)

Estimated area population	
Unitary 1	326,000
Unitary 2	420,000
Unitary 3	510,000
Unitary 4	641,000

Five unitary model
(Southend City Council led proposal)

Estimated area population	
Unitary 1	326,000
Unitary 2	332,000
Unitary 3	369,000
Unitary 4	510,000
Unitary 5	360,000

A summary of scoring against the criteria is set out below.

Criteria	Key Factors	2UA	3UA (Essex)	4UA (Thurrock)	4UA (Rochford)	5UA (Southend)
1. Sensible geography	Creates a single tier of local government for the whole Greater Essex area	HIGH	HIGH	HIGH	HIGH	HIGH
	Creates a sensible geography reflects settlements, economic geography and housing market areas	MED	HIGH	MED	MED	MED
	Creates local authority (LA) geographies capable of sustaining sufficient housing growth to meet local needs	HIGH	HIGH	MED	LOW	LOW
2. Efficiency and resilience	Supports efficiencies and delivers value for money for council taxpayers	HIGH	MED	LOW	LOW	NONE
	Improves LA capacity and creates sustainable councils capable of withstanding financial shocks	HIGH	MED	LOW	LOW	NONE
	New councils serve populations of 500,000 or more	HIGH	HIGH	LOW	LOW	LOW
3. High quality public services	Improves local service delivery	MED	HIGH	MED	MED	LOW
	Provides a platform for public service reform	HIGH	HIGH	MED	MED	MED
	Avoids unnecessary fragmentation and mitigates risks to critical services	HIGH	HIGH	MED	MED	LOW
4. Local views	Reflects residents' sense of hyper-local local identity	LOW	MED	MED	MED	MED
	Mirrors intuitive understanding of place – mitigating risks to issue of local identity	LOW	MED	LOW	MED	MED
	Reflects joint work and is informed by local views	NONE	MED	MED	MED	LOW

Criteria	Key Factors	2UA	3UA (Essex)	4UA (Thurrock)	4UA (Rochford)	5UA (Southend)
5. Supporting devolution	Helps to support devolution arrangements/unlock devolution	LOW	HIGH	HIGH	MED	MED
	Sensible population size ratios between local authorities and any strategic authority	MED	HIGH	MED	LOW	LOW
6. Community empowerment	Enables investment in stronger community engagement	HIGH	MED	LOW	LOW	NONE
	Delivers genuine opportunities for neighbourhood empowerment	LOW	MED	MED	MED	MED

More detailed assessment of the options

Our more detailed assessment of the individual options against the Government's criteria is as follows:

Two unitary model (no proposal)

Estimated area population	
Unitary 1	807,000
Unitary 2	1,089,000
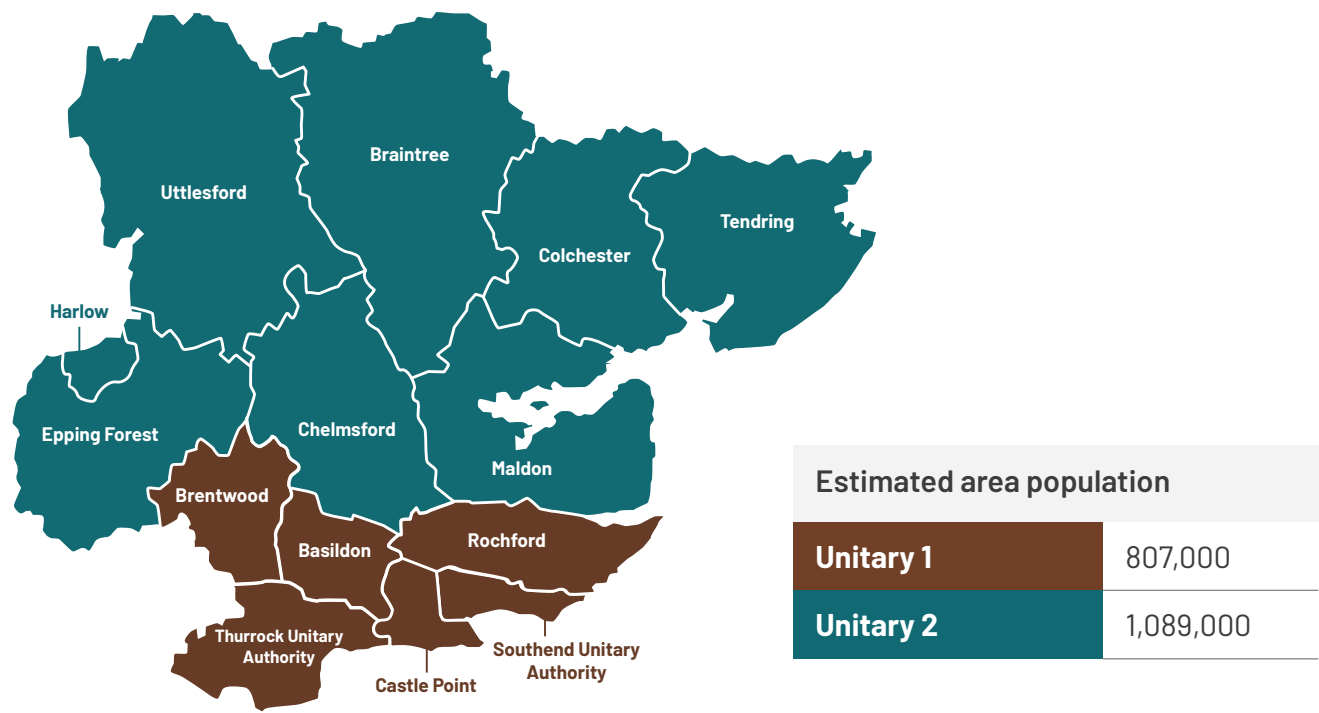
Two unitary model: overview

The two unitary model is in some respects a credible model for LGR in Greater Essex. The North/South split would broadly reflect the distinction between the more urban and densely populated South Essex, and the more diverse North Essex which has a mix of smaller cities, towns and villages. The North/South configuration would also reflect established joint planning arrangements around economic growth and housing, which have been developed in the North Essex Councils and South Essex Councils groupings.

The two unitary model also gives the highest level of efficiencies - £167m of savings over five years, with £53m a year in ongoing savings. The two unitary model would pay back and deliver net financial benefits within 1.8 years. The councils it creates would be financially resilient: deprivation and statutory service demand would be evenly balanced across the two areas; and councils would have the financial resources to be resilient to demand pressures and to financial shocks, although debt levels would be higher in the South than the North.

The outlook for service delivery would also be broadly positive. Councils would have the financial capacity to invest in prevention, early intervention, and public service reform. Critical services would benefit from lower disaggregation impacts and lower transition risks, although there would be some challenges from integrating three upper tier authorities in the South and aggregating

eight districts in the North. Services would in general benefit from economies of scale in commissioning, procurement, market shaping and workforce planning, although it would be harder in this model to connect services to the needs of local communities.

However, the two unitary model does have some significant drawbacks. The areas it creates would be too large and diverse, especially in the North, and would be disconnected from an intuitive sense of place. In conjunction with the new Combined Authoritythis could create an overall approach that is too strategic, with insufficient focus on the needs and opportunities of different places. In the North, the model would span two economic geographies, making it harder to develop a coherent economic strategy able to unlock the economic potential of growth hubs like Colchester, Chelmsford and Harlow. Having only two strategic authorities could make it harder for the Combined Authority to function effectively, as it could increase the possibility of gridlock in decision-making or a zero-sum mentality where one area is perceived to lose out if the other gains. The two unitary model would also reduce the number of councillors to around 200, which is too few to provide the necessary democratic representation and local leadership.

For these reasons, the two unitary model is not being proposed by any authority in Greater Essex. It has therefore not been subject to any joint work or to partner or resident feedback in the same way that other options have.

Two unitary model: scoring and rationale

Sensible geography

Criteria	Scoring	Rationale
Creates a single tier of local government for the whole Greater Essex area	HIGH	**Strengths:** The scale of the authorities would increase the flexibility for allocating new house building and reduce the scope for decisions being blocked
Creates a sensible geography reflects settlements, economic geography and housing market areas	MED	North Essex-South Essex Councils groupings have been doing joint planning on economy and housing on North-South footprints which this could build on **Weaknesses:**
Creates local authority (LA) geographies capable of sustaining sufficient housing growth to meet local needs	HIGH	Authorities would be much larger than housing market and travel to work areas The North Essex area would also span two economic geographies

Efficiency and resilience

Criteria	Scoring	Rationale
Supports efficiencies and delivers value for money for council taxpayers	HIGH	**Strengths:** Delivers greatest savings - £167m in five years following implementation with ongoing benefits of £53m a year
Improves LA capacity and creates sustainable councils capable of withstanding financial shocks	HIGH	Councils would have the scale and a more even balance between revenues and demand pressures to be resilient to shocks Council populations all above 500,000
New councils serve populations of 500,000 or more	HIGH	**Weaknesses:** Councils may be too large and lose some of the efficiencies from more local working

High quality public services

Criteria	Scoring	Rationale
Improves local service delivery	MED	**Strengths:** Reduces disaggregation impact on critical services compared to other options Creates the financial capacity to invest in prevention and public service reform
Provides a platform for public service reform	HIGH	Economies of scale benefits in procurement, market shaping and in recruitment and retention of key workforce and skills (social care, planners, data, digital etc) **Weaknesses:**
Avoids unnecessary fragmentation and mitigates risks to critical services	HIGH	Still some impacts from disaggregating county-wide services and workforce Will be harder to connect service delivery and public service reform to neighbourhoods

Local views

| Criteria	Scoring	Rationale
Reflects residents' sense of hyper-local local identity	LOW	**Strengths:** The larger scale will fit with a pan-Essex sense of identity
Mirrors intuitive understanding of place - mitigating risks to issue of local identity	LOW	**Weaknesses:** It doesn't fit well with a more local sense of identity and people's connection to their local town or city This has not been developed as a proposal and so has not been subject to joint work or to specific feedback from partners or residents
Reflects joint work and is informed by local views	NONE	

Supporting devolution

Criteria	Scoring	Rationale
Helps to support devolution arrangements/unlock devolution	**LOW**	**Strengths:** The councils would have the scale and financial capacity to support delivery of the Mayor's agenda on economic growth and housing May support a more strategic mindset in the MCA
Sensible population size ratios between local authorities and any strategic authority	**MED**	**Weaknesses:** Only having two constituent members in the MCA creates the risk of a zero-sum mentality and could lead to more gridlock in decision making if they disagree

Community empowerment

Criteria	Scoring	Rationale
Enables investment in stronger community engagement	**HIGH**	**Strengths:** Councils will have greater financial capacity to invest in community engagement and will be less likely to have to cut this to fund statutory services
Delivers genuine opportunities for neighbourhood empowerment	**LOW**	**Weaknesses:** Will mean a reduction to around 200 councillors which is too low for effective democratic representation and local leadership The councils will be further away from neighbourhoods so would be reliant on having a very effective form of neighbourhood governance to mitigate that

Three unitary model (Essex County Council led proposal)
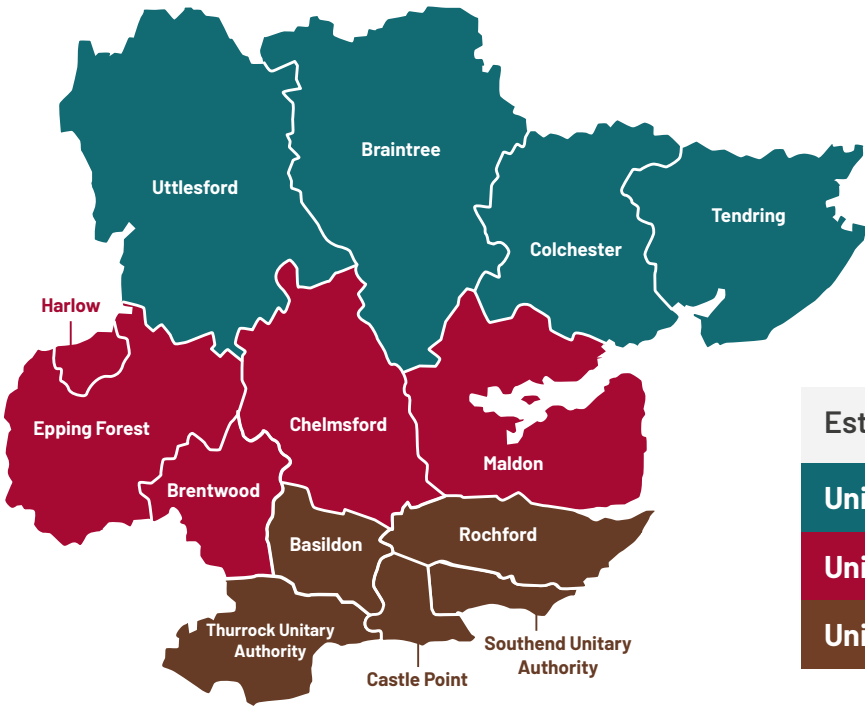
Estimated area population

Unitary 1	604,000
Unitary 2	564,000
Unitary 3	729,000

Three unitary model: overview

The three unitary model creates a sensible geography for Greater Essex with three areas that are broadly equal in terms of population and economic potential. The North-Mid-South split will make intuitive sense to residents and it will create three dynamic economic geographies, each one anchored by a growing city and each one having a mix of other growth hubs and assets, including fast-growing towns like Harlow and Basildon, airports and freeports, universities and new garden communities. The three unitary model will enable better alignment with the three policing areas across Greater Essex.

These geographies will be of the right scale to enable new unitaries to work with the Mayor on ambitious new plans for local growth, housing development and infrastructure. Housing targets are well balanced across the three geographies so authorities will be able to set realistic plans for achieving them; and the councils will be large enough to make flexible allocations of new housing to meet local

needs without being constrained by very local considerations.

The three unitary model will generate significant efficiencies – £86m of savings over five years, with £38m a year in ongoing savings. The model will pay back and deliver net financial benefits within 2.7 years. The councils it creates will be financially resilient: total usable reserves per household and the borrowing to reserves ratio will be more evenly balanced than in the four and five unitary models. Deprivation and statutory service demand will also be more evenly balanced.

The model will achieve strong outcomes for public services. The efficiency savings and the financial resilience of the councils will create headroom for additional investment in prevention, transformation, and public service reform, which we estimate could deliver an additional £58m of financial benefits a year on top of LGR efficiencies. By avoiding creating a greater number of social care authorities, the model also protects critical services from additional disaggregation risks, while

ensuring that the system remains simple for the police, health and other partners to work with. The size of the councils will also enable economies of scale benefits in commissioning, procurement, market shaping, and workforce planning. There is a good balance of housing supply and temporary accommodation need across the three areas, which will enable effective system action to address homelessness.

The strong neighbourhood governance model ensures that service delivery would be tailored to the needs of local places and to neighbourhood working with the police, health and the VCS. The financial headroom generated by the model will also support greater investment in communities, including through Neighbourhood Delivery Committees (NDCs) which will help to shape the priorities of different places at a local level.

The model strongly supports devolution. Three unitaries of equal size would provide a solid basis for effective decision making in the Combined Authority, and the unitaries would have the strategic, financial and delivery capacity to help deliver the Mayor's ambitions on economic growth, housing, transport, skills and infrastructure. The number of councillors would reduce from 700 currently to 284 – this would deliver savings and streamline accountability and decision making, while still leaving the number of councillors at an appropriate level consistent with national guidance and practice in existing unitaries.

Overall, there has been considerable engagement with partners and joint working on this model. The model does reflect partners' views in particular about creating a more efficient and simpler local government system to work with and creating the financial headroom to invest in prevention and community engagement. With its strong focus on delivering efficiency savings and better public services, the model is strongly aligned with the feedback from residents – 85% of whom say they will support LGR if it delivers better public services. This is the litmus test of LGR.

Three unitary model: scoring and rationale

Sensible geography

Criteria	Scoring	Rationale
Creates a single tier of local government for the whole Greater Essex area	**HIGH**	**Strengths:** Areas reflect the economic geographies of Essex, with each area having a dynamic city, other major urban areas and other economic assets to drive growth
Creates a sensible geography reflects settlements, economic geography and housing market areas	**HIGH**	They are well balanced – each area has a mix of affluence, economic strengths and also some deprivation – so no area will be left behind
		This configuration works well to support delivery of new housing with targets well balanced across areas and greater flexibility to allocate housing
Creates local authority (LA) geographies capable of sustaining sufficient housing growth to meet local needs	**HIGH**	Good overall fit with strategic transport corridors and some travel to work areas
		Weaknesses: In some places travel to work areas do not map closely onto the new authority boundaries, but this is true of all LGR configurations

Efficiency and resilience

Criteria	Scoring	Rationale
Supports efficiencies and delivers value for money for council taxpayers	**MED**	**Strengths:** Delivers savings of £86m after five years with an ongoing annual benefit of £38m
Improves LA capacity and creates sustainable councils capable of withstanding financial shocks	**MED**	Councils would have the scale and a good balance between revenues and demand pressures to be resilient to shocks
		All councils between 560,000-730,000 population
New councils serve populations of 500,000 or more	**HIGH**	**Weaknesses:** Doesn't deliver as many savings as the two unitary model
		Still some financial impact from disaggregation of county budgets

High quality public services

Criteria	Scoring	Rationale
Improves local service delivery	**HIGH**	**Strengths:** Reduces disaggregation impact on critical services compared to four UA and five UA options and avoids creating additional social care authorities compared to the three we have now. Will deliver £58m in annual transformation and PSR benefits.
Provides a platform for public service reform	**HIGH**	Creates the financial capacity to invest in prevention and public service reform
		Economies of scale benefits in procurement, market shaping and in recruitment and retention of key workforce and skills (social care, planners, data, digital etc)
		Strong neighbourhood governance model will support effective service delivery
		Good alignment with police and health operational boundaries and ensures an overall simple system for partnership working
Avoids unnecessary fragmentation and mitigates risks to critical services	**HIGH**	**Weaknesses:** Some risks from disaggregating county-wide services that need active management

Local views

Criteria	Scoring	Rationale
Reflects residents' sense of hyper-local local identity	MED	**Strengths:** Generally fits well with local identity and how different places connect with each other Strong neighbourhood governance model will enable the councils to work hyper-locally
Mirrors intuitive understanding of place - mitigating risks to issue of local identity	MED	Has been good joint working and proposal reflects input from partners and residents Proposal is in line with residents' priorities for efficiencies and high quality services **Weaknesses:**
Reflects joint work and is informed by local views	MED	There will be some places where the boundaries will not quite reflect local connections, for example Uttlesford being in a different area to Harlow and Epping Unitaries are larger than how people see their neighbourhoods but that is true of all options

Supporting devolution

Criteria	Scoring	Rationale
Helps to support devolution arrangements / unlock devolution	HIGH	**Strengths:** The councils will have the scale and financial capacity to support delivery of the Mayor's agenda on economic growth and housing May support a more strategic mindset in the MCA
Sensible population size ratios between local authorities and any strategic authority	HIGH	**Weaknesses:** Potential for two versus one in decision making (but only an issue if one area consistently outvoted)

Community empowerment

Criteria	Scoring	Rationale
Enables investment in stronger community engagement	MED	**Strengths:** Councils will have greater financial capacity to invest in community engagement Strong neighbourhood governance model will support neighbourhood empowerment
Delivers genuine opportunities for community empowerment	MED	**Weaknesses:** Lower number of councillors than four UA and five UA models but this will be compensated for by strengthening the role of councillors and the support they receive and it also helps deliver efficiencies

Four unitary model (Thurrock proposal)

Estimated area population	
Unitary 1	488,000
Unitary 2	439,000
Unitary 3	419,000
Unitary 4	551,000

Four unitary (Thurrock) model: overview

The geography created by the Thurrock model has some rationale. In the West it would bring together authorities bordering London and it would create greater financial resilience than the arrangement in the five unitary model that pairs Thurrock with Basildon. It would also create greater housing growth opportunities than either the four unitary Rochford model or the five unitary Southend-led model, both of which would leave authorities in the South with significant housing shortfalls. However, in other respects the geography is problematic. It cuts across established economic geographies, travel corridors and an intuitive sense of place by splitting Thurrock from Basildon and the rest of the Thames Gateway, and by pairing Epping and Brentwood with Thurrock rather than with Chelmsford.

As outlined, the model is more financially resilient than the four unitary (Rochford) and the five unitary models, because of the positioning of Thurrock. However, unitary three in the North-East would still face very significant viability issues, as set out in the illustration below:

Unitary spotlight: unitary three (North-East Essex)

Unsustainable demand and financial pressures. This model has:

- high levels of deprivation accounting for nearly 40% of the total number of people in Greater Essex living in the highest levels of deprivation.

- the highest level of spend on adult social care of all unitaries at c.£200m.

- a dedicated schools grant (DSG) High Needs Block/SEND deficit of £67.1m.

- the second highest spend in total on critical services (ASC, CSC, SEND) and the highest spend per capita on critical services of all new unitaries.

- a variance between funding and service costs greater than +/- 5%.

The four unitary model also only delivers limited efficiency savings compared to the two and three unitary models. After five years, the model would still be running at an overall net cost of –£21m and it would take 6.1 years to pay back. The annual ongoing savings from reorganisation would be £18m. This creates only very limited money for investment, and it will take several years for the savings to arise to enable investment in prevention or in community spend to meet local priorities. As a result, the predicted transformation and public service reform benefits, at £48m a year, are lower than in the two and three unitary models.

The model poses very significant risks to the cost and performance of critical services. We have high performing adults and children's social care services across Greater Essex with some of the best outcomes and lowest costs in the country. Even if we maintain three social care authorities under LGR, reconfiguring them from the existing to the new footprints will be challenging. If we layer on top of this an increase in the number of social care authorities – with the further break up of existing services and ways of working, and the need to recruit whole new senior management teams – it is almost inevitable that current excellent performance will slip. This will lead to worse outcomes for vulnerable people and a considerable increase in costs, which could quickly undermine, or even threaten, the financial viability of the new councils. Experience elsewhere suggests remedial measures will take years, not months, to have an effect – the cost and service implications will be long-lasting. This model will also create a more complex system for the police, health and other partners to work with.

Of further concern are the demand and financial pressures in North-East Essex. There is a high risk of creating a spiral in this authority where prevention and early intervention spending has to be reduced to meet statutory demand, thereby further increasing demand and reducing performance on cost and outcomes.

The model will support the effective operation of the Combined Authority as it creates a workable number of new authorities each of comparable size. However, the smaller scale of the new authorities may mean that they lack the strategic, financial and delivery capacity to support the Mayor's agenda on economic growth and planning compared to the two and three unitary models.

The number of councillors is appropriate to ensuring effective democratic representation and local leadership and the model should empower local communities, as long as it is underpinned with a strong neighbourhood governance structure. There has been very little engagement with partners or joint working on this model. It is also not clear how the model responds to residents' feedback that their priorities are better and more efficient public services, as this proposal performs less strongly on these elements than the two and three unitary proposals.

Four unitary (Thurrock) model: scoring and rationale

Sensible geography

Criteria	Scoring	Rationale
Creates a single tier of local government for the whole Greater Essex area	HIGH	**Strengths:** Areas are well balanced in population terms
		Unitary 1 (West) brings together places with strong economic/transport links to London
Creates a sensible geography reflects settlements, economic geography and housing market areas	MED	Better placed to support housing growth than the Rochford and Southend proposals
		Weaknesses:
		Creates boundaries within economic geographies (e.g. between Thurrock and rest of Thames Gateway) and within travel to work areas (e.g. between Chelmsford and Maldon)
Creates local authority (LA) geographies capable of sustaining sufficient housing growth to meet local needs	MED	Creates a mismatch with Unitary 2 having high levels of affluence and Unitary 3 having high levels of deprivation with insufficient resources to meet demand

Efficiency and resilience

Criteria	Scoring	Rationale
Supports efficiencies and delivers value for money for council taxpayers	LOW	**Strengths:** It does at least provide some financial benefits for taxpayers compared to five UA model
		Weaknesses:
Improves LA capacity and creates sustainable councils capable of withstanding financial shocks	LOW	It will take 6.1 years to realise any financial benefit at all from LGR, after which annual net financial benefits will amount to £18m per year
		Unitary 3 will have high levels of deprivation and social care demand
New councils serve populations of 500,000 or more	LOW	Three of the four unitaries are below 500,000 albeit close to the threshold

High quality public services

Criteria	Scoring	Rationale
Improves local service delivery	MED	**Strengths:** The model should encourage place based delivery of services
Provides a platform for public service reform	MED	**Weaknesses:** Creates additional highways and social care authorities increasing operational risks
Avoids unnecessary fragmentation and mitigates risks to critical services	MED	Creates a more complex system than the three UA model for police and health to work across. Overall it delivers fewer transformation and PSR benefits than the two UA and three UA models

Local views

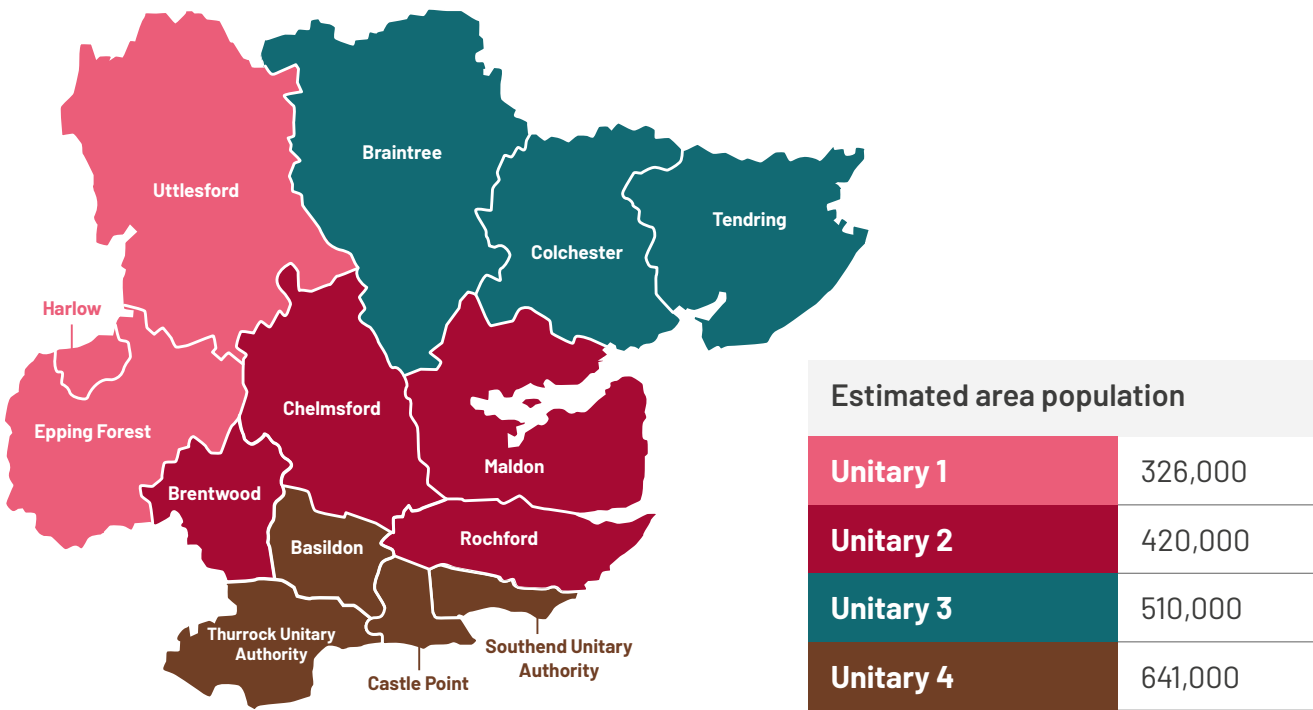| Criteria	Scoring	Rationale
Reflects residents' sense of hyper-local local identity	MED	**Strengths:** In some places the model reflects an intuitive sense of place (e.g. Braintree with Chelmsford; Epping with Brentwood)
Mirrors intuitive understanding of place - mitigating risks to issue of local identity	LOW	**Weaknesses:** Overall the model does not reflect an intuitive sense of place (e.g. Brentwood and Maldon split from Chelmsford; Thurrock put in with places in the West of Essex rather than with the rest of the South; a boundary between Thurrock and Basildon)
Reflects joint work and is informed by local views	MED	There has been very little joint work on the model and not clear how it meets public priorities on better and more cost effective public services

Supporting devolution

Criteria	Scoring	Rationale
Helps to support devolution arrangements / unlock devolution	HIGH	**Strengths:** The model provides an appropriate number of constituent authorities for the MCA
Sensible population size ratios between local authorities and any strategic authority	MED	**Weaknesses:** Smaller scale unitaries will lack the strategic and financial capacity to deliver the Mayor's agenda on economic growth and housing. With smaller authorities there is also a greater risk of new housing being blocked locally

Community empowerment

Criteria	Scoring	Rationale
Enables investment in stronger community engagement	LOW	**Strengths:** The model retains a higher number of Councillors than the 2UA and 3UA options. The model should encourage locality working albeit needing neighbourhood governance
Delivers genuine opportunities for neighbourhood empowerment	MED	**Weaknesses:** The lack of financial savings will mean there is less financial capacity to invest in community engagement and working

Four unitary model (Rochford District Council proposal)

Estimated area population	
Unitary 1	326,000
Unitary 2	420,000
Unitary 3	510,000
Unitary 4	641,000

Unitary Spotlight: Unitary 4 (South Essex)

Significant housing shortfalls and delivery challenges

Authorities in unitary 4 in the Rochford 4UA proposal	Housing delivery performance: % of required homes delivered 2020–23	Housing delivery challenge: ratio of new annual housing targets to average annual delivery 2020–23
Thurrock	35%	3.02
Southend	37%	3.64
Castle Point	54%	4.17
Basildon	35%	4.06

This means that Unitary 4 would have to increase recent housing performance by 300-400% to meet housing targets for the area

Four unitary (Rochford) model: overview

The geography created by the Rochford model has some rationale. Broadly it creates viable geographies that reflect the traditional Greater Essex economic and transport corridors. It also, for the most part, reflects an intuitive sense of place that aligns with travel to work areas and with the connections that residents feel between places. However, the proposal to move Rochford from the South (unitary 4) to the Mid (unitary 2) creates significant challenges. Firstly, Rochford is part of the economic geography of the south with strong ties to Basildon, Southend and other parts of

that sub-region. This is shown for example by the travel to work areas map and by the fact that Southend airport is located in Rochford. Secondly, moving Rochford into mid Essex creates problems for housing delivery. Rochford has over-achieved on meeting its housing targets whereas other authorities in the South have significant housing shortfalls. While moving Rochford to unitary 2 may reduce future housing targets on Rochford, it will exacerbate the housing pressures on unitary 4 and make it harder for the Mayor to achieve overall housing targets for Greater Essex.

The configuration also creates an affluence/deprivation and demand imbalance. Unitaries 1 and 2 will be relatively more affluent, and Unitaries 3 and 4 relatively more deprived. 100% of the people in Greater Essex living in the highest levels of deprivation will be concentrated in Unitaries 3 and 4, and these unitaries will also have a large proportion of the total demand across adult social care, children's social care, and SEND to deal with. This will lead to considerable financial pressures in these authorities.

The four unitary model also delivers limited efficiency savings compared to the two and three unitary models. After five years, the model would still be running at an overall net cost of -£21m and it would take 6.1 years to pay back. The annual ongoing savings from reorganisation would be £18m. This creates very limited money for investment, and it will take several years for the savings to arise to enable investment in prevention to meet demand pressures, and in community investments to meet local priorities. As a result, the potential transformation and public service reform benefits, at £48m a year, are lower than in the two and three unitary models.

The Rochford proposal poses very significant risks to the cost and performance of critical services. We have high-performing adults and children's social care services across Greater Essex with some of the best outcomes and lowest costs in the country. Even if we maintain three social care authorities under LGR, reconfiguring them from the existing to the new footprints will be challenging. If we layer on top of this an increase in the number of social care authorities – with the further break up of existing services and ways of working, and the need to recruit whole new senior management teams – it is almost inevitable that current excellent performance will slip. This will lead to worse outcomes for vulnerable people and a considerable increase in costs, which could quite quickly undermine, or even threaten, the financial viability of the new councils. Experience elsewhere suggests remedial measures will take years, not months, to have an effect – the cost and service implications will be long-lasting. This model would also create a more complex system for the police, health and other partners to work with.

A further specific consideration is the demand and financial pressures in unitaries 3 and 4. There is a high risk of creating a spiral in these councils where prevention and early intervention spending has to be reduced to meet statutory demand, thereby further increasing demand and reducing performance on cost and outcomes.

The model creates a workable number of new authorities for the Combined Authority. However, Unitary 1 has half the population of Unitary 4, which may cause concerns about fair representation and decision making. As described above, the model would also make it more difficult to meet the Mayor's housing targets given the situation in the South.

The number of councillors is appropriate to ensuring effective democratic representation and local leadership and the model should empower local communities, as long as it is underpinned with a strong neighbourhood governance structure. There has been little engagement with partners or joint working on this model. It is also not clear how the model responds to residents' feedback that their priorities are better and more efficient public services, as it performs less strongly on these elements than the two and three unitary proposals.

Four unitary model (Rochford): scoring and rationale

Sensible geography

Criteria	Scoring	Rationale
Creates a single tier of local government for the whole Greater Essex area	HIGH	**Strengths:** Areas reflect well the traditional Essex economic geographies and also the strategic transport corridors
Creates a sensible geography reflects settlements, economic geography and housing market areas	MED	**Weaknesses:** There is a significant population imbalance with Unitary 1 being around half the size of Unitary 4 There is also an affluence imbalance with Unitaries 1 and 2 having higher levels of affluence and lower levels of deprivation; and Unitaries 3 and 4 having the opposite
Creates local authority (LA) geographies capable of sustaining sufficient housing growth to meet local needs	LOW	Unitary 4 will be highly challenged on meeting housing targets: all authorities in Unitary 4 are significantly failing to meet targets and the model excludes the higher performing Rochford from Unitary 4, unlike in the 3UA model

Efficiency and resilience

Criteria	Scoring	Rationale
Supports efficiencies and delivers value for money for council taxpayers	LOW	**Strengths:** It does at least have some financial benefits for taxpayers compared to five UA model
Improves LA capacity and creates sustainable councils capable of withstanding financial shocks	LOW	**Weaknesses:** It will take 6.1 years to realise any financial benefit at all from LGR, after which annual net financial benefits will amount to £18m per year
New councils serve populations of 500,000 or more	LOW	70% of the area's social care and SEND demand will be concentrated in Unitaries 3 and 4, affecting their financial viability and sustainability Unitary 4 will also be very highly indebted

High quality public services

Criteria	Scoring	Rationale
Improves local service delivery	MED	**Strengths:** The model should encourage locality working albeit it will need underpinning with neighbourhood governance to operate effectively at a neighbourhood level
Provides a platform for public service reform	MED	**Weaknesses:** Creates an additional highways and social care authority increasing operational risks
Avoids unnecessary fragmentation and mitigates risks to critical services	MED	Creates a more complex system than the three UA model for police and health to work across Unitaries 3 and 4 will lack the financial capacity to invest in prevention or public service reform given the demand pressures they face on statutory services

Local views

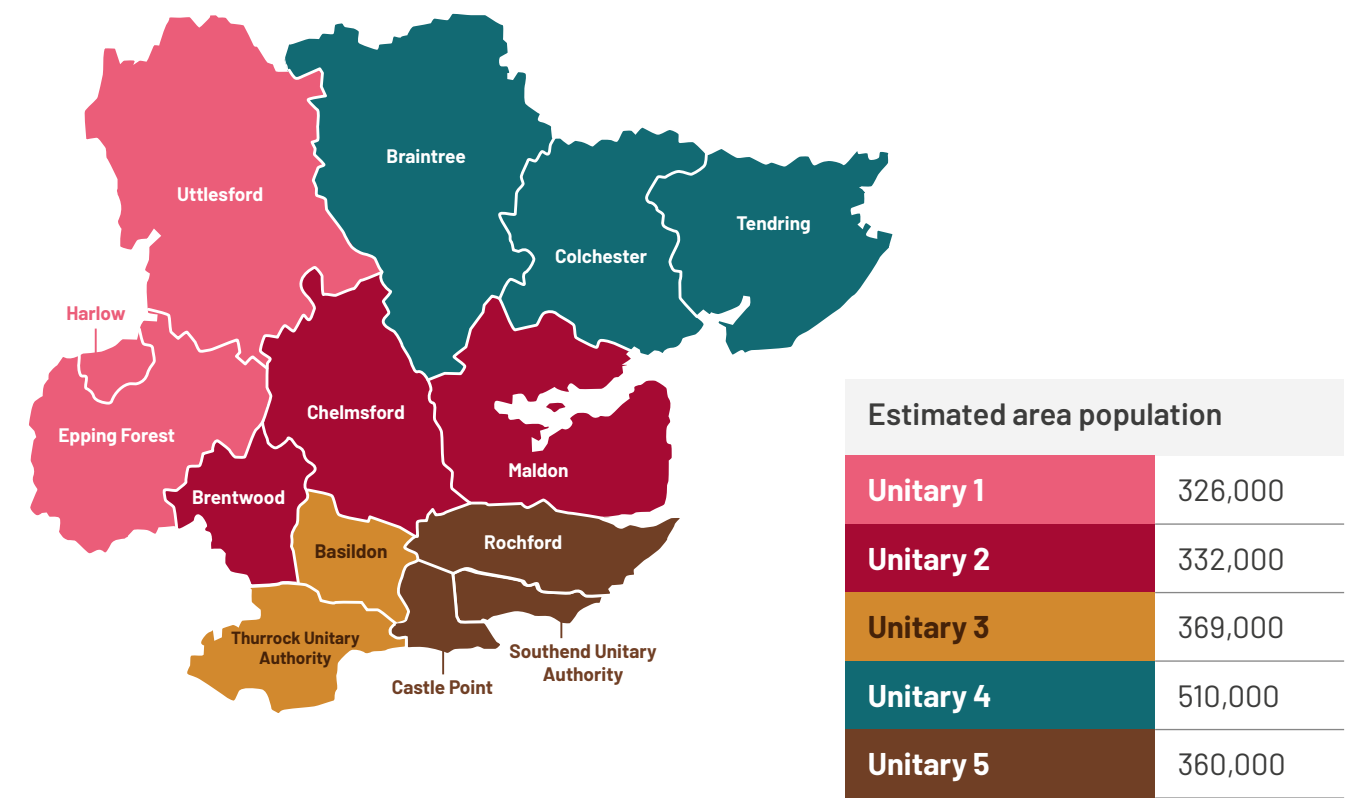| Criteria	Scoring	Rationale
Reflects residents' sense of hyper-local local identity	MED	**Strengths:** The model does generally reflect places that have a sense of belonging together and have been part of traditional economic geographies
Mirrors intuitive understanding of place - mitigating risks to issue of local identity	MED	**Weaknesses:** The inclusion of Rochford in unitary 2 rather than Unitary 4 does not fit with an intuitive understanding of the connections between places
Reflects joint work and is informed by local views	MED	There has been very little joint work on the model and not clear how it meets public priorities on better and more cost-effective public services

Supporting devolution

Criteria	Scoring	Rationale
Helps to support devolution arrangements / unlock devolution	MED	**Strengths:** The model provides an appropriate number of constituent authorities for the MCA **Weaknesses:** The population imbalance between authorities will hinder the operation of the MCA
Sensible population size ratios between local authorities and any strategic authority	LOW	Smaller scale unitaries will lack the strategic and financial capacity to deliver the Mayor's agenda on economic growth and housing With smaller authorities there is also a greater risk of new housing being blocked by local opposition. Unitary 4 in particular will be highly challenged to meet housing targets

Community empowerment

Criteria	Scoring	Rationale
Enables investment in stronger community engagement	LOW	**Strengths:** The model retains a higher number of councillors than the two UA and three UA options The model should encourage locality working albeit needing neighbourhood governance
Delivers genuine opportunities for neighbourhood empowerment	MED	**Weaknesses:** The smaller scale of authorities and in particular the financial weakness of some unitaries will mean there is less financial capacity to invest in community engagement and working

Five unitary model (Southend-on-Sea Council led proposal)

Estimated area population

Unitary 1	326,000
Unitary 2	332,000
Unitary 3	369,000
Unitary 4	510,000
Unitary 5	360,000

Five unitary model: overview

Each authority in the five unitary model has an urban centre and the geographies are broadly aligned with travel to work areas and also with hospital catchments. However, the proposal splits apart the South of Essex, which is the natural economic geography of Thames Gateway. This is likely to make achieving economic and housing growth at scale more challenging than it needs to be.

There are other very significant problems with this model. It does not deliver the efficiency savings that the public have told us they expect from LGR. Because of the higher cost of setting up and then running five new councils, even after five years, the model will carry a net financial cost of £114m and the model will take 53.6 years to pay back.

Authorities across Greater Essex will be closer to the start of the next century than the beginning of this one before savings from this model of authorities are achieved. These are not just short-term costs that will be offset by significant transformation and public service reform savings that will come through over the medium term. Analysis shows that the annual transformation and public service reform benefits are likely to be only around £30m, lower than with all other models.

These higher costs, lack of savings, and lower transformation/PSR benefits would be a millstone for all the councils in this model. But the problem would be particularly acute for the Unitary 5 (Thurrock/Basildon) because of its high levels of indebtedness and its high demand pressures.

<div style="background:#fce; padding">

Unitary spotlight:
Unitary 5 (South-West Essex)

Unsustainable demand and financial pressures. This model has:

- very high debt levels with 26% of its annual budget spent on debt financing;

- a near £64m deficit on the DSG high needs block for SEND.

- the highest demand for children's social care with nearly 30% of the demand across the whole Greater Essex area and £93m spent on children's social care placements and staffing;

- 35% of the total number of people in Greater Essex living in the highest levels of deprivation;

- the highest number of residents in temporary accommodation at 9.1 per 1,000 residents.

</div>

The Southend-led model poses very significant risks to the cost and performance of critical services. We have high-performing adults and children's social care services across Greater Essex with some of the best outcomes and lowest costs in the country. Even if we maintain three social care authorities under LGR, reconfiguring them from the existing to the new footprints will be challenging. If we layer on top of this an increase in the number of social care authorities – with the further break up of existing services and ways of working, and the need to recruit whole new senior management teams – it is almost inevitable that current excellent performance will slip. This will lead to worse outcomes for vulnerable people and a considerable increase in costs, which could quite quickly undermine, or even threaten, the financial viability of the new councils. Experience elsewhere suggests remedial measures will take years, not months, to have an effect – the cost and service implications will be long-lasting. This model would also create the most complex system for

the police, health and other partners to work with of any of the options being put forward.

Deprivation and demand pressures on critical services are heavily concentrated in the North-East and South-West unitaries in this model. This, together with the financial pressures on those authorities, would make it highly likely that prevention and early intervention spending would have to be reduced to meet statutory demand, thereby further increasing demand and reducing performance on cost and outcomes.

The model creates an appropriate number of constituent authorities for the new Combined Authority, although new unitaries may lack the capacity and financial resilience to be able to work with the Mayor to deliver an ambitious growth agenda.

The number of councillors is higher than in other models. This could be seen as a positive, enhancing local democracy, but it also means that the running costs of this model are higher and it does not deliver the financial savings that could be achieved. The model should empower local communities, as long as it is underpinned with a strong neighbourhood governance structure.

Overall, there has been considerable engagement with partners and joint working on this proposal. There has also been substantial public engagement through both a wider Greater Essex and a specific Southend-led survey. The latter highlighted that the proposal is not well supported by the public: only 37% of respondents supported the proposal, with 44% not supporting, and the remainder neutral. The largest respondent group, at 28%, was those who strongly do not support the proposal. Looking at the results by location:

- Southend-on-Sea is the only area where support for the proposal is above 50%; all other areas in Greater Essex oppose the proposal;

- in nine of the 12 districts of Essex, support for the proposal is below 40%;

- in four Essex districts support for the proposal is below 30%.

Five unitary model: scoring and rationale

Sensible geography

Criteria	Scoring	Rationale
Creates a single tier of local government for the whole Greater Essex area	HIGH	**Strengths:** Areas are reasonably well aligned with housing market and travel to work areas They create reasonably well balanced areas in population terms
Creates a sensible geography reflects settlements, economic geography and housing market areas	MED	**Weaknesses:** The splitting of the South into two unitaries creates an unnecessary boundary across an existing economic geography
Creates local authority (LA) geographies capable of sustaining sufficient housing growth to meet local needs	LOW	Unitary 3 will be highly challenged on meeting housing targets as the two existing authorities in that unitary are currently meeting 35% of their housing targets leaving a large shortfall

Efficiency and resilience

Criteria	Scoring	Rationale
Supports efficiencies and delivers value for money for council taxpayers	NONE	**Strengths:** Unitaries 1 and 2 will be affluent and relatively resilient to financial shocks
Improves LA capacity and creates sustainable councils capable of withstanding financial shocks	NONE	**Weaknesses:** The five UA model is the most expensive option costing around £114m over the next five years and taking 53 years to pay back Unitary 3 will be very highly indebted not financially viable as it stands
New councils serve populations of 500,000 or more	LOW	Deprivation and demand pressures are heavily concentrated in two of the five unitaries Four of the five councils will be significantly below the 500,000 guideline

High quality public services

Criteria	Scoring	Rational
Improves local service delivery	LOW	**Strengths:** The model should encourage locality working albeit it will need underpinning with neighbourhood governance to operate effectively at a neighbourhood level The model is well aligned to local hospitals potentially making it easier to design pathways out of hospital and into care (although this will be counteracted by the serious financial situation facing some authorities in this model)
Provides a platform for public service reform	MED	**Weaknesses:** Creates two additional highways and social care authorities increasing operational risks and reducing performance on cost and outcomes Creates a more complex system than the three UA model for police and health to work across
Avoids unnecessary fragmentation and mitigates risks to critical services	LOW	The higher costs of this model means that it will not deliver savings to reinvest in better public services and the transformation/PSR benefits are lower than other models The concentration of demand and financial pressures in two authorities will reduce spending on prevention and increase pressures on critical services

Local views

Criteria	Scoring	Rationale
Reflects residents' sense of hyper-local local identity	MED	**Strengths:** The model does generally reflect places that have a sense of belonging together It has benefited from considerable joint working and partner engagement
Mirrors intuitive understanding of place - mitigating risks to issue of local identity	MED	**Weaknesses:** The splitting up of the South and in particular the boundary between Basildon and other authorities in the South is not consistent with an intuitive sense of place
Reflects joint work and is informed by local views	LOW	Public feedback has indicated that more people are opposed to this model than support it

Supporting devolution

Criteria	Scoring	Rationale
Helps to support devolution arrangements / unlock devolution	MED	**Strengths:** The model creates geographically well balanced authorities for the MCA **Weaknesses:** There is a risk that a higher number of smaller authorities may shift the focus in the MCA towards more local considerations rather than the priorities and needs of Greater Essex as a whole
Sensible population size ratios between local authorities and any strategic authority	LOW	Smaller authorities may also lack the strategic and financial capacity to deliver the Mayor's agenda on economic growth and housing. The model is not well aligned to deliver the Mayor's housing targets

Community empowerment

Criteria	Scoring	Rationale
Enables investment in stronger community engagement	NONE	**Strengths:** The model retains a higher number of councillors than other models but this contributes to the high financial costs of this model The model should encourage locality working albeit needing neighbourhood governance
Delivers genuine opportunities for neighbourhood empowerment	MED	**Weaknesses:** The smaller scale of authorities and in particular the financial weakness of some unitaries will mean there is unlikely to be additional financial capacity to invest in community engagement and working

Options appraisal conclusion

We believe that the three cities model proposal for three new unitaries in Greater Essex stands strongly on its own merits. It will create sensible and well-balanced geographies, each one being a high growth area, with a dynamic city at its heart and a balance of other economic assets to support growth.

The proposal will also deliver the financial savings and the better public services that the public clearly tell us is crucial to their support for LGR. The three cities model protects critical services by minimising disaggregation risks, by ensuring an even spread of demand across new unitaries, and by creating new authorities that will have the financial capacity to invest in prevention, early intervention, and public service reform.

