

Executive summary



Driving prosperity,
preserving identity

This proposal outlines a compelling vision for a modernised local government structure in Staffordshire and Stoke-on-Trent, designed to strengthen community identity while transforming public services, and driving economic growth.

By aligning local government with well-defined and understood places, **we will create a system that is more responsive, effective and attuned to the diverse needs of the people, communities and businesses** that call our county home.

While we did not ask for it, we recognise that LGR is an opportunity to improve local government in Staffordshire and Stoke-on-Trent, which we know faces significant challenges like other parts of the country.

Spiralling costs in adult and children's social care consume nearly 70% of all council tax revenue, alongside a growing financial burden from increasing homelessness across the county. While Stoke-on-Trent City Council is already in receipt of Exceptional

Financial Support (EFS), it is certainly not the only council struggling - some councils face budget deficits, historical debts, and limited borrowing capacity.

Rising to the challenge of ambitious housing targets, while protecting green belt land and managing infrastructure needs is a key issue all councils face. Planning departments struggle to retain quality staff with in-depth local knowledge, leading to delays and legal challenges. Balancing development with environmental commitments and biodiversity recovery is increasingly difficult under fragmented governance. Recent political shifts have introduced uncertainty in policy direction and priorities.



Through LGR, we want to create a system that removes complexity and duplication, empowers our communities and achieves a quality in public service delivery that becomes a beacon for our sector. Our proposal will:

1. Improve efficiency and financial sustainability

- Reducing duplication of services and administrative overheads.
- Enabling strategic pooling of resources and better financial planning.

2. Strengthen local identity and representation

- Aligning governance with natural communities and travel-to-work areas, improving democratic accountability.
- Ensuring fair representation across diverse areas of the county.

3. Integrate planning and service delivery

- Allowing for joined-up housing, transport, and environmental planning.
- Supporting holistic approaches to social care, homelessness, and SEND services.

4. Enhance strategic capacity

- Attracting investment, managing infrastructure, and delivering on national priorities.
- Making it easier for central government and partners to work with fewer, stronger councils.

5. Simplify governance and accountability

- Reducing the number of councillors and council leaders, streamlining decision making.
- Improving transparency and responsiveness to residents.



Our proposal will also **unlock devolution and create a meaningful economic footprint upon which a Mayoral Strategic Authority for Staffordshire and Stoke-on-Trent can be established**, in line with the government's ambitions for growth. Three unitary councils across Staffordshire and Stoke-on-Trent will be better balanced in size, financial sustainability and influence, encouraging collaboration rather than competition. The three unitary model will also offer a more representative and importantly 'local' view to the new mayor. This is the best option for residents and businesses of the county, for our partner public sector agencies and the new Staffordshire and Stoke-on-Trent Strategic Authority. The Strategic Authority will need the new unitary authorities to be focused on sustainably delivering the services that residents and businesses need, and able to adopt a coherent and strategic approach to planning for growth, as it uses its devolved powers to deliver on national missions, ensuring a strategic regional approach to skills, transport and planning.



▶ **The three unitary model will also offer a more representative and importantly 'local' view to the new mayor.**

Staffordshire and Stoke-on-Trent has a **strong track record in economic growth**; key to this has been the high-performing economic regeneration teams that exist in our district and boroughs. The three new unitary councils will need to work hand-in-hand with the Strategic Authority to maximise the economic growth opportunities that devolution will unlock.

The three unitary model will enable targeted investment in infrastructure and regeneration, foster close and responsive relationships with local businesses, and support the development of strategic employment sites. By aligning council boundaries with functional economic geographies, as we are proposing, each new authority will be empowered to drive growth tailored to the unique strengths and opportunities of its area, supporting the government's agenda and maximising local prosperity. The three unitary model is the only option that will facilitate a greater understanding of the needs of local businesses and the infrastructure

required to deliver the growth and prosperity of the areas. The three unitary model will enable the development of close, responsive relationships with businesses - an approach which we know bears fruit in a way that can only be achieved at a local level and delivers growth in line with government's aspirations.

The three unitary model **will support the delivery of the government's ambitious housing targets**. It is vital that planners have a detailed understanding of their area, including sensitivities, challenges and opportunities. This will be even more critical to deliver the scale and pace of housing growth required. In larger authorities, planning resources are often focused on a just a few key geographical areas or projects, missing out on spotting opportunities for further growth or development that can work sympathetically with existing communities.



The three unitary model will enable the development of 'close' responsive relationships.