The options appraisal also shows that all the four and five unitary models simply do not and cannot deliver against the breadth of the Government's criteria, because:

- they do not deliver the financial savings that local residents and central government expect from LGR. This means that Council Tax bills will be higher and public services weaker than will be the case under the two or three unitary models;

- the four and five unitary models will also result in an increase in the number of highways and social care authorities from the three we have currently. The disaggregation impacts on service delivery, on practice and on the workforce, and creates serious risks to being able to maintain the current excellent service performance that has been built up over many years. This will raise costs and also create greater risks to a safe and quick transition of these services. Increasing the number of social care authorities also means a more complex and bureaucratic system for health partners, the police, schools and others to work with. It will also place added burdens on Ofsted and the CQC as it will require more inspections in future;

- the four and five models create some councils that will be financially weak from the outset and that will be vulnerable to shocks and demand pressures. This is particularly so in the Southend-led model, where demand pressures and deprivation would be highly concentrated in two of the five councils, and one of these councils would also be highly indebted and financially weak; and also in the Rochford model, where two of the four unitaries would have 100% of the residents living in the highest levels of deprivation;

- Essex faces a significant housing challenge in the South of the county. Some authorities in the South are only meeting 35% of current housing targets meaning that these areas are facing significant housing shortfalls to address current demands let alone future targets. The Rochford and Southend-led models will perpetuate this housing challenge by creating some unitaries that are comprised only of authorities that are failing to meet their housing targets, meaning that these new councils would have to radically transform housing performance with little capacity to do so.

The two unitary model does not suffer from these deficiencies and it would deliver the greatest financial benefits and the lowest disaggregation risk to critical services. However, it does not reflect local place identity and would create councils that cover too large an area. It would also go too far in reducing councillor numbers, leaving a democratic deficit and weakening councils' ability to listen to and empower communities. This is why no authority in Greater Essex is putting it forward as a proposal.

Because none of the other options meets the Government's criteria and because of the positive case for the three unitary model outlined earlier, our clear conclusion is that the three cities model for LGR is the right and best option for the people and businesses of Greater Essex and for the future of our area.

Part Two: Future Model

"This is a once in a generation opportunity to work together to put local government in your area on a more sustainable footing, creating simpler structures for your area that will deliver the services that local people and businesses need and deserve."

LGR invitation letter to the leaders of Greater Essex, 5 February 2025

In this part of the business case we look in more detail at the new unitaries we are creating and how the new model of local government we are proposing will achieve the outcomes our residents say are important. At the heart of this argument is a fundamental reinvigoration of neighbourhood governance, putting power in the hands of the people who care most and know most about the places they live. That is the key to a more preventative state and the long-term sustainability of critical public services. We show how our approach to those services, building on years of good practice, can be preserved by ensuring that we contain their disaggregation: we have three social care authorities today and we will have three in the new model. We demonstrate how our three cities model is the strongest basis for supporting economic and housing growth. And we conclude this section with the core financial argument, which demonstrates that any more than three new authorities erodes the investment that can be made in upfront prevention spending and long-term transformation.

Three new councils for Greater Essex

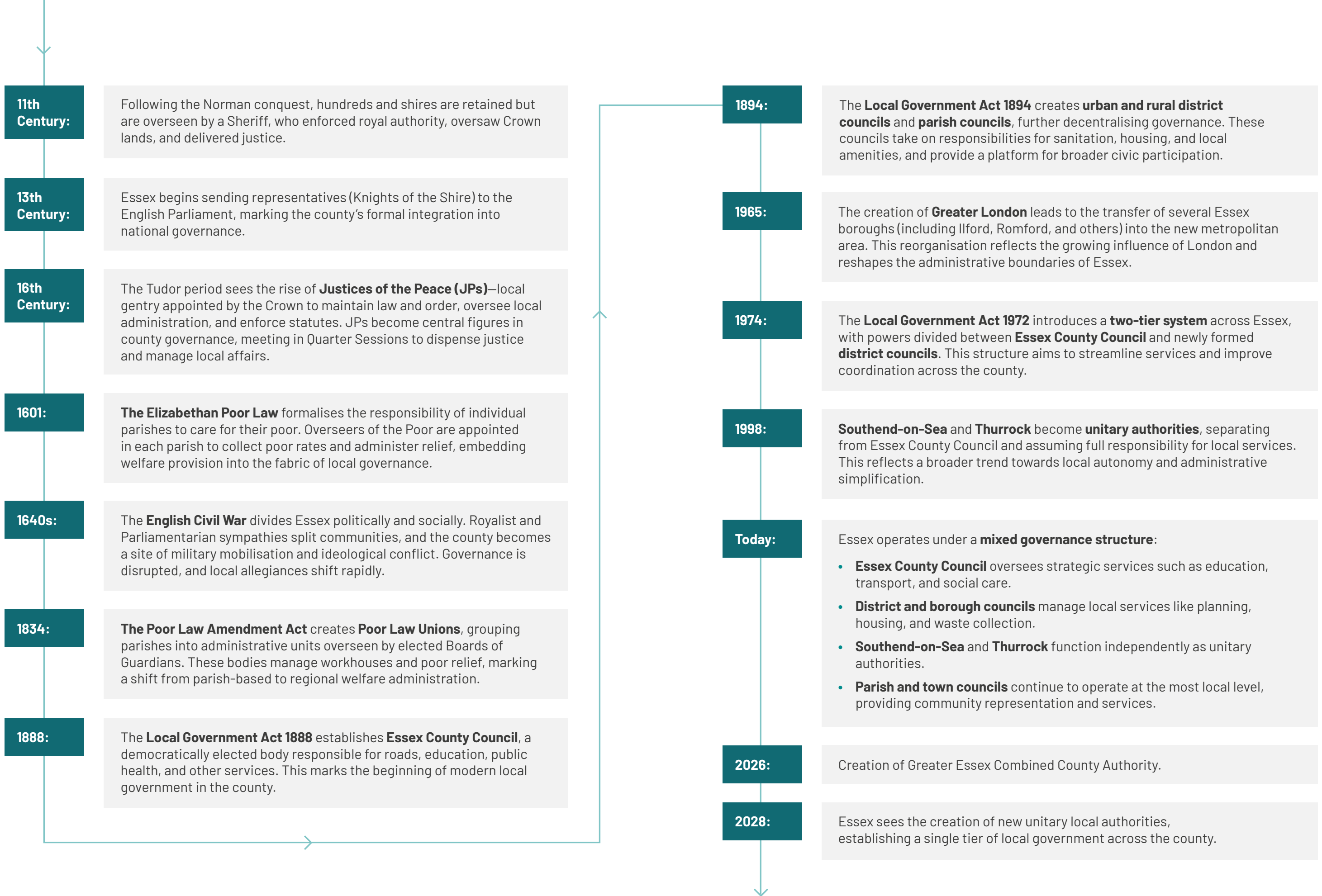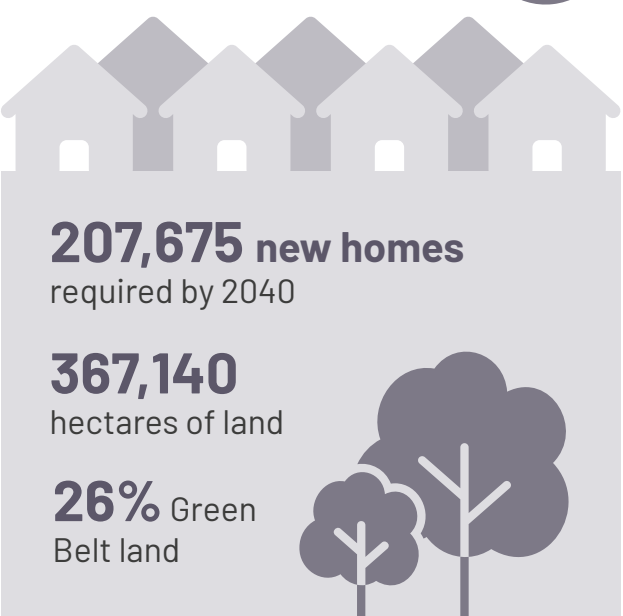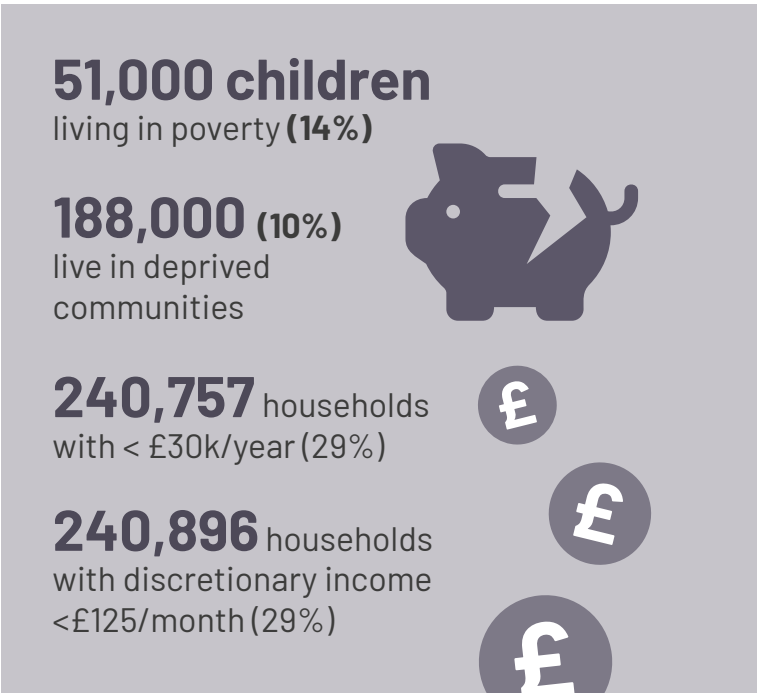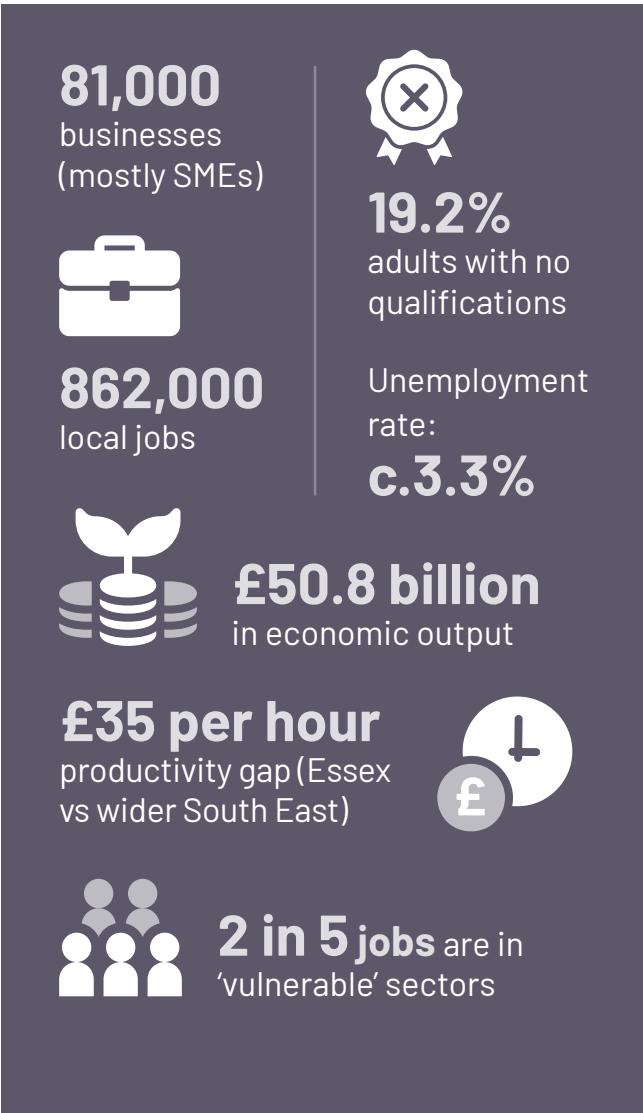|	
AD 43:	The Roman conquest of Britain sees Colchester established as the centre of Roman power in Britain (prior to the Boudiccan revolt).
6th Century:	Saxon settlers establish the Kingdom of the East Saxons (from which Essex gets is name).
9th Century:	Essex is absorbed into the Kingdom of Wessex and subsequently captured by Scandinavian invaders.
10th Century:	Essex is brought back under Wessex control. The county is divided, for administrative purposes, into 19 'hundreds'; the Liberty of Havering-atte-Bower, and the boroughs of Colchester, Harwich, and Maldon. Each hundred has a separate council that meet each month to rule on local judicial and taxation matters. Essex itself is established as a Shire. These structures persist, with little alteration, until the 19th Century.

11th Century:	Following the Norman conquest, hundreds and shires are retained but are overseen by a Sheriff, who enforced royal authority, oversaw Crown lands, and delivered justice.
13th Century:	Essex begins sending representatives (Knights of the Shire) to the English Parliament, marking the county's formal integration into national governance.
16th Century:	The Tudor period sees the rise of **Justices of the Peace (JPs)**—local gentry appointed by the Crown to maintain law and order, oversee local administration, and enforce statutes. JPs become central figures in county governance, meeting in Quarter Sessions to dispense justice and manage local affairs.
1601:	**The Elizabethan Poor Law** formalises the responsibility of individual parishes to care for their poor. Overseers of the Poor are appointed in each parish to collect poor rates and administer relief, embedding welfare provision into the fabric of local governance.
1640s:	The **English Civil War** divides Essex politically and socially. Royalist and Parliamentarian sympathies split communities, and the county becomes a site of military mobilisation and ideological conflict. Governance is disrupted, and local allegiances shift rapidly.
1834:	**The Poor Law Amendment Act** creates **Poor Law Unions**, grouping parishes into administrative units overseen by elected Boards of Guardians. These bodies manage workhouses and poor relief, marking a shift from parish-based to regional welfare administration.
1888:	The **Local Government Act 1888** establishes **Essex County Council**, a democratically elected body responsible for roads, education, public health, and other services. This marks the beginning of modern local government in the county.

1894:	The **Local Government Act 1894** creates **urban and rural district councils** and **parish councils**, further decentralising governance. These councils take on responsibilities for sanitation, housing, and local amenities, and provide a platform for broader civic participation.
1965:	The creation of **Greater London** leads to the transfer of several Essex boroughs (including Ilford, Romford, and others) into the new metropolitan area. This reorganisation reflects the growing influence of London and reshapes the administrative boundaries of Essex.
1974:	The **Local Government Act 1972** introduces a **two-tier system** across Essex, with powers divided between **Essex County Council** and newly formed **district councils**. This structure aims to streamline services and improve coordination across the county.
1998:	**Southend-on-Sea** and **Thurrock** become **unitary authorities**, separating from Essex County Council and assuming full responsibility for local services. This reflects a broader trend towards local autonomy and administrative simplification.
Today:	Essex operates under a **mixed governance structure**: • **Essex County Council** oversees strategic services such as education, transport, and social care. • **District and borough councils** manage local services like planning, housing, and waste collection. • **Southend-on-Sea** and **Thurrock** function independently as unitary authorities. • **Parish and town councils** continue to operate at the most local level, providing community representation and services.
2026:	Creation of Greater Essex Combined County Authority.
2028:	Essex sees the creation of new unitary local authorities, establishing a single tier of local government across the county.

Greater Essex in numbers

Population
1.9 million

14,000 annual population growth over the past decade

2.05 million projected growth in population by 2040

309,000 (17%) people with disabilities

17% identify as minority ethnic group

20% (379,800) of the population are aged 65+

15.9 years gap in male life expectancy (richest - poorest)

13.6 year gap in female life expectancy (richest - poorest)

51,000 children living in poverty **(14%)**

188,000 (10%) live in deprived communities

240,757 households with < £30k/year (29%)

240,896 households with discretionary income <£125/month (29%)

81,000 businesses (mostly SMEs)

19.2% adults with no qualifications

862,000 local jobs

Unemployment rate: **c.3.3%**

£50.8 billion in economic output

£35 per hour productivity gap (Essex vs wider South East)

207,675 new homes required by 2040

367,140 hectares of land

26% Green Belt land

2 in 5 jobs are in 'vulnerable' sectors

Essex as we know it today, has its roots in the Kingdom of the East Saxons, established in the sixth century. Some of its historic boundaries are the same as they were over a thousand years ago, stretching from the Thames Estuary in the South to the Stour Valley in the North; and westwards from the North Sea coast to the Lea and Stort Valleys. Many of our towns have long-standing historical identities which can be traced through Roman, Saxon, Norman, Medieval and iIndustrial periods to the present day.

Throughout this period, and today, Essex has brought together many different and connected places. Today, Essex's 1.9m people live in diverse urban, rural and coastal communities; in fast-growing cities; in historic market towns and 1950s New Towns, each with their own distinct histories, cultures and identities.

Colchester, for example, is Britain's oldest recorded town and has been a centre of government since it became the first capital of Roman Britain. Its Roman roots laid the foundation for centuries of civic importance, with Colchester Castle – built on the site of a Roman temple – symbolising its enduring role in governance. In modern times, Colchester has become a hub for education and the arts. The University of Essex contributes to its academic reputation, while institutions like Colchester Arts Centre and the Colchester Art Society reflect a vibrant cultural scene.

Chelmsford became the county town of Essex in 1218, following a Royal Charter in 1199 that established its market and administrative role. Its central location made it a key centre for trade and governance. In the 20th century, Chelmsford gained global recognition as the birthplace of radio, with Marconi opening the world's first radio factory there in 1899. Alongside firms like Crompton & Co and Hoffmann Ball Bearings, Chelmsford became a hub of wartime and post-war industry, shaping its identity as a modern city.

By contrast, Southend grew from a small fishing village into a major seaside resort from the late 18th century onwards. Its popularity surged with the arrival of bathing machines, royal patronage, and the construction of Southend Pier in 1830. The railway's arrival in 1856 brought waves of London tourists, and attractions like the Kursaal amusement park cemented its status. Though tourism declined in the late 20th century, Southend's identity as a coastal leisure destination remains strong.

More recently the development of New Towns in Basildon and Harlow has been emblematic of the role that some of Essex's communities play in easing housing pressures in London. Basildon, established in 1949, combined several villages and developed into a modern town with a strong industrial base. Harlow, planned in 1947 by Sir Frederick Gibberd, pioneered modernist design and community-focused planning. It featured the UK's first residential tower block and became known for its public art and green spaces, maintaining its New Town ethos into the present day.

A number of popular and highly regarded recent books including Tim Burrows', *The Invention of Essex*; Gillian Darley's *Excellent Essex*; and Ken Worpole's work including most recently *Brightening from the East* share a sense of the unique role that Essex has played as a front runner for social and political changes in the country. Its history of experimentation in how people choose to live their lives and as a consequence their independence of spirit, marks Essex and its residents. Essex has often been misunderstood – wilfully or otherwise – but it is important to us that we capture something of the unique identity of our county in this proposal and build on the spirit that fires our people to roll up their sleeves and make things happen.

Our case for three unitary authorities – North, Mid and South Essex – respects and reflects these distinct identities and the unique pride that residents have in their towns and cities, anchored under a Mayoral structure serving Essex as a whole.
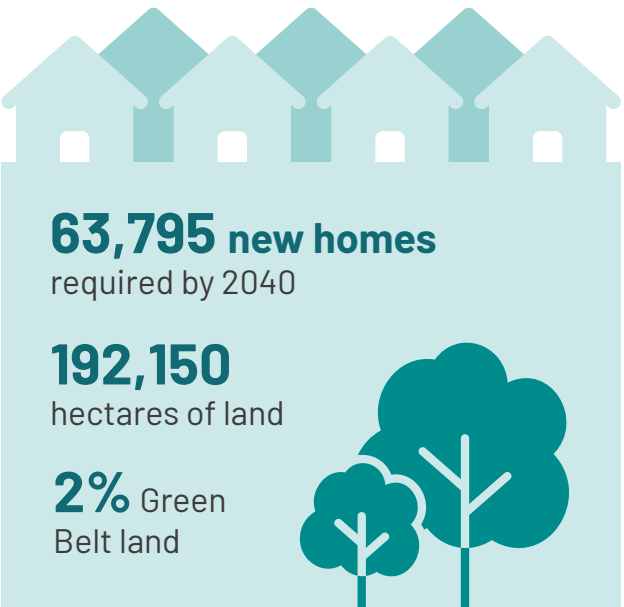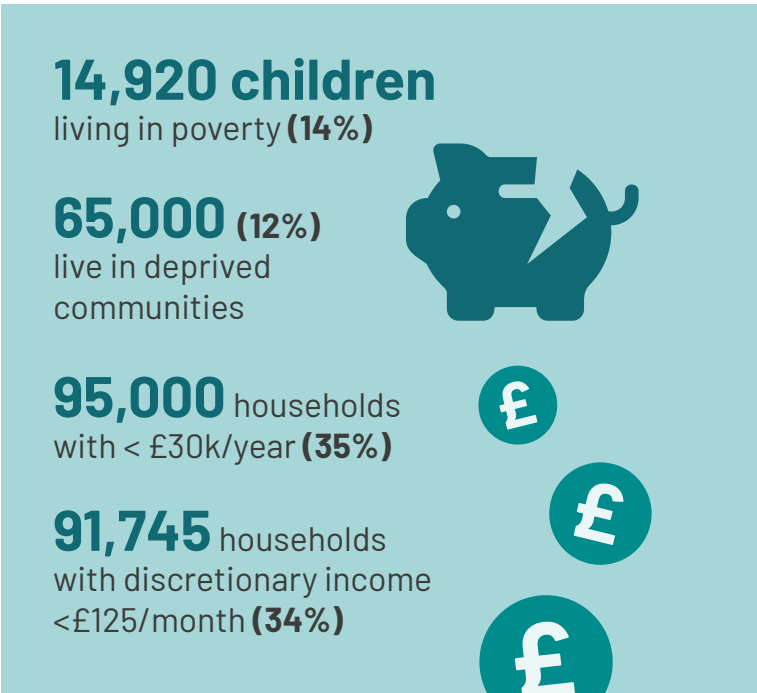
The area benefits from diverse landscapes, sites of special scientific interest and areas of outstanding natural beauty. It is urban, green, coastal and physically, economically and socially connected with London – the world's greatest city.

Twenty-first-century Essex is a place that is full of opportunity. Its towns, cities and villages have grown as people have moved east, out of the capital, since the 1950s, and from across England to the wider South East since the 1980s. People have moved here to enjoy the quality of life offered in our villages, towns, and cities, and to grasp new economic opportunities.

Essex's historic strength is founded on the connections that exist between its communities, town and cities, and with towns and cities beyond its boundaries. It is composed of key growth corridors, linking communities along radial routes from London (e.g. in the South Essex area), or connecting fast-growing cities, via Essex's ports and airports, with destinations and markets across the world (e.g. in North Essex).

Greater Essex has significant assets upon which to build and has the potential to become the fastest growing economy in the UK outside London. But it has, over the past few decades, been served by one of the most complex local government and public service systems in the country (two unitary councils, one county council, 12 district councils, one Police, Fire and Crime Commissioner (PFCC) and, until recently, three Integrated Care Systems (ICSs)). If we are to realise the full potential of this area – and deliver real change for our residents – we must grasp the opportunity that LGR and devolution brings to simplify and streamline the existing system of government, enabling leaders to focus on delivering growth and high-quality public services across three new unitary authority areas.

North Essex Unitary Authority

Population
604,000

5,600 (c.1%) annual population growth over the past decade

60,500 (10%) projected growth in population by 2040

107,000 (18%) people with disabilities

12% identify as minority ethnic group

22% (133,600) of the population are aged 65+

15.2 years gap in male life expectancy (richest - poorest)

13.6 year gap in female life expectancy (richest - poorest)

14,920 children living in poverty **(14%)**

65,000 (12%) live in deprived communities

95,000 households with < £30k/year **(35%)**

91,745 households with discretionary income <£125/month **(34%)**

24,120 businesses (mostly SMEs)

18.7% adults with no qualifications

269,000 local jobs

Unemployment rate: **c.3.0%**

£14.2 billion in economic output

£64,125 GVA per local job

2 in 5 jobs are in 'vulnerable' sectors

63,795 new homes required by 2040

192,150 hectares of land

2% Green Belt land

A full statistical profile of the North Essex Unitary Authority area can be found in Appendix K.

The North Essex Unitary Authority area – encompassing the current districts of Braintree, Colchester, Tendring, and Uttlesford – brings together fast-growing cities, historic towns, coastal communities, and rural landscapes. The geography of the North Essex unitary spans a dynamic east-west growth corridor, anchored by the A120 and A12 transport axes. It is, and has been for some years, a geography around which partners have collaborated to deliver shared infrastructure, new jobs and skills provision and to unlock housing growth – including through ambitious garden community developments.

Today, North Essex has a population of around 604,000, and this is projected to grow by c.10% by 2040. It has a £14.2bn economy and supports around 269,000 jobs.

The area has exceeded its housing delivery targets over the past three years and there are substantial opportunities for future growth. The A120 corridor is nationally significant, linking Stansted Airport to Harwich and Freeport East, and future upgrades have the potential to unlock major housing and employment sites. The Great Eastern Main Line connects the city of Colchester and the towns of Witham and Clacton to London and the East of England, while Harwich International Port and Freeport East serve as gateways for global

trade, freight, and clean energy innovation. Stansted Airport, a major employment hub, enhances the area's international reach and economic potential.

North Essex's economy is resilient and varied, with sectoral strengths that include clean energy, life sciences, digital and immersive technology, advanced manufacturing, logistics, construction, and tourism. Freeport East in Harwich is emerging as a green energy hub, supported by offshore wind and solar power initiatives, and partnerships such as CB Heating and EDF Energy in Tendring. Chesterford Research Park and the University of Essex anchor the life sciences sector, while the AIXR Centre for Immersive Innovation and data science expertise at the University of Essex drive growth in digital technologies. Braintree's I-Construct Innovation Hub and Colchester Institute support advanced manufacturing and retrofit skills, while Harwich Port and Bathside Bay underpin the logistics and maritime economy. The region's visitor economy is also thriving, with heritage in Uttlesford, Braintree and Colchester, and Tendring's coastal attractions, drawing domestic and international visitors from across the UK.

Growth locations in North Essex are well-distributed and strategically aligned. The

Tendring-Colchester Borders Garden Community will deliver 7,500 homes and employment land, while Braintree continues to expand through housing and infrastructure investment, including through economic hubs such as Horizon 120. Colchester, as Britain's oldest city, combines civic and cultural assets with university-led innovation and strong housing delivery. Harwich is central to the Freeport East initiative and green energy development, and Clacton-on-Sea is benefiting from Levelling Up investment and coastal regeneration. Secondary centres such as Witham and Halstead offer further growth potential, supported by strong transport links and local employment. The Stansted Airport corridor, connecting Uttlesford and Braintree, is a key zone for logistics and employment expansion.

The North Essex Unitary Authority brings together some of Essex's most affluent and most deprived areas – providing a robust basis for funding critical services for those who are most vulnerable. Pockets of high deprivation, particularly in central Colchester

and coastal Tendring, including Clacton and Jaywick contrast with more prosperous towns in the West of the Unitary Authority area and more affluent rural communities. These disparities highlight the importance of focusing new unitary structures on local growth opportunities across the corridor, and on ensuring that all communities enjoy the proceeds of growth and benefit from future economic development.

The new North Essex Council will serve an area rich in opportunity, with the infrastructure, sectoral strengths, and delivery capacity to support long-term growth. The area's strategic location, history of collaborative governance, and proven housing and employment delivery make it a compelling location for future investment. Central to the new council's mission will be to sustain and build on previous work to integrate housing, transport, skills, and economic development, unlocking the latent potential of this growth corridor and ensuring it is well-positioned to lead sustainable and inclusive growth for decades to come.

The North Essex Unitary Authority area – encompassing the current districts of Braintree, Colchester, Tendring, and Uttlesford – brings together fast-growing cities, historic towns, coastal communities, and rural landscapes.

Mid Essex Unitary Authority

Population
564,000

4,300 (0.8%) annual population growth over the past decade

22,000 (4%) projected growth in population by 2040

83,000 (15%) people with disabilities

19% identify as minority ethnic group

20% (110,500) of the population are aged 65+

10.2 years gap in male life expectancy (richest - poorest)

7.7 year gap in female life expectancy (richest - poorest)

12,800 children living in poverty **(12%)**

6,000 (1%) live in deprived communities

53,607 households with < £30k/year **(22%)**

53,490 households with discretionary income <£125/month **(22%)**

27,860 businesses (mostly SMEs)

276,000 local jobs

17.5% adults with no qualifications

Unemployment rate: **~10,500**
c.3.0%

£17.6 billion in economic output

£73,436 GVA per local job

2 in 5 jobs are in 'vulnerable' sectors

66,585 new homes required by 2040

122,260 hectares of land

47% Green Belt land

A full statistical profile of the Mid Essex Unitary Authority area can be found in Appendix K.

Harlow

Harlow

Chelmsford

Epping Forest

Chelmsford

Brentwood

Maldon

The Mid Essex Unitary Authority area brings together the districts of Chelmsford, Harlow, Epping Forest, Brentwood, and Maldon, forming a strategically located and economically diverse region at the heart of Greater Essex. The unitary area connects London to the East of England via the A12 and M11 corridors and the Great Eastern and West Anglia Main Lines, and provides a location for strategic growth beyond the Green Belt, anchored by the City of Chelmsford and by Harlow. The geography of the authority's area – like all parts of Greater Essex – brings together fast growing cities and urban centres, market towns, and rural and coastal landscapes.

Mid Essex has a population of 564,000, projected to grow by 4% by 2040. The area generates £17.6bn in GVA annually and supports around 276,000 jobs. Productivity levels are slightly above the national average, with each job generating £73,436 in output per annum. Median incomes are higher than the England average, and unemployment is consistently low. The area is home to 27,880 active businesses, including 100 high-growth

firms. Mid Essex is relatively affluent, with only 1.1% of residents living in areas among the 20% most deprived nationally.

The economy of Mid Essex is characterised by strengths in life sciences, professional and financial services, construction, and digital technology. Chelmsford and Harlow serve as key employment hubs, supported by institutions such as Anglia Ruskin University (ARU), ARU Writtle, and Harlow College. The area's skills infrastructure is robust, with more than 90% of schools rated Good or Outstanding and lower levels of child poverty compared to national figures.

Housing delivery remains a critical issue in Mid Essex. Based on increased housing targets introduced by Government in December 2024 the area requires over 70,000 new homes by 2040. A continuation of historic housing delivery rates (2020-23) would mean only 54% of the target number of new homes needed would be delivered. Harlow is closest to meeting the new housing target, but all districts fall short. With 47% of land designated as Green Belt, spatial constraints

necessitate strategic planning and coordinated development. The creation of the Mid Essex unitary provides a platform for focusing growth in strategic locations such as Chelmsford Garden Community and Harlow and Gilston Garden Town. These developments offer transformative opportunities for growth and regeneration in the medium to long-term, supported by integrated infrastructure investment and enabled by streamlined governance. Indeed, Mid Essex is already seeing how successful infrastructure investment can enable transformative growth. Beaulieu Park Station in Chelmsford will be the first new station on the Great Eastern Main Line in over a century, enhancing regional mobility. Digital infrastructure is improving, but rural and coastal communities in Maldon and Epping Forest still face challenges in accessing ultrafast broadband and smart services.

The creation of a Mid Essex Unitary Authority offers a coherent governance model aligned with real-world economic geography, housing markets, and travel-to-work areas. It brings together high-performing districts with shared infrastructure and sectoral strengths, enabling strategic planning across housing, transport, skills, and economic development. The area's civic assets, including Chelmsford as the county town and Harlow as a centre for innovation, provide a strong foundation for inclusive growth. With the right leadership and investment, Mid Essex can unlock its full potential and deliver sustainable prosperity for all communities.

The Mid Essex Unitary Authority area brings together the districts of Chelmsford, Harlow, Epping Forest, Brentwood, and Maldon, forming a strategically located and economically diverse region at the heart of Greater Essex.

South Essex Unitary Authority

Population
729,000

4,000 (0.6%) annual population growth over the past decade

74,000 (10%) projected growth in population by 2040

120,000 (17%) people with disabilities

19% identify as minority ethnic group

19% (135,700) of the population are aged 65+

12.5 years gap in male life expectancy (richest - poorest)

10.2 year gap in female life expectancy (richest - poorest)

23,000 children living in poverty **(16%)**

112,000 (16%) live in deprived communities

91,831 households with < £30k/year **(30%)**

95,661 households with discretionary income <£125/month **(31%)**

28,530 businesses (mostly SMEs)

20.9% adults with no qualifications

317,000 local jobs

Unemployment rate: **~17,300** **c.3.9%**

£19.1 billion in economic output

£68,738 GVA per local job

2 in 5 jobs are in 'vulnerable' sectors

77,295 new homes required by 2040

52,730 hectares of land

63% Green Belt land

A full statistical profile of the South Essex Unitary Authority area can be found in Appendix K.

The South Essex Unitary Authority area brings together Basildon, Thurrock, Castle Point, Rochford, and Southend in a compact yet strategically vital growth corridor, linking London with major towns and growing ports and airports along the north of the Thames Estuary via the A127, the A13 and the Essex Thameside rail corridor. South Essex has long been recognised as a functional economic geography with shared infrastructure, overlapping labour markets, and common housing challenges.

South Essex has a population of 729,000 which is projected to grow by c.10% by 2040. It generates c.£19.1bn in GVA annually and supports around 317,000 jobs. South Essex is home to 29,800 active businesses, including 115 which have been identified as 'high growth' businesses (with more than 20% average annual growth over the last three years).

A single unitary authority for South Essex will provide a platform for unlocking opportunity in what remains one of the UK's most significant growth and regeneration locations. Over the past 20 years, South Essex council leaders have recognized the need to work together, and at the South Essex level, to unlock opportunity in the area, and to deliver economic infrastructure, new jobs and housing growth. The new South Essex Unitary Authority will therefore build on the work of the Thames Gateway South Essex (2000s-2016), the Association of South Essex Councils (2016-2022) and more recently the South Essex Councils (from 2022). This work will need to continue in partnership with institutions such as South Essex College, the South East

Institute of Technology, and the University of Essex.

Opportunities for growth in South Essex are substantial and a South Essex Unitary Authority, working with the Mayor through the Greater Essex Combined County Authority, provides the best chance to grasp these. The Thames Freeport, London Gateway, and Southend Airport anchor the region's logistics and advanced manufacturing sectors, while Dunton Hills Garden Village and Basildon Town Centre regeneration offer transformative housing and employment potential. The Lower Thames Crossing and improved rail links will further enhance connectivity, although congestion and infrastructure gaps remain key challenges for all parts of the South Essex area.

South Essex's economy is diverse, with sectoral strengths in logistics, construction, clean energy, and advanced manufacturing. Major employers such as Ford, Leonardo, and Procter & Gamble are complemented by a vibrant micro-business community. Despite strong employment rates, productivity and skills levels lag behind national averages, with only one in five residents holding Level 4 qualifications and 20% having no qualifications. This underscores the need for a South Essex-wide strategy targeting investment in skills and inclusive growth.

Housing delivery is also a critical issue. The area requires over 77,000 new homes by 2040, yet current delivery rates meet only 29% of annual targets. With 63% of land designated as Green Belt, spatial constraints necessitate strategic brownfield development and urban regeneration. The development

of a South Essex Unitary Authority with the ability to identify and prioritise sustainable development sites over a large area will help to address these constraints, unlocking the housing growth required to attract skilled workers and investment.

Deprivation is pronounced in South Essex with over 111,000 residents living in areas among the 20% most deprived nationally. Basildon, Thurrock, and Southend face persistent challenges in health outcomes, educational attainment, and community engagement. These challenges are shared across South

Essex and highlight the importance of focusing the new authority on securing inclusive growth and social policy outcomes.

Despite these challenges, South Essex has the assets and ambition to drive inclusive growth. Its strategic location, sectoral strengths, and major infrastructure projects position it as a sensible and highly investable growth location. Coordinated planning across housing, transport, skills, and economic development – enabled by a new South Essex unitary – can unlock the region's full potential and ensure that growth benefits all communities.

The South Essex Unitary Authority area brings together Basildon, Thurrock, Castle Point, Rochford, and Southend in a compact yet strategically vital growth corridor, linking London with major towns, and growing ports and airports along the north of the Thames Estuary via the A127, the A13 and the Essex Thameside rail corridor.
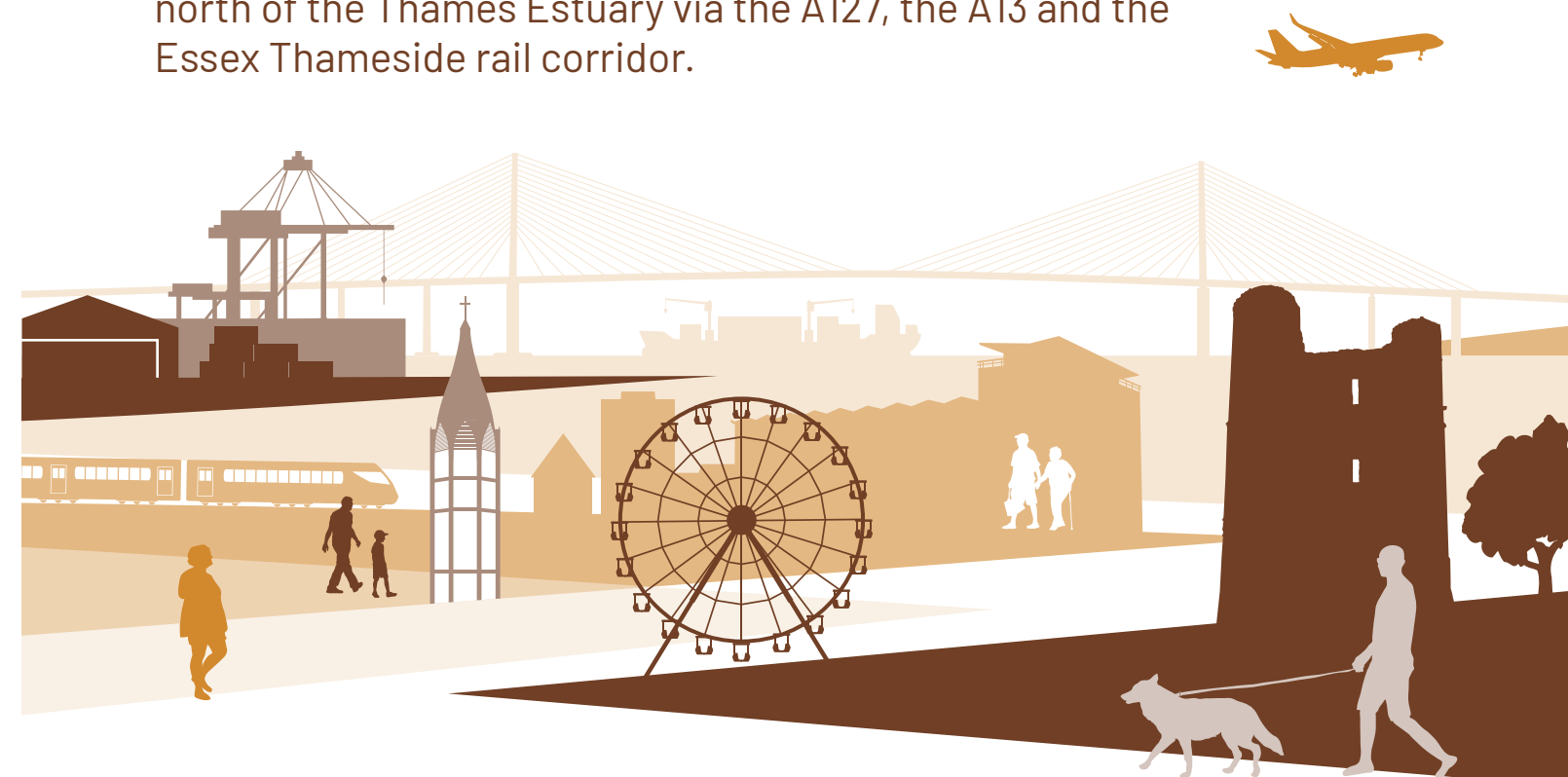
> In the next section we set out how these new unitaries will work at a local level and how the arrangements we put in place to support councillors and neighbourhood-level working will strengthen the ability of local communities to shape the things that matter most to them.

Localism, community engagement and neighbourhood empowerment

LGR provides a once-in-a-generation opportunity to reinvent and rethink local government in Greater Essex.

Our proposal sets out clearly how we will safeguard and strengthen local public services, but we must also take this opportunity to strengthen democracy. Our engagement with residents and communities has demonstrated their appetite to have decisions made at a more local level, and to play a more active part in the local decision-making process. Our response must, therefore, be to shift power closer to people, enabling stronger community engagement and genuine opportunities for empowerment. We must look to devolve power to neighbourhoods in a way that can help nurture and ignite community action.

Our vision, therefore, is that the three cities model will enable a system of local government that is "more local" than the current two-tier arrangements. LGR provides a unique opportunity to hardwire localism into future institutional and governance structures, rather than simply establishing new councils and asking future political leaders to 'pass power down.' Our proposal is built on a fundamental belief in the power of communities. The task of our local government system must be to support this power, harness it, and reflect it in policy and public services.

Putting communities first

Communities and civil society are a source of immense strength in our region. The independent Caring Communities Commission – established to explore how community power can help tackle acute demand on public services – reported that in Greater Essex:

- residents participate positively in civil society wherever they can;

- communities play a critical role in looking out for each other and coming together around common goals, interests and activities; and

- local civil society/voluntary organisations play a critical role in organising and running community events, delivering some services and creating social value and social capital.

Although Greater Essex is more than the sum of its parts, it is made up of hundreds of communities – towns, cities and villages – where people look out for one another and feel proud of where they live. It is through participation in the community that people form their sense of belonging and connection to their neighbourhood. This local connection – and the sense of empowerment and agency people have within their community – is highly valued by residents.

Unfortunately, the current system of local government does not recognise and consistently nurture community activity and connection as well as it might.

This is partly why residents' satisfaction with their local areas has decreased. Fifteen years ago, 85% of residents said they were satisfied with their area, compared to 70% today. And a growing sense of decline has taken root in our neighbourhoods in recent years. Only 7% of Greater Essex residents believe their area has got better to live in over the last two years, while fewer than four in ten agree that their council is making their area a better place to live. This sits alongside a wider feeling of disempowerment and distrust at a local level. While 53% of people say it is important that they feel able to influence decisions affecting their local area, just 21% actually feel able to do so.

The great risk in local government reorganisation is that we build new structures that replicate the failures of the past. Or that we complacently believe that simply drawing the right boundaries around our authorities will incarnate a sense of empowerment in our people and places that the current system has manifestly failed to achieve. As we reinvent local government in Greater Essex, our aim is to create a system that respects the right of our residents to exercise agency in their lives, in their communities, and on the issues that matter most to them.

Just creating more unitary councils isn't a realistic answer to the need to strengthen localism and community empowerment. As highlighted previously, adding more unitaries beyond three will lead to poorer value for money and lower-quality public services, further eroding public trust and engagement with local government. Moreover, new unitary councils in Greater Essex, regardless of whether there are three, four or five, will all be among the largest in England. No unitary of the scale contemplated in any model can empower communities and strengthen neighbourhood-level working without focusing on new councils' operating models, joining up our communities through place based

working; exploiting digital, AI and technology to simplify residents' interactions with public services – for example through the use of a Local Navigation Assistant as suggested by the Tony Blair Institute - and by fostering a culture of localism.

Our proposal embraces the mission to enable communities to shape services and influence the decisions that affect them and their neighbourhoods. And is consistent with the government's ambition as set out in section three of the Devolution Bill on neighbourhood governance and in their advice to authorities set out in a Written Ministerial Statement on 3rd June stating: "A simplified and standardised system of local area-working and governance is needed, and neighbourhood Area Committees, led by frontline ward councillors, are the best route to achieve this."

Investing in new community governance structures

The central element of our enhanced approach to localism and community empowerment will be the development of Neighbourhood Delivery Committees, connecting new unitary authorities to the localities with which our residents feel greatest connection.

Greater Essex's geography, reflecting its history, is one of multiple towns and villages in rural and coastal areas, linked together with dynamic cities in our more urban centres. These are typically the "real places" that people identify with, over and above any administrative boundaries. Our research shows that it is at this level where residents express the greatest appetite for engagement and involvement in the decisions that affect their lives.

A map of indicative potential Neighbourhood Delivery Committees (NDCs) is set out below.

Map 5: Indicative map of Neighbourhood Delivery Committees in Greater Essex

Braintree
Stour & Constable
Clacton
Colchester City
Dunmow & Takeley
Frinton, Walton, & Harwich
Halstead & Hedingham
Stansted & Saffron Waldon
Mersea, Tiptree, & Brightlingsea
Witham

Basildon
Benfleet, Hadleigh & Thundersley
Billericay
Canvey Island
East Thurrock
Rayleigh
Rochford
Southend City
West Thurrock
Wickford

Maldon
Chelmsford City
Chigwell & Loughton
South Chelmsford
Harlow
Epping, Theydon Bois, Waltham Abbey
Brentwood
Ongar & North Weald

This shows the areas that could provide a locus for decision-making on key functions and services under our three cities model. The map is, of course, indicative at this stage – communities across Essex should expect new councils to consult on the geographical configuration of each NDC area.

Nevertheless, the map highlights something important about the scalability of our proposal for NDCs. We envisage NDCs operating at a range of geographical scales: from groups of villages, to market towns and their surrounding hinterlands; from our important New Towns – Harlow and Basildon – supporting their renewal to our large and fast-growing cities. Viewed in this way, empowered NDCs provide a sound basis for local place leadership, ensuring that villages, towns and cities can articulate their priorities and concerns within the unitary structure, shape local services to meet local needs and enable locally elected members to provide direct leadership to the places and the communities they represent.

Our proposed model for NDCs would see these constituted as formal area committees of the new unitary authorities. This is not creating extra bureaucracy, but rather about ensuring that the NDCs have formal status and real power.

Every part of each unitary authority would fall within the remit of one (and only one) NDC. Voting members of each NDC would consist of the elected members representing the wards covered by the NDC and the NDC Chair would be one of these members – elected by members of the committee. We envisage the NDC would have responsibility for allocating resources within a budget provided to it by the council, as well as having the ability to raise funds for projects in their local area (e.g. through local sponsorship, encouraging philanthropic giving and by securing grants from third party funders – not by levying taxes). The unitaries could set up an area wide community trust to enable NDCs to access additional external funding to improve their area.

Although only elected members would have the right to vote in these committees, a part of their role will be convening wider partners to participate in meetings and address topics raised by local residents and businesses on key issues. As a minimum we would wish to see local NHS partners, social housing providers, local police commands, parish councils, local businesses, and the voluntary sector play a part. Although individual committees should be free to shape their own operations, we will expect all NDCs to enable members of the public to participate directly in their discussions – whether by raising local issues; asking questions of service providers; or providing local insight through membership of a local "residents' panel".

Given the different scales at which NDCs will operate, and the different types of areas they will cover (e.g. large urban areas, smaller towns, groups of villages), we would propose that different levels of power and responsibility be devolved from the unitary authority to the NDC in different cases. The operation of effective governance and a robust control framework will be necessary for devolution in all cases, but we would propose that the scale and scope of devolved powers also reflects the size and context of each NDC area.

Our proposal suggests NDCs on a scale similar to the NHS 10 Year Plan for a Neighbourhood Health Service and indeed our proposed map of NDCs links well to the existing boundaries of the local health system – more than 77% of GPs' catchment areas are fully bounded within our indicative NDCs.

Map 6: GP catchment areas mapped to indicative NDC boundaries

Legend:
- Braintree
- Stour & Constable
- Clacton
- Colchester City
- Dunmow & Takeley
- Frinton, Walton, & Harwich
- Halstead & Hedingham
- Stansted & Saffron Waldon
- Mersea, Tiptree, & Brightlingsea
- Witham
- Basildon
- Benfleet, Hadleigh & Thundersley
- Billericay
- Canvey Island
- East Thurrock
- Rayleigh
- Rochford
- Southend City
- West Thurrock
- Wickford
- Maldon
- Chelmsford City
- Chigwell & Loughton
- South Chelmsford
- Harlow
- Epping, Theydon Bois, Waltham Abbey
- Brentwood
- Ongar & North Weald

In suggesting this approach, it is important to emphasise that we are reducing not adding to current levels of governance. The current system with 15 councils in Greater Essex generates a significant number of formal committees, boards and statutory partnerships to run individual councils and to support key strategic, operational and place-based activity. These have an important purpose and value, but the sheer number of councils creates a substantial volume of governance, placing high demands on elected members and also on health partners, the police and other partners who attend some of these partnerships.