Strong local relationships with stakeholders are also key to meeting the housing targets. Our three unitary model will ensure proposed developments receive careful management and collaboration with stakeholders and communities. It combines the benefits of scale with the agility and community trust that are vital for success. Three unitary authorities will enable targeted and responsive housing focused on the respective needs and requirements of each distinct area. Having a unitary council focused on the local area will ensure that housing growth can respond to and be driven by the unique demographic and economic needs of each area, putting in place the appropriate infrastructure and access to services that are required and lacking today, and ensure local communities and small villages are not negatively impacted. This can only be successfully done when councils remain close to the communities they serve.

We believe Staffordshire and Stoke-on-Trent needs a local government structure that combines strategic scale with this local responsiveness. Each of the three

new unitary councils will be able to focus on the distinct demographic, economic, and housing needs of its communities, ensuring growth is properly supported by the right infrastructure and services. This targeted approach would also allow meaningful engagement with residents, making the case for new development in ways that protect and strengthen local towns, villages, and rural communities.

▶ **Alongside significant economic and democratic benefits, our analysis, which has been independently validated by external LGR specialist advisors, clearly demonstrates our proposal significantly improves financial efficiency.**

Our work has found that our proposal for three new unitary authorities is financially viable, resulting in significant **recurring annual net savings**. Creating

two unitary councils in the South of the county will deliver £15.1m net annual savings and a payback period of under four years. A Northern unitary is estimated to produce a further £21.2m of net annual savings.

Despite this potential for significant annual savings through reorganisation and transformation, we note that much of this may be needed to deal with budget pressures forecast to come down the line – in particular the expected implications of the Fair Funding Review and concurrent need to manage the ever-increasing demand pressures faced by high-risk services such as children’s services, adult social care, housing and homelessness support.





However, we believe our proposal for three unitary councils is the best option to transform Adult and Children's Social Care for the better. Using data from LG Inform, our proposal for three unitary councils also shows that through localising Adult and Children's Services – improving care for vulnerable children and adults and reducing cost through focusing on prevention and early help – an improvement in the cost per capita for these services could unlock an additional £22m saving annually across Staffordshire (this does not include additional savings to Stoke-on-Trent City Council's people services through a similar approach).

The three unitary council proposal is the only one that can release these additional savings.

A commitment to early intervention and prevention across all service areas is a core principle of our proposed new unitary councils. Investing in proactive, upstream approaches, such as targeted family support, community-based health initiatives and early help for vulnerable groups is paramount to improving long term outcomes. We will reduce demand on high-cost services and deliver better value for money. We will embed prevention into commissioning, performance management, and partnership strategies.



A three-council solution provides the best platform to deliver a robust response to the challenges faced by these statutory people services (adults and children's) and will help to ensure the delivery of better outcomes for individuals in receipt of care and support. It will also enable more responsive and efficient services. In particular, the three unitary model provides a better service delivery platform to:

Adult Social Care

- » Manage future demand through locally-driven preventative approaches across all adult social care service activities and reduce long-term care costs.
- » Fully embed place-based and local community delivery models (working closely with the voluntary sector and the NHS), improving our ability to tailor services to local needs and local capacity and deliver a better, more sustainable workforce model.
- » Further develop and enhance the strategic commissioning model and approach to market management to deliver more efficient and effective, local care and support services.

Children's Services

- » Maintain a close focus on local communities to promote early help and community support.
- » Maintain quality and oversight by ensuring leaders are close to practice, building local strategic relationships and ensuring that strategic outcomes are implemented at a local level.
- » Develop strategic commissioning approaches and capital spending programmes to ensure that sufficiency, value and outcomes are achieved in key areas including school places, SEND placements and local provision.

These changes will deliver better service quality and better outcomes for residents and drive savings and efficiency gains in these services, as outlined in the Criterion 2 section of this document, while harnessing local strengths, working with the government agenda for reforms and building strong relationships with children, young people, adult social care service users, their families and communities.



Since the invitation to submit proposals for LGR on 6th February 2025, the councils in the South of the county have worked together diligently, with Stoke-on-Trent City Council and Staffordshire County Council, to develop a proposal that ensures we remain close to the communities we serve, connected to residents and partners with no democratic deficit, and transform service design and delivery.

Our joint submission from the Leaders of Lichfield District, South Staffordshire District, and Tamworth Borough Councils aligns fully with the proposal from Stoke-on-Trent City Council in the North and covers the whole geography of the county, while necessarily focussing on the background and rationale to our recommendations for the South of the county.