Moving to a smaller number of councils under LGR will radically simplify the system. We assess that there is scope to cut the amount of governance compared to the current system by between 50-60% with a five unitary model, and by more than 70% with a three unitary model.

Even with the proposed new Neighbourhood Delivery Committees, our model will be more efficient in governance than the five unitary model and it will have achieved this while optimising the governance for neighbourhood working - making the three cities proposal both the simplest proposal and also the most local.

The specific roles and functions performed by NDCs will, inevitably, depend on decisions taken by the new councils. We have however, set out in the diagram below, an indicative range of assets and services that might be managed and delivered at the NDC level. The decision-making and budgetary responsibilities they hold will be governed by the new councils' constitutions, budget and wider policy frameworks. Nevertheless, our proposal envisages that those leading new authorities will promote devolution and pursue the principle of subsidiarity as far as is consistent with efficient service delivery, robust governance and value for money. As a minimum, we would expect NDCs to play the following roles:

- **Service leadership:** NDCs should take decisions and prioritise resources in key service areas. These are likely to be local, place-based services (e.g. the maintenance of parks and green spaces, rights of way, community safety, neighbourhood planning, local highways functions, leisure services, grant allocations etc).

- **Influencing:** for those service areas and policy functions where the NDC does not have a remit to take decisions and prioritise resources, they should play a role in setting priorities to be addressed by the unitary authority as a whole (e.g. local highways schemes). They should also play their part as consultees in the development of local plans for housing, economic growth and infrastructure.

- **Community investment:** NDCs will also have a role to play in allocating funding to support local community projects. These could be projects to support neighbourhood pride of place or community wellbeing – things that will help enhance the quality of life in neighbourhoods for the benefit of all our residents.

- **Scrutiny:** for services controlled at the unitary authority level, the NDC will play a role akin to a local place-focused scrutiny committee, highlighting local issues, holding service leaders, portfolio holders and partner agencies to account for effective local delivery.

Figure 4: Indicative assets and services that could be managed and delivered at the NDC level

Assets:

- Cemeteries and church yards
- Crematoria
- Community centres
- Allotments
- Public toilets
- Local parks
- Open spaces
- Sports grounds
- Swimming pools
- Play areas
- Memorials
- Volunteering (co-ordinating, health, social care, fostering)
- Roadside verges and other small open spaces
- Leisure and arts centres

Services:

- Minor highways functions (e.g. minor road and footpath repairs, signage)
- Grass cutting and open space maintenance
- Fly tipping
- Street cleaning
- Abandoned vehicles
- Recycling management
- Health and wellbeing – isolation/volunteering befriending
- Libraries
- Community transport
- Community safety/ neighbourhood watch
- Footpath lighting
- Community grants
- Local tourism
- Local town economic development (e.g. job clubs)
- Local climate change initiatives
- Monitoring and enforcement of environmental health matters
- Control of markets
- Street naming
- Licensing

Designed in this way, NDCs, alongside parish and town councils and other local voluntary and community organisations could play a powerful role in convening community interest, identifying community priorities, shaping services to community needs and catalysing community action.

NDCs will be run in an efficient way and adequately resourced. By creating financial headroom, the three cities model will enable this new way of working to be embedded and sustained over time, with resources to invest in community projects.

We are also committed to ensuring that the NDCs have a meaningful role and are not hollowed out over time. The mandate of the NDCs, described above, gives them real influence and real decision-making power on matters affecting local neighbourhoods. The word "delivery" is included in their name and in their mandate very deliberately – to help ensure that the committees themselves, and local residents, are clear that these are not "talking shops" but forums in which the council, local partners and residents will come together to enhance delivery for the public in local places and ensure that local services respond to changing needs. Arrangements like this are very successful elsewhere.

To back this up, we are making a commitment in this business case to set up a Neighbourhood Delivery Fund, with an

initial endowment of £30m, which will be made available to NDCs on an equal basis to allocate to fund community projects in their area. This is money for real delivery and real improvements.

Enhancing support to elected members

Elected councillors will be the most important and most direct link between communities, NDCs, the new unitary authorities and the Mayor. The creation of new unitary councils, and the end of two-tier local government, will simplify local democratic structures in Essex. It will give residents more clarity on who their councillors are and enable members to champion all the needs of their communities, unfettered by the constraints that members operate under in the two-tier system.

We propose that new unitary authority members be elected to divisions based on:

- the latest electoral divisions developed for the area of Essex County Council as part of the 2024 Local Government Boundary Commission for England (LGBCE) Boundary Review for Essex (78 in total);
- groupings of the latest electoral wards agreed for the area of Thurrock as part of the 2024 Boundary Review for Thurrock (eight groupings in total based on 20 wards)[1]; and
- groupings of existing electoral wards in Southend-on-Sea (nine groupings in total based on 17 wards).

We have modelled 'groupings' of wards in Southend-on-Sea and Thurrock to mirror electoral ratios recommended in the 2024 Electoral Review of the Essex area, ensuring 'electoral equality' across the Greater Essex area as a whole. This ensures that votes cast in one area of a new unitary authority will be as meaningful and as influential as a vote cast in any other area of that authority. A full description of our proposed electoral geography is set out in Appendix L.

At present, there are 700 councillors across Greater Essex (75 county councillors and 625 unitary, borough, city and district councillors). Each councillor represents an average of 1,963 electors. We expect that the creation of three new unitary authorities will change these numbers substantially. We propose that three councillors be elected to each division in Mid Essex and North Essex, and that three councillors be elected to all divisions in South Essex, apart from in one division in the Southend-On-Sea area, which we propose has two elected members. These arrangements will maximise electoral equality within each council area and will bring the total number of councillors across Greater Essex to 284 representing, on average, 4,839 electors.

These council sizes and councillor-elector ratios are in line with single-tier councils of comparable scale across England and are consistent with good practice guidelines on council size. A summary of current arrangements and our future proposal is set out in the table below.

1   Local Government Boundary Commission for England (2024), Boundary Review for Thurrock, accessed at https://www.lgbce.org.uk/all-reviews/thurrock and Boundary Review for Essex, accessed at https://www.lgbce.org.uk/all-reviews/essex on 28th May 2025.

Table 8: Current and proposed member numbers and elector ratios (Uas based on current district boundaries)

	Member numbers	Electors per member
(a) Current arrangements	700	1,963
(b) Proposed arrangements	284	4,839
Based on:		
North Essex	90	4,879
Mid Essex	87	4,678
South Essex	107	4,937
Proposed change (a - b)	416 fewer councillors	2,876 more electors per councillor

The breakdown by district is as below.

Table 9: Current and proposed member numbers and elector ratios by district

Area	Electorate	Councillor numbers		Electors per councillor	
		Current	Proposed	Current	Proposed
North Essex	**439,072**	**216**	**90**	**2,033**	**4,879**
Braintree	115,993	57	24	2,035	4,833
Colchester	136,471	60	27	2,275	5,054
Tendring	117,302	56	24	2,095	4,888
Uttlesford	69,306	43	15	1,612	4,620
Mid Essex	**406,994**	**252**	**87**	**1,615**	**4,678**
Brentwood	59,245	41	12	1,445	4,937
Chelmsford	131,832	75	27	1,758	4,883
Epping Forest	99,182	65	21	1,526	4,723
Harlow	64,889	37	15	1,754	4,326
Maldon	51,846	34	12	1,525	4,321
South Essex	**528,206**	**232**	**107**	**2,277**	**4,937**
Basildon	138,938	42	27	3,308	5,146
Castle Point	68,971	46	15	1,499	4,598
Rochford	67,547	44	15	1,535	4,503
Southend-on-Sea	130,094	51	26	2,551	5,004
Thurrock	122,656	49	24	2,503	5,111
Greater Essex	**1,374,272**	**700**	**284**	**1,963**	**4,839**

To help ensure effective scrutiny and to enable more stable and strategic leadership, we also propose to adopt a model of whole council "all out" elections every four years across all new unitary authorities. This is preferred over the current system in use in some districts and boroughs where elections are held in thirds. Whole council elections will create clearer accountability for residents, lowering costs by reducing the frequency of elections and reducing voter fatigue with the aim of seeing increased voter participation at each election.

Crucially, our proposal for fewer, larger authorities in Greater Essex provides a platform upon which to strengthen and support the role of councillors in the future.

As our proposal will reduce councillor numbers from 700 to 284, if we are to avoid creating a "democratic deficit", then it is vital that this smaller group of elected councillors is supported to perform their role effectively. We envisage a skilled cadre of members, more visible to their residents, both in-person and online, and better able to amplify their voice on key matters of local concern. Key to this will be:

- ongoing investment in councillors' training and development – enabling members to stay up to date with the latest policy and practice developments and changes in the local public service environment, to help them make complex decisions and represent their communities effectively;

- investment in technology to support councillors – enabling councillors to maximise the impact of their time, dealing effectively with correspondence and opening up wider routes to local engagement;

- investments in the development of localised information reporting systems – ensuring councillors stay apprised of the latest position regarding the availability and performance of services in their divisions, whether these are provided by their own council or by wider public services.

In making this shift, it is important that the new authorities are able to:

- enhance member support structures, giving them better access to council officers, policy briefings, casework management tools etc.;

- revisit the historic model of councillor renumeration - traditionally, many councillors serve part-time while holding other jobs, but a reduced pool of more influential members will need a different reward structure – to be determined by Independent Remuneration Panels – if they are to be able to give the role the time commitment and attention it requires;

- enhance pathways for councillors – new authorities will have the scale, capacity and reach to develop clearer pathways for councillors to progress into leadership roles, or to transition into non-executive roles in other areas of public service.

By supporting these changes, we hope our proposal will make the role of a councillor more accessible to those who might not otherwise seek office, including among younger people. We know that those who serve across Greater Essex – and across England more broadly – are disproportionately white, male and of retirement age. Positioning the role of councillor as a better supported role may attract a more diverse range of candidates, helping to ensure that future councillors across Greater Essex reflect the increasing diversity of our communities. With that in mind, we also think that consideration should be given to a mixture of daytime and evening meetings – both to facilitate councillors' ability to engage with the business of the council and to enhance public accessibility.

Supporting elected councillors into new, enhanced roles will require up-front investment, and a model of ongoing support in the form of training, technology and casework support. The level of support required to enable this shift goes well beyond what is provided to today's councillors by

any authority in Greater Essex. Just as with NDCs, it is vital that new authorities have the resources to develop and sustain the right support to members. Were this to fail, the reduction in councillor numbers that we can expect to see under any number of authorities could diminish communities' access to their elected representatives and to democratic representation.

We believe that only our proposal for three authorities will provide the financial headroom necessary to allow new authorities to invest appropriately in enhanced support for councillors in their roles as community representatives.

Boundary changes

Our proposal is based on the existing district boundaries and we are not proposing any changes to those boundaries as part of this submission.

However, we would wish for the Boundary Commission to undertake an early review of our arrangements, within the first term of office of a new administration, with a particular focus on the Wickford area of the South Unitary. In particular, we would like the Boundary Commission to consider the district wards of Castledon and Crouch, Wickford Park and Wickford North. These wards are currently within the Borough of Basildon and therefore in the proposed South Essex authority, but we would like the Commission to consider moving them into the proposed Mid Essex authority for the following reasons:

- development in Wickford and Runwell has led to the two places merging into one settlement;

- most Runwell residents feel that they live in Wickford;

- Runwell Community Primary School is part of the settlement of Wickford;

- Wickford and Runwell form a single ecclesiastical parish;

- the boundary is an anomaly which no longer reflects the 'on the ground' reality.

Having these three wards in the proposed Mid Essex authority would remove an anomalous boundary and unite the settlement in the area of one unitary authority. The current boundary does not feel "right" on the ground, in some cases passing through individual properties. In addition it would make the boundaries of the authority run along the A127, providing a clear boundary. We would like a boundary review to move them into the proposed Mid Essex authority.

There are approximately 27,000 electors in the three wards and this would also help balance the population between the South and Mid authorities. We think it would be sensible to have the A127 as the northern boundary of the southern authority, but we would request a review of the precise boundary line to ensure that the A127 is entirely within the boundary of one authority.

At present the Wickford/Runwell boundary issue applies to district services, but the whole area receives county services from Essex County Council. Without a boundary review, county services would in future be provided by two different unitary councils, which would exacerbate the issue. As stated, this is a once-in-a-generation opportunity to recognise the historic community and geographical links that Wickford and Runwell have and correct the current anomaly.

Fostering a culture of localism

Structures alone will not be sufficient to shift power closer to people. It is essential that the operating model, leadership and culture of each new unitary authority promote devolution, community engagement and local empowerment.

The best way to help strengthen a culture of localism in any new unitary authorities is to build on and sustain existing strengths in hyper-local working. By reducing the unnecessary fragmentation of key services, our proposal for the three cities model, supports an approach that can sustain and build on effective models of hyper-local working in key service areas and partnerships – cementing our commitment to local working from vesting day onwards and ensuring that services respond to the local needs of residents.

NDCs will therefore support and complement a broader approach to locality working within the new councils including the following:

- delivery of social care. Although commissioned at scale by Essex County Council, Southend-on-Sea City Council and Thurrock Council, social care remains a hyper-local, people-facing service that is delivered in people's homes and communities. Within the Essex area, care is currently delivered through neighbourhood teams, each of which works to respond to the needs of a local population of 30,000 to 50,000 people;

- Children's Services professionals work in multi-agency teams to support families in their homes, to support children and teachers in local schools, and to work with GPs and local policing units to identify vulnerable children and families and provide early help and support. This approach to neighbourhood level working has been recognised by Ofsted and is key to addressing concerns in the most cost-effective way. But this focus on local level prevention and early help is possible because of the service's ability to exploit economies of scale (for example accessing

specialist skills and making placements across a wide geography). There is a risk that this ability to work effectively at a hyper-local level will be lost through the creation of more than three unitary authorities, without adding value to existing models of local delivery;

- the Essex Child and Family Wellbeing service. This service currently provides a Family Hub in each district council area, as well as operating from a range of satellite sites across the county. Each hub accommodates Healthy Family Teams whose sole purpose is to support families at the earliest possible point within their local neighbourhoods;

- the established practice of working at a local level to identify and respond to local highways issues and concerns. This work has been led by member-led Local Highways Panels (LHPs) and we would expect NDCs to pick up the work of LHPs and give it even more of a neighbourhood focus;

- working closely with NHS Alliances. These are partnership forums which bring together professionals from across local government, the NHS and the voluntary and community sector. They build collective understanding of the needs of local communities, in order to join-up services around people's needs and influence the wider social and economic factors that affect residents' health. There are currently seven Alliances operating across Greater Essex. Neighbourhood working with the NHS will be further strengthened through the implementation of the NHS 10 Year Plan;

- planning as a key issue in promoting local pride of place and in ensuring that new developments complement and do not undermine the local character of a place. NDCs will have an important role to play in influencing local planning decisions and being consultees on local plans;

- new councils continuing to work very closely with parish and town councils in those areas where they exist. The NDCs will be the primary vehicle for this engagement

at a local level, but the Essex Association of Local Councils will continue to be a key strategic partner across a broad range of the councils' business;

- the community and voluntary sector, which is a key partner in the achievement of good outcomes in places – both at a strategic and at a hyper-local level. We see their role as enhanced through this process of reorganisation and believe there is an opportunity not only to ensure that the VCS is properly linked to new models of neighbourhood working, but that the new unitaries recognise their responsibility to simplify funding arrangements for the VCS and the need to invest in them for the long-term;

- the Community Safety Partnerships, which operate in each Essex district and across the two existing unitary authorities. They bring together representatives from a range of local organisations spanning local government, emergency services, the health sector, the criminal justice sector and voluntary organisations to share intelligence to develop and implement strategies to tackle crime and disorder, help create safer communities and tackle misuse of drugs in their area. These partnerships already operate at a more local level than would be secured through any proposed configuration of new unitaries. New councils will continue to work with the police to support neighbourhood policing, as well as in addressing the broader and more strategic drivers of crime and disorder.

To foster a culture of localism in new councils it is essential that these councils have a clear presence in their communities. As we make the transition to the three cities model in Greater Essex, councils will develop an asset strategy that balances the disposal of surplus assets required to fund transition and ongoing transformation, with the need to retain assets that give councils an immediate, physical presence in the communities and places they serve and support the need to integrate

services at a local level. This is not merely a symbolic gesture – it provides citizens with the opportunity to interact with new councils, ideally including the opportunity to interact face-face, to gather information and to access key services. The ability to transact with the council and see its physical rootedness in the places we live is as powerful an expression of localism as any move to devolve powers and budgets.

The final element in our programme of strengthening locality working requires attention to community empowerment approaches and mechanisms. National research suggests that local authorities' attitude towards, and support for, community-led activity is key enabler of local community action. The various "Community Rights," introduced under the Localism Act 2011, and set to be strengthened as part of the English Devolution and Community Empowerment Bill provide a case in point. These were designed to give local communities more power and control over their areas but have, thus far, been underused – partly due to lack of awareness and partly due to local authority practices that limit take-up.

Our business case for a three unitary model would ensure new councils have the financial capacity to invest in meaningful community engagement and empowerment programmes, in a way that will give a needed boost to these community rights and that other proposals will struggle to support. By enabling investment in community empowerment, our proposal will overcome current gaps in communities' awareness of these rights and help ensure they have the information and guidance to exercise them effectively. This will be vital in developing a pro-community culture that can help to enable and unlock grassroots community action.

By creating space for investment in communities, our proposal also provides a platform for new unitaries to innovate in how they engage residents in big decisions. They will have the potential to build ambitious mechanisms for local engagement into their operating models based around:

- deliberative engagement – using structured processes through which members of the public are given time to discuss and consider issues in depth before forming advice to members on those complex issues where there are not easy solutions;
- Citizen Assemblies – drawing together a representative group of citizens to learn about, deliberate upon and bridge differences of opinion and ultimately reach conclusions on particular issues. We are keen that this approach includes engaging young people in decisions that they care about and that will affect their futures and the existing Young Essex Assembly provides a model to build on;
- participatory budgeting – citizens deciding how a portion of the new unitary authority's budget (or the NDC's devolved budget) is spent. This mechanism empowers communities to identify priorities and vote on how to allocate funds for local projects or initiatives;
- Citizens' Panels – although not new to Greater Essex, we envisage amplifying the voice of our residents through a Citizens' Panel that can operate at multiple levels – from Greater Essex to our neighbourhoods – making sure that on key issues we are able to ensure that the voice of residents is heard and fully factored into decision making.

There are, of course, examples of these practices in Greater Essex today. For example, the community liaison group established to inform work on the Tendring and Colchester Borders Garden Community is just one example of a forum established to support deliberative engagement at the local level.

The challenge through LGR will be to replicate these practices at scale and across a wider range of issues. We are confident that our proposal will unlock meaningful resources that will give us the best chance to create councils with the capacity to invest in pro-community engagement models, to sustain hyper-local service practices, to support councillors in representing their communities, and to invest in new vehicles for community governance.

No other proposals will unlock the resources to do this so powerfully.

The prize is a system of local government that is more local than the existing two-tier system, that can unlock the power of communities, harness this power and use it to shape local services, improve outcomes, and support the drive to prevention.

> The prize is a system of local government that is more local than the existing two-tier system, that can unlock the power of communities, harness this power and use it to shape local services, improve outcomes, and support the drive to prevention.

Part two: Localism, community engagement and empowerment – case studies

Greater Essex is already demonstrating what can be achieved through hyper-local working at a local level – supporting the alignment of critical public services to tailor support in ways that build on the existing strengths and capabilities of local communities.

Case Study 1:

Whole systems place-based approach to tackle health inequalities in Epping Forest District

The benefits of hyper-local place-based working have been evidenced through the pilot of a whole system approach to health and social inequalities in Epping Forest since 2019. The project, led by Essex County Council working with Epping Forest District Council and local health partners, has produced a model of best practice that can be replicated across Greater Essex, and fits well with the focus of developing integrated neighbourhood team work with the NHS and wider partners in integrated care systems.

The pilot project in the areas of Ninefields (Waltham Abbey), Oakwood Hill (Loughton) and Limes Farm (Chigwell) involves a coordinated long-term approach by statutory and community partners, focusing resources and additional funding into deprived areas.

The approach has been taken in recognition that health and wellbeing is impacted upon by a wide range of factors known as the social determinants of health, and that these influence each other via a complex interconnected web.

The project has seen over £500,000 of additional funding invested into the areas from external sources, over 50 new projects delivered, and 9,000 residents engaged. Early signs of improved outcomes in these areas demonstrate the effectiveness of very local join-up.

Unleashing Opportunity – delivering outcomes for residents

i. Devolution

Our Ambition for Greater Essex

Greater Essex is on the Government's Devolution Priority Programme and is on track to create a new Greater Essex Combined County Authority to go live by May 2026. The new Combined Authority will play a pivotal role in driving progress on a range of policy priorities that are important both nationally and locally including: economic growth, skills development, transport, housing development, decarbonisation, sustainable energy, community safety, tackling inequalities including child poverty, and promoting health and wellbeing.

We are committed to ensuring that the Greater Essex Combined County Authority will be a success in delivering against these ambitions for the benefits of our residents and businesses. Based on this, we envisage it being at the front of the queue for meeting the Government's criteria for becoming an Established Mayoral Strategic Authority and unlocking further devolved powers and funding.

Devolution and the development of a Combined Authority require strong collaboration between local authorities and the Mayor. The new unitary councils will work together effectively within the MCA by ensuring that local concerns are managed by unitary council leaders close to their residents, while strategic planning for economic growth takes place at the Greater Essex level, led by the Combined Authority. The development of the target operating model is focused on creating clear roles for the Combined Authority and the constituent unitary authorities in each thematic area,

so that the smooth operation of the system as a whole is guaranteed on day one. The governance of the Combined Authority will be underpinned by a formal board structure comprising the Mayor and leaders from each of the unitary councils.

The board will operate with a Cabinet-style model, where portfolio responsibilities – such as transport, housing, skills, and environment – are distributed among members. In addition the government has provided for the appointment of expert commissioners with specific briefs who may be appointed to support the combined authority's work. Under our three unitary model, the proposal is for each unitary authority to nominate two elected members and for each authority to have two votes, exercised by those members. This model will promote collaboration while maintaining accountability and transparency in strategic decisions. This model will also provide a clear framework for local leadership and strategic planning, enabling collective decision-making on economic and housing growth across Greater Essex that will unlock progress. The new approach will also integrate transport and spatial and economic planning across Greater Essex.

The governance structure will provide a unified voice for Greater Essex, enhancing its ability to negotiate with central government and secure funding. The combined authority with the Mayor and constituent authorities will work together to balance the interests of all local areas. This includes addressing region-specific challenges such as coastal erosion, water scarcity, and a £5bn+ infrastructure funding gap.

The Greater Essex Combined County Authority benefits from being built from the ground up, not inherited from a single pre-existing organisation, like a single Passenger Transport Authority or Local Enterprise Partnership as some other Mayoral Strategic Authorities have been. This operating model allows for a balanced authority aligned with the Devolution White Paper, with the capacity and capability to deliver on each of its strategic objectives. From 2027, shadow authorities will be involved in shaping the development of the Combined Authority, prior to the going live of new unitary authorities in 2028. Strong working relationships and clear roles between the MCA and its constituent authorities will be essential. Councils are already collaborating to develop a pipeline of projects so that the Mayor can hit the ground running in 2026. Early delivery will be key to building public confidence.

How our three cities model will support delivery of our ambition

The proposal for three unitary councils, based around our three key cities and centred on our economic and transport corridors, provides the optimum configuration to support devolution arrangements for Greater Essex with a balanced distribution of economic assets and potential in each of the new unitary areas, by:

- creating councils that will have the financial and strategic capacity and capability to support the delivery of the MCA's strategic initiatives. There are significant challenges in delivering 350,000 new homes by 2050 as well as supporting the delivery of major

infrastructure projects, such as the A133/A120 improvements and digital connectivity expansion. Councils of this size (more than 600,000 residents each) will be better able to work with the Combined Authorityto make bold strategic investments to drive growth - such as unlocking housing growth in the Harlow-Gilston Garden Town, supporting innovation clusters in Chelmsford and Colchester, or investing in green infrastructure along the Thames Estuary. This approach will enable the MCA to act decisively and deliver transformative change;

- creating councils that will be sufficiently local and economically coherent to ensure that growth is tailored to the needs of local communities and businesses and commands their support. This will provide a necessary complement to the region-wide approach of the MCA. The unitaries will engage closely with local communities and businesses through NDCs and other forums and mechanisms. These institutions will ensure that local knowledge and business needs inform the MCA's commissioning function; and

- also creating a tighter, more cohesive governance structure for the Combined Authority in support of the Mayor. With only three constituent authorities, it will be easier for the Mayor to build strong collaborative relationships with constituent authorities and to reach positive sum decisions within the Combined Authority. This will help devolution deliver the benefits the public expect from it, especially in those potentially challenging first few years when the arrangements, relationships and ways of working together are still bedding in.

> The following section sets out how our three cities model of LGR, working with the Greater Essex Combined County Authority, will unlock economic growth and housing development, which will be at the heart of the new Mayor's agenda for Greater Essex.

ii. Unlocking Economic and Housing Growth

A Thriving and Prosperous Economy

Greater Essex is a dynamic, entrepreneurial and strategically significant region to the UK economy, with an economic output exceeding £50bn per year.

The region has a forward-looking, pro-growth agenda, which includes the highest number of new garden settlements in development of any county in the UK, set to deliver over 49,000 new homes: Chelmsford Garden Community (around 10,600 homes); Dunton Hills Garden Village (around 4,000 homes); Harlow and Gilston Garden Town (around 26,900 homes including the urban area of Harlow) and Tendring Colchester Borders Garden Community (around 7,500 homes).

Business and education: the region is home to 94,000 businesses, employing over 740,000 people. In addition to its 80,000+ diverse micro-enterprises, Greater Essex boasts world-renowned companies, including Ford, Teledyne e2v, Wilkin & Sons, Raytheon and DP World. It is also home to two leading universities (University of Essex and Anglia Ruskin University) and over 50 cutting-edge further education providers (including the UK's only on-airport college). With these assets, its GVA is forecast to grow by 2.3% annually through to 2030, significantly outpacing the national average and being a key engine for national economic growth.

Logistics and transportation: Greater Essex is a logistics powerhouse - a gateway to London, to the UK, and from the UK to the world. It is the only county in the UK to have two Freeports – handling 65% of all UK container traffic while offering a number of tax and business incentives – and is home to two major airports (London Stansted and London Southend). London Stansted is the country's fourth-busiest airport and the East of England's largest single-site employer and, with over £1bn in government investment, is set to become the second-busiest airport by the end of the decade.

The region's ports, meanwhile, generate over £6bn a year in GVA. Tilbury, Harwich, London Gateway and Purfleet process almost 10% of England's containerised freight and offer some of the fastest sea routes to Europe. Greater Essex also boasts comprehensive road and rail networks, connecting us to London, Cambridge and the wider East of England region. Chelmsford will soon see the opening of Beaulieu Park Station – the first new train station on the Great Eastern Main Line in over 100 years.

Digital infrastructure: innovative gigabit and fibre infrastructure expansion – such as South Essex's 280-kilometre network – offers scalable models to boost productivity, attract investment and enable smart services via county-wide Long-Range Wide Area Network (LoRaWAN) deployment.

Clean energy generation: Essex's economy is well-positioned for clean energy generation, leveraging its strategic coastal location for offshore wind projects and benefiting from higher-than-average solar irradiance levels for efficient solar energy production.

Skills: The region has 101,000 fewer residents qualified to NVQ4+ than required to meet the needs of the economy; and 19% of adults have no qualifications at all.

Working in partnership with a directly elected Mayor and with business (in particular through the Greater Essex Business Board, the Chambers of Commerce, the Institute of Directors and the Federation of Small Businesses) our three-cities unitary model will unlock that potential by:

- **generating over £8bn in additional GVA per year**, by upskilling residents, tackling long-term economic inactivity, and bringing more people into the workforce;

- **attracting billions of pounds in new public and private investment**, by providing government and investors with the confidence that Greater Essex can plan, deliver and scale major infrastructure, housing, and regeneration in a coherent way;

- **creating over 50,000 new high-value jobs** in fast-growing sectors such as clean energy, life sciences, digital, advanced manufacturing, logistics and construction;

- **closing the region's c£5bn infrastructure gap**, ensuring we have the roads, rail, utilities and digital networks needed for sustained growth and enhanced connectivity to our rural and coastal communities;

- **delivering 211,000 new homes by 2040**, helping people access high-quality, affordable housing in well-connected communities;

- **accelerating regeneration of key sites**, through powerful delivery vehicles such as Mayoral Development Corporations — including the delivery of new towns and garden communities;

- **creating a bespoke adult skills system**, built around the needs of local employers and designed to boost productivity, progression and opportunity;

- **providing a single front door for businesses and residents**, simplifying access to growth support, skills programmes, innovation networks and funding;

- **releasing public land to unlock growth**, through a coordinated approach to managing and rationalising the public estate;

- **tackling inequality across the region**, by ensuring the benefits of growth reach deprived communities and reversing 15 years of rising deprivation.

How our three cities model supports delivery

To achieve our ambition for Greater Essex, local government reorganisation must reflect the region's real-world economic geography and entrepreneurial spirit. The proposed three-unitary model achieves this by aligning how people live, work, travel, and do business across Greater Essex. It also matches the ambition, pace and energy that defines our communities.

We are a place that gets things done. We have one of the highest rates of business start-ups in the country. We power major national sectors, including logistics, construction, digital, clean energy and life sciences. We blend global connectivity with local character, supported by our cities, ports and vibrant towns. Our governance now needs to keep pace with that reality.

Each of the three unitary areas will:

- **cover a functional economic sub-region**, shaped by infrastructure, industry and commuter patterns. In the South, this includes the Thames Gateway; in the North, the Stansted to Freeport East A120 corridor; and in Mid Essex, the A12 corridor;

- **be economically balanced and inclusive**, ensuring that future growth does not concentrate in already affluent areas but is shared across all communities;

- **have the scale and flexibility to meet housing need**, including the capacity to deliver strategic, master-planned new communities that unlock growth and enhance quality of life.

This structure empowers the Mayor and the Combined Authority to coordinate and drive growth. The Mayor will bring new strategic powers, clear lines of accountability, and the capacity to align decisions across housing, infrastructure, transport, skills, and economic development in a way that is not possible under the current system.

The three cities model also presents strong opportunities for collaboration between the

Mayor and the unitary authorities, forming coherent leadership teams with shared ambition and mutual accountability. This collaboration will enable clearer strategic relationships, stronger joint-working and faster decision-making, without being limited by arbitrary administrative boundaries. Each unitary will have the scale to plan and deliver major initiatives, while remaining close enough to local communities and businesses to ensure responsiveness. A small number of unitaries will also be able to pool delivery capacity where appropriate, which contrasts with a model based on a greater number of smaller unitaries, risking fragmentation, slower decision-making and inconsistency.

Economic characteristics of the three new unitaries

Our three cities model is built around three distinct and vibrant places, each with its own economic strengths, cultural identity and sense of ambition. These are places that combine innovation with tradition, and strong local pride with a determination to grow and adapt. They are built around dynamic city centres, globally connected ports and freeports, and the resilient towns and rural areas that underpin Essex's entrepreneurial economy.

Each area also brings a unique character to the table. **North Essex** is defined by its historic towns and coastal communities, **Mid Essex** is the civic heart of the county, while **South Essex** is our industrial and logistical engine, shaped by its deep-water ports, high-density urban areas and proximity to London. Together, they represent the full economic and cultural spectrum of Greater Essex, each with the ability to achieve major economic growth.

Combined, the three new authorities will serve a population of nearly two million and generate over £50bn in annual GVA. But this is not only about scale. It is about capability. Each unitary will bring together the infrastructure, skills systems and delivery capacity needed to plan for the long term and respond to local priorities.
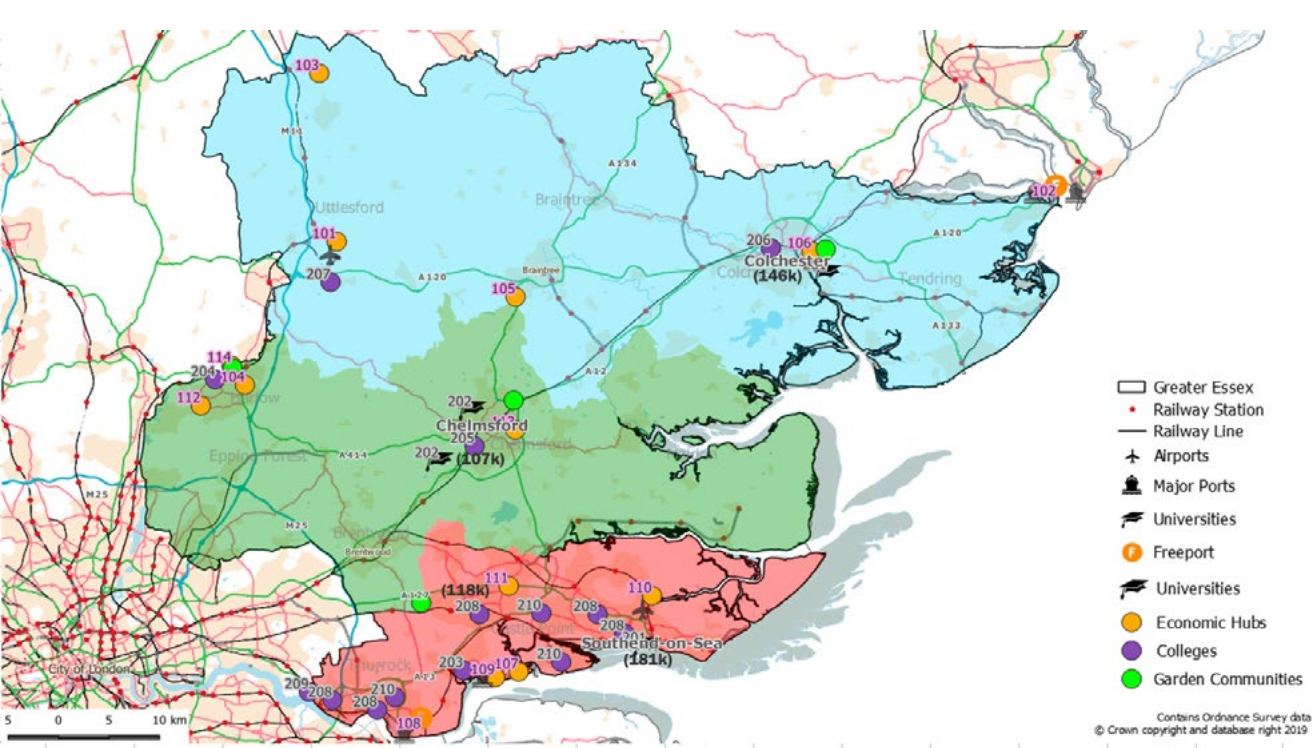
These areas combine:

- **distinct sector strengths that reflect their economic identities.** In the **South**, the economy is powered by advanced manufacturing, logistics, construction, and clean energy, supported by Thames Freeport, London Gateway and Southend Airport. **Mid Essex** is home to major employers in life sciences, professional and financial services, construction and digital technology, centred around Chelmsford and Harlow. In the **North**, the economy is driven by biotech innovation, creative industries, digital, and port-related logistics, with key hubs in Colchester and the Freeport East area. Greater Essex is uniquely positioned as the only county in the UK to host two freeports, with tax incentives, customs easements and targeted investment driving innovation, logistics, energy production and advanced manufacturing. By aligning local governance to the wider economic geography of the freeports, the three cities model extracts more value from strategic planning, infrastructure delivery and skills pipelines;

- **strong educational and skills institutions that underpin growth.** The **North** benefits from the University of Essex in Colchester, Anglia Ruskin's presence, and Colchester Institute. **Mid Essex** includes Anglia Ruskin University's main campus in Chelmsford, ARU Writtle and Harlow College. In the **South**, institutions such as South Essex College, the South East Institute of Technology, and the University of Essex in Southend offer a wide range of higher education and technical pathways. Across all three areas, adult learning is supported by Adult Community Learning (ACL) centres and specialist providers like the National College for Creative Industries;

- **the capacity and track record to deliver housing growth at scale.** **North Essex** has delivered 115% of its housing target over the last three years and has land availability unconstrained by Green Belt with major growth potential. **Mid Essex** faces some of the county's most significant planning constraints, with 91% of Epping

Forest District designated as Green Belt. However, this is balanced by £1.3bn in infrastructure investment and significant planned housing growth in Harlow, boosted by the Government's multi-billion-pound biosecurity centre, positioning the area for growth as a national innovation hub. **South Essex**, heavily constrained by Green Belt, has the largest housing delivery challenge but also the greatest opportunity for transformation through urban regeneration, strategic brownfield development, and new garden communities. It is partly for this reason that a large unitary in the South is necessary to rise to the challenge of housing our people;

- **established transport corridors that link homes, jobs and growth opportunities.** In the **South**, the A13 and A127 corridors and the Essex Thameside rail line connect key growth centres - Basildon, Southend and Thurrock. **Mid Essex** benefits from the A12 and Great Eastern Main Line, as well as the M11 and West Anglia Main Line, linking Chelmsford and Harlow to London and Cambridge. The **North** is served by the A120, the Haven Gateway ports, and emerging opportunities from Freeport East and the GEML, positioning it as a trade and export-driven growth zone;

- **cultural and civic assets that shape place identity and community pride.** **Colchester**, as Britain's first city, offers a strong heritage and cultural base alongside its modern university sector. **Chelmsford**, as the county town and Mid Essex's economic engine, combines commercial scale with civic presence. **Southend**, a newly designated city, blends coastal tourism and leisure with a growing creative and digital economy. These civic centres are supported by a wider network of towns and communities that are proud, active, and ready to shape the future of their places.

This economic and cultural depth gives each unitary a solid platform for inclusive growth. It reflects Greater Essex's potential and is shaped by how Essex really works, aligning power with place and ambition with delivery to give Greater Essex the tools to lead and the confidence to act.

Map 7: Distribution of key economic assets in new unitary authority areas

NORTH

Cities
Colchester

Garden Communities
Tendring Colchester Borders

Economic Hubs
101   London Stansted Airport
102   Harwich Port/Freeport East
103   Chesterford Research Park
105   Horizon 120
106   Knowledge Gateway (University of Essex)

Universities
201   University of Essex

Colleges
206   Colchester Institute
207   Stansted Airport College

MID

Cities
Chelmsford

Garden Communities
North East Chelmsford
Harlow Gilston
Dunton Hills

Economic Hubs
104   Harlow Innovation Park
112   Pinnacles, Harlow
113   Dukes Park Industrial estate, Chelmsford
114   Edinburgh Way, Harlow

Universities
202   Anglia Ruskin University

Colleges
204   Harlow College
205   Chelmsford College

SOUTH

Cities
Southend-on-Sea

Economic Hubs
107   Thames Enterprise Park
108   Port of Tilbury/Thames Freeport
109   London Gateway
110   London Southend Airport/Airport Business Park Southend
111   A127 Enterprise Corridor

Colleges
201   University of Essex
203   Performers College
208   South Essex College
209   National College Creative Industries
210   USP College

Unitary	North Essex	Mid Essex	South Essex
GVA in £bn	£14.2bn	£17.6bn	£19.1bn
Jobs	269,000	276,000	317,000
Graduates	134,812	139,910	141,938
Economic growth hubs	Colchester, Freeport East	Chelmsford, Harlow	Southend, Basildon, Grays, Thames Freeport, Stansted
Sector specialisms	Clean Energy, Life Sciences, DigiTech, Advanced Manufacturing and Engineering, Ports, Transport & Logistics	Construction, Advanced Manufacturing & Engineering, DigiTech, Financial & Professional Services, Life Sciences, Logistics	Advanced Manufacturing & Engineering, Ports, Transport & Logistics, Legacy Energy, Professional Services, Construction Clean Energy
Key HE/FE institutions	University of Essex; Anglia Ruskin University; Colchester Institute, ACL Centres	ARU Chelmsford, ARU Writtle, Chelmsford College, Harlow College, ACL Centres	University of Essex; Anglia Ruskin University; South Essex College; South East Institute of Technology, ACL Centres, National College Creative Industries, USP College, Thurrock Adult Community College, Southend Adult Community College, The Digital Academy, Performers College
Housing and future growth	63,795 (30% of Greater Essex total) 115% of housing target delivered over previous 3 years Green Belt coverage 2% of total land area LA housing stock 11,832 20% of GE total	New homes target 70,245 (33% of Greater Essex total) 120% of housing target delivered over previous 3 years Green Belt coverage 47% of total land area LA housing stock 31% of GE total	New Homes target 77,295 (37% of Greater Essex total) 46% of housing target delivered over previous 3 years Green Belt coverage 63 % of total land area LA housing stock 49% of GE total
Transport corridors	A120, northern sections of the M11 /West Anglia Mainline (WAML) and A12 / Great Eastern Mainline (GEML)	M11 /West Anglia Mainline (WAML) and A12 / Great Eastern Mainline (GEML)	A127 / A13 / Essex Thameside corridor (and future Lower Thames Crossing)

Why the three cities model is the right solution for Greater Essex

The three cities model is the only model that truly reflects how Essex functions. It safeguards the integrity of our major growth corridors, including the A12, the A120, and the Thames Estuary, ensuring stronger investment coordination and enabling strategic planning at the right scale.

Crucially, it equips Greater Essex with the tools to compete for major investment, amplified by a strong MCA working in close partnership with three highly capable unitary authorities. These councils will have the sufficient scale and capability to:

- assemble strategic land packages;

- unlock brownfield sites;

- deliver critical infrastructure;

- engage credibly with developers, utilities, the MCA and government.

Without this model, the capacity and consistency of delivery is at risk, leading to slower decision-making and greater duplication. This would undermine the ability to deliver affordable homes, coordinate infrastructure, or address inequality in a joined-up way, reducing the strategic effectiveness of the MCA and limiting Greater Essex's ability to lead with confidence on the national stage. A clear example exists at the boundary of **Thurrock, Brentwood, and Basildon**, where fragmented governance

slows housing delivery for large-scale projects such as Dunton Hills Garden Community. Each authority is pursuing separate housing growth plans with different timelines, planning policies, and infrastructure priorities – creating inefficiencies and missed opportunities. With the **three cities model**, this area could be master-planned as a single strategic housing zone, enabling coordinated land release, infrastructure investment, and affordable housing delivery. Streamlined governance would accelerate housing growth, reduce costs, and ensure better outcomes for communities.

The three cities model will ensure that:

- **strategic planning is grounded in real-world economies**, not outdated administrative convenience;

- **growth corridors remain intact**, with strong capacity to secure investment and enable integrated delivery across housing, infrastructure, and jobs;

- **capacity is concentrated where it matters**, with fewer, stronger authorities that can act at pace;

- **opportunity is fairly shared**, through geographies that bring together high-growth areas with communities that need support.

This is the only structure that will unlock Essex's full potential, deliver for its communities, and lead with long-term clarity and purpose.

> This is the only structure that will unlock Essex's full potential, deliver for its communities, and lead with long-term clarity and purpose.

Highways and Transport

Our Ambition for Greater Essex

Transport will be a key enabler of strategic outcomes for the new Greater Essex Combined County Authority and unitary authorities. Good transport connectivity will unlock economic growth, support the delivery of new housing, and also support health and wellbeing, being a key part of our prevention model. Shifting to more active and sustainable travel will also reduce air pollution and support the quality of the local environment.

The strategic framework for transport will be led by the Combined Authority through the Local Transport Plan, which will be joined up with the Local Growth Plan and the Spatial Development Strategy. The Greater Essex Combined County Authority will work with the new unitary authorities and with other bodies such as Transport East, Great British Railways and National Highways to make the case for the investment that the region needs to upgrade its transport infrastructure.

This new framework provides an opportunity to integrate transport with other strategic outcomes. But there are also risks – particularly if four or five new authorities were created – arising from disaggregation into multiple new units, diluting technical capacity, duplicating costs and undermining continuity. Fragmentation would need to be carefully managed to avoid operational and legal risks, including for statutory duties.

Following devolution, the Combined Authority will assume strategic transport responsibilities, replacing the existing Local Transport Authorities. However, highways functions will remain with the new unitary councils. This creates a more complex and layered system which will require clear roles, well-defined interfaces, and strong transition planning.

Finally, strategic infrastructure risks are mounting. Major national schemes such as the A12 widening have not been prioritised by government, and rapid housing growth – particularly through garden settlements – is placing new pressures on both the strategic road network and local transport services. The need for joined-up, responsive and well-resourced transport systems is more urgent than ever.

As part of this proposal for new unitary government in support of devolution, we have four key goals with regard to highways and transport:

- **ensuring continuity of delivery of key services.** Highways and transport services carry statutory duties that must be maintained without disruption. Our priority is to ensure the safe, continuous operation of functions such as network management, road maintenance, winter gritting, and home-to-school transport during and after transition;

- **achieving value for money through scale and integration.** Many current services - such as highways maintenance, network management, fleet management, and transport modelling - benefit from economies of scale and shared infrastructure. Our ambition is to retain these benefits through intelligent service design, whether through shared services, joint commissioning, or managed transition of contracts, while allowing sufficient local flexibility and accountability;

- **designing transport systems that reflect place, growth and accessibility.** We want to create a transport system that supports the diverse needs of Greater Essex's communities - urban, rural and coastal. This includes supporting housing growth through well-connected new settlements, investing in sustainable and active travel, and improving accessibility for isolated communities. Strategic planning and delivery must be closely aligned with spatial and economic priorities;

- **maximising the benefits of devolution and innovation.** The establishment of a Mayoral Combined Authority offers opportunities to better align transport investment and policy with local economic priorities. We aim to make the most of this shift by working collaboratively across boundaries and leveraging new data and digital tools to improve journey planning, user experience and operational efficiency.

How the three cities model supports the delivery of our ambition

LGR, alongside the creation of the Greater Essex Combined County Authority, presents a one-off opportunity to design a more coherent transport system that aligns local delivery with strategic planning and investment. If roles and responsibilities are clearly defined and collaboration mechanisms are established early, Greater Essex can strengthen the interface between local highways authorities, the new strategic transport authority, and other system partners—including housing, planning, economic development and climate functions. This would support joined-up infrastructure delivery and ensure that transport is embedded in the long-term vision for place, productivity and decarbonisation.

Our three cities model provides the optimum LGR configuration for achieving this. The commuting patterns across Greater Essex clearly reinforce the rationale for the three cities model. The map below shows strong, self-contained commuter flows clustered around Colchester in the North, Chelmsford in the centre, and Southend in the South. These are the cities that anchor each proposed unitary, and these travel patterns reflect real-world travel-to-work areas, with thousands of people moving within rather than between these economic zones. In the South, there is also a significant secondary flow into Basildon and Thurrock, with a complex interrelationship between Southend, Thurrock and Basildon that further supports the case for a single, integrated South Essex authority. In the North, Braintree and Colchester are closely connected, and there is a major travel-to-work relationship with Stansted Airport. This reinforces the importance of the A120 corridor as a strategic economic route linking the North of Essex to national and international markets.

Structuring governance around these functional geographies ensures that transport planning is aligned to how people actually live and work. It also creates the right platform for the Mayor and MCA to oversee the Key Route Network in a coordinated and effective way. A smaller number of strategically aligned councils means fewer interfaces, clearer responsibilities and stronger alignment to the Local Transport Plan. This enables decisions about investment, maintenance and long-term upgrades to be taken in a more coherent and timely way, ensuring that the Key Route Network supports wider ambitions for housing, economic growth and sustainability. The three cities model provides the structure needed to maintain consistency across the network while allowing each unitary to respond to local priorities within a joined-up strategic framework.

Map 8: Commuting patterns in Greater Essex (with proposed new unitary authority boundaries)
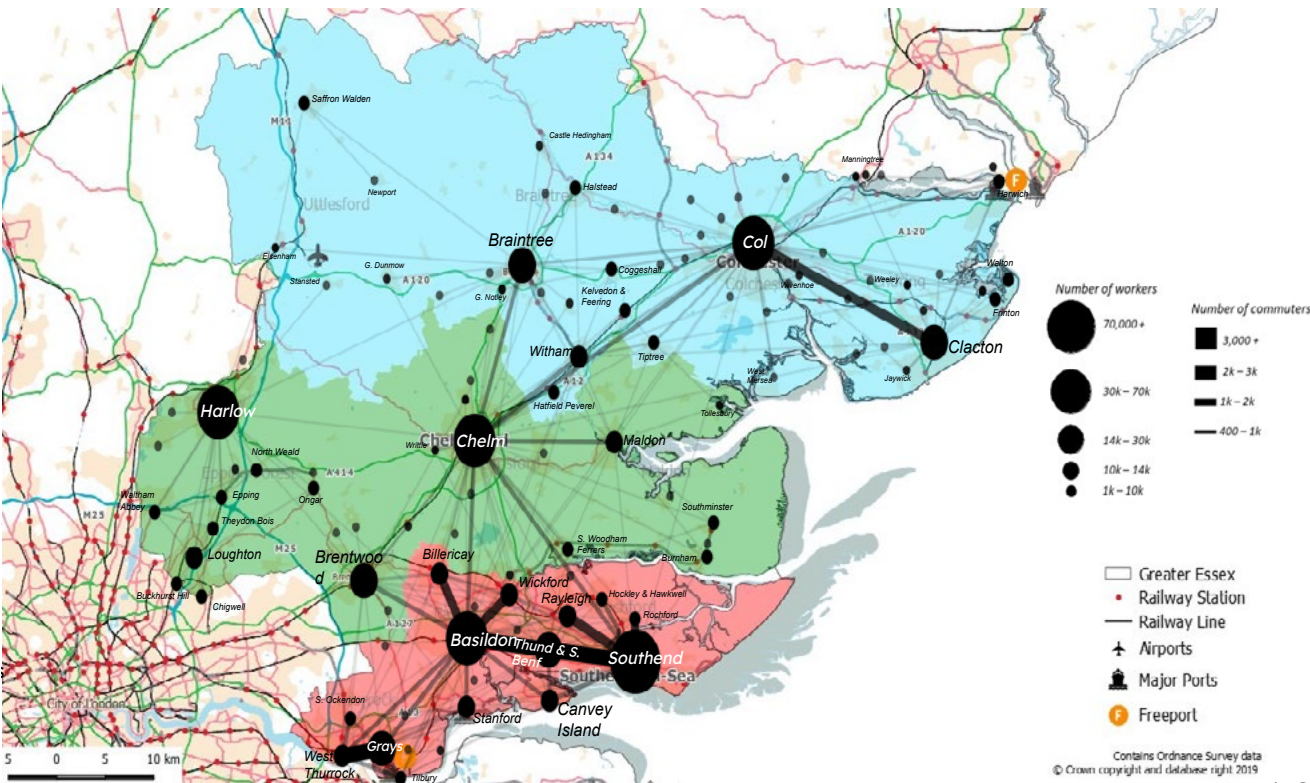
Moving to four or five highways authorities, as set out in other proposals, risks weakening our ability to achieve the best transport outcomes. It will inevitably increase the costs and risks of disaggregation, further diluting the benefits of economies of scale that we currently enjoy. It is also likely to weaken the ability of the Mayor to drive the more strategic approach to transport that is so needed and that devolution is designed to achieve. The four and five unitary models will create new administrative boundaries within economic geographies and transport corridors, making transport planning and delivery more fragmented at a time when it needs to be more joined up and more aligned to supporting strategic priorities in the Local Growth Plan and the Local Transport Plan.

Highways and transport services will be delivered by each of the three authorities through their own dedicated teams and contracts. This ensures greater value for money than the four or five unitary models can achieve as a result of:

- **economy:** greater economies of scale will be achieved to manage and procure resources at the lowest possible cost while maintaining the required quality. Key factors include staff, fleet and material costs, which would increase significantly with more unitaries delivering across smaller areas;

- **efficiency:** specialist resources will be able to be better utilised over wider areas to deliver greater outputs. Processes will be optimised and waste minimised;

- **effectiveness:** resources will be optimised in each unitary to suit their different needs and requirements and ensure effective responsiveness and quality outputs to deliver maximum outcomes within their available financial budgets. Additional unitaries would require greater resources, and thereby funding, to deliver an equal effective service;

- **strategic value:** resources will be able to be better aligned to meet the overall strategic objectives and priorities of each unitary without compromising local identity;

- **public value:** resources will be able to deliver greater localised value to residents, businesses and other parties by maximising the management and delivery of services tailored to the needs of their area without fragmentation leading to watering down;

- **sustainability:** high quality highways and transport services are a prerequisite for all authorities. Each unitary will require dedicated expert and specialist resources and the demand for these resources is already greater than those available, so this will be more sustainable and deliverable through three unitary authorities rather than four or five.

Housing: Meeting Demand, Unlocking Growth

Greater Essex is facing a housing crisis. To meet national targets, the region must deliver 207,675 new homes by 2040.

Despite having some of the most ambitious plans for garden communities in the country, the current two-tier system is not capable of meeting this challenge. Fragmented responsibilities, inconsistent planning capacity, and misaligned geographies have held back delivery and undermined public confidence.

Table 11: Greater Essex housing delivery by district

	Adopted Local Plan Provision	Plan period	Total number of homes required 2020-23	Total number of homes delivered 2020-23	Housing Delivery Test: % of required homes delivered 2020-23	Annual housing delivery last three years 2020-23	Annual local housing need under the new adopted Standard Method (December 2024)	Housing delivery challenge: ratio of new annual housing targets
Basildon	7,650	1996 – 2011	2,713	952	35%	317	1,287	4.06
Braintree	14,320	2013 – 2033	1,914	2,970	155%	990	1,115	1.13
Brentwood	7,752	2016 – 2033	802	1,035	129%	345	724	2.1
Castle Point	1,600	1998 – 2007	943	505	54%	168	701	4.17
Chelmsford[1]	21,843	2013 – 2036	2,150	2,501	116%	834	1,210	1.45
Colchester	18,400	2013 – 2033	2,454	2,706	110%	902	1,300	1.44
Epping Forest	11,400	2011 – 2033	964	635	66%	212	1,299	6.14
Harlow	9,200	2011 – 2033	964	1,504	156%	501	637	1.27
Maldon	4,650	2014 – 2029	819	1,162	142%	387	569	1.47
Rochford	7,120	2006 – 2025	962	1,299	135%	433	689	1.59
Southend-on-Sea	6,500	2001 – 2021	3,143	1,159	37%	386	1,405	3.64
Tendring	11,000	2013 – 2033	1,466	2,343	160%	781	1,034	1.32
Thurrock	18,500	2001 – 2021	3,082	1,064	35%	355	1,071	3.02
Uttlesford	5,052	2000 – 2011	1,862	849	46%	283	804	2.84
Greater Essex (Total/Avg)			24,237	20,683	98%	6,894	13,845	2.01

1   Chelmsford City Council is progressing under the NPPF transitional arrangements with an annual requirement of 1,210, compared to 1,454/year

The three cities model enables a step change in delivery, **aligning planning, housing, transport and infrastructure within larger, strategically designed unitary authorities**. It enables councils to plan across wider geographies, unlock land more flexibly, reducing the constraints to development that can arise from concerns about land supply and Green Belt policy, and integrate new developments into the wider vision for the area.

Alongside national planning reform, the three cities model **unlocks the potential of new Mayoral powers to develop a Spatial Development Strategy (SDS) for Greater Essex**. This plan will provide a long-term framework for where homes, infrastructure, jobs and environmental enhancements should be delivered. To be effective, the SDS must work in close partnership with local planning authorities, which demands aligned geographies and a manageable number of partners. The three cities model ensures that each unitary authority reflects a real economic and housing sub-region, meaning that strategic decisions can be turned into local delivery plans more effectively.

A more fragmented model, with a greater number of unitaries, would make spatial planning harder to implement. It would increase the risk of misalignment, delay, and competing priorities between neighbouring authorities, undermining the SDS's ambition of coordinating investment, infrastructure and growth in a more coherent way.

Our approach will also enable:

- **the right blend of local responsiveness and strategic scale**, capable of unlocking major sites, resolving barriers, and coordinating delivery at pace;
- **stronger planning departments**, with the size, expertise and resources (including investment in technology) to reduce delays, manage complex sites, and secure high-quality outcomes;
- **greater ability to attract investment**, by creating larger and more coherent development propositions that appeal to a wider range of investors, developers and infrastructure providers;
- **rationalisation of the public estate**, unlocking publicly owned land for housing and regeneration, and enabling coordinated brownfield redevelopment across a larger footprint;
- **a more investable system**, where strategic sites are backed by joined-up governance, spatial flexibility, and a clear pipeline of infrastructure requirements.

Importantly, localism will remain central to how planning decisions are made. New developments will need to earn the trust of communities, enhance the character of local places, support economic opportunity, and be accompanied by the infrastructure and public services needed to make growth sustainable.

The three cities model enables a step change in delivery, aligning planning, housing, transport and infrastructure within larger, strategically designed unitary authorities.

The three cities model also brings specific benefits:

- in **South Essex** – the model unites five planning authorities into a single planning area, helping to unlock constraints (e.g. land availability beyond the Green Belt) and stalled sites, and tackle the area's historic delivery under-performance;

- in **Mid Essex** – it allows heavily constrained authorities such as Epping Forest to be absorbed into a wider planning geography. This provides the spatial flexibility needed to deliver homes while protecting the character of sensitive areas;

- in **North Essex** – the model builds on strong delivery performance, land availability, and ongoing investment in new garden communities, ensuring that momentum is sustained and growth is well-coordinated across the A120 corridor.

By planning at the right scale, working through streamlined structures, and linking housing to the wider economic strategy, the three cities model makes it far more likely that Essex will meet its future housing needs. As the map below illustrates, the model spreads the collective housing target most equitably across new authority areas, making it more likely that targets will be achieved in a way that supports inclusive, sustainable growth with the right infrastructure in place.

64,000 homes in next 15 years

67,000 homes in next 15 years

77,000 homes in next 15 years

Map labels: Uttlesford, Braintree, Colchester, Tendring, Harlow, Chelmsford, Epping Forest, Maldon, Brentwood, Basildon, Rochford, Southend-on-Sea, Thurrock, Castle Point
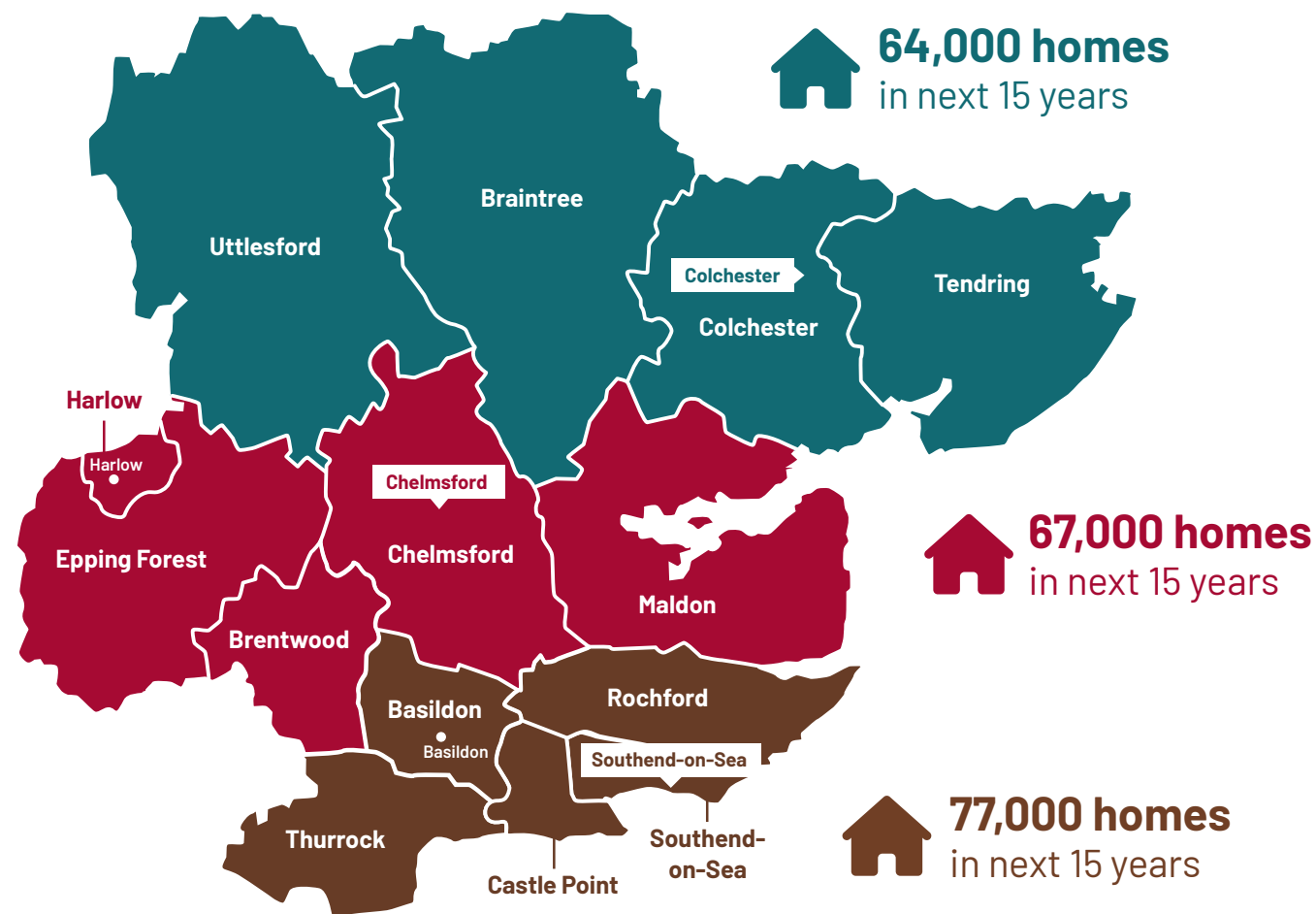
Skills and Workforce: Unlocking Potential and Tackling Inactivity

Greater Essex is home to some of the best-performing schools in the country, giving young people strong foundations for the future. However, too many residents become disconnected from opportunity after leaving school. Across the region, economic inactivity is rising, and employers continue to face significant skills shortages in key growth sectors.

Our proposal for three unitaries will enable a step change in how Essex addresses these challenges. It will provide the structure, scale and leadership needed to connect skills, employment and economic development in a more strategic and responsive way. It will also ensure that residents and businesses receive the support they need to grow, adapt and succeed.

Working with the Mayor and MCA, the three new unitaries will:

- **reduce economic inactivity** by creating integrated local employment and skills systems that help more residents into training, work and progression. This has the potential to generate more than £8bn in additional GVA each year;

- **develop a tailored adult skills offer** that reflects the needs of each unitary area's local economy and the sectoral opportunities set out above;

- **strengthen coordination with further and higher education**, working closely with institutions including the University of Essex, Anglia Ruskin University, South Essex College, Colchester Institute, Harlow College and the South East Institute of Technology. These partnerships will help align local skills pipelines to current and future employer demand;

- **embed business-led skills training**, giving local employers a stronger voice in shaping provision and enabling a more agile response to sector-specific skills needs. This will ensure that training is relevant, up to date, and aligned to real job opportunities;

- **improve local oversight and responsiveness** by streamlining funding relationships, aligning delivery partners and giving unitary authorities greater flexibility to commission provision that works for local communities and employers;

- **embed skills in wider growth strategies**, so that housing, infrastructure and regeneration programmes are underpinned by clear plans to develop the local workforce. This ensures that growth supports inclusive economic development.

The three cities model will ensure that each authority has the capacity and capability to lead regeneration in their areas, while working with specialist regeneration teams within the Combined Authority to coordinate efforts on a regional scale. Together, they will be able to take forward high-impact projects that unlock land, improve places and drive investment in local communities.

> The three cities model creates the conditions for long-term workforce transformation and ensures that residents are not only supported by growth but are active contributors to it.

Regeneration and Delivery: Turning Ambition into Action

Greater Essex has the ambition, assets and sites to drive large-scale regeneration but under the current system, delivery is often fragmented, slow, or inconsistent. Local areas are repeatedly forced to compete when responding to government funding rounds and centrally defined criteria, rather than being able to plan regeneration based on long-term local priorities and need.

The three cities model will ensure that each authority has the capacity and capability to lead regeneration in their areas, while working with specialist regeneration teams within the Combined Authority to coordinate efforts on a regional scale. Together, they will be able to take forward high-impact projects that unlock land, improve places and drive investment in local communities.

The model enables:

- **the creation of new delivery vehicles**, including Mayoral Development Corporations (MDCs), that can assemble land, secure investment, and deliver complex multi-partner regeneration schemes. MDCs require significant scale to work and must operate across functional geographies to respond more effectively to long-term challenges and opportunities;

- **targeted investment in high-impact places**, such as coastal towns, town centres, and major growth corridors. These include Jaywick and Clacton-on-Sea in the North, Basildon, Thurrock and Southend-on-Sea in the South, and Harlow and Chelmsford in Mid Essex; all of which have significant potential for renewal;

- **greater alignment of public and private investment**, through clear governance and simplified decision-making. A smaller number of unitaries, working in partnership with the Mayor, will make it easier to attract long-term capital into housing, infrastructure and commercial development;

- **improved place leadership**, through councils that are large enough to work strategically with the Combined Authority, yet remain close enough to communities to reflect local identity and needs. This is supported by a new model that includes a network of Neighbourhood Delivery Committees. The Town's Boards are already active and located in the key towns of Clacton, Harlow, and Canvey Island – one in each of our proposed unitaries - each empowering local communities to develop long term regeneration plans to shape the future of their towns. They bring together residents, businesses, local government, and community leaders to create a shared vision and roadmap for transformation over the next decade and beyond. This joined-up approach will accelerate regeneration, making it more coherent and impactful. It ensures that growth reaches the places that need it most, and that public investment is targeted where it can make the greatest difference to quality of life and opportunity.

Part two: Devolution – case studies

The three cities model – along with Devolution – will provide the leadership, capacity and delivery tools to unlock regeneration and growth across Greater Essex. These case studies highlight what is possible when place leadership is empowered, communities are involved, and long-term investment is aligned to local priorities.

Case Study 2:

Jaywick Sunspot: Regeneration that Responds to Local Need

Jaywick is one of the most deprived communities in England, with a long history of underinvestment and complex regeneration challenges. The Sunspot development shows what is possible when strategic scale is combined with strong local partnership.

The project was delivered through close collaboration between Essex County Council and Tendring District Council. It brought together the county's ability to attract and manage investment with the district's local knowledge, community relationships and planning expertise.

Together, the councils transformed a derelict site into a vibrant commercial and community hub, attracting more than £5.3m in investment. The Sunspot provides affordable workspace for local businesses, supports new jobs and entrepreneurship, and enhances local services including cafés, markets and visitor facilities.

Community engagement played a central role in shaping the project. Local priorities informed its design and delivery, helping to build pride, ownership and long-term viability. The Sunspot is now a focal point for local enterprise and regeneration, and a practical example of what successful place-based delivery looks like.

The three cities model creates the conditions to make this kind of partnership more consistent, with the ability to plan and invest strategically while working closely with communities. It will allow regeneration to be both ambitious and locally grounded, enabling more places to turn potential into progress.

Case Study 3:

Chelmsford Garden Community: Infrastructure-First Growth at Scale

The Chelmsford Garden Community is a new strategic settlement to the north of Chelmsford that will eventually comprise over 10,000 homes. First phases are occupied and under construction, having already won awards for design. Planning permission for the remaining 6,250 of these homes is due to be granted in Autumn 2025.

Garden Communities are more than just housing – as new settlements they will deliver an array of new infrastructure, employment opportunities, education facilities, community assets and public services needed to support residents. The CGC scheme is being planned on an "infrastructure first" basis with a new railway station (Beaulieu Park station is the first new railway station on the East Coast Main Line for over 100 years) and highways infrastructure currently being delivered ahead of new development.

Under a unitary system in Essex, planning for such developments will become more efficient as housing, highways and transportation, education, and planning functions will come under the remit of one authority, streamlining negotiations with interested parties and expediting planning decisions. Essex has four Garden Communities with an additional five new settlements currently proposed across the county at different stages of planning. Larger unitary authorities will be better positioned than smaller ones by virtue of their larger resources and geographical scope to plan for such strategic developments; under the three cities model, each unitary would have at least one existing and one future new settlement at this strategic scale.

Garden Communities are more than just housing – as new settlements they will deliver an array of new infrastructure, employment opportunities, education facilities, community assets and public services needed to support residents.

iii. Sustaining and improving critical services

Education, SEND, Children's Services and Adult Social Care

These core services that support people across the life course – from birth through education, family life, adulthood, older age, and end-of-life – are among the most essential functions commissioned by and/or provided by local government and typically comprise over 50% of council spending.

These critical services include:

- children's social care, including safeguarding, early help, and family support;
- education, including school place planning, school improvement, home to school transport and access to high-quality early years provision;
- special educational needs and disabilities (SEND), which spans health, education and care for children and young people with additional needs;
- adult social care, encompassing support for older people, people with disabilities and autistic and neurodiverse people, and those with mental health needs.

Done well, they transform lives — helping people live independently for longer, supporting families to stay together, supporting people to be active and engaged in local communities and economies, and enabling older people to age with dignity. They are critical not just to the individuals who

receive support but to the wider functioning of the NHS, schools and early years settings, the justice system, housing and local economies.

Our ambitions are that by 2035 devolution and local government reform will ensure that:

- every child in Greater Essex is supported to grow up safe, loved and thriving, regardless of their postcode or background; and that children are co-producers of services and their voice and lived experience are central to all decision making;
- we have created a joined-up SEND system where there is early intervention, parental confidence and inclusive support is delivered that helps every child to thrive;
- working-age adults with learning disabilities and autism and with physical disabilities can live independent and fulfilling lives – by embedding co-production, choice, inclusion and early support across a joined-up care system;
- older people can age well in the communities they call home, through a fair and inclusive system, joined-up local support and technology-enabled care.

Getting people services right matters: for outcomes, for the sustainability of public services, and for the financial resilience of councils.

Across Greater Essex, we are starting from a strong base – all existing social care authorities that have been inspected by Ofsted or CQC are rated Good or Outstanding (Essex and Thurrock's children's services are both rated as Outstanding); 93% of schools are rated Good or Outstanding; and there are nationally leading examples of supporting independence, with especially low rates of children in care and adults in residential care in Essex. The adult social care market is large and stable, with access to good capacity and quality. As a result, delays to NHS hospital discharges due to accessing social care are low across Greater Essex.

But we know that there is a fundamental need to drive change and transformation in order to ensure that critical services are sustainable and fit-for-purpose for the future, and that local government reform and devolution provides a once-in-a-generation opportunity to achieve this.

The opportunity of local government reorganisation and devolution

In Greater Essex, the current system – comprising 15 local authorities operating across two tiers – is complex, fragmented and difficult to navigate, both for partners and for residents. It inhibits integration, creates duplication, and limits our collective ability to respond strategically to rising demand and inequality.

Our ambitions for devolution and LGR relating to people services are that:

- **it will create high-performing and financially affordable and sustainable services for children, families and adults.** This is crucial not only in supporting affordability for local taxpayers and ensuring councils can thrive (rather than just survive) but also in supporting a resilient and sustainable local NHS;

- **it will enable a much more comprehensive and effective approach to prevention**, including by addressing the upstream drivers of demand. This will help to mitigate the otherwise steep rise in demand and cost pressures forecast for the next 15 years. It will also help to improve outcomes for vulnerable children and adults;

- **it will strengthen and align whole system working through a simpler local government system and its ability to work with other public agencies and the community.** This has a number of benefits. It enables the bringing together of county and district services, data and customer contacts to help early intervention. It will facilitate cross-system working with health partners, the police and fire service, schools and others, reducing the overheads on collaboration. It will also make it easier for public services to co-locate and come together around the person and the community rather than around organisational siloes;

- **crucially, LGR will help "people" services to continue to reform and innovate to address the significant strategic challenges they face. Those challenges include:**

  - an ageing and growing population – the total 65+ population is forecast to grow by 28% by 2040, with three districts (Castle Point, Maldon and Tendring) having a third of people over 65 and a further five districts/cities (Braintree, Epping Forest, Rochford, Uttlesford and Southend) with around a quarter or more residents over 65 by 2040;

  - increasing demand – including unprecedented growth in Education Health and Care Plans (spend is forecast to grow by around 150% between 2025 and 2040) and increasing social care and mental health referrals from an ageing and growing population;

  - rising complexity of need, driven by ageing populations, poverty, trauma, mental health needs and disadvantage;

- increasing numbers transitioning into adulthood with complex needs relating to autism, neurodiversity and multiple disabilities;

- workforce pressures, including recruitment and retention challenges across social care, education, SEND and therapy services;

- market fragility, affecting access to children's residential placements, SEND schools, home care, and therapy services;

- budget pressures on adults and children's social care, and SEND deficits and high-cost placements driving structural financial risk;

- inequalities and inconsistent outcomes, especially in areas of higher deprivation or limited access to community infrastructure;

- siloed or fragmented commissioning, hindering the development of integrated support pathways and the better aligning of housing, planning, leisure and social care and family services.

Despite these opportunities, we also recognise that the three current social care operating systems will face considerable challenge in adapting to new geographies and operating models. There will be complex and high-risk challenges in transitioning to the new world. The objective of this proposal is not only about implementing sustainable local government reform; it is about implementing it safely and well.

How the three cities model supports the delivery of our ambition

The configuration of local government plays a critical role in the ability to deliver effective, sustainable and equitable people services. LGR provides an opportunity to design a system that ensures all parts of Greater Essex can succeed, not just some.

Our proposed model creates new authorities of sufficient scale to be strategically and financially sustainable, while improving local responsiveness and democratic accountability. It offers the best platform for the future of people services across four key dimensions:

The benefit of both scale and localism to optimise outcomes

The debate on local government reform can easily descend into simplistic propositions about the merits of "small" authorities over "large" ones, or vice versa. The reality in the sector is that each has its strengths and can deliver excellent outcomes under the right circumstances. This is evident in Greater Essex. The three unitary model creates local authorities of the right scale to get the best of both worlds.

As the largest social care authority in Greater Essex, the County Council currently enjoys the benefits of scale and uses this to ensure comprehensive early help and prevention offers for children and families and adults. It has a comprehensive care technology service, enabling adults to live independently in their own home for as long as possible. The council also has an award-winning Essex Social Care Academy, which focuses on workforce training and professional development for children's and adult's social care. The council has created an Essex-wide inclusive employment service, which has supported over 560 adults with learning disabilities to gain their first jobs and has successfully reduced the number of people in day centres.

As a result, Essex has significantly lower rates of children and adults in residential care than Southend and Thurrock and than the East of England and England averages – a great outcome for individuals and their families, but also in managing growth in long-term care costs:

Table 12: Rates of admission into care by age by local authority

Rates of admissions into care	Essex	Southend	Thurrock
Rate of admissions to residential care 18-64 per 100k	9.7	10.2	16.6
Rate of admissions to residential care +65's per 100k	334.7	488.4	629.2
Rate of children in care per 10,000	36	79	64

Conversely, smaller authorities are closer to the populations they serve and can score higher on more experiential measures. For example, both Southend (64.3%) and Thurrock (68.3%) record higher overall satisfaction scores with care and support than Essex (61.7%). Thurrock (78.9%) also scores markedly better than Essex on the percentage of service users who find information easy to find.

The three unitary model will create authorities that can build on what works from both the existing large and small social care authorities that currently exist, creating opportunities to build on the prevention and excellent outcomes that keep people unnecessarily out of the care system, while also scaling-up the benefits of localism and improved access to information, advice and guidance.

The business case for a five unitary model argues that small unitary councils of 250k-350k are cheaper than larger authorities, and that they are more effective at keeping children and adults out of residential care.

In particular, the five unitary business case uses analysis from Peopletoo but we challenge the assumptions and also how these are being used, on the basis that:

- the national analysis has excluded London unitaries, thereby skewing the data towards the North where there is a different cost

base and market profile (for example, there is a greater proportion of private self-funders in the South, including Greater Essex);

- more locally, the rural nature of Essex compared to Southend or Thurrock, also results in a different cost base – for example Essex pays a Targeted Supply Adjustment (top-up payment) of 8.4%-16.8% for domiciliary care in rural wards;

- the five unitary business case and supporting analysis does not take proper account of existing cost and performance differentials in Essex. The Peopletoo analysis puts a strong focus on small unitary councils having lower costs due to lower rates of people in residential care. While low rates of people in residential care is indeed one of the prime drivers of costs, the national data shows that Essex currently has significantly lower rates of adults in residential care than the England average, than the East of England regional average and than Southend and Thurrock. Essex also has far lower rates of children in care than Southend and Thurrock and the national average. In short, the five unitary business case hypothesises savings that do not tally with current Essex, Southend and Thurrock data and performance. This creates unrealistic and non-credible savings.

The five unitary business case focuses on the analysis from Peopletoo and its argument that councils of 250-350k have the lowest cost. But even if that conclusion were true (and it is contested by other national research), it is largely irrelevant since the five unitary model doesn't propose authorities of that size. Its proposal is for larger authorities in the 350-500k range. The data from Peopletoo, which underpins the five unitary proposal, shows authorities of that size are more expensive on most cost metrics (four out of the six identified) than authorities of 500k-750k (as proposed by the three cities model).

In short, the Peopletoo analysis does not take proper account of the local Essex, Southend and Thurrock data that is more immediately relevant and credible as the starting point; is based on analysis that has excluded London unitary data from its cost models; and does not, even on its own terms, support the case for five unitaries in Greater Essex on the size proposed. We therefore do not consider that simplistic assumptions that five unitaries in Greater Essex will save money are a credible basis for understanding the potential for adults and children's social care to change lives and to make savings.

Fair and balanced starting points for all new councils

Age, health and deprivation are the primary drivers of demand for people services, but these factors are not evenly distributed across Greater Essex. Some areas have higher concentrations of need than others. For example, the district of Tendring has the highest proportion of residents aged over 65 in 2025 and this is set to grow to 35% of the population by 2040 – far in excess of the national average. Tendring has additional challenges with some areas being among the most challenged nationally in terms of the percentage of the population living in the areas of highest deprivation.

Table 13: Proportion of over 65 population by district 2025-2040

Essex District	65+ population by year			Percentage growth in 65+ from 2025-2040	Percentage of Authority 65+		
	2025	2030	2040		2025	2030	2040
Basildon	34,176	36,756	40,816	19%	18%	19%	20%
Braintree	34,325	37,820	43,038	25%	21%	23%	26%
Brentwood	16,101	17,214	18,677	16%	21%	22%	23%
Castle Point	25,059	27,174	31,403	25%	28%	30%	34%
Chelmsford	37,387	40,658	46,246	24%	20%	21%	23%
Colchester	36,478	39,980	45,833	26%	18%	19%	20%
Epping Forest	27,985	30,774	35,276	26%	20%	22%	25%
Harlow	14,387	15,649	17,381	21%	15%	16%	17%
Maldon	18,246	20,147	23,012	26%	26%	28%	31%
Rochford	22,002	23,973	26,991	23%	24%	26%	28%
Southend-on-Sea	38,463	42,523	49,611	29%	20%	22%	24%
Tendring	47,777	52,712	60,812	27%	31%	33%	35%
Thurrock	25,998	28,818	34,240	32%	14%	15%	17%
Uttlesford	20,532	23,469	28,064	37%	21%	23%	26%

Table 14: Proportion of population aged 0-18 by district 2025-40

Essex District	U18 population by year			Percentage growth in U18 from 2025-2040	Average percentage of Authority U18
	2025	2030	2040		
Basildon	44607	44492	44773	0.40%	23%
Braintree	32690	31722	31469	-3.70%	20%
Brentwood	16574	16372	16016	-3.40%	21%
Castle Point	17403	17688	18257	4.90%	19%
Chelmsford	39230	39319	39742	1.30%	20%
Colchester	44137	44602	45478	3.00%	21%
Epping Forest	28509	27942	27149	-4.80%	20%
Harlow	23720	23294	22937	-3.30%	24%
Maldon	12616	12655	12909	2.30%	18%
Rochford	17372	17364	17630	1.50%	19%
Southend-on-Sea	40422	39607	39279	-2.80%	20%
Tendring	28422	28560	29057	2.20%	18%
Thurrock	46770	46663	46627	-0.30%	24%
Uttlesford	20852	21097	21251	1.90%	21%

It is also critical to note that Adult Social Care is a means-tested service and this significantly impacts on gross and net spend. In some parts of Greater Essex, population wealth distribution levels mean that people are more likely to fully fund or part fund their care than in other areas. The difference is also seen between types of need – it is common, for example, for older people to be more likely to contribute towards the costs of their care because their needs have arisen later in life and they have had opportunities to build savings and acquire assets such as a house. By contrast, adults with lifelong disabilities may not have had this opportunity.

Essex County Council data (not at all atypical) shows that while older people account for 47%

of gross annual spend on adult social care, this falls to 29% in net terms after fees and charges are accounted for. Conversely, while spending on adults with learning disabilities accounts for 40% of gross spend, this rises to 54% of net annual spend on adult social care.

In short, the distribution of wealth and type of need across an area makes a fundamental difference, not only to the demand and total spend on people services in that area, but also to how that demand is funded – largely via council-funded services and/or with a good mix of self-funders.

Crucially, the three councils model creates authorities that are demographically and financially balanced, enabling:

- the avoidance of highly concentrated levels of demand in areas with limited resources;
- a fairer distribution of complex need and financial risk;
- a good balance of wealth distribution, ensuring that there is likely to be a good balance between people who self-fund or part-fund their adult social care and those who are likely to be fully funded by councils;
- resilience to manage high-cost, low-volume cases.

Analysis by Newton Europe shows that demand becomes more uneven as the number of new authorities increases. Under a five-unitary model, the highest-spending authority would be responsible for 250% more spend on people services than the lowest. The three cities model offers a much more equitable distribution and is also more balanced than a four unitary model.

Figure 5: Spend on "people services" by LGR configuration
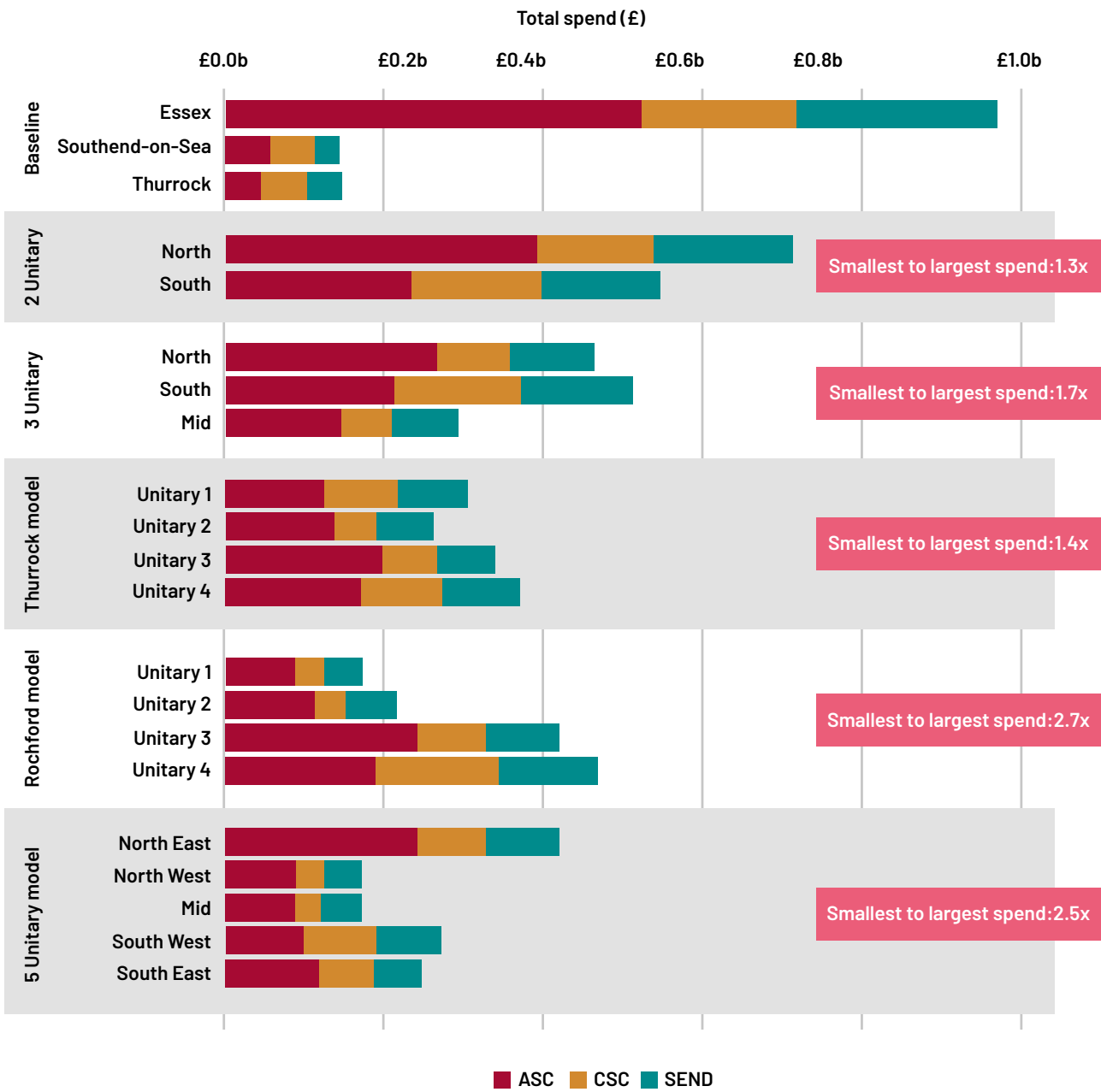
The SEND deficit is a significant risk to local government financial viability in Greater Essex (projected at £279m by 2029) as it is nationally. It is critical that this risk is not disproportionately held in new local authority structures that would not have the resilience to contain it. For example, the proposed five unitary model sees some councils holding twice the level of EHCPs as others. It would result in 25% of all EHCPs in Greater Essex being held by one authority (the South-West, covering Basildon and Thurrock) that will already be the most highly indebted of all authorities in the system; while another of the five unitary councils (North East) would hold 28%, while also having the highest levels of older people and deprivation. The three cities model is more equitable in its distribution.

Capacity to invest in prevention, innovation and social work practice

Across Greater Essex, there are already examples of excellent work that help promote independence and support family and personal resilience. For example, the work of district-based Family Hubs; proactive and targeted work in areas of high poverty to tackle educational disadvantage; and expansive offers around care technology, reablement, inclusive employment and the Essex Wellbeing Service. Thurrock Council's work on community hubs and local area co-ordination has been nationally leading and inspiring.

We already have a particularly strong focus in Greater Essex on strengths-based and relationship-based social work practice (recognised in statutory inspection ratings for children's and adults social care), working with individuals and their families to promote choice and independence and the achievement of personal wellbeing goals and outcomes.

Our three councils model offers opportunities to further transform and improve practice by ensuring:

- we develop an enhanced shared practice model and policies and principles that can be locally tailored to communities, but ensure we achieve more consistent outcomes across Greater Essex, unlocking opportunities for productivity and outcome improvements;

- greater clarity and consistency of practice models for partner agencies opening up opportunities for enhanced integration of approaches and opportunities to better manage demand on statutory services by encouraging consistency of approach throughout the whole system;

- enhanced local working and unitarisation offers the opportunity to draw together a wide range of other public services to support the delivery of a shared practice model and further enhance opportunities around prevention;

- opportunities to pursue digital innovation, including the current testing of AI to support the capture of assessment and reviews to deliver time efficiencies for social workers.

We already have strong evidence that good prevention works, helping ensure that children and adults are not drawn unnecessarily into the care system and that people are supported to be as independent as possible. Permanent admissions of adults into residential care in Essex are significantly below national (and Southend and Thurrock) rates for working age adults with learning disabilities and for older people, meaning that money not spent on avoidable residential placements can be better spent on funding prevention and community-based support.

The rates of children in care in Essex per head of population are around half the levels of national, regional and Southend and Thurrock rates: 36 children in care per 10,000 in Essex, compared with 64 in Thurrock and 79 in Southend. This is not an accident; it is because the current Essex model combines both local

community-based work with larger scale preventative services. The avoided cost to the taxpayer is substantial. For example, if the Essex rate of children in care per 10,000 was at the national rate (i.e. double the current rate of children in care), then spending would be £228m/year more than it would otherwise be by 2040 (£593m against £365m).

The four and five unitary authority proposals risk substantially dismantling effective early help and prevention services and risk a deterioration in performance and an increase of children in care as a result. Our three

councils model looks to ensure that each new council has the scale necessary for early help and prevention, while also maximising the chances of scaling-up current best practice. IMPOWER benchmarking identifies Essex children's services as the most productive in Greater Essex and the fourth most productive nationally. If we can secure the same outcomes as Essex for Southend and Thurrock under the new three unitary model then IMPOWER estimate there is a potential opportunity for £12-27m of annual benefits.

Figure 6: the five year average of children in care (CiC) rates
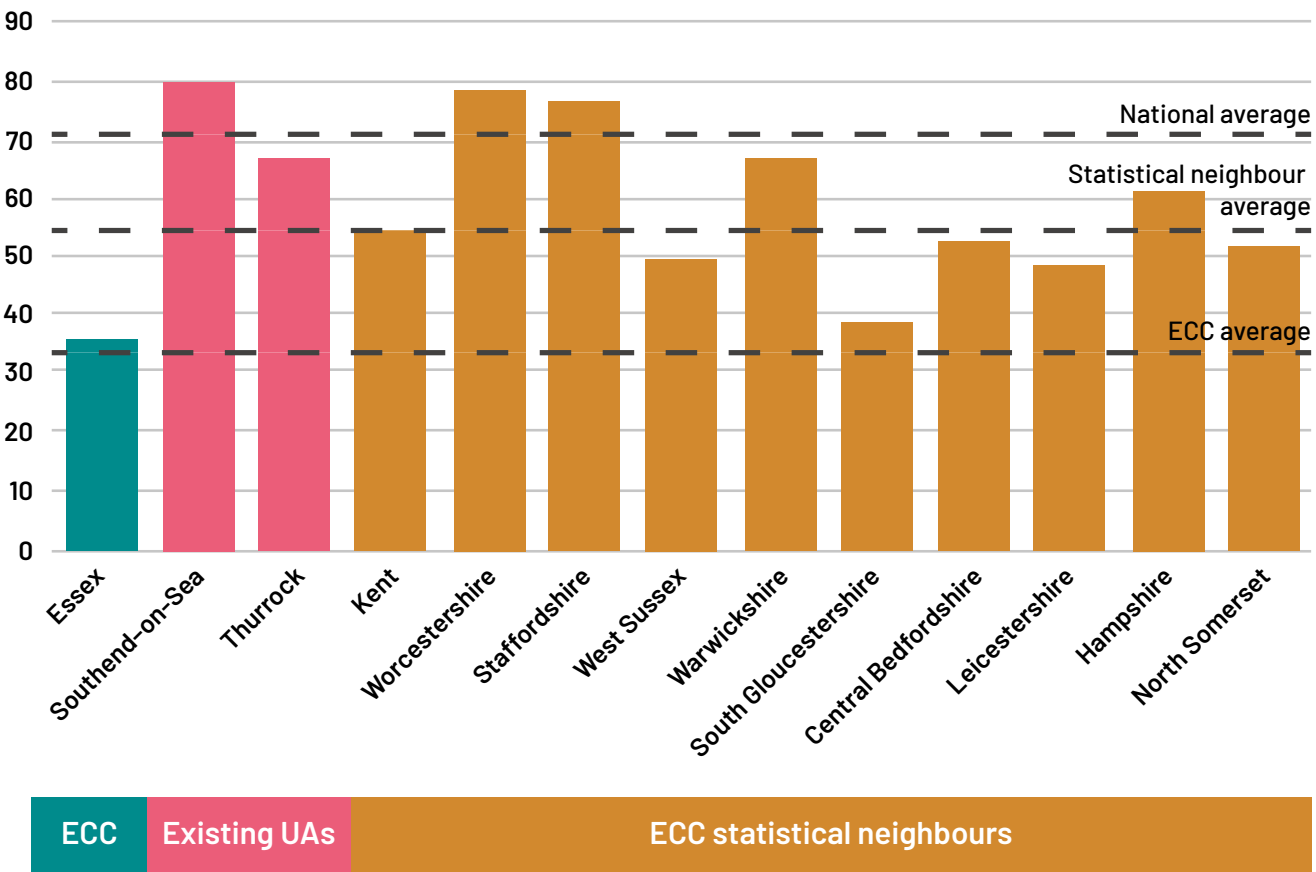
But prevention requires upfront investment and delivery capacity. Without sufficient scale and financial headroom, smaller councils will struggle to maintain even current levels of service, let alone to invest in reform. In times of financial stress, prevention and early help is often the first casualty. We need to ensure that LGR supports sustained investment in prevention and early help.

The three cities model ensures new councils can:

- continue and expand early help and wellbeing services for children and families;

- sustain and scale reablement and care technology programmes that reduce demand;

- support inclusive employment and carer services;

- invest in workforce development, including successful models such as the Essex Social Care Academy.

By contrast, models that add to the existing number of social care authorities will increase running costs and reduce or eliminate financial headroom for investment.

Simplification and better alignment with partners

Public services do not operate in isolation. The complexity of the current system makes joint working difficult. Increasing the number of social care authorities from the existing three would exacerbate this problem.

The three cities model simplifies the system, enabling:

- fewer handoffs and clearer accountability for residents;

- strengthening system-wide collaboration through better alignment with partners including health, education, police, housing and the voluntary and community

sector (including through our proposed neighbourhood governance arrangements) to better support individuals and families through strong and cohesive multi-agency partnerships with shared goals and shared information as the default;

- avoidance of additional statutory boards and governance burdens (e.g. Health and Wellbeing Boards, Safeguarding Boards);

- opportunities to align housing and planning with people service priorities - particularly in delivering specialist accommodation and joined-up care pathways;

- greater potential for inclusive public health initiatives through aligned leisure, transport and environmental health services;

- supporting thriving communities through sustainable high-quality, agile, localised services that are responsive to the diversity of places across Greater Essex - urban, rural and costal. Voluntary and community sector partnerships will be embedded in new service models and our Neighbourhood Delivery Committees;

- avoidance of the need to create any additional social care authorities (with additional management and overhead costs) than exist under the current system;

- avoidance of new additional regulatory burdens on Ofsted and the CQC arising from the creation of new social care authorities.

The model also supports better alignment with the current Essex Police Greater Essex footprint and NHS reform. With the development of a single Greater Essex Integrated Care Board (ICB), a simplified local authority landscape supports coherent joint strategies across children's services, SEND, learning disabilities, mental health and ageing well. Creating more than three unitary councils would risk reintroducing complexity into the system, undermining the goals of integration and prevention.

Collaboration to retain the benefits of scale where it matters

Regardless of structural change, the delivery of people services in Greater Essex will continue to depend on collaboration across place, organisations and sectors. The ministerial letter of 21 July 2025 highlights the importance of cross-council working, including joint commissioning of key services.

There are already great examples of collaboration across Greater Essex around the provision of out of hours emergency duty services, work to tackle domestic abuse, the provision of children's and adolescent mental health services, and the learning disabilities health equalities and transforming care programmes.