▶ **Our approach is fundamentally ‘bottom up’ and community led, ensuring the voices and needs of our residents are at the heart of any proposed changes.**

This is supported by evidence-based modelling of service disaggregation and budget aggregation, providing a robust foundation for our recommendations. Crucially, our proposal is aligned with national devolution priorities and ministerial ambitions for more efficient and effective local governance.

Our interim submission in March 2025 highlighted a shared commitment to explore governance models that best serve our diverse communities. We shortlisted two options for the South of the county, compatible with the emerging option from Stoke-on-Trent City Council covering the North, based on an initial analysis against the Ministry of Housing, Communities and Local Government (MHCLG) criteria. We have since undertaken a comprehensive options analysis for both options; a single unitary council covering the whole of the South of the county, or two unitary councils splitting the area (South-West Staffordshire and South-East Staffordshire). This analysis has been based on the MHCLG criteria and factors such as geographical demographics, financials, service demand (current and projected), community engagement and the ability to deliver devolution.



East Staffordshire



Stafford

Following this analysis, we believe that two unitary councils covering the South of the county would best serve our people, both now and in the future.

Our proposed new unitary authorities are:

**New unitary authority
North Staffordshire**

Former districts, boroughs and city
Stoke-on-Trent,
Staffordshire Moorlands
and Newcastle-under-
Lyme

**New unitary authority
South-West Staffordshire**

Former districts and boroughs
Stafford, Cannock, and
South Staffordshire

**New unitary authority
South-East Staffordshire**

Former districts and boroughs
East Staffordshire, Lichfield,
and Tamworth



We believe our proposal for three unitary councils is **the best option for our county and the only option being submitted that meets all of Government’s criteria and, most importantly, respects what matters to our residents.** Resident and stakeholder engagement has been key to developing this proposal. Over 16,700 people from right across the South of the county responded to our engagement survey. They expressed overwhelming support for the creation of two unitary councils in the South – 75% of respondents in our three council areas (66% of respondents across the six southern districts and boroughs). They also told us **the most important priorities for the new councils were that we keep services based on local needs, with local councillors that listen, and that we save money while keeping services running, alongside keeping what makes our areas special.**

▶ **We recognise that the two unitary council option this proposal is competing with, may on paper, deliver greater financial savings, however we do not believe they can meet the other criteria set out by government fully, as ours does.**

We also do not believe MHCLG is seeking ‘the proposal that saves the most’, at the expense of the other equally important criteria it has set. That would simply be a race to the bottom when it comes to local government service provision. The choice between two or three unitary authorities should not just be driven by projected numbers on a spreadsheet, **it should recognise the importance of keeping decision making close to communities and ensure we are putting in place structures that will empower communities, deliver growth and provide strong, ambitious place leadership.**

Local government must reflect its distinct local identities of place, and the people, businesses and communities it serves. We believe local leaders must be empowered to act as the leaders not only of their councils, but of their communities and of the wider system, bringing stakeholders and partners together to create the conditions for growth, and improve outcomes for residents. Any meaningful structure for the future of local government must support and empower this – and we believe three unitary councils will.

Changing organisational structures alone does not transform public services. Our proposal is for three new unitary councils capable of hitting the ground running, setting a clear vision for new, modern local authorities. We can build on a successful track record in working in partnership and establishing high-quality shared service arrangements. In our proposal, we include inspiring case studies of how we are already driving economic growth and transforming public services for the better in Staffordshire and Stoke-on-Trent. The new authorities will be able to borrow technologies, structures and thinking from the private sector to meet the challenges

Our proposal demonstrates our clear commitment to establishing three new unitary councils that are ambitious and transformative with people-centred services and community empowerment at their core.

of rising expectations and demand. Over time, the leaders of the new authorities will be able to consider the best mechanism for providing services, all the while ensuring they are deeply embedded in the communities they serve, focused on responding to the priorities of those communities and with a bold new approach to how services are provided.

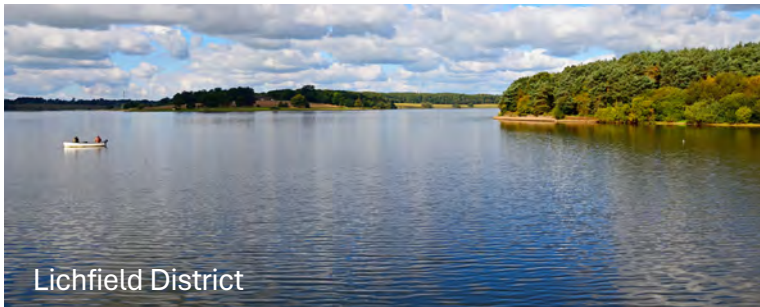
A lot has been said in local government media about the ‘right’ size of population for unitary councils. Much of what has been written rests on the contention that bigger councils benefit from economies of scale and are more financially stable, efficient and effective. The competing proposals for two unitary councils (both North/South and East/West options) rely on the same contention.