Our business case would retain existing collaborative arrangements across Greater Essex and build on them. We anticipate collaboration will be essential in:

- shared commissioning and market-shaping strategies, ensuring we can tackle areas of shared difficulties – for example, around access to sufficient and affordable children's residential care capacity; growing children's fostering capacity; domestic abuse building on the recent work of the Pan Essex Domestic Abuse Commissioning Collaborative; and addressing geographical gaps in supported housing models for working age adults and older people;

- specialist workforce – there is a national shortage of some specialist skills, including approved mental health practitioners. It is crucial that the new unitary authorities collaborate on workforce recruitment and planning;

- workforce training and development – building on the Essex Social Care Academy which we would anticipate being hosted in one of the unitaries but becoming an asset for all of the new councils. This has already helped significantly reduce and almost eliminate dependence in Essex on high-cost agency workers; this represents a great opportunity for efficiencies and better workforce retention across the rest of Greater Essex;

- sharing in the benefits of prevention, building on the strengths we already enjoy around prevention services – including expanding care technology; the Essex Wellbeing Service; and Connect to Work;

- shared digital infrastructure, analytics and population health tools – building on the Essex Centre for Data Analytics (a partnership between Essex County Council, Essex University and Essex Police) to support strategic planning in collaboration with the new Greater Essex Integrated Care Board;

- consistent public messaging and engagement strategies.

It will always be easier to achieve agreement to such joint commissioning when the number of players involved is lower. It is essential to the wellbeing of the people of Greater Essex that specialist services are organised to keep a critical mass of expertise unified.

Managing the risk of change

Local government reorganisation represents a significant change with far-reaching implications for people, services and communities. While the benefits of structural simplification and improved integration are clear, any transition must be carefully managed to minimise disruption and protect critical services. This is particularly important for critical services where some of the most vulnerable people in our society depend on local authority support.

Experience from previous reorganisations shows that poorly managed transitions can result in service instability, financial strain, and diminished public confidence. Key risks include:

- workforce disruption - including uncertainty, reduced morale and the potential loss of experienced staff;
- fragmentation of services - particularly those that rely on countywide or highly specialised delivery models, which could impact directly and increase the risk to vulnerable children and adults and the quality and timeliness of the services they receive;
- loss of economies of scale - especially in back-office functions or high-cost/low-volume services;
- disruption to performance - as teams adapt to new structures, systems and accountabilities;
- market instability - including inconsistent or duplicated approaches to provider engagement and commissioning;
- weakened partnership working - if public sector partners are required to engage with more numerous or less capable authorities;
- unclear financial stewardship - particularly during the transition period when responsibilities and liabilities may be shared.

Our wider engagement through the development of this proposal has demonstrated that residents are concerned about service disruption through LGR, and previous work indicates that our service users value consistency in levels of care and support, clear and ongoing communication. It is therefore critical that all partners work together to get transition right. The experience elsewhere in England demonstrates that where transition contributes to poorer service, the financial and quality implications are considerable and long-lasting.

All forms of LGR will involve the reconfiguration to some extent of existing social care and education services and practice to new geographies. This in itself will be challenging. But only the four and five unitary propositions involve creating additional social care and education authorities. A move to any of these models involves significantly greater change than a move to a three council model and with it the risk of greater fragmentation and destabilisation and greater financial costs. For example, a move to four or five unitaries means that the Essex County Council South Essex social work teams for adults and children would need to be split in two – moving from one set of workforce terms and conditions, one IT system, and one approach to social care practice to two. A three unitary model, however, would mean they move into a new unitary with one IT system, one set of terms and conditions and one practice model.

How the three cities model mitigates risk

A key strength of our model is its ability to reduce the scale and complexity of transition. By limiting the number of new organisations and maintaining continuity where it matters, this approach offers the clearest path to successful implementation. Specifically, it:

- minimises disruption - by creating fewer, larger authorities with the capacity to absorb and manage change;

- preserves the total number of existing social care authorities - avoiding unnecessary fragmentation and not creating additional need for IT systems, market-shaping strategies, workforce strategies and additional management teams etc;
- retains critical mass for specialist functions and markets - reducing the risk of loss or duplication;
- reduces the need for complex new governance - such as additional statutory boards;
- supports alignment - with Police, NHS and other partners, who are already operating on a Greater Essex footprint;
- enables a swift transition - with clear lines of accountability and resource allocation.

Principles for a safe and effective transition

To deliver reorganisation successfully, partners in Greater Essex will adhere to the following design and implementation principles:

- **Continuity of critical services:** Ensure safeguarding, emergency and statutory functions are maintained without interruption;
- **Staff engagement and retention:** Involve the workforce in shaping new organisations, provide clarity and support, and minimise unnecessary churn;
- **Preserve what works:** Build on existing effective models and avoid unnecessary dismantling of high-performing services;
- **Plan collaboratively:** Design transition arrangements in partnership with Police, NHS, voluntary and community sector, education providers and others;
- **Take a phased approach:** Sequence implementation in a way that allows for learning, adaption and risk management;
- **Maintain financial oversight:** Ensure robust governance of transition funding, legacy liabilities and ongoing service budgets.

The success of reorganisation will ultimately be measured not just by institutional changes, but by improvements in outcomes, resilience and experience for residents. Our approach is designed to achieve this—with the fewest possible risks, and the greatest chance of success.

The disaggregation and aggregation of social care services will be complex. However the social care systems in Greater Essex differ considerably in size and scale. Essex's system is approximately eight times larger than either Southend or Thurrock's. Therefore the way to minimise complexity and risk as part of this process is to disaggregate the County Council's social care function through a single process in the South - rather than doing it twice. Although that means combining three social care functions, given the relative scale of the authorities, and the fact that all authorities work within national guidelines that is the simplest means of achieving a safe transition.

Conclusion

The three cities model for local government reorganisation offers a unique opportunity to create a coherent, scalable, and sustainable system for people services in Greater Essex by:

- creating authorities that combine the best of both large and small authorities and can take advantage of new models of neighbourhood working;
- sharing demand and financial risk fairly, ensuring that all can succeed, not just some;
- preserving excellence and scaling best practice;
- simplifying public service alignment and improving the experience of residents;
- providing the platform for long-term reform.

Whatever the intuitive attractions might be for some of creating much smaller local unitary authorities, they would likely quickly lead to a set of unsustainable and unaffordable local public services – at the expense of quality of services, outcomes, value for money, and ultimately, to the cost of the local and national taxpayer.

By contrast, the three cities model redesigns the existing social care and education authorities for greater equity, greater localism, greater capacity, and greater resilience.

This is not just a question of local government structure—it is about securing the future of care, education, and opportunity for every resident in Greater Essex.

It is crucial that decisions on LGR are taken with an understanding of how the reorganisation of local government will support other major national reforms, such as the Children's Wellbeing and Schools Bill and Families First Partnership Programme, the Casey Review of Adult Social Care, the Fair Funding Review for local government, expected reforms to SEND and the reforms to Integrated Care Boards.

Every single one of the above can have a profound and major impact on local government and social care – it is therefore essential that new unitary authorities have some resilience and bandwidth to be able to cope with these when they come.

The evidence strongly suggests that three unitary authorities will be best able to meet all of these local and national challenges and opportunities, while proposals for a more fragmented system of new social care and education authorities would create authorities that would struggle to respond and survive.

The disaggregation and aggregation of social care services will be complex. However the social care systems in Greater Essex differ considerably in size and scale. Essex's system is approximately eight times larger than either Southend or Thurrock's. Therefore the way to minimise complexity and risk as part of this process is to disaggregate the County Council's social care function through a single process in the South - rather than doing it twice. Although that means combining three social care functions, given the relative scale of the authorities, and the fact that all authorities work within national guidelines that is the simplest means of achieving a safe transition.

We believe three unitary authorities is the best option for the following reasons:

- Our three unitary approach is a holistic approach that considers cost and benefits across all our services. Having explored the evidence we believe that on balance the three unitary option provides sustainability and will enable further public sector reform and innovation. The three unitary option is also simpler for the public to understand and will enable more effective partnership working.

- Our implementation approach is that we work through a single implementation process, not multiple separate processes. This will be more efficient and ensure that resources are focused and the whole of the Greater Essex system is supported.

- It is important that we create the right structures to realise the ambitions of Local Government Reorganisation and taking account of local priorities. Implementation will bring some challenges, which will need to be managed but we don't envisage that there is a substantial difference between merging two or three social care authorities in the South, all of which operate under the same national framework.

- We are deeply concerned that the propositions for four or five unitary authorities are based on flawed data analysis when it comes to the impacts on social care. This will hinder effective implementation. We will respond to this in more detail through the consultation process.

Homelessness

Our Ambition for Greater Essex

Our ambition is to significantly reduce the prevalence and impact of homelessness through a more effective approach to prevention.

Homelessness is a significant and growing problem in Greater Essex. The number of homeless households in temporary accommodation has increased by 84% from 2019 to 2025, reaching 3,756 households including 5,010 children. This frequently leads to significant social, economic and health impacts for the families affected, financial costs for local housing authorities, and wider service impacts for other parts of the public sector.

Addressing homelessness really matters because, as in many other areas, prevention is very much more effective than acting after the fact. The upfront costs of preventing homelessness are 2.5–14 times lower than the cost of providing support over 12 months once an individual become homeless, depending on their circumstances. And in human terms, preventing homelessness avoids the trauma, instability and health deterioration that often follow a housing crisis. Once someone becomes homeless, especially rough sleeping, it becomes much harder to rebuild trust, address mental health or addiction issues, and reintegrate them into employment or education.

LGR offers the potential to make the system more effective in preventing homelessness by:

- **creating new councils that have the scale of local housing stock** and an appropriate balance of demand and supply on that stock to enable people to be housed. To achieve this it is important that LGR is configured so that temporary accommodation demand and the supply of local housing stock are relatively well balanced across authorities;

- **being able to identify earlier those who are at risk of homelessness** so that preventative action can be taken. The integration of district and county data and customer insight under one roof will significantly enhance risk analysis;

- **making it easier for councils to work with partners in providing the wrap-around support** that is needed. Homelessness is a complex issue often involving housing, social care, mental health, substance abuse, debt management, and employment services. It is important that these services can work in an integrated way around the needs of the person or family to identify risks and provide support;

- **strengthening accountability** so that one council will be responsible not only for meeting the statutory homelessness duty and for developing the appropriate mix of housing stock to meet need, but also for providing and co-ordinating the appropriate wrap around support that may be needed. This could include support with mental health, treatment for addiction, and help with education and employment;

- **being locally responsive,** which is a product of the system as a whole benefitting from greater economies of scale, for example, in the provision of housing stock. But it will also be informed by an understanding of the needs of local places, with neighbourhood teams better able to predict, prevent and respond to need.

How the three cities model supports the delivery of our ambition

By bringing together the county and district tiers of local government in a single authority LGR will enable more effective and joined up action to tackle homelessness through:

- better data and intelligence sharing – within authorities rather than between authorities – increasing the likelihood of homelessness risks being identified earlier so that targeted action can be taken at the most effective time to make a difference;

- better integration of services to prevent and respond to homelessness;

- better and more holistic, person-centred approach, to how we deal with homelessness.

As in other service areas, our three unitary model provides the optimum blend of benefits of scale combined with benefits of localism. It also provides for a more even distribution of disadvantage and deprivation across authorities, meaning that demand for services like social care and housing support will be more evenly balanced and better matched with the resources to meet them. For example, in our model current rates of households in temporary accommodation would equate to six households per 1,000 in the South Essex Unitary. Under a five unitary model the most challenged authority would have a rate in excess of 9.1 per 1,000.

Our three unitary model will be strong on localism, with well embedded and resourced neighbourhood delivery committees and integrated neighbourhood service teams. Compared to the four and five unitary proposals, it will also be able to leverage the benefits of economies of scale in tackling homelessness, because:

- the new unitaries will have bigger financial balance sheets to enable them to acquire or develop temporary accommodation and social housing (i.e. as council landlord), providing a cost saving versus nightly let accommodation or B&Bs;

- they will be better able to manage nominations into social housing, from the Housing Needs Register ("waiting list"), as this can be done flexibly over a greater area with a larger overall housing stock and more diverse profile of homes;

- larger housing departments have the scale to develop specialist teams and accommodation pathways to help those homeless households with related needs which impact homelessness - e.g. domestic abuse, rough sleeping, care and support needs etc.

Balance of demand and supply on local housing

As outlined earlier, it is important for LGR to be configured in a way that evenly distributes demand for temporary accommodation with the supply of local housing stock. Otherwise some new authorities will be set up without the capacity to meet demand and will struggle to reduce levels of homelessness in their area. The three cities model achieves this balance better than other models. As the chart below sets out, the demand for temporary accommodation is not evenly distributed even in a three unitary model, with the need being higher in the South than in the North of the region. However, the distribution is much less uneven than in the proposed five unitary model, where the South-West Essex unitary would have 9.1 households in temporary accommodation per 1,000 residents.

Figure 7: households in temporary accommodation (per 1,000 residents)
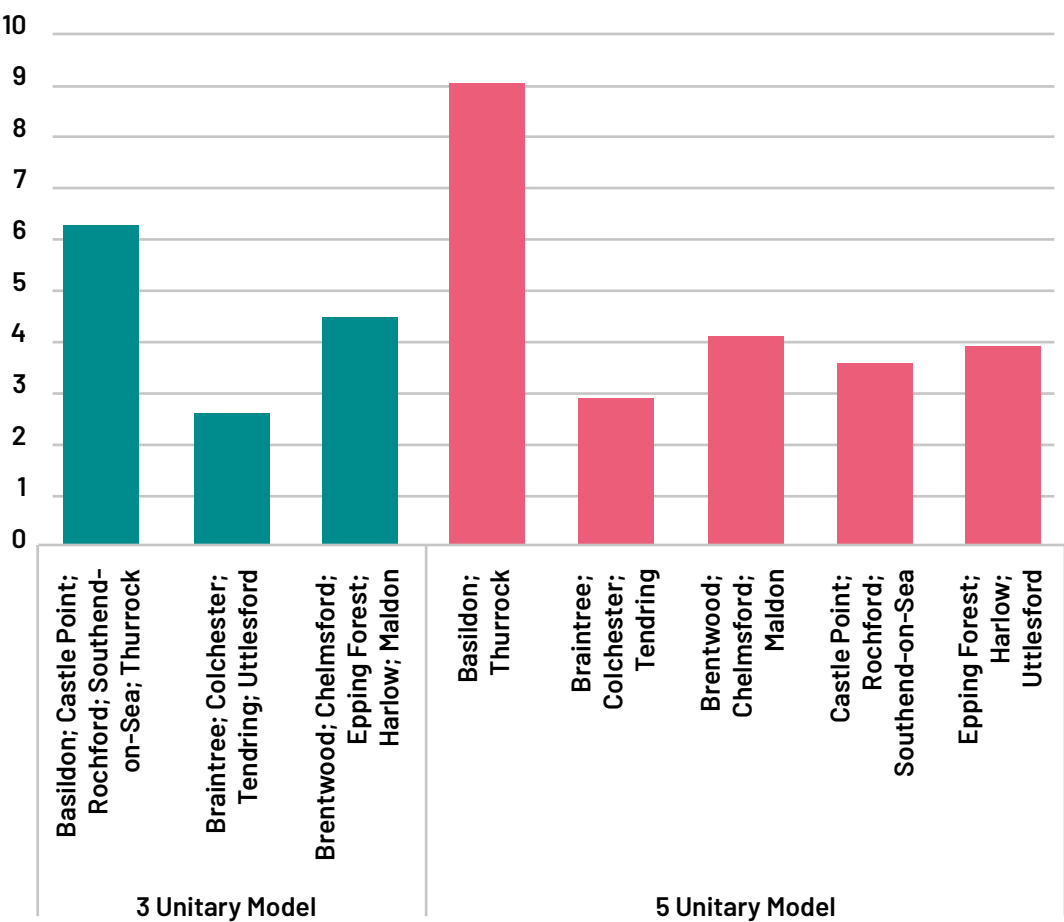
Similarly, the three unitary model aligns more effectively with the distribution of existing local authority and registered provider stock. As the chart below highlights, within the three unitary model, housing stock distribution is relatively balanced, with each of the new unitary authorities holding a substantial share of the total, supporting fair access to housing across the county. In particular, the three unitary model provides the highest level of housing stock in the South of the region, where demand for temporary accommodation is highest. The three unitary model also avoids the fragmentation seen in some other models, where disparities in stock levels can lead to unequal service provision and housing outcomes.

By contrast, although the five unitary model does provide a relatively even balance of housing stock across the region, the supply is less well distributed to where the demand is highest.

Figure 8: total local authority and registered provider stock
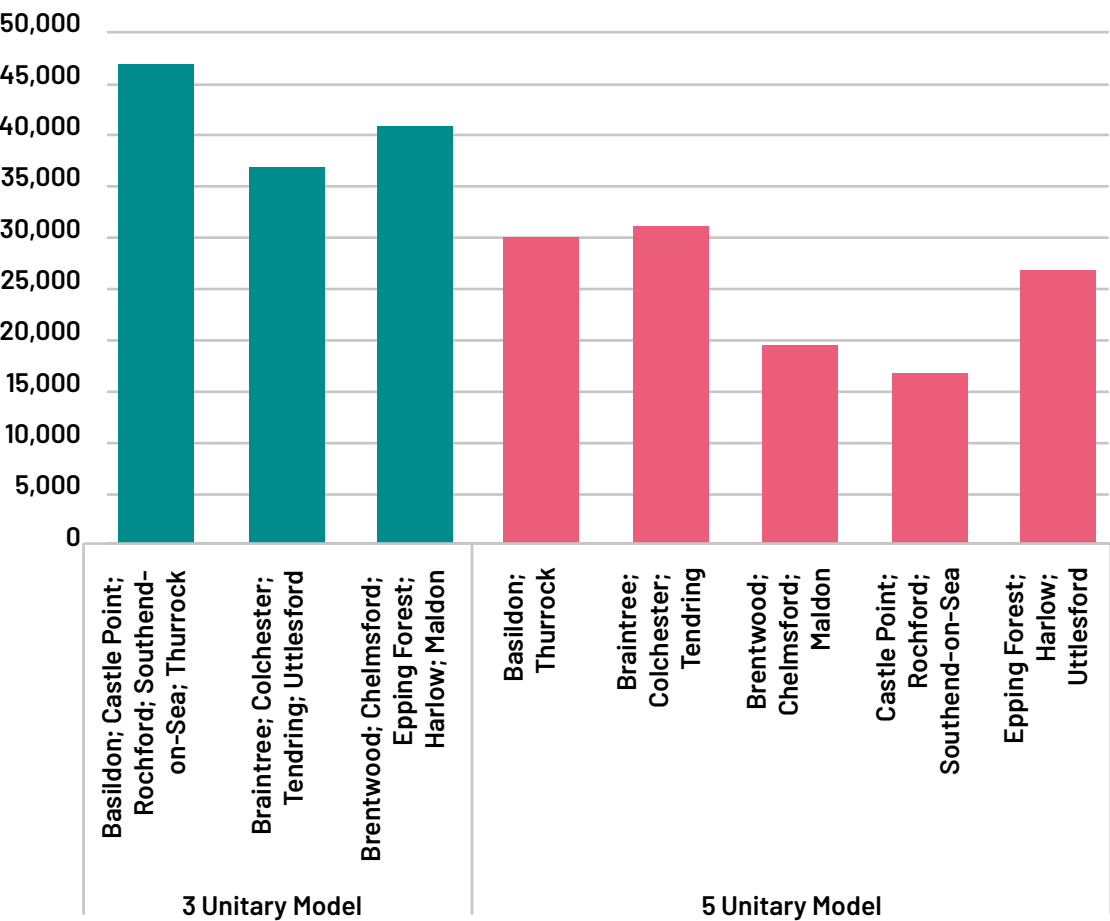
Part two: Supporting and improving critical services – case studies

In Greater Essex we are demonstrating the real benefits that can be made in critical services – both in terms of outcomes and reduced cost – by thinking innovatively about service models. Below we provide two examples: the first relates to our investment in Caretech; the second to our very successful Family Hub model that we have been operating since 2017.

Case Study 4:

Care Technology – Kate's Story

Care technology can play a crucial role in enabling people to live independently and in their own homes, improving quality of life and making care costs more sustainable. Since its launch in 2021, the Essex Care Technology Service has grown rapidly and now supports over 16,000 people. Having the ability to invest in and scale up preventative services such as care technology is a key aspiration of the three cities model business case.

The example of Kate, 65 years old with advanced vascular dementia, is demonstrative of the benefits that can be achieved. After a difficult spell in hospital, Kate was discharged to a high cost nursing home where, in accordance with the Discharge to Assess pathway, Adult Social Care contributed to her continuing health care decision process. Having decided that Kate did not qualify for ongoing health funded care, a Care Act assessment was completed with Kate and her family to determine her ongoing social care support.

Kate's family wanted to have her home for Christmas but could only envision this being for two weeks before Kate would

need to go back into a care setting. In a meeting with Kate and her family, the social worker talked with them about the benefits of care technology and how it could support her to return home with confidence and support. The dementia team completed a review with Kate as part of a multi-agency approach. Support for Kate's husband as a carer was also reflected within the care and support plan to support the return home. Two days before Christmas, Kate arrived at home with care technology and other professional support in place.

Not only did Kate return home for Christmas, but she was still at home over 18 months later – an example of avoiding a high-cost nursing care placement and ensuring she could be with her family.

Case Study 5:

Family hubs

Essex County Council was one of the first areas to establish an integrated Family Hub model, which has been in place since 2017. Family Hubs are a core aspect of the service offer of the Essex Child and Family Wellbeing Service (ECFWS), which provides support to families, spanning from the prenatal stages to young adulthood.

There is a designated Family Hub in each district of Essex with additional delivery and outreach sites within local communities. These act as accessible centres where children, young people, and their families can readily access a diverse range of holistic support and activities, from both the ECFWS and partner organisations. Service integration and strategic joint commissioning has been key to the success of the model. The integrated way of working brings together health and social care and has been proven to make a positive difference to families in Essex.

The integrated way of working brings together health and social care and has been proven to make a positive difference to families in Essex.

iv. Places that work for People

High-quality places are key for communities across Greater Essex. They are integral to people's quality of life, and also support wider objectives – such as economic prosperity, health and wellbeing, community safety, education and skills, and good life chances for all. Devolution and LGR offer an opportunity to significantly improve the quality of our places and of the environment.

Local Pride of Place

Community assets and culture

We want all our residents to be able to access a range of assets and facilities in or near the place where they live. These include:

- shared facilities, often based in libraries, which serve as hubs for residents and children to learn, develop new skills and build community networks;

- green and blue spaces, such as country and play parks, outdoor centres and woodlands, which provide opportunities for outdoor education, support local wildlife, and are critical to maintaining physical health and mental wellbeing for residents and are important for local visitors;

- cultural assets including theatres, museums, and archives, which provide hubs for artistic and community expression and bring communities together, building a real sense of local identity, enjoyment and meaning to local people and to visitors. Each of our proposed three new authorities will have at least one theatre within its boundaries;

- heritage assets, including monuments and historic buildings, which support local identity and foster a sense of local belonging and community roots as these tell the stories of origin, change and development of communities over time, which are often specific to individual towns and villages. These provide rich opportunities to explore a community's connection between its past and present, to develop learning and skills for local people as well as being key to the visitor economy;

- community hubs and centres, which support community resilience and help to prevent social isolation in both urban and rural areas. These centres are a direct link between many of our district councils and the voluntary sector;

- community banking is being developed in some places providing access to financial services with profits being reinvested in local communities.

These assets are vital in supporting local identity and building the social fabric that underpins resilient communities. They are

key to fostering a sense of happiness and satisfaction with local areas that people are proud to live in.

The Local Government Association's (LGA) **independent commission on culture and local government** (www.local.gov.uk/parliament/briefings-and-responses/creative-industries-house-lords-6-february-2025) found that local cultural infrastructure not only supports thriving communities, it is also key to providing a pipeline of talent for the creative industries. Creative industries are an important part of the Essex, as well as the national, economy, and are a key pillar of the Government's Modern Industrial Strategy.

Neighbourhood look and feel

Neighbourhood look and feel is another key ingredient that determines, but also reflects, whether a community is thriving or not. The issues may be different in different places: in villages the key issues may be around the state of the local paths, the hedges and verges, the local pond, or fly tipping; in urban areas they may be more about rubbish on the streets, graffiti, noise, or the state of the high street. But the fundamental issues are the same. Does the neighbourhood look and feel well cared for and evoke pride of place; or does it feel neglected and run down?

The three cities model will enable unitary councils to be much more effective in promoting local pride of place through community assets, culture, and neighbourhood look and feel. The new councils will:

- be at the right scale to be able to connect local requirements to wider strategic plans - in particular the new Mayor's Local Growth Plan;
- have the resources and a remit across a significant geographical area to develop and build upon pre-existing cultural institutions, organisations and hubs. Each of our proposed new unitaries will have at least one Arts Council England **National Portfolio Organisation** (www.artscouncil.org.uk/npo) within its boundaries;

- create more efficiency savings and more financial resilience than some other proposals. This is essential because without financial headroom, it is clear that councils will have to cut discretionary services, such as investment in culture and communities, to meet their statutory obligations. The LGA's research also shows that council spending on culture and leisure services has fallen by £2.3bn in real terms since 2010/11 as a result of financial pressures. LGR provides an opportunity to reverse this trend;
- have Neighbourhood Delivery Committees, empowered with financial budgets and access to other resources that can be used to address issues that matter most to local people, including maintaining the community assets that people most care about and enhancing the look and feel of neighbourhoods. In doing so, NDCs will work very closely with parish and town councils in places where they exist;
- deliver pride of place initiatives in the sphere of highways and public spaces, including covering maintenance standards and appearance through the NDCs, with delivery enabled through local flexibility and discretionary provision, on a small and very local scale, in any operational and highways contract at a unitary level;
- be able to resource first class professional community support teams. Through our proposal we will enhance the excellent and dedicated community teams in existing authorities and build that expertise and passion for very local communities into new structures - keeping the connection to all communities, regardless of the location of the council office. We will enrich the quality of this unsung part of local government and give it the recognition and opportunity it deserves. This can only be achieved by creating three authorities that are financially stable and have the headroom to invest in this place-based capacity.

Community safety

Community safety is right at the heart of thriving places. We envision a safer Essex where crime and the fear of crime are actively prevented through stronger, effective and local partnerships. We aim to build public confidence in the multi-agency response to safety concerns at a place level, ensuring that residents feel protected and heard.

Community safety clearly illustrates the need for LGR to make the system of local government both more strategic and more local. It needs to be more strategic because crime prevention, like other complex social issues:

- **needs to be tackled upstream** – through investing in education, training, good jobs, youth clubs and other activities; and through designing community safety into our built environment and into our transport networks. The new Mayor and MCA will lead on this at a Greater Essex level, with the new unitaries providing leadership in their areas;
- **requires whole system working** – crime prevention is not just a police issue, or a council issue, but a multi-agency issue involving a wide range of partners who are represented in Community Safety Partnerships. Building on some excellent community safety partnership working between existing authorities and the police, enhanced communities teams, maintaining local knowledge coupled with the resources from more financially resilient unitary authorities, can unlock better outcomes for residents;
- **requires the adoption of the system-wide public service reform principles** outlined later. In particular, data analytics can help to understand and predict patterns of crime and to identify crime hotspots. This enables better and earlier targeting of resources to address issues.

But community safety also needs to be more local. Crime and anti-social behaviour happen in neighbourhoods and streets, so the co-ordination of prevention and response activity, as well as engagement with local residents, has to happen at the hyper-local level.

The move to three unitaries presents a valuable opportunity to do just this – creating stronger alignment across our multi-agency approaches to community safety. Neighbourhood Delivery Committees will create a stronger mechanism for listening to the voices of residents and identifying key community safety concerns at a local level. Fewer administrative boundaries will improve the multi-agency approach through better intelligence sharing and stronger alignment of services. With partners collaborating more consistently and effectively at both a strategic and a local level, this can help communities feel better represented, and more connected to addressing local community safety issues.

How the three cities model helps deliver our ambition

Better opportunities for information sharing and local knowledge

The proposed three unitary model presents a major opportunity to strengthen partnerships by aligning geographies and simplifying how local knowledge and community intelligence is shared, particularly with community safety partners. Currently, information sharing is fragmented across 15 councils and two tiers of local government, which can hinder community safety coordination and delivery. Simplifying this through a three unitary model will streamline information sharing, making it easier for councils and community safety partners to combine intelligence, respond to emerging issues, and deliver more

joined-up services that reflect the needs of local communities. It also opens up greater opportunities for co-location of police and council teams where appropriate.

The model fosters greater synergy between teams that have traditionally been separated by administrative boundaries. For example, while Trading Standards operates at the county level, environmental health, CCTV control rooms, licensing and anti-social behaviour casework are managed locally. Under the proposed model, these teams will be able to collaborate more effectively, improving public protection arrangements through better coordination and sharing of intelligence.

Stronger alignment with existing services

Although Essex Police operates across the entire Greater Essex footprint, its policing model is divided into three Local Policing Areas (LPAs)[1] (see map below).

While the current LPA boundaries do not directly match the geographies outlined as part of the three cities model, the scale of areas are broadly comparable. It will be relatively easier to align LPA boundaries with three new unitary boundaries under our model than it will be with other proposals. This change would significantly improve coordination, enhance intelligence sharing, and strengthen working relationships across agencies at a place level.

---

1   Local Policing Areas www.essex.police.uk/police-forces/essex-police/areas/essex-police/au/about-us/policing-in-essex

Map 9: the current Local Policing Areas (LPAs) in Essex
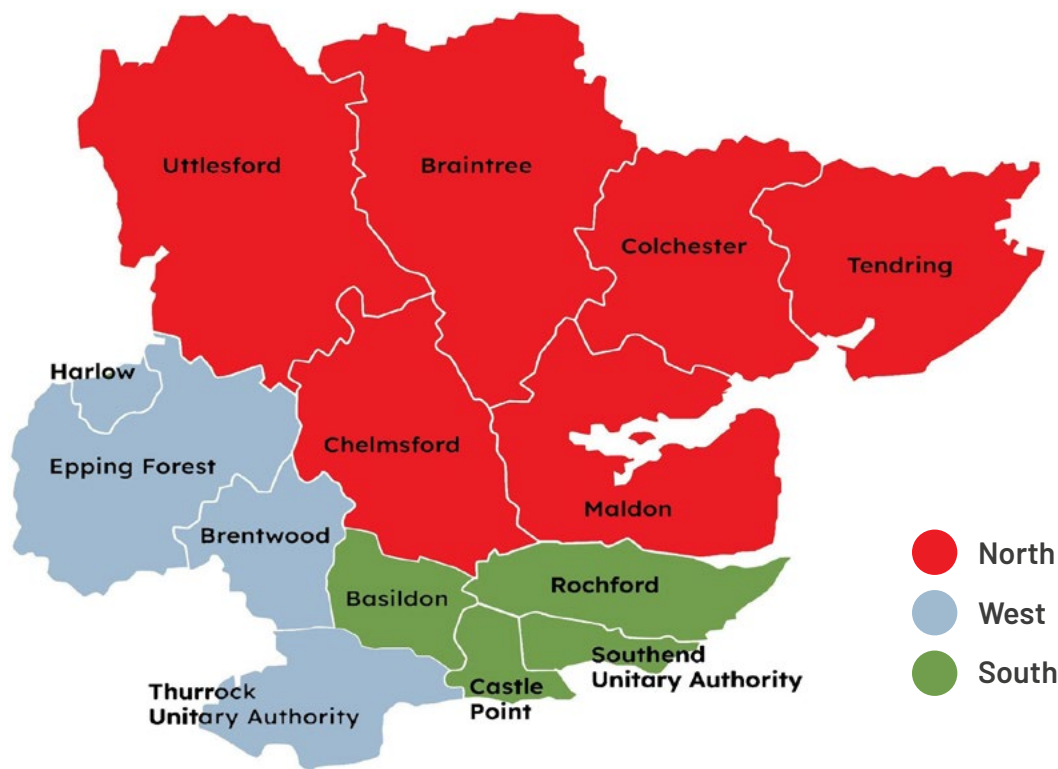
Better escalation of local community safety concerns

Safer Essex is the statutory strategic partnership responsible for coordinating community safety across Greater Essex. It supports the work of Community Safety Partnerships (CSPs), which are multi-agency groups that tackle crime and anti-social behaviour, and promote safety at the local level. CSPs bring together key partners including the police, local councils, fire services, health bodies, and community organisations. They work together to identify priorities and deliver joined-up responses.

Under the proposed three unitary model, Safer Essex would continue to lead county-wide efforts, while the number of CSPs would significantly reduce from 13 to three. Although this would simplify coordination, it would mean that CSPs are less localised. However, to address this, the establishment of Neighbourhood Delivery Committees will ensure that local safety concerns such as anti-social behaviour, crime hot-spots and traffic safety are captured and receive a tailored response. This will also help give communities a stronger voice. These committees will have dedicated budgets to address local priorities, with more complex issues escalated to the CSP level.

More effective local regulatory services

Local government regulatory services are another important tool in protecting the public against a growing and evolving range of risks. Currently, local regulatory services – which include environmental health, trading standards, housing standards, building control and licensing – are split across 12 districts, two unitaries, and a county council.

LGR creates an opportunity to move to a much simpler and more effective local regulatory system. Our three cities model will create the right blend of integration, localism, and scale that is needed in this area.

It is important that regulatory services continue to be local in their operation. This enables regulatory teams to really understand evolving

patterns of risk in local areas, which can vary from place to place. It also helps to give local businesses and residents confidence that the system is responsive to their priorities. As set out earlier, localism is embedded in our model including through Neighbourhood Delivery Committees and we see the NDCs as key geographies for supporting the local tailoring of many place-facing services so they have a real role in shaping the wellbeing of our places.

Bringing together and integrating regulatory teams in unitary councils that are larger in scale also has significant benefits. It will enable:

- data and intelligence to be shared more effectively across a larger geography, giving a richer picture of emerging risks and issues;

- the synergies between different regulatory teams to be more fully exploited as they will be under one roof – for example, links between environmental health and trading standards;

- a more seamless customer journey for residents and businesses, so they can deal with a single point of contact for all regulatory issues;

- larger, more highly skilled teams to be set up – this will strengthen specialist skills and help to avoid staff shortages in areas where skilled staff are in short supply;

- more flexible deployment of staff capacity to deal with peaks in demand or major issues and to tackle issues more rapidly when they do emerge (for example, a properly resourced and responsive team able to deal with night-time noise issues effectively, a service which our small district councils are generally unable to provide);

- potential sharing of IT, equipment and back-office functions and the ability to have stronger relationships with the police, the Environment Agency and others to improve efficiency and consistency and reduce costs.

We are confident that this new model will enable local regulatory services to keep pace with the evolving nature of risks, as well as changes in legislation, and to deliver even better value for money.

Environment and Climate

Greater Essex has a rich and varied landscape, with two-thirds of its land comprising farmland and the rest made up of a diverse mix of cities, towns and villages. Nearly 14% of the area is designated as being Areas of Particular Importance for Biodiversity (APIB), including conservation sites, local nature reserves, and other ecologically valuable areas.

The area also benefits from one of the longest coastlines in the country, home to many cultural and natural assets. Alongside our nationally important parks and heritage, this coastline is central to our identity, driving tourism, supporting the local economy, and providing vital spaces that enhance physical and mental wellbeing.

The quality of the local environment and our use of natural resources will fundamentally shape our future prosperity, health, and quality of life for decades to come. But we also face significant challenges.

We are both an extremely water-stressed area and also particularly vulnerable to flooding, subsidence and erosion. Increased flood risk is a very significant and growing issue in Greater Essex. The latest Environment Agency data shows in excess of 150,000 homes at risk of flooding from surface water sources (low/medium/high risk); an 18% increase since 2022. More than an additional 65,000 properties are at risk from coastal and fluvial flooding (low/medium/high risk); an increase in excess of 65% since 2022.

Water supply is a growing concern in Greater Essex, with the water gap growing year on year. Our water courses are also heavily polluted. New unitary authorities will have a key role in water management, which is critical to wellbeing for residents, agriculture and future development. The Essex Local

Nature Recovery Strategy (LNRS) is central to improving water management on our landscape but the new authorities will need to manage their own activities and local development and engage with the Mayor on LNRS delivery.

How the three cities model helps deliver our ambition

The environment is both hyper-local (literally on our doorsteps) and also unbounded and inter-connected. It is not designed around and does not respect administrative boundaries. Therefore, new unitary authorities need to be able to both act hyper-locally and also at scale, both within their boundaries, and across the region, in partnership with the new Mayor and MCA. The Mayor will have a key role in this space through their leadership of the Local Nature Recovery Strategy (LNRS) and through integrating the environment into the Local Growth Plan, the Spatial Development Strategy, and the Local Transport Plan.

Our three cities model offers the right blend of scale, localism and ability to work with the new Greater Essex Combined County Authority:

- it will create unitaries with the scale and capacity to make the investments necessary to achieve the strategic outcomes and plans set by the Combined Authority. For example, smaller authorities have often struggled to access returns on investment (ROI) from renewables. The three unitaries that we create, with their greater asset bases and internal capacity, will be better equipped to unlock these opportunities, generating income, reducing emissions, and delivering lasting benefits for local communities while easing the pressure on taxpayers;

- climate risks from flooding, overheating, subsidence, and extreme weather are all increasing. These events threaten public infrastructure, including highways and buildings, and increase the demand for emergency responses and public services. Our three new unitaries will be able to respond to these critical issues, and also invest up-front in resilience and prevention measures, such as sustainable drainage systems, green infrastructure, and the delivery of the Local Nature Recovery Strategy. These interventions underpin better water management and will be essential to building long-term climate resilience;

- our model with its focus on localism, based around Neighbourhood Delivery Committees, will take a community and place-based approach to the environment, reflecting and including:

  - a clear vison for place, with a high-quality environment at its heart;

  - a tailored approach that reflects the specific characteristics of local places and their natural assets;

  - a commitment to integration, linking the environment with housing, transport, economic growth and wellbeing at a place level as well as at a strategic level;

  - a focus on community-led action, ensuring public support and participation in local environmental initiatives;

  - an emphasis on strong place leadership, including through new neighbourhood committees, that aligns local priorities with the resources and support to deliver them;

  - a local focus that really tackles hyper-local needs around isolation, poverty and community cohesion.

- by creating three financially resilient new councils, we will also be able to support investment in local green spaces. Over the last decade, £690m of funding for parks has been lost, yet frequent park use is projected to be worth over £30bn per year to the UK population, translating to at least £100m per year in savings to the NHS from fewer GP visits. On a four or five unitary footprint it will be difficult to reverse these cuts, as rising statutory service demand continues to bite into budgets;

- the three cities model offers the most potential for radical reform of the public estate, unlocking energy savings and decarbonisation potential. Many councils lack funds to upgrade ageing infrastructure. Fewer, better-managed buildings would reduce emissions and free up revenue to reinvest in energy efficiency programmes, including solar panels and retrofit. This will lead to lower energy consumption and lower energy bills across the public estate, including offices, schools, and social housing;

- our larger unitaries will also be better able to recruit and maintain the specialist environmental teams which are needed – in particular to deal with flooding and to manage our large historic parks, which include a wealth of statutory wildlife protections including Sites of Special Scientific Interest (SSSIs).

Part two: A strengthened place focus – case studies

In the two case studies below we show very different examples of the importance of a place focus. The first relates to the work we have done to support local communities to generate renewable energy locally. The second demonstrates how we can use culture to generate income and promote the image and identity of our region.

Case Study 6:

Community energy – Pathways programme

Over the past five years, the Energy and Low Carbon team in ECC has played a pivotal role in fostering the growth of community energy within the county. Through a dedicated mentoring programme and working with a range of partners including Community Energy Pathways and UK Power Networks, ECC's programme has supported the establishment of eight new community benefit societies that are now delivering community led initiatives to generate renewable energy locally and improve energy efficiency, reducing bills for vulnerable households. The work has also supported a wider network of 27 community groups interested in developing community energy projects to benefit local residents.

We have supported the groups to secure £1.14m of investment – through grant funding and private investment – to progress a pipeline of projects now estimated to be worth £10m. Over 3,400 households have received energy efficiency advice from local community energy groups, helping to reduce energy bills. The programme has gained national recognition for its role in kickstarting community energy initiatives. It has received support for a national rollout from the Department for Energy Security and Net Zero and won recognition at the Community Energy England 2023 awards for Most Supportive Local Authority.

The work has led on to wider initiatives including helping to secure a £5m community benefit fund from Longfield Solar Farm and opening negotiations with the private sector to secure community benefits and shared ownership from a number of solar farm proposals coming forward in Essex. We have also worked with partners through an Innovate UK grant funded programme to help to set up Essex Community Energy (ECE) Community Interest Company (CIC) which has just secured £10m of private investment. Although ECC has no formal role in ECE CIC we will continue to work with it as a means to scale low cost, local renewable energy solutions for communities in a way that is affordable, fair and breaks down social barriers.

Case Study 7:

Essex Film Office

Established in 2021, the Essex Film Office became the county's first dedicated service for film and television productions, offering a streamlined, one-stop solution for filming in Essex. It actively promotes the county as a prime destination for screen-based activity. By working in in partnership with district, borough, and city councils as a central point of contact the Essex Film Office attracts filming activity into the county, contributing to economic growth and enhancing positive placemaking.

By 2024, the Essex Film Office had generated an impressive £3.5m in local economic impact through filming activity.

As part of the UK's high-growth creative Industries, the screen sector continues to thrive, with numerous Essex-based businesses and professionals contributing to both production and the wider supply chain. The Film Office maintains a comprehensive database of local crew and facilities, supporting employment and business opportunities across the region. It also collaborates with national agencies to attract and facilitate film and television projects throughout Essex.

Putting Prevention at the heart of Devolution and Local Government Reorganisation

"We urgently need to reform public services to focus on prevention, with programmes built more closely around people and the places they live"

English Devolution White Paper, p.22

The next two sections of this proposal explore the links between the service outcomes we are trying to achieve as described above and the opportunity to accelerate the move towards a more preventative and collaborative approach to public services provided by LGR and devolution. It is essential that we make this shift to prevention if we are to ensure that services and outcomes are sustainable in the medium-term.

Our ambition for Greater Essex

Prevention is at the heart of our proposal. It's a golden thread that runs from the MCA and how we work with the Mayor to create economic prosperity in our places, to our proposal for neighbourhood level working and how we capture the assets that exist in our communities for mutual benefit.

It is essential that public services shift from a reactive to a preventative model. The emphasis upon prevention needs to be both in terms of "episode" and "life cycle". There is a wealth of research which has fully established the connection between strong outcomes for children and the impact that this has upon a range of measures in adult life. For example, approximately 50% of adults who experience mental health episodes experienced their first mental health episode before the age of 14. The need to support young people at the earliest opportunity through a model of prevention is both a logical and a moral obligation for public services. LGR presents the opportunity to further make this shift towards prevention, building on existing strong models, and getting ahead of the challenges by focusing on children and young people. The greatest long-term impact we can make in terms of better outcomes for adults is to improve their lives when they are children.

This approach is also reflected in the Government's commitment to prevention – anchored in the NHS Ten Year Plan and in its approach to transforming early years outcomes through the "Families First Partnership Programme" and "Giving Every Child the Best Start in Life".

We need to build on the strong foundations we have across Greater Essex, as the status quo is unsustainable and unaffordable. According to analysis by Newton Europe:

- between 2025 and 2040, spend across Greater Essex on Adult Social Care is projected to increase by 90%; spend on Children's Services is projected to increase by 75%; and spend on Special Educational Needs is projected to increase by 150%;

- together, this constitutes additional demand-led expenditure of over £800m that the future system may need to absorb. These projections highlight the urgent need to change the way services operate;

- this rising demand is already being felt in related systems. The number of homeless households in temporary accommodation in Greater Essex has increased by 84% from 2019 to 2025, now reaching 3,756 households, including 5,010 children with the consequent impact on life chances that this implies.

Devolution and Local Government Reorganisation (LGR) provide the opportunity to meet this challenge and make Greater Essex the most preventative system of public services in the country by 2035.

There is a lot of great practice to build on and Greater Essex is already leading the way in many aspects of prevention, including:

- strong performance across adult social care, children's services and public health in delivering early intervention programmes that have improved health and wellbeing outcomes, enabled more people to live independently, and prevented avoidable escalation into higher-cost, reactive public services. Examples are the Essex Care Technology Service and the Essex Wellbeing Service;

- our being part of the first wave of the Government's test, learn and grow public service reform pilot, focusing on homelessness prevention; we have been announced as one of the ten places included in the next phase of the programme;

- publication and implementation of the Essex Caring Communities Commission Report, which sets out a bold agenda for preventative, sustainable, and community-led approaches to health, care and wellbeing, based on five commitments and 23 actions;

- locally based population health management. Joint strategic needs assessments give us a dynamic picture of health outcomes and inequalities in different places across Greater Essex. These inform whole system work that is led by ICSs and by public health teams and which is reflected in whole area and district level health and wellbeing strategies. There are some examples of very effective public health programmes in Essex that have made a real difference, including weight loss, smoking cessation, tackling loneliness and social isolation, and drug and alcohol treatment.

But system change is necessary because we are reaching the limits of what we can achieve within the current two-tier system, which is not optimised for the integration of services or for the sharing of data or development of the joint insight that is increasingly necessary.

Our approach to prevention is based on the following principles:

- moving from reactive to preventative service models;

- breaking down organisational silos in favour of whole system working;

- embedding place-based and community-led approaches;

- harnessing digital tools, AI and data analytics to enable early support and independence.

By embedding these operating principles and reforming the system through devolution and LGR, we will redesign public services and create the most preventative local system of public services in the country by:

- investing in up-stream prevention, addressing the drivers of demand that are rooted in economic, social, educational and health inequalities. This includes a strong focus on reducing child and family poverty and supporting more disadvantaged and vulnerable people into training and employment. This recognises the fact that while prevention is important at all life stages, the biggest impact comes from helping to transform life chances in childhood and young adulthood. It also reflects the central importance of meaningful employment in promoting health and wellbeing, as emphasised by the Essex Caring Communities Commission;

- investing in early intervention programmes where the evidence shows that they are effective in improving outcomes and reducing demand and cost;

- investing in providing good quality housing. This includes increasing the supply of affordable housing; whole system action to reduce the number of people who are homeless or in temporary accommodation; and increasing the supply of specialist housing to promote independent living for older people and for others who have need of specialist accommodation;

- investing in local transport to improve connectivity. Our work with the Essex Caring Communities Commission highlighted the fundamental importance of local transport in improving health and wellbeing – by connecting people to each other, to local activities and services, and to education, training and employment opportunities;

- supporting schools and colleges across the area in providing excellent education and training and being key places for transforming life chances for our residents. This will build on a range of existing work and it will also link in with the Mayor's new powers on skills commissioning;

- investing in communities where people want to live and where they can thrive; building social, natural and economic capital, so that our residents experience higher levels of health and wellbeing. A good example of this is the work we are doing with the Royal Society of Arts to build social capital in our most disadvantaged places. Increasing social capital has been shown to improve both wellbeing and also access to good jobs;

- building on the many strengths and assets that already exist in communities and support wellbeing and connection. This includes the rich contribution of civil society in all its forms, as well as the key role played by schools as community hubs and assets;

- maximising the impact of devolution on prevention, by hard-wiring prevention into the operating model and work of the new Combined Authority. Alongside this, we will work with partners across the system to implement the NHS 10 Year Plan in Greater Essex;

- maximising the synergies from bringing together district/county services, data and customer under one roof. This will give us a much better picture of when households may be getting into difficulty and enable early intervention support to be proactively targeted where it will have most impact.

Finally, if we are to take prevention seriously, then we need to be clear about the actions we are taking to support prevention and ensure that we are increasing our spend on prevention as an overall percentage of our budget. That is why we are proposing that each of our new unitaries prepares a Local Prevention Account, so that we are clear about the prevention activity that is being undertaken, we are monitoring its effectiveness, and we are able to establish whether we are shifting the focus of our new unitaries towards prevention. In the long-term this is the pathway to making public services sustainable.

And we intend to go even further than that in strengthening the evidence base that underpins our new unitary authorities by establishing a local What Works Centre for Prevention in partnership with the University of Essex, to ensure – as far as possible – that our work is supported by a credible evidence base. This builds on partnership work across the Greater Essex system to build the capacity and capability to take evidence-based decisions. This work is exemplified by:

- the Greater Essex Health Determinants Research Collaboration (HDRC). This £5m+ partnership brings together Greater Essex's three upper-tier councils and Essex-based universities to engage partners in programmes of policy-relevant research; to invest in the research skills of the local government workforce; and to connect senior officers into a wider regional research infrastructure;

- the Essex Centre for Data and Analytics. Through this partnership public services work with the University of Essex to share data, knowledge and skills. Using data from multiple partners, ECDA brings together university researchers and local government analysts to understand problems affecting Essex's communities, and to extract insights from data to help reduce harm, improve services, and protect the most vulnerable;

- the Chief Scientific Advisor. A decade ago, the University of Essex was the first university in the UK to appoint a Chief Scientific Adviser to a local authority (Essex County Council). Since June 2024, Dr Spyros Samothrakis has served in this role, tasked with transforming the delivery of public services by embedding data science into local government decision-making.

The implementation of the three cities model provides a platform to further develop this work, strengthening future councils' ability to take evidence-informed decisions on preventative investments and growth-enabling programmes. We propose to build on these assets through the LGR process by:

a. **establishing a "research and evaluation hub" as a collaboration between the new unitaries and the University of Essex** building on the operating model of the existing HDRC. This would provide a basis for strengthening research and evaluation activity across the Essex system. We envisage bringing together a small team of officers and academics, who would work to identify research and evaluation needs, and to secure and leverage research funding from research councils, grant-giving foundations and other sources, to ensure research is delivered and these needs are met. Shaped in this way, this model has the potential to operate as a "what works" centre for local preventative public services in Greater Essex - helping to ensure that future decisions are informed by the best evidence and that the effectiveness of interventions is robustly evaluated;

b. **engaging the University of Essex as part of the design process for the new unitaries.** Evidence-based decision-making requires not just the availability of high-quality research and analysis, but the right processes, customs and cultures to ensure that evidence is heard and factored into the decisions taken by senior leaders. To help ensure these elements are built into future ways of working, we propose that new councils work with the University of Essex to seek input to inform organisation design work – drawing on academic expertise to embed research, analysis and evaluation practice in these new organisations;

c. **working with the University of Essex to evaluate the long-term benefit of LGR.** We propose to collaborate with academic colleagues within the University of Essex, drawing on their interdisciplinary strengths around public policy (including social sciences, data analytics, AI and health) to secure third-party funding to examine how LGR in Greater Essex has affected social, economic and public service outcomes. The emphasis of this work will not be to assess impact in the abstract, but rather to learn lessons that help to inform and improve the delivery of public services, and the development of local partnership arrangements.

How the three cities model supports the delivery of our ambition

A truly preventative system of public services needs to have the Combined Authority and new unitaries working together to provide the democratic and strategic leadership of the prevention agenda. It also requires all public services to invest in prevention and to collaborate in sharing data and to join up the commissioning and delivery of interventions.

But prevention cannot just be a public services responsibility. It needs to be community owned and led and involve all parties in society and the economy in joint endeavour.

LGR can significantly enhance the opportunity to really address prevention in a comprehensive and integrated way by:

- significantly simplifying the local government system, making it easier for all partners to work together in a joined-up way;

- generating significant savings and efficiencies which can be re-invested back into prevention to support long-term financial sustainability;

- creating clear democratic leadership and accountability for prevention at a place and community level;

- bringing together under one roof services, data and customer contacts that are currently split across two tiers of local government.

The three cities model will best support the step change on prevention that we are seeking. That is because it will create new councils that:

- are able to take a locally led approach to prevention through access to more granular and joined-up data and insight, supported by strong neighbourhood working and governance arrangements. Prevention has to be focused at the place and neighbourhood level to have the most impact. It cannot be led at a whole council geography, regardless of whether there are three, four or five new unitary councils in Greater Essex. Therefore what matters more than the number of new councils is their ability to work below their geographies at a place and neighbourhood level. Our model will deliver this, as set out in the section on localism;

- have the strategic and financial capacity to deliver prevention. While prevention ultimately saves money, it is not cost-free and requires sustained investment (both financially and in delivery capacity) in order to drive long-term outcomes and turn the tide on rising demand. The ability to do this is reduced, the more unitary authorities are created. More than three unitaries will not deliver meaningful savings that can be reinvested; it will create some councils that will be financially unsustainable from the get-go and will therefore have to reduce spending on discretionary areas; and it will lead to smaller authorities with relatively less capacity to deliver complex programmes at the scale that will be needed to meet the challenge. All the while the £800m+ of increasing demand will be building in the system;

- form a genuinely simpler system that will enable more joined up public services. Whole system working is absolutely key to effective prevention and therefore the simplicity of the system really matters. LGR alongside moving to a single Greater Essex ICB will create a simpler system. But if we create more than three new unitary councils we will be adding some complexity back in to the system. For example, at the moment, we have three statutory Health and Wellbeing Boards in Greater Essex. If we create four or five new unitaries, we will need four or five Health and Wellbeing Boards as well as four or five Safeguarding Adults Boards and four or five Safeguarding Children Boards. The end result will be more strategies and plans than we have now, more meetings to attend than we have now, and less time and capacity to focus on delivery.

Section two: Putting Prevention at the heart of Devolution and LGR – case studies

The case studies below show how local partners are thinking about prevention and putting it at the heart of how we think about the future operation of public services.

Case Study 8:

Developing a vision for a "Future Shift" in health and care

Partners in the Suffolk and North East Essex Integrated Care Partnership (ICP) have been working together to enable a "Future Shift" in the whole health and care system over the next decade. This will ensure that the Integrated Care System (ICS) has a clear high level overarching strategic context, within which the ICB, Alliance and broader ICS strategies and plans become even further aligned.

Projections of future demand and capacity in the local health and care system show that continuing to work in the current way is unsustainable. However, there are also new opportunities to work together as a system, to respond to a changing outlook in the workforce and to embrace the potential of new medical, technological and digital capability.

Future Shift will help to enact systemic change by aligning all five elements of the ICS Integrated Care Strategy. These are about enabling everyone living in Suffolk and North East Essex to "Live well"; supporting more people to live well for longer by preventing disease and slowing progression; "Thinking Differently Together" to move care and resources towards more local community-based solutions, and building a more resilient Voluntary Community, Faith and Social Enterprise (VCFSE) sector; enabling equality and equity of access, experience and outcomes in health and healthcare; and taking a "Can Do" approach that is collaborative, compassionate, cost effective, courageous, community focused and creative. This includes driving innovation and disruption through digital, financial, estates, workforce, education, clinical and quality strategies.

Partners in the NHS, local government and VCFSE sector are currently discussing what to do to move this agenda forward over the next few years, to plan for the longer term and move forward from the system we have here and now.

Case Study 9:

Essex Local Delivery Pilot – shaping Sport England's national place-based investment

Since 2017, Active Essex (a charitable partnership across Essex, Southend and Thurrock) has led the Essex Local Delivery Pilot (ELDP), testing innovative, place-based approaches to increase physical activity in the most disadvantaged communities – where inactivity can affect up to one in two residents. The ELDP demonstrated that understanding local context and empowering communities leads to healthier, more connected, resilient places.

These insights helped shape Sport England's national expansion of place-based investment. In Essex, this has evolved into six new Place Partnerships – Basildon, Castle Point, Colchester, Harlow, Thurrock and Tendring – backed by a £9.8m investment. These partnerships will continue to tackle inactivity and inequality through targeted, community-led action.

The ELDP has built a strong foundation of system leaders across sectors, skilled in driving change through collaboration and local insight. Extensive evaluation positions Essex as a national exemplar in place-based working. This transition marks a significant step, demonstrating how local leadership, evidence-based practice and community empowerment can transform lives and reduce health inequalities.

It is an example of where both scale, and local partnership working, can deliver transformative outcomes.

Case Study 10:

Caring Communities Commission

Essex County Council established its **Caring Communities Commission** (www.essex.gov.uk/adult-social-care-and-health/essex-caring-communities-commission) to explore opportunities and develop ambitious recommendations for reducing demand pressures on Adults and Children's Social Care. At the core of its approach is that communities are integral to the solution. Between 2024 and 2025, the Commission gathered evidence from residents, organisations, communities, frontline workers, and national experts. Its findings have been summarised in the Commission's Year 1 report, which sets bold commitments, aimed at bettering local communities and achieving real transformative change.

The Commission's report is both pioneering and transformative, launched to galvanise reform at both local and national levels. A key element of the report is focused on how the system can work more effectively together and how organisations, including providers, and communities can better collaborate. The report underscores the significant opportunities that devolution and local government reform present in enhancing health outcomes, fostering collaborative efforts within communities, and alleviating demand pressures.

The Commission's report is both **pioneering and transformative**, launched to galvanise reform at both local and national levels.

Joining up Public Services with our Strategic Partners

"We will expect ICBs to seek the closest possible collaboration with local government partners – including mayors and strategic health authorities in particular – so that citizens benefit from a seamless work, health and skills offer in their area"

Fit for the Future, 10 Year Health Plan for England, p68

Our Ambition for Greater Essex

Our ambition is to take what is one of the most complex public service systems in the country and radically simplify it, so that it is much more efficient, more agile and better able to meet the challenges and opportunities we face now and in the future.

The complexity of the current system creates additional costs and barriers to the effective delivery of public services. But the move to three unitary authorities, in concert with the simplification of health's ICB structures, and an investment in local place-focused working has the potential to strengthen joined-up working from the Greater Essex to the local neighbourhood level.

In recent times, we have built strong relationships and collaboration mechanisms to support partnership working and deliver better outcomes, and these will stand us in good stead to make a success of devolution and LGR. They include:

- **political and senior officer leadership:** The Essex Leaders and Chief Executives Group meets regularly to discuss key strategic issues and to build deeper collaboration among political leaders and CEOs. The group includes leaders and CEOs from across local authorities in Greater Essex, as well as the CEO from the Office of the Police, Fire and Crime Commissioner (OPFCC);

- **strategic partnerships:** Health and Wellbeing Boards in each upper-tier area co-ordinate the development and delivery of local health and wellbeing strategies and include a wide range of partners, including from health, local government, the police and fire services, and the voluntary and community sector. There are also strategic and operational partnerships across other areas – for example the Children and Young People's Partnership Board; Adults and Children's Safeguarding Boards; and the Southend, Essex and Thurrock Domestic Abuse Board;

- **partnership with business:** The newly formed Greater Essex Business Board (GEBB) provides a forum in which strategic business leaders across Greater Essex come together with local authorities to shape the economic growth agenda. This is already having an impact in ensuring that our work in this area is effective in enabling businesses to grow, in creating new commercial opportunities and in making Greater Essex a more attractive destination for investment;

- **local collaboration:** partners come together through more local partnerships to drive improvements in outcomes for our communities. Local Education Strategic Boards are leading educational improvement in our most disadvantaged areas, and NHS Alliances are co-ordinating work across multiple partners, including the voluntary sector, to improve health and wellbeing outcomes. Collaboration with parish councils is also co-ordinated through the Essex Association of Local Councils;

- **professional collaboration:** officers also come together in professional networks to build professional collaboration across authorities. Examples of this are the Essex Finance Officers Association, the Essex Planning Officers Association, and the Essex Housing Officers Group;

- **developing the system leaders of tomorrow:** Since 2017, partners across the Greater Essex system have collaborated in running the Leading Greater Essex programme. This programme, sponsored by lead CEOs, brings together each year a cohort of up-and-coming senior leaders who learn together how to be system leaders, rather than just organisational leaders, and to apply their learning in tackling complex policy problems. Since 2017, a total of over 400 leaders in Greater Essex have been through this programme.

How the three cities model supports the delivery of our ambition

The implementation of devolution and LGR has the potential to radically simplify the public sector landscape. The Greater Essex Combined County Authority will lead strategic collaboration across the region with:

- the MCA itself, comprising the Mayor and representatives of the constituent authorities;
- the incorporation of the Police, Fire and Crime Commissioner's role in that of the Mayor;
- the creation of a business board (along the lines of the GEBB) to ensure the voice of business is heard in the development of policy and decision making.

While the new partnership landscape will be for new bodies to determine, we would envisage that the above elements that have sustained partnership collaboration across Greater Essex will continue – albeit adapted to suit the new institutional framework.

Alongside devolution and LGR, there will also be a simplification of the health system in Greater Essex. NHS changes to Integrated Care Boards will introduce a new, single integrated care board for Greater Essex, meaning that the organisation of the provision of health services in Greater Essex will be by a single NHS body (rather than the existing three). Alongside this, ICBs are making 50% cost reductions in line with national requirements.

The simplification of local government and NHS structures in Greater Essex offers the strongest and most enduring basis for the NHS and local government to work together on improving health outcomes over the next decade, helping to achieve the ambitions in the NHS Long Term Plan and specifically:

- improving population health and healthcare;
- tackling unequal outcomes and access;
- enhancing productivity and value for money;
- helping the NHS to support broader social and economic development.

Our three cities model will strengthen strategic partnership working with health by:

- reducing the total number of local authorities from the existing 15 two-tier councils to three unitary councils, which will make joint working much more efficient;
- creating three more equitably sized local authorities (two with populations between 564,000 and 604,000, and one with 729,000 residents) compared with the existing very big disparity between Essex County Council (population of 1.5m) and Southend and Thurrock (each around 180,000);
- creating no more than the existing three upper-tier social care and public health authorities, meaning that there is no increased administrative and meetings burden on the NHS (and other partners) – for example the number of health and wellbeing boards and adults and children's safeguarding boards would remain at three across the whole area, rather than increase as they will under other proposals;
- creating no additional regulatory and inspection cost and burden on taxpayers – in our proposal, the CQC and Ofsted will continue to inspect three upper-tier authorities, rather than increasing this to four or five authorities as proposed by other business cases;
- making it easier to agree collaborative commissioning agreements between the NHS and local government around the Better Care Fund and out of hospital services, including patient discharge arrangements;

- creating local prevention geographies that have a shared stake and interest in the whole ICB system, rather than just in parts. A five unitary proposal will naturally gravitate cause the local authorities to gravitate to the local acute hospital rather than reflecting the broader health needs of their residents.

Collaborative service models

Aggregating up district services into unitaries of an appropriate size creates some immediate benefits from economies of scale. These are referenced throughout the document – for example, in having larger teams and/or larger contracts in planning, in regulatory services, in environmental protection, in waste collection.

In addition, there is an opportunity in LGR to go further and create collaborative service models across multiple unitaries and also more widely across the system. These can drive further efficiencies and improvements by:

- exploiting efficiency benefits from economies of scale;
- avoiding competitive bidding between authorities that just drives the cost up for everybody – for example, in workforce hiring and securing social care placements;
- sharing and embedding best practice from across authorities;
- creating consistency of service quality and user experience for people living in different areas.

There is scope to develop collaborative services in almost any area. Particular opportunities exist in:

- **Waste** – where there is an opportunity to create a Joint Strategic Waste Authority for Greater Essex;
- **Social Care** – where there are opportunities for a range of collaborative service models, including joint commissioning, market shaping, workforce, prevention, data and digital;

- **School improvement** – Essex County Council provides a traded service covering everything from delivering fully inclusive education through to improving governance, results, recruitment and safeguarding and other things. There is an opportunity for this to be continued under LGR as a service supported by new unitaries across Greater Essex;
- **Back office functions** – there are particular opportunities for collaborative services in procurement, HR, and data that build upon existing work across partners in Essex.

Spotlight on collaborative procurement

The Essex Procurement Partnership consists of five local authorities: Braintree, Castle Point, Epping Forest, Essex and Tendring, with Brentwood and Rochford currently being supported before formally joining in the Autumn. It is a true partnership with equal representation on oversight groups from each member. EPP has seen significant benefits to each member, including:

- **increased transparency** – building a pipeline of projects from zero to 380 projects, reducing risk by ensuring a good grip on third party spend and ensuring proper procurement practice takes place in a proactive way;
- **increased resilience** – the combined team are able to flex to the demands of each authority, absorbing a 200% increase in procurement activity;
- **improved practice** – adopting common compliance documentation, accessing category expertise and adopting a common approach to social value. This mitigates risk, delivers efficiency and supports bidders, particularly SMEs;
- **savings** – introduction of savings tracking with current recorded benefits of £4m, as well as generating non-monetary benefits.

Spotlight on collaborative HR

This collaborative service is led by Essex County Council and includes 13 districts across Essex and North Hertfordshire. It provides a successful in-house cost saving model for workforce recruitment, vetting and HR consultancy. In 2024/2025, cost savings across customers was £434,000 based on average local agency charges.

The service includes a team of recruiters to directly source candidates, a tailored timesheet and billing system, access to a fully vetted supply chain at contracted preferential rates, full-service review and real-time data reporting and oversight. This gives councils full visibility of their temporary workforce and supports them to make well-informed hiring decisions.

Under LGR there will be an opportunity to continue expanding the service model, enabling other local authorities to benefit from collaboration in this area to reduce costs and improve workforce hiring, performance and retention. In particular, we would like to see the model extended into the skills and learning and development area, supporting new authorities in Essex to have the most highly skilled local government workforce in the country.

Spotlight on collaborative data

Through the innovative Essex Centre for Data Analytics (ECDA), Essex Police, the University of Essex and Essex County Council have joined together to share their data, knowledge and skills.

The ECDA uses data from multiple partners and the talent of university researchers and local government analysts to unlock new insight and knowledge that will help partners to address complex and cross-cutting issues.

ECDA is doing a range of innovative work, using data to better inform prevention and early intervention. An example is recent work looking at how cost of living pressures flow through into dietary intake and contribute to the increased prevalence of type 2 diabetes.

ECDA provides a powerful model for how shared data and shared expert analysis and insight can help to reduce harm, provide better services and protect the most vulnerable people in the community.

Collaborative services will be an exciting part of the future under LGR. But like other areas of public service reform, they should be pursued to improve outcomes for the public and to generate savings that can be reinvested in public services. Collaborative service models should not become a panacea to balance the books or to compensate for having set up new unitaries at too small a scale to operate efficiently. Councils still need to be set up at a scale that enables them to provide and sustain effective public services within their own resources, with collaborative services then providing additional benefits on top.

Section two: joining up public services with our strategic partners – case studies

Greater Essex has done some truly sector-leading work on building collaboration for a purpose. The case studies below illustrate how we are using collaboration to build system-wide capabilities.

Case Study 11:
Leading Greater Essex

Since the pilot programme in 2017, Leading Greater Essex (LGE) has provided opportunities for up to 80 aspiring leaders to come together annually, to develop their capabilities and confidence as system leaders. To date, over 400 employees from over 15 public services across Greater Essex have taken part.

LGE is for individuals who wish to develop their skills in managing and leading change, and to explore the nature of leadership required to bring about change in complex public service systems. Whether it's exploring how we collectively tackle complex issues such as climate adaptation, the future of public sector finance, or the growing levels of inequality, the programme is geared towards allowing participants to stand back, think and offer their perspective within the wider public service landscape. The cross-organisational nature of this programme distinguishes it from other leadership development opportunities. It is the only programme across the UK that brings the public service system together in this way.

To date, over **400 employees** from **over 15 public services** across Greater Essex have taken part.

Case Study 12:

Health Determinants Research Collaboration

The Health Determinants Research Collaboration (HDRC) is a partnership between Essex County Council, Southend and Thurrock Councils, University of Essex and Anglia Ruskin University. It is part of a new network of nationally recognised centres of "research excellence" based in and led by local authorities.

HDRC is funded to operate for five years, with approximately £1m funding per year from the National Institute for Health and Care Research (NIHR), to build research capacity and capability between local government and the academic sector. It is focused on exploring and providing evidence of "what works" in influencing the wider determinants of health, enabling local authorities and system partners to use research to inform decision making and commissioning effective services across Greater Essex.

HDRC is funded to operate for five years, with approximately **£1m funding per year** from the National Institute for Health and Care Research

Efficient and Sustainable Public Services

> "This new government will not waste this opportunity to build empowered, simplified, resilient and sustainable local government that will increase value for money for council taxpayers."
>
> Letter from Minister of State, 5 February 2025

A sound financial foundation

The three cities model will ensure that local government across Greater Essex is more efficient and financially sustainable than it is today. Of the proposals put forward by partners across Greater Essex, it is the proposal that best meets the government's criteria to maximise efficiencies. The three cities model is capable of delivering financial benefits through the process of reorganisation itself, and by providing a platform for realising further benefits through transformation and public service reform.

Our proposal unlocks significant gains in efficiency and delivers greater financial resilience over both the short and long term. It secures economies of scale, setting up new unitary authorities to cope with volatility and financial shocks and, of the proposals put forward by partners, it provides the strongest possible platform for delivering value for money.

The key findings that have led us to this conclusion are:

- the three unitary model will deliver up to £36m more savings per annum from reorganisation alone compared to the most expensive five unitary model. It will cost less to implement and, most significantly, it reduces the delivery risk which will come with creating more social care authorities than exist today;

- the Greater Essex system has very high debt (£4.124bn including HRA) and relies upon significant investment income streams to sustain the payment of those borrowing costs (as per CIPFA's resilience index and published benchmarking). Creating fewer larger authorities gives more resilience to deal with the probable shocks that will arise from that debt over time: due to asset impairment; market and income volatility; aligning MRP policies; and inherent risk due to volatility of refinancing/borrowing costs. Creating five unitaries for example, would create one of the most indebted authorities in the system as it would bring together the two most high debt authorities (per household) in Thurrock and Basildon, without the resilience of a larger financial base.

- although all new models for local government will aspire to deliver future savings from transformation and public service reform, these projected savings can only be speculative at this stage. They will need to be applied to meeting future demand pressures and should not be used to prop up more expensive local government structures. This is even more acute given there is a forecast budget gap of £134m for 2028/29, aside from the £280m SEND High Needs block deficit, assuming sustainable balanced budgets are set over the next two years;

- the three unitary model sets up each new unitary with the best opportunity to have bandwidth to invest in future capacity for financial transformation and digitisation;

this is essential as it is the cornerstone to ensuring residents receive best value services and the system can be financially sustainable;

- creating more than three unitaries offers marginal or indeed negligible (for a five unitary model) financial gains, meaning that a three unitary model will give improved financial capacity on vesting day;

- with a four or five unitary model there is a greater risk of creating one or more authorities that will require government support, notably creating an authority in the North East that will face a significant funding deficit (between demand and available funding) and an authority in the South West that will have excessive and unsustainable levels of debt;

- across Greater Essex, £1 in every £2 is spent on social care through the three upper-tier local authorities; the current system is overall high performing and relatively low cost – we need to build on the strengths of that social care system. To have confidence in future financial stability, each of the three social care authorities must deliver sustainable savings plans between now and vesting day and maintain levels of performance. To create more social care authorities and the associated models of local delivery will significantly increase the risk of performance deterioration – not just around standards but also around financial sustainability. This has been the experience at other complex reorganisations, such as Bournemouth, Christchurch and Poole;

- 78% of current social care spend is in the Essex County Council system, which has exceptionally low levels of children in care and exceptionally high value for money (benchmarked nationally). If the numbers of children in care in the geography increased to the average of statistical neighbours there would be a significant increase cost each year rising to an additional £114m annual cost by 2040;

- simplicity and pace matter – the Greater Essex local reorganisation is already one of the most complicated nationally. De-risking and reducing complication for LGR is essential, and that can only be achieved through a transition from the existing three social care and education authorities into a three unitary model: it enables the system to deliver its new stable state as soon and as efficiently as possible.

This section of our business case introduces the detailed financial modelling used to assess different unitary options and explores the analysis that supports our conclusions.

It sets out the financial context for local government in Greater Essex and explores the pressures currently facing the system. The message is clear – reorganisation savings need to be applied to meeting future demand pressures and cannot be used to prop up more expensive local government structures.

The section closes by presenting a full financial comparison, demonstrating that the three cities model provides best value for the taxpayer, both in terms of the benefits that can be delivered through the process of reorganisation, and as a platform for securing longer-term benefits through transformation and public service reform.

The section also provides a cashflow forecast, summary financial risk assessment and overview of some of the additional factors that new unitaries will need to consider through implementation, such as council tax harmonisation and pay equalisation.

Introducing our financial model

In reaching our conclusion that the three cities unitary model is the right option for Greater Essex, we have evaluated all five reorganisation options: two, three, four (two different options and geographies for this have been evaluated) and five unitary models. We have completed this using a credible model developed by PwC, jointly commissioned across the Greater Essex system; based

on data and inputs validated by all 15 Chief Financial Officers; and built on learning from areas across the country that have already been through the LGR process.

Overall, the model demonstrates that the three cities unitary model delivers the second highest level of financial benefit compared to all the other options. A total net benefit of £86m after five years and a payback period of 2.7 years (see Table 15), providing a cumulative benefit of £387m by 2040 against the original transitional set up costs while also ensuring that services can be delivered across a credible geography and sustainable population base. These figures are based on moving to a

"safe and legal" authority on day one and and do not include subsequent transformation or wider public service reform, which we believe will derive additional benefits.

The model therefore demonstrates that the three cities model is capable of delivering financial benefits through the process of reorganisation itself. The relative potential for three, four and five unitary models to deliver savings from transformation and public service reform is explored later in the chapter. It is clear that any savings will need to be applied to meeting future demand pressures – they cannot be used to prop up more expensive local government structures.

Table 15: Summary of costs and savings of the local government reorganisation options in Greater Essex (excludes transformation and public service reform benefits)

	Number of Unitaries			
	Two £m	Three £m	Four £m	Five £m
Implementation costs	**(60)**	**(74)**	**(89)**	**(105)**
Ongoing annual net savings/(costs)				
2028/29	27	19	3	(12)
2029/30	40	28	11	(5)
2030/31 (first year of ongoing net saving excl. implementation costs)	**53**	**38**	**18**	**2**
2031/32	53	38	18	2
2032/33	53	38	18	2
Total net benefits/(costs) after 5 years	**167**	**86**	**(21)**	**(114)**
Payback period (years)	**1.8**	**2.7**	**6.1**	**53.6**

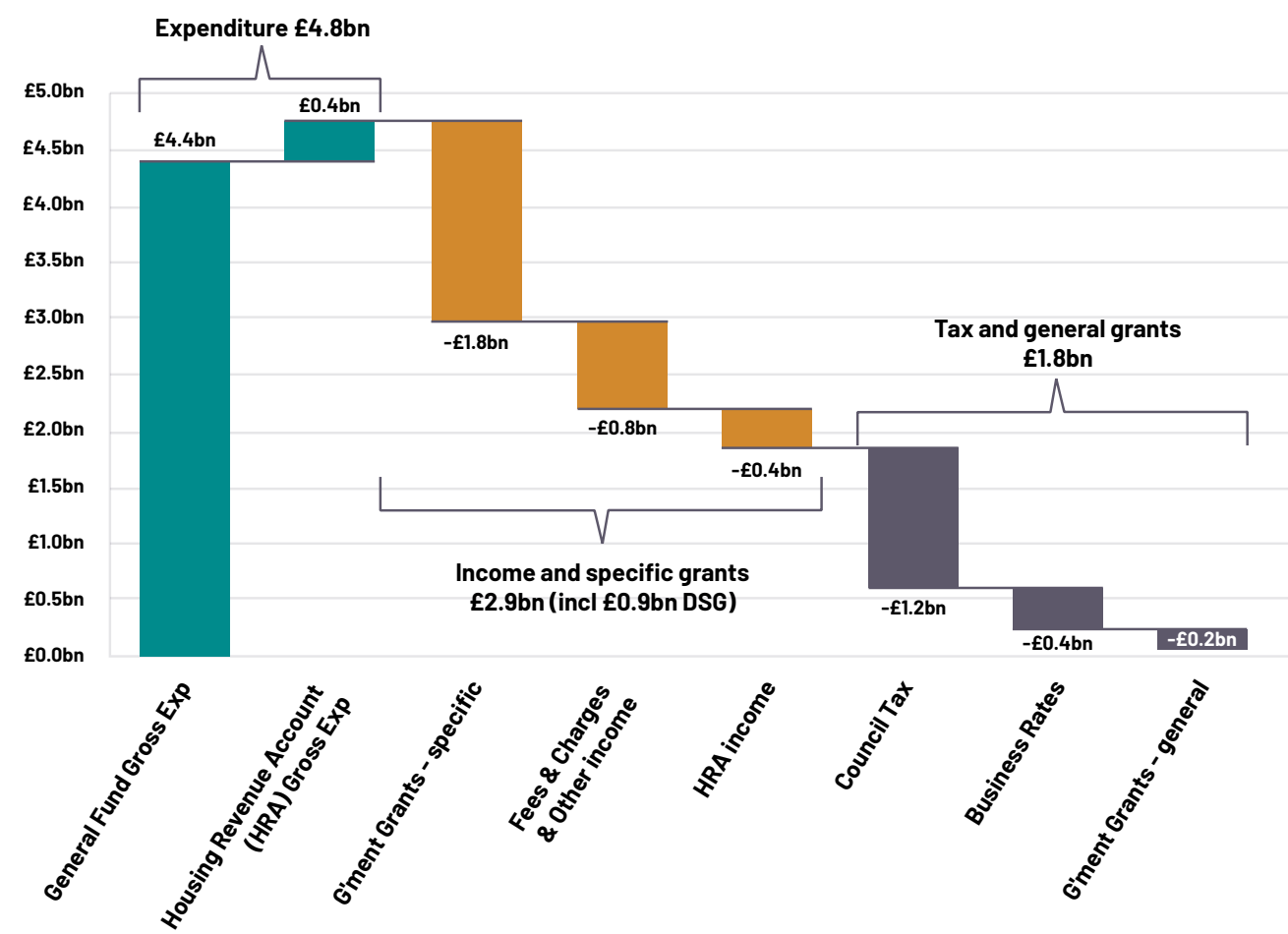Note: The four unitary option provides the same forecast outcome for both the Rochford and the Thurrock models.

> The detailed elements of the summary in the table above are set out in our overall financial comparison of unitary options, later in this section.

Critical operating context

In considering the future configuration of local government in Greater Essex, it is essential to recognise the sheer scale and complexity of the existing system. Spanning 15 local authorities, local government in Greater Essex collectively manages gross annual expenditure of £4.8bn — placing it among the largest and most complex systems in the country. This scale brings both opportunity and challenge, particularly in ensuring that future arrangements are capable of managing such significant sums effectively and sustainably.

Of the £4.8bn total gross expenditure for Greater Essex, 57% is spent by Essex County Council, with a further 17% by the two unitary councils of Southend-on-Sea and Thurrock – this means nearly three quarters of expenditure is undertaken by councils with upper-tier responsibilities in Greater Essex. Of the total, 69% of spend is through third parties. This is heavily driven by social care where strong market management is essential.

Figure 9: the scale of Greater Essex budgets and funding

Figure 10: £4.8bn Gross Expenditure Budget 2025/26
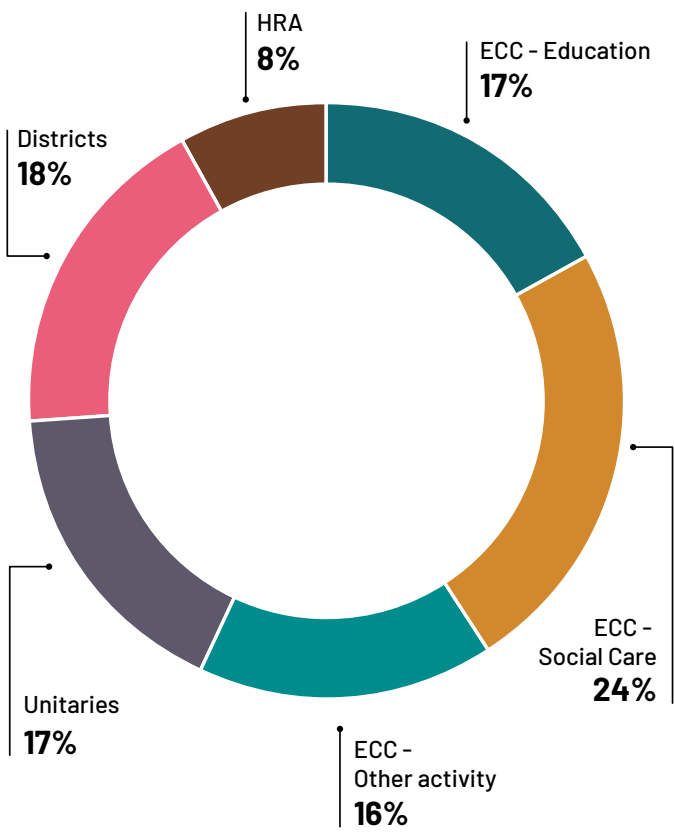
Figure 11: Makeup of Gross Expenditure in Greater Essex
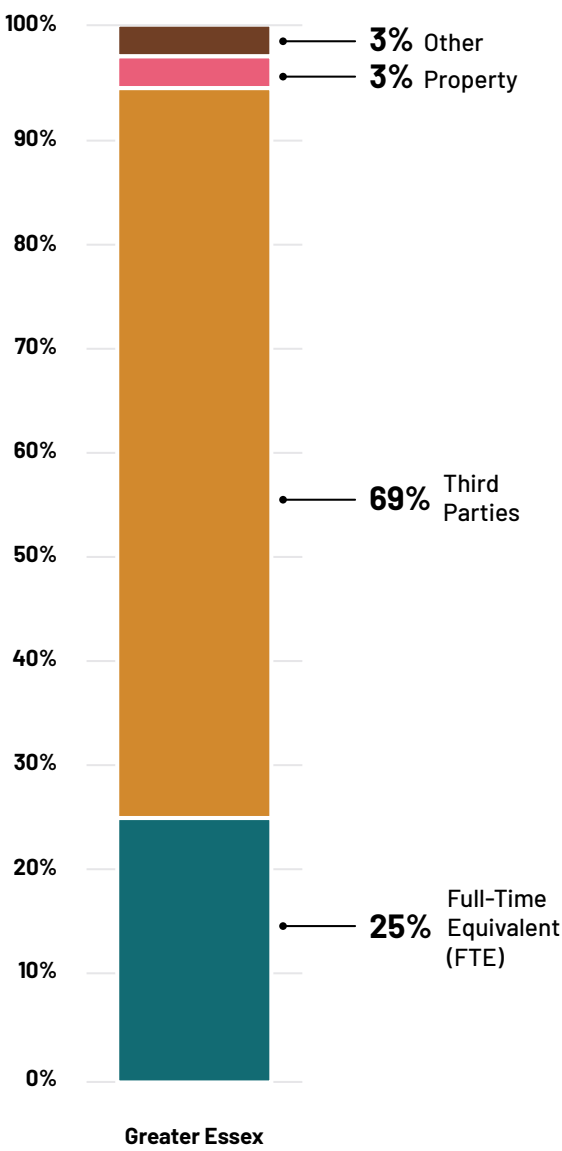
A substantial proportion of overall net expenditure (£1 of every £2 spent) is directed towards social care, the majority of which is commissioned through external contracts. This underlines the critical importance of ensuring that any future unitary configuration is designed to support the effective delivery of social care services, which are not only resource-intensive but also vital to the wellbeing of some of our most vulnerable residents.

Our financial analysis has taken account of the current economic climate, direction of travel on Government Fair Funding and both known and unknown service demand pressures across all 15 local authorities. Existing Medium Term Resources Strategies (MTRS) demonstrate that over £50m of savings are already built into planning assumptions and a further £238m of permanent savings solutions must be achieved over the next two financial years to balance budgets, even with maximum Council Tax uplifts applied. If permanent savings are not achieved there will be a cumulative budget gap of £293m in 2028/29 that the new unitary councils will have to address. This makes it clear that reorganisation itself must deliver substantial

savings if we are to minimise the impact of these pressures on Essex taxpayers and on the users of public services.

The financial challenges for local government are well documented with increased social care demand and service costs, SEND funding shortfalls and temporary accommodation availability heading the list of pressures. Even with the lowest unit costs for children's social care in the country in ECC, we are seeing the most rapid cost escalations experienced for many years. Across Greater Essex there are further exceptional pressures due to the "stranded debt" position of Thurrock Council, and this is part of the consideration when balancing the potential to sustainably manage the new unitaries.

The way local government is funded further reinforces the need for a financially resilient and locally accountable model. Greater Essex benefits from a large and robust tax base, with council tax and business rates forming the backbone of funding streams. Over £1.2bn is raised annually through council tax alone, accounting for more than two-thirds of the area's total funding. Figure 12 sets out the makeup of the net funding budget for Greater Essex.

Figure 12: Greater Essex £1.8bn funding, 2025/26

General Government Grants **11%**

Business Rates **20%**

Council Tax **69%**

This high level of local funding contribution makes it imperative that new unitary arrangements offer a model where funding streams have the chance to be as close as possible in total value to service costs, to ensure that residents and businesses continue to see value for money and effective stewardship of their contributions. It is important to note that the tax bases and forecast housing growth vary across Greater Essex. We have worked with Pixel, following its work with the County Councils' Network, to model the disaggregation of ECC's grant funding streams across the area. The three unitary option offers a more balanced distribution of funding, compared to service delivery costs, than the two unitary, four unitary and five unitary options. This can be seen in Figure 14.

Pressures facing the future Greater Essex system

Across Greater Essex, the total projected revenue budget gap for 2028/9 is £55m (£33m relating to Thurrock). This position will increase to £293m (£175m relating to Thurrock) unless all of the following are delivered over the next two years:

- all authorities maximise Council Tax uplifts every year as needed;

- all existing planned savings (c £50m) are delivered on a permanent basis;

- at least 50% of the Thurrock stranded debt position is resolved with Government and that the associated £142m of cumulative revenue costs (subject to Exceptional Financial support) are removed on an ongoing basis; and

- all other authorities achieve further permanent savings totalling £96m (ECC is already developing transformation plans targeting £45m of savings over this period);

- any use of one-off reserves to balance annual positions in 2026/27 or 2027/28 will not have ongoing impact that will result in structural deficits for the new unitaries to resolve.

The projected budget gap position is set out in the following two tables that show the incremental challenge and the cumulative values that would accrue across the system if the previous year's gap is not addressed on a permanent basis.

These tables show why the cashable benefits of reorganisation must be applied to budget gaps in the first instance. Our proposed three unitary model will deliver a net saving of £19m in 2028/29 (50% delivery of ongoing annual savings modelled in Year 1), therefore this could reduce the £55m budget gap to £36m, which is £16m better than a four unitary model, while a five unitary model would increase the budget gap by a further £12m to £67m. Ways to mitigate the residual £36m will need to be identified across the new shadow unitaries through the transition period in order to set balanced budgets for 2028/29 (ECC is already targeting a further £28m of transformation savings plans that should deliver for 2028/29).

	Incremental amounts		
	2026/27 £000	2027/28 £000	2028/29 £000
Revenue budget gap excluding Thurrock – budget gap due to service pressures after maximising tax rises and delivering over £50m of planned savings	38,401	57,649	22,003
Thurrock budget gap subject to EFS 2026/27 & 2027/28	73,310	68,670	33,120
Total budget gap including Thurrock	111,711	126,319	55,123
Profiled net LGR reorganisation savings			(19,000)
Remaining budget gap	111,711	126,319	36,123

	Cumulative Amounts		
	2026/27 £000	2027/28 £000	2028/29 £000
Revenue budget gap excluding Thurrock – budget gap due to service pressures after maximising tax rises and delivering over £50m of planned savings	38,401	96,049	118,053
Thurrock budget gap subject to EFS 2026/27 & 2027/28	73,310	141,980	175,100
Total budget gap including Thurrock	111,711	238,029	293,153
Profiled net LGR reorganisation savings			(19,000)
Remaining budget gap	111,711	238,029	274,153

Assumptions and notes to the tables.

Over £50m of savings already built into Greater Essex's MTRSs from 2026/27 will be delivered.

In addition, ECC is exploring opportunities to deliver a target of £70m across 2026/27-2028/29 through transformation programmes not built into the MTRS.

Latest updates to MTRS drafts have been used where available.

Thurrock MTRS position is reduced by £33m in 2028/29 to reflect the modelling assumption that 50% of stranded debt will be resolved by this time, this could be achieved in many ways, including direct government funding or variations to council tax referendum thresholds between now and 2028/29 to provide additional base council tax income to sustain higher debt repayment or financing.

To note, based on experience, as we move further through the MTRS period, it is likely that pressures unknown today will materialise and grow the forecast gap further. This is particularly relevant to the £22m incremental budget gap in 2028/29.

Council Tax rises are assumed at the maximum level applicable, however decisions on this will rest with individual councils.

The financial pressures across Greater Essex are materially driven by exceptional debt, escalating service costs, service demand, inflation and government funding uncertainty (there is a £17m grant funding reduction assumed in the MTRS position from 2026/27). The majority of expenditure growth will continue to be driven by social care spend, and this remains consistent across all unitary formations.

Disaggregating the ECC budget: Understanding financial pressures across Greater Essex

As previously noted, ECC represents approximately two-thirds of the £1.8bn net spend of Greater Essex, at £1.2bn. The size and scale of the organisation means that it has the flexibility to direct service resources to where demand is greatest and this is not always the same as the drivers of local tax and government funding streams. As such, any assessment of the financial sustainability and resilience of future unitary authority options must begin with a clear understanding of how ECC's budget is currently allocated across the county and how this aligns with the distribution of funding from council tax, business rates and grants.

To support this analysis, a collaborative approach across all S151 officers has been taken to disaggregate ECC's budget, ensuring transparency and shared understanding among all partners. The methodology has been subject to independent scrutiny and challenge by 31ten Consulting, reinforcing confidence in the robustness of the findings. This work has revealed that the distribution of Adult Social Care expenditure is the most significant driver of financial surpluses and deficits across the county when compared to available funding as Adult Social Care accounts for the largest single area of expenditure within Essex County Council. Spend on Adult Social Care is forecast to almost double between 2025 and 2040. This is driven by increases in both unit costs and demand. The distribution of demand and unit cost pressures across the proposed scenarios results in the greatest growth in cost in the South of the county. The largest spend outlays across all unitary formations are focused in the North of the county due to higher service demand in Tendring and Colchester.
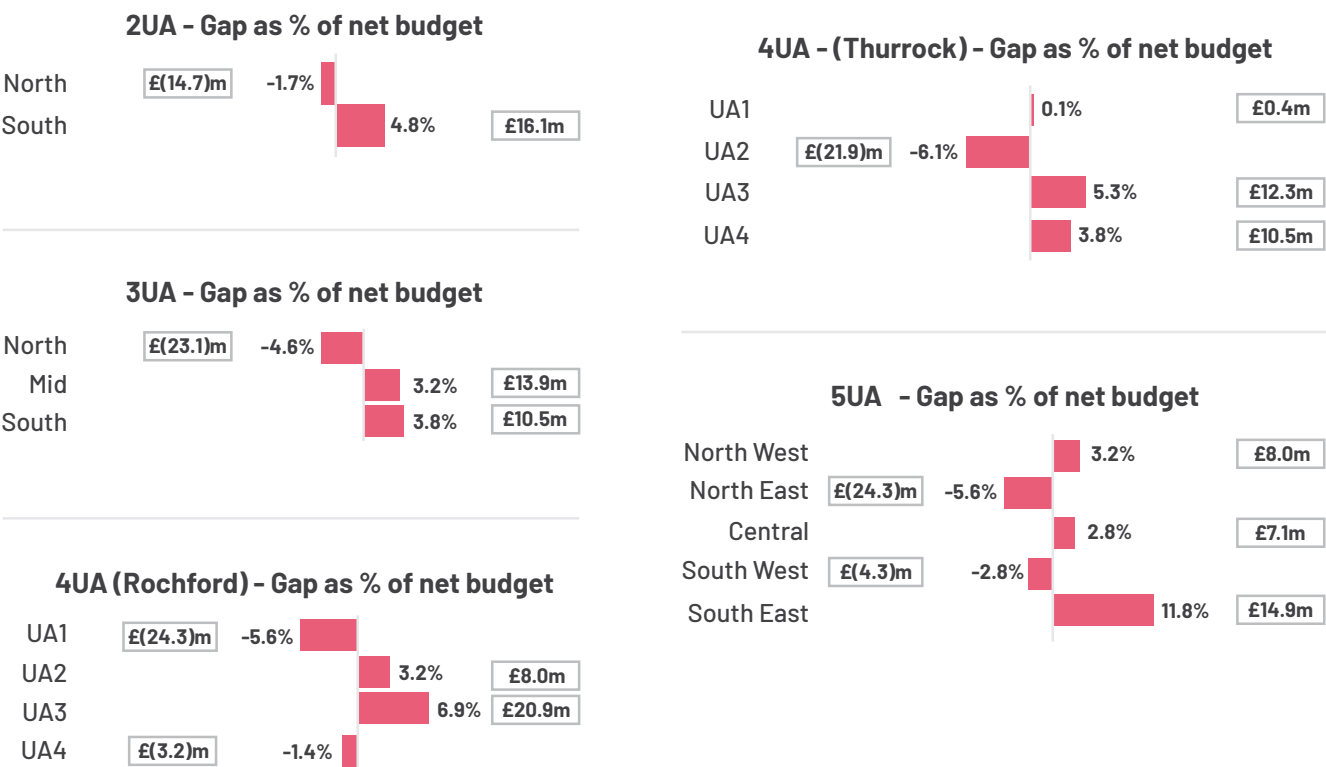
Figure 13: ECC disaggregation 2025/26 funding net surplus/ (deficit)
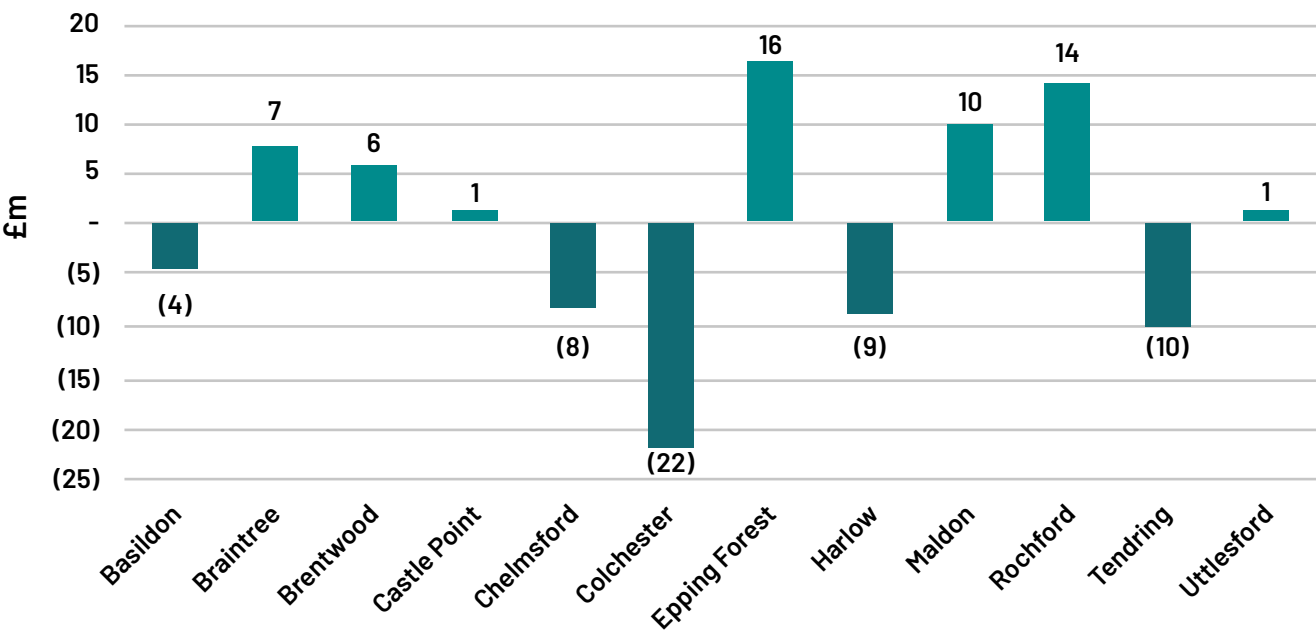
The analysis in Figure 13 above shows that areas with higher levels of urbanisation, such as Chelmsford and Colchester, and those experiencing greater deprivation, including Tendring and Harlow, face the largest funding gaps. In Colchester, for example, the deficit equates to 13% of the net ECC budget attributable to the area. Four of the 12 districts show deficits exceeding 5% of their disaggregated ECC budgets. These areas would face immediate financial pressures from the outset of unitarisation, raising serious questions about their resilience to future financial shocks, unless they are combined with areas that see a surplus in order to balance out the "spend to funding ratio" as much as possible.