Lichfield District

In October 2025, the District Councils' Network released new analysis of existing unitary councils, using publicly available data, to examine whether population size is linked to value for money and whether there is a sound basis for setting 500k as the guideline population level for new unitary councils.

▶ **Its analysis examined four aspects of council efficiency, effectiveness and value for money; expenditure per resident, financial sustainability, council tax and service delivery and clearly shows that the biggest unitary councils do not outperform their smaller counterparts.**



Lichfield District

The key findings were that:

- » Larger councils appear to have been more likely to experience financial instability that is sufficiently serious to require Exceptional Financial Support (EFS).
- » Larger councils have required more EFS relative to the size of their budgets than smaller councils. Analysis does not demonstrate that population size is the key driver of this outcome.
- » Equally, there is no evidence that smaller councils are likely to be less financially stable than larger ones.
- » Councils above a population threshold of more than 350k population typically spend more per resident than those below it.
- » A wide range of performance measures (covering adult social care, administration and finance, planning, and waste) show no meaningful relationship between population size and performance.
- » Projected outcomes are better at the median population of existing unitary councils (275k) than at 500k.



Tamworth



South Staffordshire

Our proposal fully endorses the DCN's analysis and assertion that **the best way for LGR to be a stimulus for real transformation of local public services is to ensure that it focusses on creating new councils that are genuinely local and close enough to communities to deliver the long-term economic and social benefits that flow from a focus on place and prevention.**

Ultimately, the success of local government reorganisation will be measured by better outcomes for our residents. Our new councils will set clear, ambitious goals for improving health, educational attainment, employment, housing, and wellbeing. We will publish transparent outcome frameworks, co-designed with communities, and report regularly on progress. The three unitary councils will be able to deliver at scale and pace, both meeting the government's desired outcomes and focusing on what matters most to residents.

Local government reorganisation is complex and not without risk, both in the initial implementation and later transformation periods, to realise the full benefits. Our proposal concludes detailing how we plan to approach implementation.

As you will see in the body of our proposal, we are cognisant of the need to treat the disaggregation and aggregation of services – especially people services – carefully. Our approach will be to protect the most vulnerable at every stage. We will prioritise the ongoing delivery of critical business as usual services while consolidating systems, assets and contracts to maximise benefits, minimise risk and support transformation. Our approach will ensure ongoing efficiency and effective service delivery while enabling a smooth transition.



Five proposals are being submitted to government for local government reorganisation in Staffordshire and Stoke-on-Trent, and that must surely show how disruptive and challenging this process has been for local government in our area, in contrast to the normal strong cross-boundary and cross-tier working that we have enjoyed previously.

Our proposal covers the whole geography of Staffordshire and Stoke-on-Trent while respecting functional economic areas, travel to work, cultural and social heritage. It is the only option that delivers against all the government criteria and, most importantly for us, it protects the places we serve and call home – retaining the 'local' in local government as no other option can.

▶ **We look forward to detailed discussions with ministers and civil servants on our ambitious and transformative proposal that delivers against all MHCLG's criteria.**



- ✓ The only option offering **population-balanced unitary councils** that better reflect Staffordshire and Stoke-on-Trent's **diverse local identities**.
- ✓ The only option that **meets ALL of MHCLG's six criteria**.
- ✓ **The only option endorsed by residents:** We had **16,700 responses** to our LGR survey – with **75%** of respondents across our three council areas supporting two unitary councils in the South.
- ✓ The only option that **delivers residents' top priority for a new council**, keeping services that are based on local need - **73%** of respondents told us this.
- ✓ The only option able to **unlock additional savings in Adults and Children's Services** through localising services and reducing cost per capita by focusing on prevention and early help.
- ✓ The only option that **keeps decision making as close to communities as possible**, with a member/elector ratio that supports democratic representation.
- ✓ The only option that **embraces community power** and **people-centred services**.
- ✓ **Backed by** a number of **stakeholders and MPs**.
- ✓ The most effective option for **delivering economic growth and housing**.
- ✓ Supports the creation of a **Staffordshire and Stoke-on-Trent Mayoral Strategic Authority**, with **three balanced unitary councils** that will be able to advocate for local need.
- ✓ Creating two unitary councils in the South of the county will deliver **£15.1 million net annual savings** and a payback period of under four years. A northern unitary is estimated to produce a further **£21.2 million net annual savings**.