Figure 14: funding surplus/(deficit) by unitary from ECC disaggregation

2UA - Gap as % of net budget

North	£(14.7)m	-1.7%
South		4.8% £16.1m

3UA - Gap as % of net budget

North	£(23.1)m	-4.6%
Mid		3.2% £13.9m
South		3.8% £10.5m

4UA (Rochford) - Gap as % of net budget

UA1	£(24.3)m	-5.6%
UA2		3.2% £8.0m
UA3		6.9% £20.9m
UA4	£(3.2)m	-1.4%

4UA - (Thurrock) - Gap as % of net budget

UA1		0.1% £0.4m
UA2	£(21.9)m	-6.1%
UA3		5.3% £12.3m
UA4		3.8% £10.5m

5UA - Gap as % of net budget

North West		3.2% £8.0m
North East	£(24.3)m	-5.6%
Central		2.8% £7.1m
South West	£(4.3)m	-2.8%
South East		11.8% £14.9m

By comparing the range of budget surpluses and deficits between unitaries following disaggregation of ECC net budget under different unitary authority configurations, Figure 14 above demonstrates that in a two unitary model, the range is 6.5% (-1.7% to 4.8%), whereas in a five unitary model, the range widens significantly to 17.4% (-5.6% to 11.8%).

With the exception of the two unitary model, the three unitary option provides greater financial stability and resilience to deal with financial shocks with the narrowest range of 8.4% (-4.6% to 3.8%) equating to a £23.1m shortfall in the North and surpluses of £13.9m and £10.5m for Mid and South respectively.

We are not currently in a position to have assurance on the implications of the Fair Funding Review; however, the intentions of the new approach are to align funding more closely to service need. While this may assist in narrowing the gaps between unitaries, we do not expect the Fair Funding review outcome to fully resolve this distribution impact, and it would not be prudent to apply such an assumption.

As we work through to implementation of the new unitaries, there could potentially be some transitional intra-authority agreements established to apply temporary cross subsidisation between authorities to support the modelled funding imbalance. However, this would not be a sustainable solution as such agreements would not have ongoing legitimacy when new unitaries start making future spending decisions within their own funding envelopes. The section 'Funding Reorganisation and Achieving Sustainability', later in this chapter, sets out how collective unallocated reserves could be applied across Greater Essex to support through the implementation period and this would necessitate a form of intra-authority agreement

Debt

A critical consideration in assessing the financial sustainability of future unitary authorities in Greater Essex is the exceptional level and distribution of existing debt across the system. Of particular concern is the legacy of "stranded debt" held by Thurrock Council, which is currently subject to Exceptional Financial Support (EFS) arrangements agreed with the Ministry of Housing, Communities and Local Government (MHCLG). In addition, the area includes some of the most indebted districts in the country and the CIPFA resilience index in Table 6 highlights the very high risk of a number of the district authorities in particular. The map below shows a Red, Amber, Green (RAG) assessment of the current distribution of debt repayment across the area as a percentage of annual net revenue budgets.

Table 17: Greater Essex debt financing costs as a proportion of total net budget

	2025/26 Net Revenue Budget £000	Total Financing Costs £000	Financing Costs as a % of budget	Financing Costs as a % of budget after ECC disaggregation
Basildon	37,110	19,053	51.30%	**16.50%**
Braintree	21,340	1,757	8.20%	**8.80%**
Brentwood	10,954	5,252	47.90%	**15.80%**
Castle Point	15,588	1,812	11.60%	**8.60%**
Chelmsford	26,580	2,407	9.10%	**8.00%**
Colchester	29,674	9,812	33.10%	**11.60%**
Epping Forest	19,383	8,398	43.30%	**15.30%**
Essex	1,212,006	99,982	8.20%	
Harlow	17,843	1,870	10.50%	**8.00%**
Maldon	12,416	2	0.00%	**8.00%**
Rochford	13,943	232	1.70%	**9.00%**
Southend-on-sea	174,253	15,789	9.10%	**9.10%**
Tendring	17,660	233	1.30%	**6.10%**
Thurrock	240,657	81,713	34.00%	**34.00%**
Uttlesford	15,682	14,693	93.70%	**24.00%**
	1,865,089	**263,005**	**14.10%**	**14.10%**

*ECC financing costs have been disaggregated on the base of population

Map 10: Debt financing costs as a percentage of net budget before ECC dissagregation

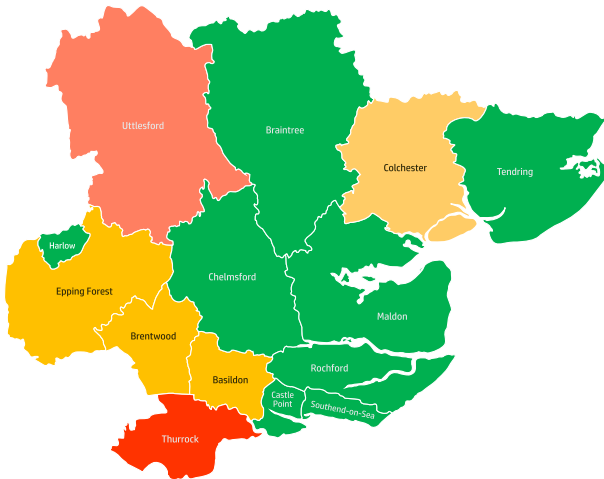**Map 11: Debt financing costs as a percentage of net budget after ECC dissagregation**
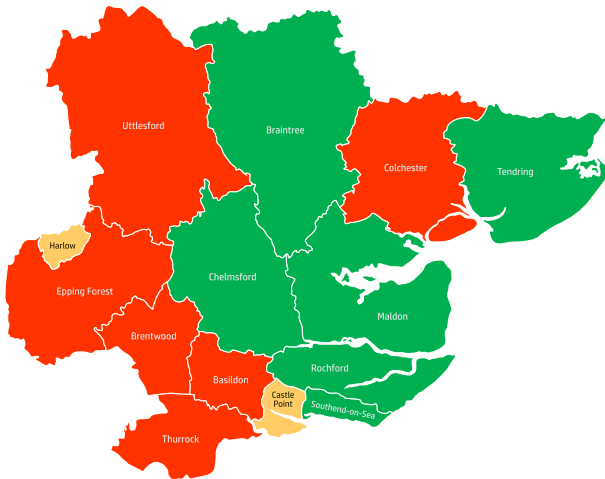
The chart demonstrates how significant the cost of repaying debt is across the West and the South in particular, even after the disaggregation of ECC debt financing which reduces the overall risk assessment for all district areas. This means that the new unitaries that these districts move into will pick up these costs and must be able to manage and contain any risks associated with such high debt levels within operational revenue budgets.

We commissioned CIPFA to undertake an initial debt analysis across Greater Essex, the full report is included in Appendix F1. It is vital to note that, due to the preliminary nature of this report, we cannot be assured of the potential implications arising from current levels of indebtedness until substantive work is undertaken through the transition process.

CIPFA calculated Financial Sustainability Measures for Essex as a whole so that individual councils and the proposed new unitaries in the three unitary, four unitary, and five unitary models can be compared with the overall Essex-wide scores. There are six councils who score unfavourably on all measures compared to the "all Essex" value except in relation to Total Group Assets/Core Spending Power (CSP). These are Basildon, Brentwood, Colchester, Epping Forest, Harlow and Uttlesford.

Basildon, Brentwood, Epping Forest, Harlow and Uttlesford have the five highest value investment property portfolios. CIPFA have reviewed these positions and advise that from a summary review they appear to have assets to back this liability. However, the CIPFA work is high level and at this stage we cannot be assured that there will not be further shocks or impacts on the revenue budgets of new unitary authorities, albeit none is assumed in the baseline financial model. This is all the more acute given the significant audit backlogs across the system and notably in the highly indebted areas.

This is an inherently high risk as a result of the exceptional level of borrowing which will require refinancing; the high level of commercial or income dependent assets which are susceptible to volatility; and the risk around impairment of asset values – notably where there is a high degree of concentration in a local geography which is the nature of the Essex system assets. Further due diligence, through a substantive piece of work, is required on the realisable market values; on the minimum revenue provision policies; on sustainability and risk profiles of investment income streams.

Greater Essex Councils as a whole had a combined external debt of £4.124bn at 31 March 2025. Taking into account the combined Capital Financing Requirement

(which represents the underlying need to borrow for capital expenditure purposes) of £5.245bn, there was implied internal borrowing of £1.121bn; in light of current forecasts there is a risk that this may not be able to continue

if greater levels of reserves need to be drawn upon. Total financing costs in 2024/25 were £307.831m of which £147.977m was in relation to Minimum Revenue Provision (MRP).

Table 18: Consolidated debt position for all Councils in Greater Essex

External Debt (Borrowing)	HRA £'000		GF £'000		Total £'000		% of Total
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2024/25
Long-Term Borrowing	1,016,272	967,242	1,676,496	1,546,744	2,692,768	2,513,986	61%
Short-Term Borrowing	181,788	292,190	1,012,068	866,829	1,193,856	1,159,019	28%
PFI & Leases (Credit Arrangements)	12,049	11,618	271,445	439,909	283,494	451,527	11%
Total External Debt	1,210,108	1,271,050	2,960,010	2,853,482	4,170,118	4,124,532	100%
Less than 1 year	185,035	329,319	1,024,652	896,498	1,209,687	1,225,817	30%
Between 1 and 2 years	97,203	35,025	218,394	83,175	315,597	118,200	3%
Between 2 and 5 years	110,849	101,207	173,973	207,152	284,823	308,360	8%
Between 5 and 10 years	153,589	156,871	371,613	392,966	525,202	549,837	14%
Between 10 and 15 years	184,338	242,179	191,595	173,511	375,933	415,690	10%
Between 15 and 20 years	295,554	222,548	77,547	96,971	373,101	319,518	8%
Between 20 and 25 years	34,107	27,675	64,678	125,774	98,785	153,449	4%
More than 25 Years	149,433	156,225	837,558	877,435	986,991	1,033,660	25%
External Debt Maturity Schedule	1,210,108	1,271,050	2,960,010	2,853,482	4,170,118	4,124,532	100%
Closing Capital Financing Requirement	1,367,744	1,481,774	3,621,494	3,763,204	4,989,238	5,244,978	100%
External Debt	1,210,108	1,271,050	2,960,010	2,853,482	4,170,118	4,124,532	79%
Implied Internal Borrowing	157,636	210,724	661,484	909,722	819,079	1,120,446	21%

Minimum Revenue Provision (MRP)	HRA £'000		GF £'000		Total £'000		% of Total
	2023/24	2024/25	2023/24	2024/25	2023/24	2024/25	2024/25
MRP on Borrowing	–	–	80,161	85,896	80,161	85,896	58%
MRP on Credit Arrangements	58	68	19,667	31,025	19,725	31,093	21%
MRP on Loans to Companies	–	–	118,272	30,988	118,272	30,988	21%
MRP on Equity in Companies	–	–	–	–	–	–	0%
Total MRP	58	68	218,100	147,909	218,158	147,977	100%
Interest Payable	47,237	44,758	145,352	115,096	192,589	159,854	
Total Financing Costs	47,295	44,826	363,452	263,005	410,747	307,831	

Across Greater Essex we have collectively proposed a set of debt principles as follows:

1. **A consistent solution:**

- We look to work with government, building on the learning through Surrey LGR and Woking

2. **A sustainable solution that provides capacity for the new unitaries to manage future risk:**

- We set up the new unitaries to be financially viable – they begin 2028/29 with balanced budgets and without a requirement for Exceptional Financial Support

- Operational revenue savings from LGR are hypothecated for reinvestment in future known demands notably across key demand-led statutory services

- We recognise the significant volatility risk that comes with LGR changes and the need for capacity in revenue and reserves to respond to volatility

- We do not defer unidentified savings to future years

- We do not commit to utilising future capital receipts to pay down stranded debt without clear evidence on the fuller view of risk across balance sheets

- We do not impose savings solutions on future authorities hypothecated to debt, bearing in mind the wider financial sustainability challenges for authorities

3. **A fair and equitable solution: that starts with the locality that caused the "stranded debt" and does not require revenue funding contributions from other geographies:**

- All reasonable recovery should be delivered by Thurrock, in advance of vesting day, to minimise the liability to the future unitary(s), noting that there remain two budget rounds between now and then (advised by commissioners)

- There will need to be collective accountability and contribution, including both HM Treasury (HMT) and the locality holding the debt

- The payment of the debt should be contained within its locality as a first principle. i.e. not be met from tax payers, revenue budgets or savings from other localities that are unrelated to Thurrock

As of the latest assessment, £82m in debt servicing costs are directly attributable to Thurrock's residual debt that has been well documented by MHCLG Commissioners. This exceptionally high burden is the primary driver of Thurrock's projected annual budget gap, which is estimated in our modelling to reach £33m by 2028/29, if 50% of current debt levels are resolved by that time. This remains a significant long-term pressure on the authority's financial position. We welcome continuing discussions with MHCLG about how the residual debt may be supported between now and vesting day in order to reduce the revenue burden on the proposed South Essex unitary authority.

In our financial modelling we have acknowledged that the current loan schedule for Thurrock is £852m across General Fund and HRA. The council's CFR (at budget setting February 2025) was estimated to be £1.1bn as at 31/03/26 (GF £400m, capital direction £400m, HRA £297m). The CFR position assumes achievement of the Council's key levers which are also built into its MTRS, i.e. asset disposals, divestments and savings targets. As central government has committed to provide debt support to Thurrock (quantum and dates unknown), assuming 0% debt support is not realistic and neither would assuming 100%; we have assumed 50% at £400m. This does not suggest the Government has indicated any specific level of support.

A full breakdown of debt levels and associated risks across all Greater Essex authorities is provided in the CIPFA report. This analysis will be essential in informing the financial due

diligence and transition planning required to ensure that new unitary authorities are established on a sound and sustainable financial footing. It is evident from the current distribution of debt across districts and unitaries that larger new unitaries will have greater capacity to manage residual debt levels. Incorporating areas with lower debt levels with those experiencing higher costs will enable greater flexibility in this respect.

This whole area will require further detailed analysis through the transition and implementation of new unitaries.

Reserves

In total there are just over £1bn of reserves in the Essex system in 2025/26, this is planned to reduce to £927m in 2028/29 which is the vesting year. Many of these reserves are unusable because they are:

- earmarked earmarked (Dedicated Schools Grant (DSG), HRA);

- held on behalf of other bodies;

- held against PFI, MRP payments;

- being used in MTFS plans to offset budget gaps.

Table 19 below shows a summary of all the Greater Essex authority reserves excluding Essex County Council. The total General Fund Unearmarked Reserves which are set aside for unexpected events or emergencies see an increase from £50.6m in 2024 to £79.6m in 2029. General Fund Earmarked Reserves which are set aside for specific policies or future liabilities see a small increase from £243.9m in 2024 to £250.8m in 2029. The total General and Earmarked Reserves show an increase by 2026 and then a diminishing trend to 2029. Additionally, Total Capital Reserves which are reserved for investment in capital projects remain stable with minor fluctuations. The **HRA Balances** are ring fenced and are not relevant in the LGR context. They will be aggregated as per the LGR models as they stand.

Table 19: Forecast Total Planned Reserves across Greater Essex (excluding ECC)

	31/03/24 £'000	31/03/25 £'000	31/03/26 £'000	31/03/27 £'000	31/03/28 £'000	31/03/29 £'000
Total GF Unearmarked Reserves	50,638	75,043	81,647	80,900	80,031	79,608
Total GF Earmarked Reserves	243,937	273,603	281,815	256,170	249,819	250,754
Total General & Earmarked Reserves	**294,575**	**348,646**	**363,462**	**337,070**	**329,850**	**330,362**
Total HRA Reserves	100,090	111,277	68,416	76,186	84,144	84,604
Total Capital Reserves	83,078	115,279	76,978	78,588	81,936	85,714
Total Reserves	**477,743**	**575,202**	**508,856**	**491,844**	**495,930**	**500,680**
Reserves less HRA	**377,653**	**463,925**	**440,440**	**415,658**	**411,786**	**416,076**

Below shows a summary table of the ECC reserves. The General Fund Unallocated Reserves are constant from 2025 to 2029 at £68m. This indicates stability in maintaining a certain level of financial flexibility for unexpected needs or variable expenses. From 2024 (£545m) to 2025 (£593m), earmarked reserves increase due to elements of social care grant funding being held as reserves as medium-term plans are developed. A downward trend then commences until 2029 (£459m), indicating a consistent planned spend on earmarked initiatives.

Table 20: Essex CC planned reserves

	31/03/ 2025 £'000	31/03/ 2026 £'000	31/03/ 2027 £'000	31/03/ 2028 £'000	31/03/ 2029 £'000
General Fund Unallocated Reserves	68,092	68,092	68,092	68,092	68,092
General Fund Earmarked Reserves	545,022	592,556	500,095	475,672	458,835
Total ECC Reserves	**613,114**	**660,648**	**568,187**	**543,764**	**526,927**

The model below allocates all Greater Essex reserves across councils in the three unitary option.

Table 21: Three unitary model reserves positions for 2025/26 and 2028/29

Total Reserves (less HRA)	Unallocated Reserves 31/03/2026 £'000	Earmarked Reserves 31/03/2026 £'000	Capital Reserves 31/03/2026 £'000	Total Reserves 31/03/2026 £'000	Unallocated Reserves 31/03/2029 £'000	Earmarked Reserves 31/03/2029 £'000	Capital Reserves 31/03/2029 £'000	Total Reserves 31/03/2029 £'000
North								
Total Non ECC	19,673	81,601	0	101,274	19,673	74,093	0	93,766
ECC add	28,239	239,200		267,439	28,239	183,681		211,921
Total Unitary	**47,912**	**320,801**	**0**	**368,713**	**47,912**	**257,774**	**0**	**305,687**
Mid								
Total Non ECC	29,585	61,384	2,225	93,194	28,628	46,039	1,834	76,501
ECC add	24,112	270,971		235,083	24,112	164,003		188,115
Total Unitary	**53,697**	**272,355**	**2,225**	**358,277**	**52,740**	**210,042**	**1,834**	**264,616**
South								
Total Non ECC	32,389	138,830	74,753	245,972	31,307	130,622	83,880	245,809
ECC add	15,740	142,385		158,126	15,740	111,151		126,892
Total Unitary	**48,129**	**281,215**	**74,753**	**404,098**	**47,047**	**241,773**	**83,880**	**372,701**
Total Reserves Non ECC	81,647	281,815	76,978	440,440	79,608	250,754	85,714	416,076
Total Reserves (ECC)	68,092	592,556		660,648	68,092	458,835		526,927
Total Reserves	**149,739**	**874,371**	**76,978**	**1,101,088**	**147,700**	**709,589**	**85,714**	**943,003**

The three cities model starts with a relatively stable reserves base for all three authorities, which appears to offer a strong foundation for financial resilience. However, the unallocated reserve is forecast at 2029 to be £148m, only 16% of the total. We have stated in the "Pressures facing the future Greater Essex system" section above that the new unitaries will start 2028/29 with at least a £55m collective budget gap before any reorganisation benefits are applied; therefore it is important that the reserves are robust enough to support medium-term expenditure plans and also unforeseen financial challenges. If there is no financial support from government to assist with the £74m transition and implementation costs of reorganisation, these reserve balances will diminish rapidly in the short term.

With fewer unitaries, the model provides a powerful system-wide view, allowing comprehensive oversight and management of a greater reserves balance per unitary. This broader oversight is necessary for detecting vulnerabilities and mitigating risks promptly. A four or five unitary model will reduce the total reserve balance per organisation and leave less flexibility for financial risk management.

By aggregating the reserves across 15 into the three unitary model, an opportunity is created to review the earmarked and unallocated reserves that are appropriate for the new organisations; and to consider their appropriateness in light of the implementation costs of LGR, levels of indebtedness, DSG deficit positions and other risks presenting at that time.

Amalgamating Housing Revenue Accounts (HRAs)

The following district and unitary authorities within Greater Essex currently have an HRA: Basildon, Brentwood, Castle Point, Colchester, Epping Forest, Harlow, Southend-on-Sea, Tendring, Thurrock and Uttlesford. A summary of the 2025/26 budgeted position for each HRA is included in Appendix O.

Where there are existing Housing Revenue Accounts (HRA) in place within current district or unitary authorities, these will need to be combined within the new unitary authorities. Fewer unitaries provides an opportunity for operating the HRA at a larger, more efficient scale, increasing the flexibility to take a more strategic approach to managing housing delivery and homelessness. Analysis of the 2025/26 budgeted HRAs across the respective Greater Essex authorities indicates a budget deficit across some authorities (Castle Point, Epping Forest, and Harlow) that may need to be met from reserves, although it is expected that all authorities with an HRA will have a fully funded 30-year business plan to manage the HRA position on the creation of the new unitary authorities. The following table summarises the aggregated position of the 2025/26 HRA budgets for each unitary option. It shows that as the number of unitaries increases, the availability of HRA reserves to mitigate risk related to existing deficits reduces. Therefore, other than a two unitary model, the three unitary model provides the lowest risk exposure of reserves compared to deficits.

Table 22: Aggregated summary of the 2025/26 HRA Budget exemplified for each unitary option across Greater Essex

Option	Area	Overall (Surplus)/ Deficit for 2025/26 £'000	Total Reserves 31 March 2026 £'000	% of Total Reserves %
2UA	North	525	45,426	41%
	South	459	65,823	59%
	Total	**984**	**111,249**	
3UA	North	–	14,553	13%
	Mid	525	37,399	34%
	South	459	59,297	53%
	Total	**984**	**111,249**	
4UA (Rochford)	North West	525	33,916	30%
	North East	–	11,510	10%
	Central	–	6,526	6%
	South	459	59,297	53%
	Total	**984**	**111,249**	
4UA (Thurrock)	North West	–	3,043	3%
	North East	–	11,510	10%
	South West	525	47,423	43%
	South East	459	49,273	44%
	Total	**984**	**111,249**	
5UA	North West	525	33,916	30%
	North East	–	11,510	10%
	Central	–	6,526	6%
	South West	–	18,723	17%
	South East	459	40,574	36%
	Total	**984**	**111,249**	

Dedicated Schools Grants High Needs Block deficit forecasts

By 2028/29 there will be a collective funding deficit of close to £280m across the Greater Essex Dedicated Schools Grant (DSG) High Needs Block (HNB) related to the escalating costs of supporting pupils with Special Educational Needs and Disabilities (SEND). Table 23b below shows the projected deficit position across the five modelled configurations, and how this compares to forecast reserve levels. Essex County Council's deficit has been disaggregated across the district areas based on latest service drivers.

Table 23a: Projected DSG deficit allocation across Greater Essex

Council	Forecast deficit allocation 2028/29 (£'000)
Basildon	£32,000
Braintree	£26,300
Brentwood	£13,200
Castle Point	£16,200
Chelmsford	£29,200
Colchester	£32,300
Epping Forest	£16,800
Harlow	£17,600
Maldon	£7,400
Rochford	£11,900
Tendring	£27,400
Uttlesford	£12,800
Southend-on-Sea	£4,000
Thurrock	£31,780
Essex total	**£278,880**

Table 23b: Projected DSG deficit position across the five modelled configurations

Option	Unitary	Total projected DSG HNB deficit £000	Forecast reserves closing balance 2028/29 £000	DSG deficit as a % of reserves
2UA	North	169,800	532,672	32%
	South	109,080	410,332	27%
	Total	**278,880**	**943,004**	**30%**
3UA	North	98,800	305,687	32%
	Mid	84,200	264,616	32%
	South	95,880	372,701	26%
	Total	**278,880**	**943,004**	**30%**
4UA (Rochford)	UA1	86,000	253,814	34%
	UA2	47,200	154,980	30%
	UA3	61,700	195,991	31%
	UA4	83,980	338,219	25%
	Total	**278,880**	**943,004**	**30%**
4UA (Thurrock)	UA1	68,300	218,744	31%
	UA2	67,100	210,821	32%
	UA3	79,380	201,263	39%
	UA4	64,100	312,176	21%
	Total	**278,880**	**943,004**	**30%**
5UA	North West	47,200	154,980	30%
	North East	86,000	253,814	34%
	Central	49,800	161,509	31%
	South West	63,780	144,650	44%
	South East	32,100	228,051	14%
	Total	**278,880**	**943,004**	**30%**

The table above demonstrates that as the number of unitary authorities increases, the range of DSG deficits as a percentage of reserves widens, therefore increasing the risk of a funding shortfall for those where the percentage is higher (This is explained in the next paragraph). In the three unitary configuration, the South unitary benefits from the comparatively lower forecast deficit relating to Southend. This is also seen in the South East unitary in the five unitary model.

The April 2028 potential vesting day for new unitaries coincides with the end of the Government's latest statutory override extension. The temporary statutory override allows local authorities to hold deficit DSG reserves and essentially exclude these from their main revenue accounts. This means that the deficits don't immediately impact the council's overall financial health, preventing potential insolvency. Although the Government is suggesting that these deficits should not impact overall financial health, external auditors have been red RAG rating authorities that do not have reserve levels available to cover any deficit value, believing that the risk of the Government not funding these deficits in the future is too great. If there is no permanent solution from Government to funding the deficit, it is important for councils to be resilient to deal with the potential financial exposure, including setting aside specific general fund reserve balances. This means reserves being maintained at healthy levels and not being drawn on outside of existing plans.

Overall financial comparison

In arriving at our recommended reorganisation option, we have carried out analysis on the two unitary, three unitary, four unitary (Rochford model), four unitary (Thurrock model) and five unitary options on the following basis:

1. the total net benefit that could be achieved after one year;

2. the total net benefit that could be achieved after five years;

3. the payback period in years for achieving this position.

The financial model considers the benefits of aggregation, transition costs and disaggregation costs associated with the relevant options. The financial model used to determine the relative benefits of potential models, and to understand the period over which transition/set-up costs would be recovered via benefits is mapped below. A distinction is made between "reorganisation", which delivers the new governance model to achieve "safe and legal" and "transformation", which calculates additional benefits unlocked by the new arrangements when in place, followed by a specific focus on Public Service Reform (PSR). The opportunity to consolidate from 15 existing local authorities to fewer new organisations offers the immediate reduction in assessed duplication present in the current system. Such a reduction will necessitate fewer councillors and senior managers, smaller support functions, fewer office bases and IT systems than the current structure or most alternative structures. Therefore, the configurations would provide significant efficiencies from economies of scale. Reorganisation also presents an opportunity to simplify service provision, which would lead to savings arising from the rationalisation of services and delivery staff currently being provided across a two-tier model.

We have examined the following scenarios:

1. Local Government Reorganisation only (summarised above);

2. LGR and transformation (base case);

3. LGR Transformation and Public Service Reform (stretch case).

Our analysis

Our analysis suggests that a move to a three unitary model would incur a net cost of **£55m** for a first full year (after allowing for £74m of one-off transition costs); and deliver **£86m** as a total net benefit after five years with a payback period of 2.7 years. This would be solely as a result of local government reorganisation.

Table 24: Comparison of the financial impact of LGR for each UA model after one and five years

	Number of unitaries			
	Two (£m)	Three (£m)	Four (£m)	Five (£m)
Annual recurring reorganisation benefit (post phasing of benefits)	41	38	31	28
Disaggregated Benefit / (Cost)	13	–	(13)	(25)
One-off Transition Costs	(60)	(74)	(89)	(105)
Total Net (Cost) Benefit After 1 Year	(33)	(55)	(87)	(117)
Total Net (Cost) Benefit After 5 Years	167	86	(21)	(114)
Payback Period (Years)	1.8	2.7	6.1	53.6

As referenced throughout, the three unitary model does not provide the highest recurring annual net benefit of the options evaluated; the two unitary model does. However, by year five, the total net benefit would be £86m as compared to a net cost of £21m for four unitaries or a net cost of £114m for five unitaries. The net benefit associated with three and more unitary options is lower than two unitaries because Southend and Thurrock

Councils have, to some extent, already delivered some of the financial benefits associated with becoming a unitary authority. It also reflects that it costs more to establish and run a greater number of new councils than it does to establish and run fewer.

This modelling makes no assumptions about the financial impacts of the creation of a Mayoral Combined Authority.

Two unitary model financial summary

A two unitary model would achieve the highest total net benefit of £167m after five years with the shortest payback period of 1.8 years, due to the comparatively low transition costs and net benefits assumed in disaggregation due to moving from three to two upper tier local authorities (UTLAs). However, delivery could be complex, and both population sizes would make it difficult to meet the other criteria for LGR set out by MHCLG. This is explained in detail through our earlier Options Appraisal chapter.

Three unitary model financial summary

The three unitary model achieves the second highest total net benefit of £55m after five years and the second shortest payback period of 2.7 years. This option includes the two existing unitary authorities within one new unitary and creates an additional two unitary authorities, meaning the net disaggregation costs and benefits are assumed to be nil.

Four unitary models (Rochford and Thurrock) financial summary

Neither four unitary model provides a net benefit after five years; they both incur a cost of £21m; with a payback period of 6.1 years. The requirement for an additional upper-tier authority is assumed to incur an annual disaggregation cost with lower aggregation benefits arising than in the two and three unitary models due to greater duplication and fewer opportunities for efficiencies being anticipated.

Five unitary model financial summary

The five unitary model does not provide a net benefit after five years; it incurs a cost of £114m and does not payback within 20 years without the delivery of additional transformation or public service reform benefits. This is due to the cost impact of establishing two additional upper-tier authorities which significantly reduces the potential opportunities for efficiencies when compared to all other options considered.

Reorganisation benefits

The major permanent aggregation benefits are derived through the amalgamation of district council service delivery, particularly in relation to reduced levels of management overhead, wider geography enabling more streamlined service delivery, and the opportunity to reduce procured contractual spend through increased purchasing power.

Therefore, the model assumes that the fewer unitaries there are, the greater the level of savings that could be achieved. The model has focused on seven areas of activity:

- Staffing – senior leadership costs;
- Staffing – front office staff;
- Staffing – service delivery staff;
- Staffing – back office staff;
- Democracy – elected members;
- Property running costs;
- Contracted third party spend.

No assumptions have been made about potential capital receipts benefits arising from asset rationalisation as it is unclear what investment would be required to achieve estate reorganisation; and considering applying capital receipts to pay down debt or reduce additional borrowing requirements will have to form part of the substantive debt analysis that will be required through transition.

Table 25: Summary of the opportunity and key drivers for reorganisation benefits

	Number of unitaries				
	Two £m	Three £m	Four £m	Five £m	Benefit driver and methodology
Staffing					
Senior leadership costs	20	15	15	15	Efficiency-driven percentage reductions have been applied to front office, district service delivery, and back office FTE to reflect savings from eliminating duplicate roles and streamlining operations. Senior leadership reductions, including the removal of duplicated posts and associated on-costs, contribute to additional financial benefits. Greater economies of scale are expected in the two and three-unitary models, leading to higher percentage reductions, whereas the four and five-unitary models achieve fewer efficiencies due to a more fragmented structure.
Front office staff	4	3	2	1	
Service delivery staff	1	1	0	0	
Back office staff	3	2	1	0	
Total staffing benefits	28	21	19	17	
Democracy					
Elected members	7	6	6	6	Democracy benefits are based on the number of district councils involved in the analysis, and the cost per vote cast in most recent elections. A two to five unitary council model will require fewer councillors, therefore a saving can be made in terms of the base and special responsibility allowances paid to elected members.
Property					
Property running costs	4	2	2	1	A percentage reduction has been applied to the property baseline to provide the estimated benefit of a consolidated property portfolio through shared occupation, reduced duplication of office locations and more efficient use of space. The potential to rationalise and use office spaces more effectively and innovatively is increased in a two or three unitary authority scenario compare to a four or five unitary authority scenario.
Contracted spend					
Contracted third party spend	15	9	5	4	The assumed reduction in contract spend through procurement or commissioning opportunities arising from consolidation and procuring at scale increases as the number of unitary authorities decrease.
Total benefits	**53**	**38**	**31**	**28**	

Disaggregation costs

These are incurred where county services are split into new councils and are an ongoing cost of duplicating leadership and operational delivery, but do not include the cost of services delivered. In both the four and five unitary options, additional Upper Tier Local Authorities (UTLAs) are required compared to the current Greater Essex configuration requiring the need to replicate county-level services across additional unitary areas. It is assumed that this will result in additional costs to provide the structures needed to safely and legally deliver these services (but excludes the cost of commissioned or provided services). These include:

- additional senior leadership teams to manage the new unitary authorities and are estimated based on existing top three tiers of management within existing councils in Greater Essex;

- further disaggregating services currently provided at county level, which will require additional FTE to effectively lead and support high-quality outcomes. The amount of effort used in service delivery management and supervision has been used as a proxy to estimate the size of the increase required under the new unitary authorities;

- the final assumed disaggregation cost is the representative democratic structure and has been estimated as an additional requirement in the new unitary authorities.

A summary of the assumed disaggregation costs is set out in Table 26 below. As set out in the reorganisation benefits section above, in the two unitary option, as the number of authorities is expected to reduce, an equivalent cost reduction is assumed of £12.7m, which is reflected across the benefits set out in Table 24.

Table 26: Estimated disaggregation benefits/(costs) of reorganisation

| Disaggregation costs | Number of unitaries | | | |
	Two £'000	Three £'000	Four £'000	Five £'000
Senior leadership	0	0	(3,312)	(6,624)
Service delivery	0	0	(8,950)	(17,900)
Democratic structure	0	0	(445)	(891)
Total ongoing disaggregation benefits/(costs)	**0**	**0**	**(12,707)**	**(25,414)**

Note: The four unitary option forecasts the same net disaggregation costs for both the Rochford and the Thurrock models

Transition costs

Transition costs occur predominantly in the first year of the new council's existence and are thus profiled entirely against Year 1, although some may actually be incurred through Year 0 – the shadow year. These costs are generally expected to be one-off, as they relate to the closure of the current councils within Greater Essex and the establishment of the new unitary authorities. Cost estimates have been informed by analysis of local government reorganisation costs experienced in other local authorities and generally increase proportionately with the number of additional new authorities being established

The most significant set-up costs are in relation to information and communication technology (ICT), with an assumed base cost of £30m, increasing by £10m per additional unitary authority. This cost reflects the challenge of establishing the required cyber, digital, data and technology functions to support the effective, safe and legal operation of the new unitary authorities. The scale of investment required has been informed by lessons learnt from other organisations, adjusted to reflect the scale of Greater Essex (over £50m annual ICT contract spend and in excess of 600 unique software systems). The new unitaries will be inheriting a complex landscape of ICT solutions and the investment set out in table 27 is expected to ensure implementation of the base platforms from which the new councils can seek to deliver the transformational change and public service reforms considered further in the next section.

The ICT transition costs may be impacted by whether there is opportunity to transform systems as the new unitaries form – which may assist in reducing costs and releasing benefits earlier. However, as there is greater risk in this approach due to the scale of change required, this proposal has assumed that transformation and public service reform savings will follow the establishment of stable core solutions for, and within, the first year from vesting day.

It is assumed that the cost of reorganisation will increase depending on the number of new unitaries created. This is due to the assumption that each additional council will require the same core systems implemented for vesting day – to, for example, ensure payment of staff, suppliers, and service users; to receive and account for payments made to the new authorities; to manage social care cases; and to ensure the correct and safe management of data and assets.

The costs have been benchmarked against other LGR business cases and reflect lessons learnt from elsewhere, which have indicated a tendency to underestimate the cost, time, and resource implications for the full transitions to new unitaries in a "safe and legal" way. Additionally, in reviewing the current and recent experience of ECC in implementing upgrades or replacements of core IT systems, the estimated costs in this proposal are a reasonable assessment.

In the LGA research report "Local government reorganisation: Cyber, digital, data and technology considerations", May 2025, findings from interviews with officers in 17 councils, including eight of the nine unitary authorities newly created since 2019, highlight that:

- increases in licensing costs were reported, due to adopting more scalable software and latest versions to offer greater resilience, security and the opportunity to modernise,

- splitting existing larger systems can incur substantial costs,

- unexpected costs arose from the need to fill resourcing gaps and bring in external consultants for programme management support,

- unbudgeted IT costs emerged due to the need to remediate differences in IT solutions across councils and the loss of previous cost-saving strategies,

- splitting or merging contracts often resulted in higher costs than anticipated,

- the need to archive old systems to retain access to data for reporting purposes and migrating data incurred high expenses, and
- transformation budgets for the new councils were often insufficient with transformation funding identified in the business case having to be utilised to bring consistency to infrastructure and devices and all councils to the same level of infrastructure maturity.

A key risk with respect to ICT requirements, apart from sufficient investment funding, is ensuring that sufficient time and capacity across the 15 councils and respective solution suppliers is available to support the implementation of the necessary changes required for vesting day. This may require running some solutions concurrently, which will also form part of the overall implementation costs set out above.

Table 27: Estimated transition costs for reorganisation

| Estimated Transition Costs | Number of unitaries | | | | Rationale |
	Two £m	Three £m	Four £m	Five £m	
Organisation Closedown	(0.6)	(0.9)	(1.2)	(1.5)	Costs involved with legally and financially closing down councils and creation of sound budgetary control systems
Public Consultation	(0.4)	(0.5)	(0.7)	(0.9)	Costs assumed for adverts in local media and surveys to consult public on proposed changes
ICT Costs	(30.0)	(40.0)	(50.0)	(60.0)	Costs reflect phased system migration and scaling complexity, factoring in reporting changes, security, licences, data migration, and cloud transition costs
Shadow Chief Exec/ Member Costs	(0.6)	(0.9)	(1.2)	(1.6)	Costs of establishing and running a shadow leadership team ahead of a new unitary authority taking control
External Support	(8.1)	(11.2)	(14.0)	(16.9)	Costs for external communications, branding, external implementation support for creation of the new council
Internal Programme Management	(2.9)	(3.8)	(4.8)	(5.7)	Costs for long-term programme management requirements
Redundancy and Pension Strain	(11.2)	(8.6)	(7.8)	(7.3)	Costs assumed for redundancy and pension strain for reduction in senior management roles required in new unitary authorities
Contingency	(5.9)	(7.8)	(9.7)	(11.6)	Provision for extra expenses potentially incurred through reorganisation
Total Transition Costs	**(59.7)**	**(73.6)**	**(89.4)**	**(105.5)**	

Note: The four unitary option forecasts the same net transition costs for both the Rochford and the Thurrock models

Phasing of Costs & Benefits

For all models these are phased over three years to indicate the relative timescales over which some aspects of delivery will occur (e.g. ongoing programme of cost reductions, next election date, various contract end dates for third party spend).

Table 28: Phasing of costs and benefits of reorganisation

	Year 1	Year 2	Year 3	Year 4
Benefits	50%	75%	100%	100%
Disaggregation costs	100%	100%	100%	100%
Transition costs	100%	–	–	–

Reorganisation benefits are modelled over three years to account for the period of transition and the complexities of achieving some aspects of cost reduction and efficiencies.

Additional benefits that could be achieved through Local Government Reorganisation

So far, we have set out the financial case for reorganisation alone. We believe there is more that should be done and we believe there is further opportunity to transform the new unitaries both internally and within the wider system. We have modelled two further financial cases Transformation and Public Service Reform, which are described below:

- **Transformation** – following reorganisation, teams and organisations will be brought together in new ways, creating opportunities for redesigning how support services are delivered; productivity is improved through leaner processes;

automation is accelerated; and further rationalisation of systems and AI is pursued. This will happen alongside renegotiating and refining contract requirements to enable more efficiencies across the back office and spend with third parties. Benefits typically derive from two areas: from a reduction in FTE in key areas of the business resulting in a release of employee salary and oncosts, and from third party spend;

- **Public Service Reform (PSR)** – this area of activity is based on opportunities for much wider whole system reform, not only across local government, but also across the NHS and other public services, centred on the 2035 ambition attached to our seven thematic areas. Savings of this type will likely be focused much more on the medium to long term, and we have used the IMPOWER assessment to guide the potential scale of savings that could be delivered.

Total benefits

Table 29: Total costs and benefits after seven years including transformation and public service reform savings

	Number of unitaries			
	Two £m	Three £m	Four £m	Five £m
Annual reorganisation benefits	53	38	31	28
Annual transformation benefits	31	28	25	22
Annual public service reform benefits	38	30	17	8
Annual net disaggregation costs	0	0	(13)	(25)
Total ongoing annual net benefits/ (costs) after seven years	**122**	**96**	**60**	**32**
Total implementation costs	**(167)**	**(188)**	**(212)**	**(235)**
Cumulative net benefits / (costs) after seven years of new organisations including implementation costs	**391**	**276**	**64**	**(109)**
Payback period within seven years post go live	**2.5**	**3.8**	**5.9**	**Does not payback in 7 years[1]**

---

1   Payback in 9.9 years for the five UA option assuming costs and delivery of benefits are as assumed in the table above

Our proposal for three unitaries offers the opportunity to mitigate the annual budget gap by £38m per year from reorganisation alone, with further prudent financial benefits possible through transformation and public service reform totaling £58m per year. The £96m per year ongoing benefit is £64m per year greater than a five unitary model and could resolve the residual £36m 2028/29 budget gap. However, it should be remembered that full benefit will not start to be achieved until after year four of the new unitaries existing, over which time the budget gaps will have widened further unless there have been significant increases in funding streams.

Profiling of benefits and costs for transformation and public service reform

In modelling the impact of both costs and benefits, assumptions have been made as to the relative phasing, similar to the phasing approach applied for reorganisation benefits set out in Table 28 above. This allows the impact of "one-off" costs to be incorporated, along with ongoing longer term costs which occur in the two, three and four unitary models. Appendix M sets out the assumed phasing and rationale of the costs and benefits of transformation and PSR for each model, plus the scaling applied to allow for changes in the value of costs or benefits realised depending on the number of unitary authorities.

Sensitivity analysis

Sensitivity analysis has been undertaken to provide assurance that the cost and benefit assumptions set out in Table 29 are robust. Any change in the assumed costs or benefits will impact on the calculated payback for each unitary option. Increased costs, delay in implementation or reduced benefit realisation will also impact on the cashflow position for the authorities. This may result in a delay in the delivery of some transformation or public service reform initiatives until sufficient funding is available to meet the required implementation costs.

The analysis is set out in Appendix M and indicates that a plus or minus 10% reduction or increase in costs or benefits will impact the payback for each option by six months or less for each unitary model, with the exception of the five unitary model where, due to higher anticipated costs and a longer payback, the impact on payback is approximately 1.3 years.

When reorganisation costs and benefits alone are considered, a similar movement in payback is seen for two, three and four unitary models. However, as the overall estimated annual benefit, once realised, is so low for the five unitary model, the position is more sensitive to a movement in costs and benefits – a 10% movement either reduces the payback position positively, although it still exceeds 20 years, or results in a net cost ongoing and does not payback. This highlights, for the five unitary model, the significance of the requirement to implement the transformation and public service reform savings to secure future financial resilience; but analysis indicates that of the options modelled, the five unitary model has the least capacity to implement these at the scale required. For models two to four, while this analysis does not indicate a significant concern with respect to overall sensitivity, it does highlight the need to monitor any variance to the assumed position through delivery to mitigate any risks arising to the financial stability of the new unitary authorities.

Council tax harmonisation

A further consideration for ensuring financial sustainability of the new councils is the level of council tax income they require, and how this affects what residents will be required to pay in the future. Currently council tax band Ds differ across Greater Essex. As part of reorganisation, the combined current council tax band Ds for district and borough councils and Essex County Council will need to be harmonised to a single set of charges for each unitary within seven years of vesting day. Greater Essex is a low tax system with a strong taxbase and good collection rates, yet unitarisation could potentially improve efficiency and effectiveness further. We see current best practice in the system sitting with Thurrock and a number of district councils across Essex where some of the best collection rates in the country are demonstrated. See Appendix M.

The new unitary authorities will need to decide how to harmonise council tax for their areas. Modelling has been undertaken to illustrate the options. Until rates are harmonised in an area, there will be a degree of difference in the increases to council tax between the districts and boroughs in each new unitary area. New unitary authorities may choose to harmonise over a longer period in order to limit increases in areas where current council tax bands are lower. It is important to note however that the longer the time period over which harmonisation is completed, the greater the reduction in income available to fund vital services and there will be a longer period of operating multiple or more complex council tax payment solutions which may delay realisation of benefits associated with alignment of systems.

Analysis indicates that due to the variation in the current Council Tax band D amounts across the Greater Essex geography, there is a cost risk to all new unitaries of harmonisation; for example, if Council Tax is harmonised in the first year of the new unitary council to the value of the lowest former constituent

council's band D amount, when assuming the maximum allowable increase, the potential income loss across the Greater Essex system could be c. £27m – if Council Tax increases are set above the lowest Band D amount, some residents will experience an increase above the maximum threshold. While harmonising over up to seven years will dampen this impact, this creates more system complexity and perceived unfairness by residents paying differing amounts for the same services. If no additional funding is allocated by

Government to mitigate for the financial impact of harmonisation, the new councils will need to look to repurpose reorganisation savings or reserves that might otherwise have been used to support the implementation of transformation and public service reform opportunities. This is a risk to the realisation of the full savings identified and the timescales for bringing forward the transformation and public service reform benefits that will require pump-priming investment to enable these to be delivered.

Table 30: Analysis of the potential impact on Council Tax income of harmonisation

Unitary model	CT rate harmonisation	Council Tax Income Forecast 2028/29 £	Difference compared to current status quo 2028/29 £
3 unitaries	High case (UA weighted average)	£1,461,001,457	£0
3 unitaries	Low case (lowest CT rate per unitary)	£1,434,306,345	(£26,695,111)

Pay Harmonisation

Pay harmonisation is the process of unifying pay and benefits across different groups of employees. It aims to create a single, consistent pay structure and set of benefits for all employees, regardless of their previous employment terms. Under Transfer of Undertakings (Protection of Employment) (TUPE) legislation it is not legal to make changes to terms and conditions unless there is an economic, technical or organisational (ETO reason) which involves a change in the workforce. Although TUPE does not apply to transfers within the public sector, the principles of TUPE do apply (Staff Transfers in the Public Sector, Statement of Practice January 2000 (Revised December 2013)). In addition, our understanding is that local authorities who have been through LGR have applied the principles of TUPE in any transfer of staff.

There are roles within current structures which we anticipate may not be a straightforward transfer of work and where TUPE principles will not apply – largely within senior leadership roles. Where this is the case and there are new senior leadership roles in the new unitary authorities, the pay and terms and conditions of these roles are determined by the new councils. In determining appropriate salaries for these new roles, some type of job sizing is required, which would then map across to a pay scale or market benchmark in order to establish an appropriate salary, usually taking account of the relative position in the market to ensure those with the required skills, experience and expertise are attracted to the role.

As an example, one of the most common roles across the Greater Essex system is a social worker. We do not anticipate that future pay for these roles will be affected by the number of authorities, as they would be assessed in a pool of workers with the same range of pay and will be compared across the peer group for the role, no matter how many authorities that are created.

Until new organisation people structures are designed, it is not possible to be precise about the overall comparative number and cost of roles, but it is reasonable to assume that the cost would be broadly similar across either fewer, larger roles, or more, smaller roles.

It is for the reasons above that we have assumed that the impact of pay harmonisation would be cost neutral at this stage and the number of unitaries makes no material difference to the overall expenditure.

Essex Pension Fund

Essex County Council is the administering authority for the Essex Pension Fund. Through the transitional period a decision will need to be made how this is best managed in the future. This could be completed by one unitary taking on the future administration but a full options appraisal will be necessary. No assumptions have been made around this in our modelling.

Funding Reorganisation and Achieving Sustainability

The funding models above make the assumption that Greater Essex will be able to fund the one-off costs of LGR implementation, which are substantial at £74m for the three unitary recommended model (and are significantly higher for the four and five unitary models). To achieve the additional £58m per year potential from transformation and PSR will require a further one-off investment of £114m. We are seeking a significant contribution from government towards the initial £74m of costs to avoid any financial disruption to Greater Essex. If such funding is not forthcoming, it is anticipated at this stage that this will be funded collectively from revenue reserves and be replenished over the 2.7 years of payback. This means that the cashable benefits over that period will not be available to contribute to budget planning gaps or for investment in transformation or PSR. However, in order to deliver on our ambition of further transformation and PSR, strong reserves balances will be essential to allow for the costs of development and change. This becomes a much higher risk in a four or five unitary model where existing reserves will be much more thinly spread.

The following collective cash flow forecast across all three unitaries in Table 31 sets out how budget gaps (including Thurrock debt management impact), implementation costs and SEND deficit risk could be managed over the first seven years of the new councils taking account of the full potential benefits from reorganisation, transformation and PSR, totalling £96m by 2034/35. This also highlights why the maintenance of adequate reserves is critical due to the number and value of risks identified – see Table 31.

Table 31: Collective cashflow for the three unitaries

	Prior to and during 2028/29 £m	2029/30 £m	2030/31 £m	2031/32 £m	2032/33 £m	2033/34 £m	2034/35 £m
Implementation costs							
Reorganisation	(74)						
Transformation		(31)					
Public Service Reform				(84)			
Total implementation costs	**(74)**	**(31)**	**–**	**(84)**	**–**	**–**	**–**
Benefits (see note 1)							
Reorganisation	19	28	38	38	38	38	38
Transformation		14	28	28	28	28	28
Public Service Reform				8	15	23	30
Total net benefits	**19**	**42**	**65**	**73**	**81**	**88**	**96**
Net contribution to / (from) reserves	**(55)**	**11**	**65**	**(11)**	**81**	**88**	**96**
Forecast reserves impact							
Unallocated reserves	148	93	104	169	159	239	328
Residual balance of unallocated reserves	**93**	**104**	**169**	**159**	**239**	**328**	**424**

Table 32: Risks that demonstrate the need to maintain a safe level of reserves

Key Known Risks	£m
Collective existing budget gap due to service pressures (including £33m to finance Thurrock residual debt) is not addressed for 2028/29	(55)
Dedicated Schools Grant deficit	(279)
Council Tax harmonisation	(27)
Risk that Government do not fund 50% of the Thurrock stranded debt	(33)
Reserves are depleted before 2028/29	Unquantified
Risks that the MTRS budget gap is higher than currently projected	Unquantified
Risk of higher than forecast Implementation and Transition costs	Unquantified (see Sensitivity analysis)
Total quantified risks	**(394)**
Forecast balance of earmarked reserves in 2028/29 that may be required to be repurposed to support risks arising	**710**

Notes to Tables 31 and 32

1. Transformation and Public Service Reform Benefits are estimated net of any new ongoing costs arising as a result of the benefits being implemented

2. Assumes delivery of budgeted MTRS savings to 2028/29

3. Assumes that reorganisation costs will be incurred fully prior to and during year one of the new organisations - should this not be fully delivered within this timescale it may result in slippage both in terms of costs and benefits; delay may also impact on the start of any transformational or PSR changes

4. The above cashflow reflects an aggregated position across the three unitary authorities, however, the actual position is likely to be experienced differently across the three authorities as the South unitary will be combining the functions of the two existing UTLAs of Southend-on-Sea and Thurrock, plus a proportion of the ECC functions and the other two unitaries will be splitting the functions of ECC (as well as the impact of combining the existing district councils) - it is assumed that there will be ongoing costs and benefits arising from reorganisation that across the system will net themselves off, but the impact across the respective new unitary authorities may not - this risk will need to be actively monitored as transition to reorganisation progresses - this risk is assumed to increase if a greater number of unitary authorities are established

5. Assumes that Government provides no contribution towards implementation costs

6. Assumes that any other pressures arising (known or unknown) are managed through alternative savings plans

7. The total quantified risks exceed the residual unallocated reserves, therefore the fallback position will be to use earmarked reserves, and an assessment of the implications of that would need to be undertaken at the time

8. In terms of this cashflow, if none of the additional risks come into fruition, the unallocated reserves would be repaid by 2031/32

Financial Risk Assessment

The Greater Essex system is under collective financial pressure, as is demonstrated through existing MTRS models that forecast a budget gap of £55m in 2028/29 alone. This is on the basis that £238m of sustainable solutions are achieved over the next two financial years. This modelling only reflects what is known or anticipated today. MTRS assumptions are mid-range and subject to change and our high-level sensitivity analysis has demonstrated how small movements in delivery times or implementation costs can impact payback periods.

There is a real risk that the 15 local authorities will be consumed with transitional preparations for LGR to such an extent that planned transformational savings intentions could be hampered between now and vesting day, resulting in temporary solutions being put in place to achieve balanced annual budgets.

Examples may include drawing on reserves or short-term grants to plug any gaps. If this were to happen there will be additional financial burdens for the new unitary authorities from day one. This demonstrates why transparency and strong oversight of financial commitments outside of current budget plans and decision-making will be essential throughout implementation.

Local government is currently waiting on the government's decisions on the Fair Funding Review following responses to the consultation over the summer. Work with the County Councils Network and Pixel Consulting has demonstrated variable impacts in terms of the likely outcome for Greater Essex. There have been some £17m of assumed funding reductions built into MTRS positions to take account of possible Fair Funding impact, however, there is no certainty that modelling will reflect the final position, therefore, there is a potential risk and opportunity in relation to this.

In addition to the risks associated with Thurrock debt (modelled £33m annual revenue impact); the need for a more detailed and substantial total debt assurance review; and council tax harmonisation already mentioned in this chapter, there is a further financial risk in relation to social care delivery. We have set out in detail on pages 140-154, that if Essex County Council's current children in care performance levels were at the levels of our statistical neighbours, then the cost to the Greater Essex system would be an additional £114m year. This could easily be a reality if LGR implementation were to negatively impact current performance.

All of the above is set also in the context of the national external audit issues that mean the majority of Greater Essex authorities have been issued with disclaimed audit opinions for the last financial year, due to the lack of work able to be completed by auditors, and many have not had a full audit concluded for multiple years. This brings greater uncertainty and limits confidence in the reported financial positions of each organisation and may result in unexpected findings as we work through LGR implementation.

The three unitary model is less complicated to implement than four or five unitaries and should minimise the significant risks and avoid cost escalation. Moreover, increasing the number of unitary authorities risks undermining value for money, creating costs beyond our modelling. Smaller authorities lose the benefits of scale, including purchasing power and operational efficiency.

It is the aim of this proposal that each of the three new unitaries will be able to set a sustainable budget from year one and be in a position to invest in wider transformation and public service reform if they maximise the financial opportunities that our modelling suggests will be available to them.

From Strong Financial Foundations Through Transformation to Public Service Reform

"We want to make reform and prevention the default setting in Local Authorities across England, supported by Strategic Authorities. We want to see the cycle of system failure ended, with better aligned public services delivering better outcomes"

English Devolution White Paper, p97

Our approach to transformation and public service reform

Local Government Reorganisation cannot just be about reducing the number of councils while carrying on delivering public services in the same way as they are today.

Rather, transformation and public service reform are at the heart of the LGR journey because:

- our residents tell us that LGR is not an end in itself but rather a means to delivering better and more efficient services. In our survey of Greater Essex residents, 85% tell us that they will support LGR if it enables the delivery of better services;

- significant reform of public services is needed to address rising demand pressures and to achieve better outcomes across the system of public services. This requires shifting to service models that are more joined up across the system, more preventative, more community led, and more digitally and data enabled;

- these reforms are also very much at the heart of the Government's national public service reform agenda. This is reflected in the NHS 10 Year Plan, which is shifting the NHS to a much more preventative and community-based model. It is also reflected in the Government's Test, Learn, and Grow PSR programme, for which Essex is one of the pilot areas;

- by reducing the number of councils and bringing services together under one roof, LGR enables the integration of public services that have previously been delivered separately; the streamlining of processes; the rationalising and reimagining of the public sector estate; a more joined up approach to customer service; the re-imagination of support services to make them more effective and efficient; and

- we also know that the world around us is changing fast – in particular, data analytics and AI are rapidly evolving and have the potential to transform the productivity of public services and the user experience. The public rightly expect service delivery and customer contact to make use of the benefits of new technologies, while also ensuring that appropriate safeguards, including data protection, continue to be applied.

There are three levels of change that we need to plan for.

1. Local Government Reorganisation;

2. Local Government Reorganisation and transformation (base case);

3. Local Government Reorganisation, transformation and public service reform (stretch case).

We have worked with colleagues across the Essex system and with IMPOWER to explore the potential for transformation and PSR within the context of LGR. The table below summarises the high-level definitions, service benefits, and savings associated with each of these elements in our three cities model.

Table 33: Definition, service benefits and savings associated with the three cities model

Element	What it means	Benefits for service users	Estimated savings in three cities model
Local-Government Reorganisation	Abolishing two-tier local government and creating a smaller number of unitary authorities.	There will be greater transparency and accountability. The public will only have one council to deal with and will therefore be able to access information and services more easily.	£38m a year
Transformation	Pressure remains in the system regardless of LGR so it is fundamental to a successful LGR outcome that transformation remains a focus for councils to deliver on their MTRS proposals up to and beyond vesting day. Teams and organisations will be brought together in new ways, creating opportunities for redesigning how support services are delivered; productivity is improved through leaner processes; automation is accelerated; and further rationalisation of systems and AI is pursued. This will happen alongside renegotiating and refining contract requirements to enable more efficiencies across the back office and spend with third parties and to avoid paralysis in the new organisations of having to renegotiate lots of contracts on day one.	Early help and prevention will remain a key driver for managing demand across social care services. Services will be leaner, more agile and more digitally enabled, making them more responsive to user needs. They will also be more user centric as a result of embedding co-production and service design principles. Continuity of services will be assisted by having reviewed and stabilised third party spend and commissioning, so new unitaries are not overwhelmed by contract negotiations.	£28m a year
Public service reform	This area of activity is based on opportunities for much wider whole system reform, building on existing transformation creativity and capacity not only across local government, but also across the NHS and other public services, centred on the 2035 ambition attached to our seven thematic areas. Savings of this type will likely be much more medium to long-term focused.	Services will be more joined up across the system so people won't have to engage with multiple agencies operating in a siloed way. Services will be more preventative and community-based, so people will find it easier to get help earlier and closer to where they live. Digital technology will enable services to be developed to be universally accessible.	£30m a year

These savings estimates are based on prudent assumptions at this stage and may be more cautious than some other LGR business cases are putting forward. These relatively cautious savings figures do not reflect a lower level of ambition for transformation and PSR. On the contrary, as this section sets out, we have a high level of ambition on this agenda, but we also have to be prudent and realistic about what can be achieved in financial savings especially in the early years of new authorities. Caution is particularly appropriate at this stage because:

- there are no low-hanging fruit anymore that can easily deliver significant savings. Local government has been focused on transformation and efficiency for the last 15 years and in many areas we are operating at the limit of what can be achieved within existing systems – an example being Essex County Council's children's services, which is already one of the most high-performing and most efficient in the country;

- experience from other places that have been through LGR is that just undertaking a "safe and legal" transition of key services is highly challenging and resource consuming; and as set out earlier in this document, the challenges of reconfiguring Greater Essex social care systems onto new footprints will be considerable even without adding in more social care authorities. This means that while we can and will identify early priorities for substantive transformation and PSR on top of a "safe and legal" transition, these will have to be tightly focused on what can realistically be achieved and what will have most impact; and

- the financial situation in the run up to vesting day in 2028 is also highly challenging. Just to get to the starting line with balanced budgets before financial year 2028/29, local authorities across Greater Essex are going to have to close a collective MTRS budget gap of £238m. Essex County Council alone has an ambitious savings target for its Transformation

Programme of over £45m before vesting day – that includes a focus on increasing the independence of adults needing social care, unlocking the best support for looked after children via quality foster care and optimising the opportunities presented by new and emerging technologies. Addressing this is going to require a collective effort and focusing of delivery capability.

Therefore, although it is right to be ambitious for the future of transformation and PSR; it is crucial to be cautious at this stage about the scale of financial savings that can be delivered through this agenda in the early years of new authorities on top of closing existing MTRS budget gaps and on top of delivering a safe and legal transition.

It is also an important principle that savings accrued from transformation and PSR should be available for reinvesting in further improving services and in addressing rising demand for critical services, rather than being relied upon to balance the books. New authorities and the services they deliver will be left highly vulnerable if alternative business cases are:

- making highly optimistic assumptions about the level and pace of savings that can be achieved through transformation and PSR, and

- then relying on those savings figures to cover the higher costs of creating and running a larger number of new authorities.

Our Ambition for Greater Essex

The work with IMPOWER and system colleagues has identified key areas of focus for public service reform under LGR and ambition statements for what we want to achieve by 2035.

Together these provide a clear and compelling vision for public service reform across new councils and the wider system:

Thematic area	2035 Ambition Statement	The Challenge to Address
SEND	By 2035, devolution and public service reform in Essex will have enabled us to build a joined-up SEND system where there is early intervention, parental confidence and inclusive support is delivered that helps every child thrive. Through LGR and PSR Essex will have built a joined-up SEND system where there is early intervention, parental confidence and inclusive support is delivered that helps every child thrive.	Today families can face slow and fragmented services; integration, partner collaboration towards shared outcomes and local accountability will mean seamless help, fewer crisis placements, and better long-term outcomes.
Waste and Recycling	By 2035, devolution and public service reform in Essex will have enabled us to deliver an effective, efficient and resident-focused waste system that drives up recycling, eliminates landfill, and supports a thriving circular economy.	Today, services are constrained by split responsibilities and fragmented accountability, reform will allow us to plan and invest strategically across boundaries, reduce costs, and meet national climate goals.
Homelessness	By 2035, devolution and public service reform in Essex will have enabled us to end chronic homelessness by investing in prevention, expanding supply, and delivering coordinated support rooted in place and community.	Today, people often fall through the cracks between services and councils competing for limited housing; future structures will align funding and commissioning to stop problems before they escalate enabling a focus on prevention.

Thematic area	2035 Ambition Statement	The Challenge to Address
Older Adults	By 2035, devolution and public service reform in Essex will have enabled us to support older people to age well in the communities they call home, through a fair and inclusive system, joined-up local support and technology enabled care, delivered by a resilient care workforce.	Today, care can be reactive, fragmented and under pressure. Integration will make it possible to further focus on prevention, wrap services around people, and ensure dignity and independence in later life.
Working Age Adults	By 2035, devolution and public service reform in Essex will have enabled us to support working-age adults to live independent, fulfilling lives – by embedding choice, inclusion and early support across a joined-up care system.	Today, many face barriers to social contact or support at an early stage. New arrangements will offer joined-up pathways to opportunity, inclusion and long-term wellbeing.
Children's Social Care	By 2035, every child in Greater Essex is supported to grow up safe, loved and thriving, regardless of their postcode or background. Children are co-producers of our services; their voice and lived experience are central to all decision making.	Today, strong cohesive multi-agency partnerships are sometimes the exception rather than the default. Partner collaboration towards shared outcomes will offer support to the whole family, open up new opportunities, and lead to better long-term outcomes for children and young people.
Transport	By 2035, highways and transport services across Greater Essex will be safe, efficient and responsive – supporting sustainable growth, connecting communities and delivering value for money through reliable, well-managed infrastructure.	Today, it is not always possible to optimise and integrate the system to deliver the outcomes our residents need. Devolution and local government reform create a unique opportunity to safeguard essential services, align local and strategic delivery, and build a more integrated and future-ready transport system across the whole Greater Essex footprint.

How the three cities model supports the delivery of our ambition

Almost any form of LGR – by bringing together services and reducing the number of councils from the current 15 in Greater Essex – will generate new opportunities for transformation and PSR.

However, different LGR configurations will have different impacts in creating the conditions for success and therefore in defining the scale of what can be achieved through PSR.

We have identified a number of conditions for success for transformation and PSR:

- **Financial stability and capacity** – this is important because it determines whether authorities have the financial capacity to invest in transformation and PSR and also the delivery capacity needed to implement it.

- **Economies of scale** – this is important because it enables greater productivity and efficiency; it creates benefits in procurement and market shaping; and it also supports workforce recruitment, retention, and development.

- **Place and locality focus** – this is important because PSR needs to empower communities and to be grounded in the needs and opportunities of different places. A top-down or one-size-fits-all approach to PSR cannot work regardless of the number and size of new unitaries.

- **Quality and consistency of leadership** – this is important because leading the operation and transformation of complex services like social care or homelessness is highly demanding. It requires excellent leadership to embed the right culture and practice and to sustain that over years and decades.

- **Integrated data, digital and technology** – this is important because data, digital, and technology are key enablers of transformation and PSR. These need to

be increasingly integrated both within and across organisations so that services can be delivered in a joined up way.

- **System working and collaboration** – this is important because public services need to operate as a joined up system around the needs of individuals and families. Effective collaboration helps to identify needs early and to support early intervention and prevention, rather than waiting until needs reach a critical level.

Against all of these conditions of success, our three cities model performs well. It creates well balanced authorities with the scale and financial capacity to invest in and sustain public service reform; it will create a much simpler system for new local authorities and partners like Health and the Police to work within; and our robust neighbourhood operating model will help to ensure that PSR is grounded in local communities.

By contrast, the four and five unitary models would create new authorities that are financially less viable and that will therefore struggle to sustain investment in PSR. Those models would reduce economies of scale and create a more complex system for collaboration. Moreover, by creating additional new social care, highways and public health authorities, these models will require new senior leadership teams to be recruited in these areas. Bearing in mind that experienced leaders in these areas are scarce resources in high demand, this creates a significant risk that the quality and consistency of leadership needed to sustain transformation and PSR in challenging circumstances will be weakened.

For these reasons, as set out earlier in the finance section, even on cautious estimates, the three cities model is capable of delivering higher levels of savings from transformation and PSR than the four and five unitary models.

Case study 13: waste

Greater Essex already performs strongly in waste and recycling, with the Essex system as a whole achieving high outcomes at a relatively low cost when compared to statistical neighbours.

A joint 30-year waste strategy provides a strong foundation for future planning. The strategy, based on national delivery requirements seeks to move further and faster, prioritising moving to a circular economy, applying the waste hierarchy, and increasing reuse and recycling.

Transformation is already underway. Essex councils are embracing the design and delivery of new waste and recycling service models, while undertaking groundbreaking work to better understand how we can overcome behavioural barriers to sustainable waste management.

However, the current two-tier system is inefficient, fragmenting waste collection across 12 Essex districts with differing levels of performance; and creating a divide between waste collection at the district level and waste disposal at the county level. Removing this fragmentation and increasing the performance of all current services to the level of the best performing will reduce waste levels, improve customer satisfaction, and also enable multi-million pounds of efficiency savings.

LGR opportunity	Outcome
Building and expanding on what works	Strong partnership ways of working and good practice are applied across the Greater Essex geography
Planning for growth and change	A service that is resilient to future requirements
Aligning and rationalising	An effective model for managing the collection and disposal of waste
Maintaining local responsiveness	An effective service that balances the benefits of scale with flexibility
Investment in innovation and green growth	Supporting a thriving circular economy
Acknowledge and overcome barriers	Waste and Recycling services are co-ordinated and aligned across Greater Essex

Better strategic alignment of waste collection with waste disposal will deliver significant benefits across Greater Essex, as will an increased scale for waste collection. We are however keen to further explore differing structures and approaches to ensure benefits are fully realised, such as joint working across unitaries and optimal scaling of differing waste functions. This recognises that certain non-place-based waste activity, such as waste disposal, may benefit from increased economies of scale operating across unitary boundaries. This could be done, for example, through a Joint Waste Authority, as has been delivered in other places.

Better strategic alignment of waste collection with waste disposal will deliver **significant benefits** across Greater Essex, as will an increased scale for waste collection.

Part Three: Managing Transition

This part of our proposal follows the evidenced case for the three cities model set out in the preceding sections, explaining the careful consideration that has already gone into how we plan to turn our ambition into a reality. We articulate the approach we will take, the capacity and oversight that will be required, and the principles that we will adopt, with the high-level timeline for making these changes.

As this proposal document has set out, Local Government Reorganisation, alongside devolution, are once-in-a-generation opportunities to reshape the local government system to deliver much better outcomes, performance and value for money for our residents.

However, they are also unprecedented in the scale and speed of system change – and this change needs to be managed alongside significant change for other partners, in particular in Health, and at a time when public services are under intense demand and financial pressures. In other words, the risks around implementing LGR and managing the transition are high and need to be taken seriously and managed accordingly.

The risks around implementing LGR have been set out earlier in this document and it is a key strength of our proposal that our three cities model significantly reduces the level of risk around transition compared to other options. It achieves this in particular because:

- **our proposal reduces the degree of change** – reconfiguring the existing three social care and highways authorities onto new footprints without undermining service performance is highly challenging in itself. But our proposal keeps the number of upper-tier authorities at three and therefore avoids layering on top the significant added risks that come from increasing the number of authorities to four or five;

- **it reduces the timescale for transition** – less change means that new services will be able to transition to new service models more quickly. This will be good for

service users because they will face less uncertainty and will be able to experience more consistent and higher quality services more quickly. It will be good for partners who will experience less disruption to relationships and operating practice. And it will also be good for staff, reducing the risk that prolonged uncertainty leads to an exit of experienced staff; and

- **it also creates new authorities with the scale and resources to better manage the risk** – as we have established, the three new authorities in our proposal will be financially resilient and will have the financial and workforce capacity and capability to better absorb and manage risk and financial shocks. Authorities that are struggling to balance their new budgets on day one – as some will be in the other models – will find it very difficult at the same time to manage and contain the risks around implementation.

Our approach to effective implementation of LGR relies on strong leadership, effective engagement, considered risk mitigation, robust programme management discipline, and a shared set of values and principles to guide the transition. This is fundamental to the implementation phase which carries significant financial, operational, and workforce-related risks.

Greater Essex has a history of working collaboratively and a range of professional networks and partnerships are active across the geography, from finance officers to leaders and chief executives to transformation leads. We are therefore confident that following a decision on the selected proposal we will be able to build on this collaboration as we progress transition towards implementation. In parallel as we work towards establishing devolution and a Greater Essex Combined County Authority, we have developed robust programme management arrangements reporting into a Programme Steering Board compromising representatives from the three upper tier authorities as well as district colleagues. ECC has a high calibre programme management and transformation capability, which has delivered £550m in savings over the last decade through efficiency and transformation, as well as delivering other complex and high risk programmes. This capability, alongside those of our partners, will be available to support the effective implementation of LGR.

Complexity of Local Government Reorganisation

The geography of Greater Essex is extremely complex and unique within the local government landscape across England. With the NHS moving to a single Greater Essex ICB it is imperative that our model doesn't recomplicate the relationship by increasing the number of upper tier authorities.

The existing authorities deliver many vital services, often to vulnerable people. It is important therefore that the implementation and transition arrangements minimise disruption and maximise service delivery and continuity.

A key starting point for transition is to understand the journey that individual service areas will need to go on in different geographies:

- **for North and Mid Essex the picture will involve:**
  - the aggregation of existing district services into larger units
  - the disaggregation of existing ECC services into the North and Mid geographies
- **for South Essex the picture will be more complex involving:**
  - the aggregation of existing lower tier services provided across Southend, Thurrock and South Essex districts

- the disaggregation of existing ECC services into the South geography
- the aggregation of existing Southend, Thurrock and ECC upper tier services

As this highlights, the transition will be more complex in the South than in the North or Mid Essex. However, the aggregation of upper tier as well as lower tier services also creates opportunities to take the best of existing service models and, with service user input, blend them together to create new service models that operate at the highest levels of existing practice as well as combining the benefits of economies of scale and localism.

The Mid and North Essex unitaries will not require upper tier aggregation and so we will be able to begin reshaping upper tier service delivery from earlier in the preparation phase, allowing benefits of LGR to be realised at the earliest opportunity.

Transitioning 15 authorities into a smaller number demands exceptional stakeholder management and deep collaboration. Building on the experience and structures developed through our Greater Essex Devolution Programme, we will establish a joint Steering Board and a unified programme delivery team to drive Local Government Reorganisation (LGR) implementation with clarity, cohesion, and shared accountability.

Expected Implementation Timeline

During the journey to implementation there will be several key moments where we need to evolve governance and adjust the way we operate and how we take decisions.

Figure 15: Expected implementation timeline
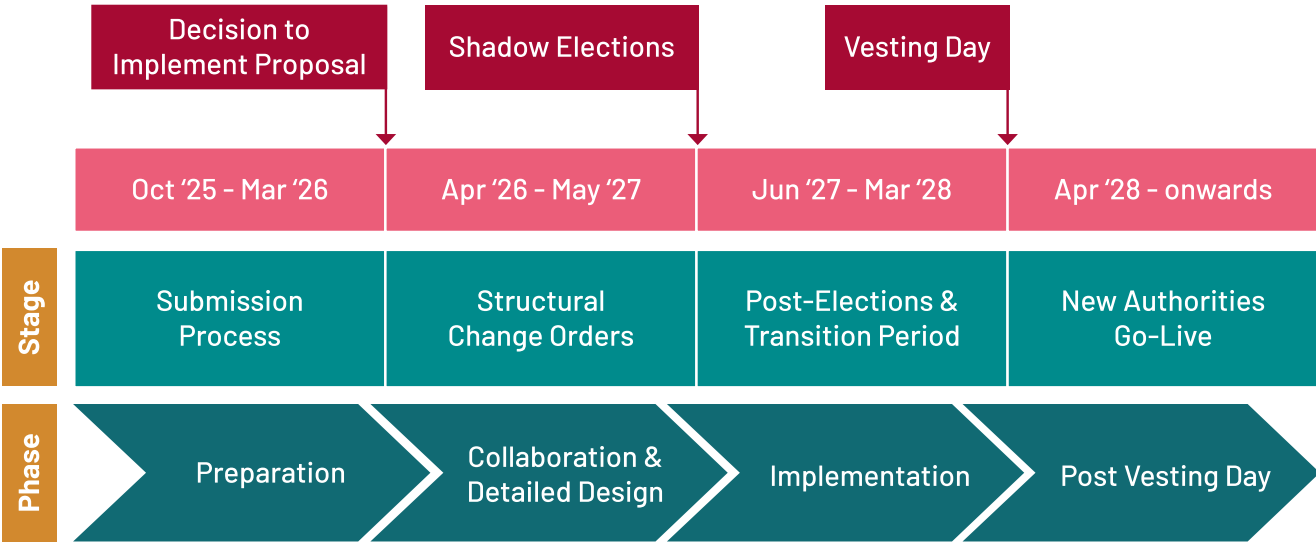
1. Preparation Phase

Following submission of this proposal, we will continue to engage widely with our communities and partners, establish robust programme management arrangements and develop programme governance that will endure throughout the journey to vesting day. Working together sharing service data, structure and systems information we will develop a deeper understanding of the potential to protect key front line service delivery, consolidate duplication, explore shared services, maximise transformation opportunities and minimise risks as we move into the design phase.

By the end of this phase in March 2026, we will have:

- established arrangements to continue to engage widely with our communities and partners;
- established collaborative and robust programme management disciplines

- to progress throughout the stages of implementation to delivery;
- created a roadmap for transition of each service type in local government which protects current service delivery and provides evidence for the design phase;
- constructed a plan for our approach to the "collaboration and design phase" and ensured readiness in every local authority.

2. Collaboration and Detailed Design Phase

Following the Government's formal decision, we will continue to build on the strong collaboration established in the preparation stage and on the strong governance, methods and relationships that are being developed by the Devolution Programme to create Greater Essex Combined County Authority that are already in place. This will enable us to create a Greater Essex joint programme team, ensuring

a single robust methodology and clear governance arrangements for the next stage of our journey.

Greater Essex has a well-developed and mature set of relationships that include regular, recognised meetings of all Chief Executives and all Leaders. We have already collectively developed system-wide programme governance to deliver Mayoral Devolution in Greater Essex successfully with Southend, Thurrock and Essex working as equal partners.

LGR represents a further scale of complexity and asymmetry of citizen representation and financial responsibility. Given we recognise this is the most complex local government reorganisation in a generation we cannot risk the uncertainty of distributed governance. With that in mind our ask of government is that formal governance arrangements around each new unitary ensure parity between the two tiers of local government. This will help de risk transition and anchor the implementation programme ensuring that we utilise the existing infrastructure and experience of the 'legacy' organisations.

It is important that all services, but particularly statutory services such as social care, are safeguarded during the transition to three new unitary councils with the right combination of domain experience and expertise. Social care services constitute the highest operational risk in the transition to the new authorities, representing £1 in every £2 spent across the system. That risk is particularly acute in Essex where a deterioration in the current excellent performance in the number of children in care could cost £114m per annum and have real life impact on outcomes for Children and Families. The best route to mitigate risk is a form of overnance tailored to the reality of the Essex system and we propose that is best achieved through proportionate representation of both tier authorities of government through the formal governance arrangements.

We propose below a way forward to significantly mitigate the implementation risk and ensure that we anchor the infrastructure

and administrative capacity in the system. It is important we also ensure that key preparatory decisions are optimised with inclusion of sufficient members with experience of delivering the relevant services.

All parts of the Essex Local Government system and all services are important. Our proposal is that the interim governance arrangements secure parity between the tiers of local government. This wouldn't allow any one authority in a locality to control transition but it would ensure that everyone is heard.

The reorganisation of Greater Essex is the largest and most complex reorganisation attempted anywhere in the UK since 1974. The Government shares our view that it's essential to minimise the risks of the safe transition to a successful implementation: the highest operational risk of which is around the transition of social care. It is essential that a form of governance is agreed through the SCO, that is tailored to the reality of the Essex system and de risks transition to ensure a successful implementation - this can only be done through proportionate representation of both tier authorities of government through the formal governance arrangements.

We are concerned about the transition model used in Cumbria with a joint committee of three members for each council, without taking account of tiers or the size of the council nor the geographical scale. This may have worked for Cumbria given its context (including social care requiring improvement), few organisations, and its small size – covering a quarter of the population of Essex.

Applying the Cumbria approach for the proposed mid Essex council, the Joint Committee would give less than 17% of the votes to the upper tier authority which holds the experience and accountability for key statutory regulated services such as social care, SEND and education. A 17% vote simply does not reflect the reality of how capacity, experience and accountability lies in the system as it is. We propose below a way forward to significantly mitigate the implementation risk; to ensure that there

is appropriate representation of the key service officer expertise; and to ensure that key preparatory decisions will be optimised with inclusion of sufficient members with experience of delivering the relevant services.

We recognise that all parts of the Essex Local Government system and all services are important. Our proposal is that the governance is balanced to give equal numbers of votes to the two current tiers of local government, maximise collaboration and therefore de risk transition. This wouldn't allow any one authority to control transition but it would ensure that everyone is heard. It is at the discretion of the Minister to determine the governance through the Statutory Change Order.

While recognising the sovereignty of each new council, it is important that we are clear about how the new authorities will work to ensure they maximise the advantage that local government reorganisation will bring. Based on early conversations in the Essex Chief Executives forum, we have identified seven key principles that are core to our vision for how the new unitary authorities should operate.

These principles require authorities of sufficient scale to be able to implement them effectively both through the capacity to invest in the systems that will make them effective and in terms of being able to recruit and retain workforce with the right expertise. At the same time, these principles will ensure effective locality and neighbourhood working.

Table 34: Future operating principles and how they complement and work together

Principle	Challenges and Issues	Future Approach
Putting residents at the heart of what we do	People are confused by the current system of two-tier government which is often slow, unresponsive and insufficiently joined-up to address the real challenges that people face.	• Our vision is to create genuinely seamless public services built on simple processes, systems and access routes so that residents can get what they need, when they need it. • A single full service account for residents will be replicated by single accounts for other key partners – businesses, parish and town councils, the voluntary sector, so that their interactions with the councils are streamlined and focused on the things that are meaningful to them. • A single front door will be enhanced by the effective use of data so we can anticipate, rather than just respond, to the needs of our residents. • Building customer feedback into our systems from the get-go will amplify the voice of residents and customers and lead to improved and more responsive services. • We will leverage the very local access points that already exist across Greater Essex – including the 89 libraries in our area – so larger councils will be more local.

Principle	Challenges and Issues	Future Approach
Taking a place-focused approach	People are shaped by the places they live their lives. But, regardless of size, place in this context is not the same as the local authority boundary.	• Our vision is for the new unitaries to be focused on integrated place-based working that empowers front line teams to join up different services and programmes to support the bespoke needs and characteristics of local people and families. In order to achieve this, a number of factors are important. • Data – we need good data at a granular level to help us understand our places. Essex already has extremely good data with which to recognise the strength and capability of our neighbourhoods and to facilitate intelligence-led neighbourhood working. For a number of years we have been working with Oxford Consultants for Social Inclusion to understand the community capacity that exists in our neighbourhoods. • Partnership – a place focus demands taking an holistic approach to the issues that confront individuals which are rarely boundaried in the same way that public services are. It requires a commitment to join-up and integrate at a relatively local level in order to address issues as they are experienced on the ground and the dynamic therefore is to push commissioning to a local level through integrated neighbourhood teams. • Neighbourhood commissioning – hyper-local commissioning enables the assets that exist in communities to be recognised, built on, and incorporated into an approach that is based on the strengths and capabilities that exist in places. This is important because we do not want to suck people into becoming recipients of public services if better outcomes can be achieved through more community-focused place-based approaches. This way of thinking and working is often called Asset Based Community Development and Essex has a great track record of working in this way – particularly through the work done by Active Essex. Our model of Neighbourhood Delivery Committees builds on these firm foundations.

Principle	Challenges and Issues	Future Approach
Local-first decision making	Too often public service systems take decisions about places and people that are too remote from those affected by them.	• Our vision is for decisions to be taken closest to the people affected by those decisions and by the people who are most familiar with the information on which the decisions are based. • The policy and budgetary framework we put in place around Neighbourhood Delivery Committees will provide genuine local empowerment. • We will join-up and integrate commissioning, where it makes sense to do so, based on neighbourhood and locality footprints. • We will take a pragmatic approach to aggregation and disaggregation decisions based on what works rather than ideology. • We will build faster and more decentralised decision-making into our governance models. • We will work closely with partners in places – including local voluntary and community sector partners who have a key role to play in building resilience and social capital where it is most needed.

| Principle	Challenges and Issues	Future Approach
Accelerating digital transformation	We cannot address the challenges of modern government if we don't put new digital capabilities at the core of our operating models. We are held back by pre-digital approaches in many service areas, inconsistent digital leadership, a shortage of modern digital skills, and a wide range of different standards and systems. Digital makes service local. People can access health and social care assessments now through digital technologies; wearables can transmit key data for remote monitoring to enable people to live in their own homes; monitoring sensors can keep people's homes dry and mould-free.	• Our vision is to put digital thinking at the core of our new organisations. • Conscious alignment is required, regarding decisions on data standards, processes and workflows (patterns), systems and standards, and on priority areas for integration and alignment. It will be much easier to achieve this alignment across a smaller number of equally sized authorities than it will in the context of a larger number of authorities with very different capabilities and capacities. • Test, Learn and Grow – digital is about how we work as much as it is about the application of technology. We must build into the ways of working of the new authorities a test, learn and grow approach and a greater acceptance of risk (and reward). • Service design and modernisation - orienting around residents and businesses we will adopt a design approach focused on aligning people, processes and technology. Design templates will enable reusable approaches and solutions that enable better service outcomes, improved connections and information sharing, and reduce cost. • Standardisation and consolidation – are our friend because they simplify our services, reduce the system overhead required to deliver them, lower costs and improve productivity. Standardisation and simplification are products of a simpler operating environment and will be easier achieved, the fewer unitaries we create. • Adopting a digital first approach frees up capacity for the workforce to respond to growing demand pressures and ensures the focus is on building and nurturing relationships.

Principle	Challenges and Issues	Future Approach
Data at the heart of decision making	Data volumes are growing and becoming more complex. Public services struggle to keep up and fail to maximise the value of this resource. Sharing data with partners can be slow and bureaucratic, limiting our ability to act quickly and collaboratively. It is often also hindered by legacy systems and inconsistent standards, concerns around privacy, and ethics; as well as governance, cultural and organisational barriers.	• Our vision is for data to be a foundational asset for the new unitary authorities. This will be achieved by adopting the following elements. • Standardised data infrastructure - interoperable platforms that can communicate seamlessly. This involves investing in cloud-based solutions that support data sharing and integration. • Single set of data standards - this can be achieved by developing a Unified Data Governance Framework; standardising data formats and protocols; training and capacity building so that staff across all unitaries understand and can implement the new standards. • Investment in data literacy and skills - this includes ongoing training and development programmes to keep skills up-to-date. • Ethical and transparent data use – building on the foundations that Essex Centre for Data Analytics has already put in place, transparency and adherence to clear and commonly shared ethical guidelines, will be key to underpinning data-informed decision-making, innovation and transformation.
Strengthening accountability	One of the key benefits of local government reorganisation is removing the confusion that exists for residents between the responsibilities of different tiers of local government. The White Paper says: "Unitary councils provide local people with a clearer picture of who is accountable for service delivery and local decisions." (p102).	• Our Vision is that the new unitaries we create can confidently stand on their own feet without the need for exceptional government support – however challenging the local public service environment. • Shared service arrangements may be beneficial but they are not a stable basis on which to build permanent structures for the future. • We will focus on creating an empowering and positive culture in all the three unitaries so that, even before vesting day, employees of each new unitary understand the unique shared values and identity created.

Principle	Challenges and Issues	Future Approach
Backing what we say and do with evidence about what works	Too much public spending is insufficiently evidence-based to provide confidence that it is delivering value for money.	• Our vision is for all spending across Essex public services to be subject to evidence-based assessment of its impact so that we can be confident that public money is delivering public value. • Working in collaboration with the University of Essex, and building on the HDRC capacity and capabilities we already enjoy across Greater Essex, we intend to explore the potential for a new What Works Centre to support a rolling programme of evaluation to assess the impact of prevention-focused spending in our public services. This shift towards prevention is key to putting public services on a sustainable footing.

By the end of the collaboration and detailed design phase in May 2027, we will have achieved:

- a successfully integrated Greater Essex joint programme team to co-develop and agree detailed programme management plans, including robust governance arrangements. This will be achieved by leveraging a proven track record in programme delivery across multiple authorities;

- conducted a combined assessment of current service delivery models, best practices, contractual frameworks, and operational challenges across all existing councils. This will inform strategic decision-making and will identify opportunities for improvement and harmonisation;

- led the programme-driven design of future operating models for the new unitary authorities, aligned with agreed design principles. This will be built on established change and programme management expertise to ensure organisational readiness and long-term sustainability;

- organised the inaugural elections for the new unitary shadow authorities, establishing democratic governance structures;

- presented options to newly elected leaders for "safe and legal plus" so they can shape local priorities and guide the transition effectively.

Figure 16: Transition summary
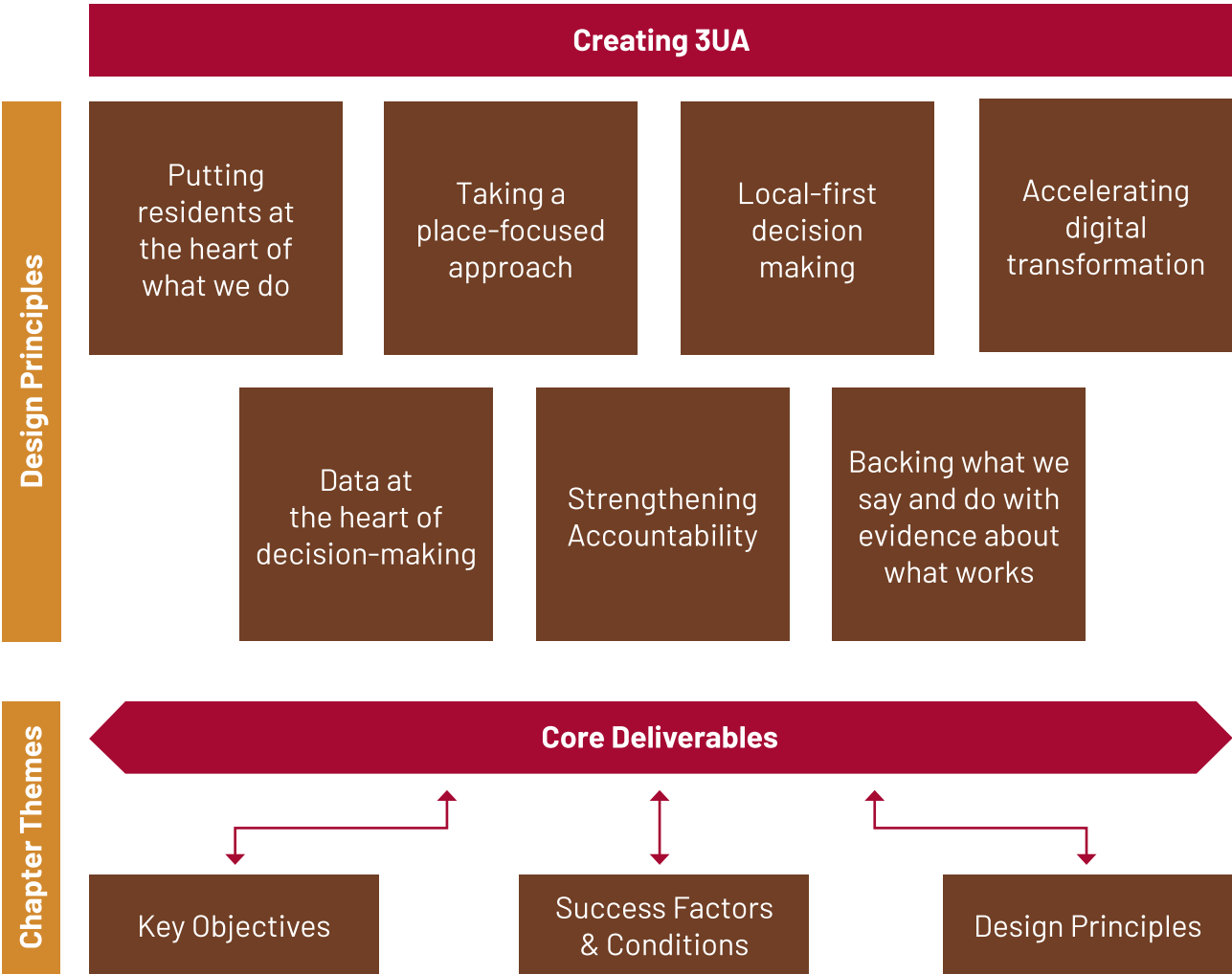
3. Implementation Phase

The Greater Essex joint programme team will build on the existing foundations in change and programme management that exists within the system, we will approach the implementation phase with a structured methodology that leverages existing capabilities within the system to drive momentum, ensure partner alignment, and deliver sustainable outcomes.

Throughout this phase, robust programme governance will remain firmly in place to ensure delivery is consistently supported, with an implementation executive established to provide clear and timely formal decision-making on behalf of the new unitaries. We will also work with Greater Essex employees to design the culture, values and identities of the new unitary authorities.

Following the elections to the shadow authorities in May 2027, the proposed arrangements and operating models developed for each of the new unitary authorities will need to be reviewed and formally adopted by the shadow councils. Proposals to support the new local authorities to start well with clear plans for transformation and continued public service reform will have been developed throughout implementation and will be presented to the new shadow councils for agreement. Final decisions on areas of PSR focus and workforce strategy, including transfer arrangements, can be presented by the joint programme to shadow councils for approval.

By the end of this phase in March 2028, we will have:

- successfully appointed individuals to the top three tiers of leadership within the new unitary authorities, ensuring strategic oversight and continuity;

- developed and agreed a comprehensive workforce strategy for all tiers, with the necessary arrangements in place to support a smooth day one transition;

- collaboratively defined the culture, values, and identity of the new authorities, fostering a unified organisational ethos from inception;

- delivered the implementation of agreed operating models and supporting infrastructure, enabling effective service delivery from day one;

- completed system and user acceptance testing across all platforms and access channels for core systems, ensuring residents can seamlessly access services from the outset;

- created detailed budgets for 2028/29 and developed a Medium-Term Financial Plan, including transformation plans to support long-term financial sustainability;

- developed practical, actionable proposals for day one activities covering buildings, systems, data, and staffing, ensuring operational readiness.

4. Post Vesting Day Phase

This stage represents the culmination of the transition plan, launching three new unitary authorities to be the constituent members of the Greater Essex Combined Authority under the mayor. The new authorities will assume full responsibility for all local government functions across Greater Essex from 1 April 2028. This will enable each authority to have formal financial planning and accountability. We will prioritise service continuity to ensure effective delivery of services and maintain effective performance that is seamless to our citizens. There will also be a focus on transformation in areas where there is the greatest potential benefit to the new organisations and public service reform where early implementation can accelerate the progress on prevention and the achievement of key outcomes.

Our approach empowers future unitary authorities to rapidly respond to local challenges by adopting agile, innovative, and partnership-driven models. This enables faster decision-making, tailored service delivery, and continuous improvement, unlocking the full potential of public service reform and modernisation. The financial headroom enables targeted investment in neighbourhood models of governance that will enhance local accountability and, in the change, and transformation that will be necessary if we are to take advantage of Greater Essex's considerable strengths.

Operationally, the model concentrates transformation expertise within three authorities, allowing each to "hit the ground running" with robust plans, experienced leadership, and the capacity to deliver. IT systems, statutory functions, and workforce structures will be aligned to support seamless service delivery, with a focus on customer-centric design and minimal disruption to residents.

The implementation programme will be phased and tightly governed, with clear milestones, risk management protocols, and engagement strategies for all involved parties. This ensures that all legal, financial, and service continuity requirements are met, and that the transition is smooth, transparent, and accountable.

In summary, the day one approach is built on the three cities model's strengths: equity, scale, and readiness, ensuring that the new councils are not only safe and legal but also positioned for long-term transformational success.

Our Delivery Approach

Professional programme delivery: ECC has spent decades developing an exceptionally skilled, robust and adaptable change team. Combining this with the Essex Transformation Leads Network, HR Directors group, and external challenge and support, Greater Essex has a best-in-class practice for delivering transformation and change success.

Decision Making: Decisions taken by all 15 authorities will be anchored in the desired future state. Investments, policies, recruitment, and procurement must align with the key design principles/target operating model to avoid duplication, mitigate risks, and enhance organisational readiness. Governance will ensure activity is on track to achieve our day one aims.

Protect Service Performance and adopt early wins where changes to practice and the benefits of cross pollination can occur long-before go-live. We will organise our resources to enable focus to be maintained on essential service delivery (especially people services and waste) as well as planning and delivery for change.

Workforce: We will strategically mobilise and support the workforce, approximately 11,500 staff across upper tier authorities and a further 6,500 in lower tier authorities. We will do this through tailored engagement, clear communication, and targeted development, ensuring readiness, resilience, and alignment with the transformation goals from transition through to implementation.

Partnerships & Networks: Build trust early by involving residents, voluntary community sector, Essex Association of Local Councils (town and parish councils) and all relevant partners as co-designers. These partners are particularly important given the focus on prevention. We fully support the five design principles set out in the Joint Statement from the Essex Community Foundation and Local Infrastructure Organisations, published on September 4th, 2025. Embed collaboration and learned knowledge, such as our Devolution Programme, are a key principle from transition through to implementation.

Summary

The ambition we have set out is for Greater Essex to have the fastest pace of economic growth in the UK outside London.

We see a thriving, inclusive, and sustainable economy, underpinned by sustainable housing growth and modern infrastructure, as the strongest possible foundation for improvements in local living standards, health outcomes, educational attainment, environmental enhancement, and the future viability of public services.

To achieve this, we have set out our plans for the creation of a renewed, resilient, efficient, and empowered system of local government – with the cities of Southend, Chelmsford and Colchester as its anchors – as part of a wider system of strong, collaborative public services across Greater Essex. We will deliver more joined-up, high-quality public services, drive inclusive economic growth, strengthen local democracy, and empower residents through meaningful Public Service Reform.

Realising our vision and ambition demands a clear, strategic, and well-managed Transition Plan, that not only prepares us for go-live but also lays the foundation for long-term success and sustainability. All of this is made possible by harnessing the deep expertise and proven capabilities from our best-in-class joint transformation delivery currently being developed in the implementation of the Greater Essex Combined County Authority programme.

We will deliver more joined-up, high-quality public services, drive inclusive economic growth, strengthen local democracy, and empower residents through meaningful Public Service Reform.

Appendix Document

List of appendices: