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The Financial Case for Local Government Reorganisation in Lancashire

A Transparent Component Model of Four Proposals and Two Single-Council Forms, with a Postscript on the 2026 Decisions

Tom Pickup

Lancashire County Council (elected member and Cabinet Member for Adult Social Care; see the Declaration of Interests)
Correspondence: info@aidoge.co.uk
ORCID: https://orcid.org/0009-0004-6726-0744

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ABSTRACT

In November 2025 Lancashire's fifteen councils submitted five proposals to replace the two-tier structure with two to five unitaries; the model behind the national figures most often cited is not published. This paper sets out a fully disclosed model of the recurring structural effects of four of those proposals and of two single-council forms nobody proposed, built from 2024-25 Revenue Outturn returns and published pay, payments, contracts, unit-cost and population data. Scale elasticities are estimated from MHCLG's returns for 317 English councils, people services from published unit costs, and transition costs by line over ten years.

The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries. On the central case the steady-state net annual position is £75.9M, £31.7M, −£2.6M and −£33.3M for two, three, four and five unitaries, £133.0M for one new council and £88.4M for the county council continuing with its twelve districts (Tables 8a and 6c). With realisation scaled to the savings Buckinghamshire and West and North Northamptonshire reported, the positions fall to £18.0M, −£16.7M, −£43.9M and −£67.9M or £0.8M, −£31.2M, −£56.2M and −£78.2M (two unitaries' ten-year value negative at the second), and to between £31.6M and £61.3M (one new council) and £29.3M and £43.8M (the county with its districts). In every other row of Tables 6c and 8a, the Option 3 upper bound aside, two unitaries are positive, three in all but one, four in three and five in one, and the single councils range from £58.6M to £164.2M (one new council) and from £42.6M to £89.4M (the county with its districts). The author sits on the Cabinet of the county council, which proposed two unitaries and would continue under the second single-council form; Appendix D records what the author had seen before each rule was fixed. The Government chose four unitaries in July 2026 and withdrew it on 29 October 2026, saying that all options and proposals remain under consideration (MHCLG, 2026l, p. 2, paras 7 and 8). Inputs and code accompany the paper.

Keywords: local government reorganisation; unitary authorities; Lancashire; economies of scale; disaggregation costs; people services; public expenditure; fiscal modelling; England.

JEL codes: H72 (State and local budget and expenditures); H77 (Intergovernmental relations; federalism; secession); H83 (Public administration); R50 (Regional government analysis: general).

1 Introduction

The English Devolution White Paper of December 2024 (MHCLG, 2024a) committed the Government to replacing the remaining two-tier county areas with unitary councils, with a guide population of 500,000 or more. Statutory invitations followed on 5 February 2025 (MHCLG, 2025a). Lancashire, with one county council, two existing unitaries and twelve districts serving about 1.6 million people (ONS mid-2024; 1.53 million at Census 2021), was among the largest and most fragmented of the 21 areas invited. Its councils could not agree a single proposal and on 28 November 2025 submitted five: two, three, four, an alternative four with modified boundaries, and five unitaries.

Each proposal was accompanied by a financial case. The county council's two-unitary case projected £391M of cumulative net savings over five years and £140M a year recurring; the six-council four-unitary case projected £194.9M cumulative and about £82M a year; the five-unitary case projected £230.7M over five years. These figures are not comparable with one another because, although built on a shared baseline, they use different assumptions (Lancashire County Council, 2025b, para. 38). The national benchmark most often quoted in the debate, the PwC model commissioned by the County Councils

Network (PwC, 2025), publishes only a summary of its method; PwC retains the intellectual property of the model itself. In August 2025, answering a Freedom of Information request from the BBC, the Department said that it had undertaken no analysis of its own and had used PwC's earlier, 2020, report for the County Councils Network (PwC, 2020; County Councils Network, 2025; Room151, 2025). The Newton report for the same client (Newton, 2025) addresses demand and cost in people services and does not produce configuration-level savings for any area.

This paper asks a narrower question than the business cases: on published data, and using only structural and administrative mechanisms that can be tied to observed expenditure lines, what recurring net fiscal effect does each configuration imply, and how sensitive is that answer to the assumptions that must be made? The contribution is not the point estimates, which are modest and uncertain, but the transparency: every input is in a deposited file, every parameter is listed, and every table can be regenerated with a short script. Of the five Lancashire business cases, the national consultancy reports and the competing cases in eight other areas reviewed in Sections 3 and 7, none has been published with its inputs and code; the best of them print their percentages in an appendix. The model deliberately excludes "transformation" savings (redesigned services, prevention, digital change) because they are not a property of structure and because their inclusion is what separates the business cases from one another.

The first draft of this paper was written during the statutory consultation. This version is written after the Secretary of State's decision of 16 July 2026 to implement the four-unitary proposal and the announcement of 7 September 2026 that the decision, along with those for thirteen other areas, was paused pending review; on 29 October 2026 the Government withdrew the July decisions for nine areas, Lancashire among them, and said that "all options and proposals in your area will remain under consideration as part of the review" (MHCLG, 2026l, p. 2, paras 7 and 8). Version 3.2 adds, for comparison, two single-council configurations that no Lancashire council proposed: one new council replacing all fifteen councils, and the county council continuing with its twelve districts while Blackpool and Blackburn with Darwen are unchanged (Sections 2.2, 5.7 and 6.5). A postscript sets out those events and compares the model's prediction for the configuration chosen in July with its proposers' claim.

Version 3.1 was revised after the July decision and after a fact-check of version 3, carried out by an AI agent working from the published sources, which found that version 3's people-services term went beyond the scope of the assumption it used and that its administrative elasticities rested on a small, non-random sample. A first draft of version 3.1 was then read by a second AI agent acting as a hostile referee, and the revised draft was reviewed again; the findings were checked against the primary sources, and they led to the corrections and the further tests in Sections 5 to 9, including a change to how the corporate overhead is measured that was decided before its effect was computed, and a term for direct payments that entered the central case under a rule fixed in advance and left it when an independent review led to the rule's pooled check being extended to all five years of published data. The records are deposited with the paper, with the rules for the further tests as they were fixed before any of them was run. The author sits on the Cabinet of the council that proposed two unitaries; Section 9 sets out how the revision was guarded against that interest, and the results under the specifications not chosen are reported beside the central case wherever a headline figure is quoted (Tables 8a and 8d).

2 Institutional background

The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries. That sentence is repeated in every section that gives results for the two single-council forms, under a rule fixed in advance (Appendix D).

2.1 The existing structure

Lancashire's local government comprises Lancashire County Council, responsible for education, social care, highways, public health and waste disposal across twelve districts; the twelve district councils, responsible for housing, planning, environmental health, waste collection, leisure and council tax collection; and two unitary councils, Blackpool and Blackburn with Darwen, created in 1998, which provide all services in their areas. Table 1 gives 2024-25 service expenditure, central services expenditure, the net cost of the Corporate and Democratic Core, Census 2021 population and current council size for each authority. Total service expenditure across the fifteen councils in 2024-25 was £3,345.1M, of which the county council accounted for £2,476.2M.

Table 1 The fifteen councils, 2024-25

Council	Tier	Population (Census 2021)	Total service expenditure	Central services	Corporate and Democratic Core, net	Seats
Lancashire CC	county	1,235,356	£2,476.2M	£41.9M	£22.0M	84
Blackpool	unitary	141,033	£291.1M	−£0.3M	£3.9M	42
Blackburn with Darwen	unitary	154,735	£348.2M	£11.9M	£5.0M	51
Burnley	district	94,649	£19.0M	£3.1M	£3.3M	45
Chorley	district	117,731	£15.9M	£4.4M	£2.7M	42
Fylde	district	81,380	£11.9M	£2.4M	£2.8M	37
Hyndburn	district	82,236	£18.7M	£4.7M	£0.9M	35
Lancaster	district	142,932	£27.9M	£7.1M	£2.2M	61
Pendle	district	95,753	£16.8M	£5.3M	£2.7M	33
Preston	district	147,835	£33.5M	£7.3M	£3.3M	48
Ribble Valley	district	61,558	£9.3M	£2.6M	£1.4M	40
Rossendale	district	70,876	£10.7M	£4.5M	£1.2M	30
South Ribble	district	111,042	£21.0M	£6.1M	£2.9M	50
West Lancashire	district	117,427	£25.6M	£8.0M	£3.2M	45
Wyre	district	111,949	£19.3M	£3.5M	£2.3M	50
Total		**2,766,492**	**£3,345.1M**	**£112.5M**	**£59.7M**	**693**

Sources: `panel_dataset.csv` (MHCLG Revenue Outturn 2024-25, RS and RO forms; Census 2021 via Nomis); `derived/cdc_ro6_2024_25.csv` (RO6 "Corporate and Democratic Core" net current expenditure; seats from each council's published membership, September 2026). The population total double-counts the county's residents, who also live in one of the twelve districts; the population of the area is 1.53 million at Census 2021 (1.6 million on the mid-2024 estimates used in the proposals). Blackpool's central services line is net income in 2024-25.

2.2 The five proposals

The Government's statutory invitation asked for proposals by 28 November 2025. Five were submitted (MHCLG, 2026a). Table 2 lists them with the populations used in the business cases, which are ONS mid-2024 estimates (Four Lancashire, 2025a, s.5.2; Lancashire LGR Options Evidence Base, 2025). The alternative four-unitary proposal divides Wyre and Ribble Valley at ward level and its populations differ between sources depending on the ward estimates used.

Table 2 Proposals submitted 28 November 2025

Proposal	Proposer(s)	New authorities (constituent councils) and mid-2024 population
Two unitaries (2UA)	Lancashire County Council	North (Blackpool, Fylde, Lancaster, Preston, Ribble Valley, Wyre) 722,045; South (Blackburn with Darwen, Burnley, Chorley, Hyndburn, Pendle, Rossendale, South Ribble, West Lancashire) 879,510
Three unitaries (3UA)	Blackburn with Darwen, Fylde, Hyndburn, Rossendale, Wyre	Coastal (Blackpool, Fylde, Lancaster, Wyre) 493,387; Central (Chorley, Preston, South Ribble, West Lancashire) 521,811; Pennine (Blackburn with Darwen, Burnley, Hyndburn, Pendle, Ribble Valley, Rossendale) 586,357
Four unitaries (4UA)	Chorley, Lancaster, Preston, Ribble Valley, South Ribble, West Lancashire	North (Lancaster, Preston, Ribble Valley) 373,664; Fylde Coast (Blackpool, Fylde, Wyre) 348,381; Pennine (Blackburn with Darwen, Burnley, Hyndburn, Pendle, Rossendale) 520,563; South (Chorley, South Ribble, West Lancashire) 358,947
Alternative four (4UA alt)	Blackpool	Western (Blackpool, Fylde, Preston, part of Wyre) 475,222; Southern (Chorley, South Ribble, West Lancashire) 358,947; Eastern (Blackburn with Darwen, Burnley, Hyndburn, Pendle, Rossendale, part of Ribble Valley) 565,968; Northern (Lancaster, parts of Ribble Valley and Wyre) 201,508

Five unitaries (5UA)	Burnley, Pendle	East (Burnley, Pendle, Rossendale) 272,055; Middle (Blackburn with Darwen, Hyndburn, Ribble Valley) 314,302; North (Lancaster, Wyre) 263,749; South (Chorley, South Ribble, West Lancashire) 358,947; West (Blackpool, Fylde, Preston) 392,502

Sources: `lgr_model_inputs.csv`, whose figures match the table in the county council's Cabinet report (Lancashire County Council, 2025b); the business cases themselves give 520,653 for the four-unitary Pennine authority and 314,392 for the five-unitary Middle authority (Four Lancashire, 2025a, s.5.2; Five-Unitary Business Case, 2025); Four Lancashire (2025a) for the 5UA West figure, which is misrecorded in the data file (see the README errata). Populations are not model inputs. Only the two-unitary proposal places every authority above the 500,000 guide figure.

Two further configurations (version 3.2). No council proposed a single authority. Version 3.2 adds two for comparison, with equal prominence: 1UA, the fourteen billing councils and the county council as one new council (1,531,136 people at Census 2021); and 1UA (county+12), the county council as continuing authority with its twelve districts, Blackpool and Blackburn with Darwen unchanged (the sum of the twelve districts' Census 2021 populations, 1,235,368, the figure the model uses; the county council's own Census 2021 row (Table 1) is 1,235,356). The second is the shape of the single-county reorganisations of 2009 and 2023. Gloucestershire's minded-to decision of 29 October 2026 is for a proposal for one unitary from the county council and three of its districts (Section 11), which is the footprint of the second form only if it covers the whole county council area, and the statement does not say; nor does it show whether a new council or the county council would continue. The county council modelled the first in November 2025 (Section 2.3) but did not propose it. Neither is before the Government (Section 11). The rules for both were committed before the package computed any result; an earlier exploratory run at 100 seats, listed in the rules and in Appendix D, had shown the author its central figures. The county with its districts leaves Blackpool and Blackburn with Darwen unchanged as unitaries smaller than any successor in the five proposals; the model credits and charges them nothing, and Blackpool's borrowing stays with Blackpool (Table 9b).

2.3 What the business cases claimed

Table 3 summarises the headline financial claims in each business case, as published. They are reproduced here as claims; none has been independently verified and the county council's Cabinet report notes that they are "not forensic" (Lancashire County Council, 2025b, para. 36).

Table 3 Headline financial claims in the November 2025 business cases

Proposal	Cumulative net benefit	Recurring annual benefit	One-off transition cost	Source
2UA	£391M over five years from vesting	£140M from 2032/33	£62M (plus £54M one-off transformation)	Lancashire County Council (2025a, slides 32 to 34; 2025b, paras 17, 36)
3UA	£188.4M by 2032/33	£66.9M from 2031/32 (aggregation up to £29M; transformation up to £63M)	not stated in summary	Three-Unitary Executive Summary (2025, p. 12)
4UA	£194.9M over the seven-year appraisal to 2032/33	£82.1M steady state (aggregation £25.6M less £4.8M disaggregation; transformation £61.3M)	£27.2M	Four Lancashire (2025a, s.5.4.1.2)
4UA alt	"significant net savings over five years"	not stated in summary	not stated	Lancashire County Council (2025b, para. 21)
5UA	£230.7M over five years	not stated in summary	not stated	Five-Unitary Business Case (2025, s.1.2, p. 19)

The county council also modelled all configurations on its own assumptions and presented the results to its Community, Cultural and Corporate Services Scrutiny Committee on 6 November 2025: five-year cumulative net positions of £677M (one unitary), £391M (2UA), £218M (3UA), about zero (4UA) and −£162M (5UA); steady-state recurring savings from 2032/33 of £216M, £140M, £99M, £47M, £47M (4UA alt) and £8M; and one-off transition costs of £51M, £62M, £76M, £90M, £93M and £105M (Lancashire County Council, 2025a, slides 32 to 34). These figures are the county council's, not those of an external consultancy, and are used as such in Section 7. On one unitary the same presentation gives the county council's assertion, the position of the author's council (see the Declaration of Interests), on slide 17: "Whilst offering the opportunity of greater operational financial efficiencies and resilience, the option of 1 Unitary Council has not been considered further for a full business case because:" "You cannot have a coterminous council

with county combined authority"; "It precludes the opportunity for potentially transformational devolved powers and funding arrangement in the future"; and "It would not be in line with the Government's intention for deeper devolution" (Lancashire County Council, 2025a, slide 17). All five business cases were built on a common 2028/29 financial baseline prepared for the fifteen councils by LG Futures (LG Futures, 2025), which disaggregates the county council's 2025/26 budget line by line between the districts and projects resources under Fair Funding 2.0; LG Futures states that it "did not review the underlying calculations" of the county's disaggregation (LG Futures, 2025, slide 4), and its projections assume "savings of £96.5m will be found by 2027/28" (slide 11). The £96.5M is the fifteen councils' combined cumulative funding gap forecast to 2027/28, which the business cases assume the existing councils will close before vesting (Three-Unitary Business Case, 2025, p. 171; Four Lancashire, 2025b, p. 30); it is not a county council savings figure. Four of the five cases then applied the same impact template, supplied by 31ten, with each proposer choosing its own percentages (Section 7). The county council's own assumption appendices to its business case (Lancashire County Council, 2025c, Appendices 2 and 5) were no longer available on its website in September 2026.

2.4 Consultation and decision timeline

The statutory consultation ran from 5 February to 26 March 2026 (MHCLG, 2026a). MHCLG wrote to the fifteen chief executives on 19 May 2026 seeking views on the content of the Structural Changes Order, including councillor numbers; the councils' joint response was approved by the county council's Cabinet on 4 June 2026 (Lancashire County Council, 2026a, 2026b). The Secretary of State announced on 16 July 2026 that he had decided, subject to Parliamentary approval, to implement the four-unitary proposal (HCWS286, 2026; MHCLG, 2026e). On 7 September 2026 his successor told the House of Commons that the July decisions for fourteen areas, including Lancashire, were paused pending a rapid review, and that the May 2027 elections would be held on existing boundaries (Hansard, 2026a). On 29 October 2026 the Government withdrew the July decisions for nine areas, Lancashire among them (MHCLG, 2026l, p. 2, para. 7): "all options and proposals in your area will remain under consideration as part of the review" (para. 8); in the areas under review "the timetable is elections to new councils in May 2028 followed by vesting day on 1 April 2029" (p. 3, para. 13); and the letter commits "that every area will have an outcome announced by early next year" (p. 2, para. 12). Section 11 gives the detail.

2.5 The councils' fiscal position on the eve of reorganisation, 2026/27

Reorganisation would have taken place against the budgets set for 2026/27 and the balance sheets inherited from them. Table 3b summarises each council's adopted 2026/27 net budget, usable reserves, external borrowing and its share of the £30M initial implementation budget the fifteen councils agreed in spring 2026 to fund the transition (Lancashire Telegraph, 2026a; Lancashire Live, 2026). The net budgets are on each council's own basis and are not strictly additive; the county's is about 66 per cent of the total.

Table 3b Net budgets, reserves, borrowing and implementation-reserve shares, 2026/27

Council	Net budget 2026/27	Usable reserves, March 2025	External borrowing, March 2026	Share of £30M implementation reserve
Lancashire County Council	£1,329.3M	£345.0M	£953.3M	55.0% (£16.5M)
Blackburn with Darwen	£230.3M	£81.8M	£108.3M	11.0% (£3.3M)
Blackpool	£229.6M	£34.7M	£606.8M	9.0% (£2.7M)
Preston	£34.5M	£42.8M	£12.3M	2.8% (£0.84M)
Lancaster	£27.8M	£28.7M	£55.9M	2.8% (£0.83M)
Burnley	£22.4M	£26.7M	£62.9M	1.5% (£0.46M)
West Lancashire	£19.5M	£3.5M	£98.2M	2.5% (£0.74M)
Wyre	£19.1M	£40.3M	nil	2.5% (£0.76M)
Pendle	£18.4M	£13.5M	£16.9M	1.6% (£0.48M)

Hyndburn	£17.6M	£18.1M	£9.5M	1.4% (£0.42M)
South Ribble	£17.5M	£19.9M	nil	2.4% (£0.73M)
Chorley	£17.1M	£11.6M	£83.0M	2.5% (£0.74M)
Rossendale	£14.6M	£12.2M	£3.0M	1.3% (£0.40M)
Fylde	£13.1M	£15.8M	nil	2.1% (£0.62M)
Ribble Valley	£8.9M	£20.7M	nil	1.6% (£0.49M)

Sources: `derived/council_finances_2026_27.csv` (net budgets from each council's 2026/27 budget resolution, URLs in the file; reserves from MHCLG Revenue Summary returns; borrowing from the MHCLG borrowing and investment live tables, 31 March 2026 provisional); implementation-reserve shares from Lancashire Live (2026). West Lancashire's borrowing and Lancaster's include Housing Revenue Account debt; Chorley's is largely investment-asset borrowing. The Government's contribution to transition costs was £900,000 per new authority, £3.6M in total, with up to a further £150,000 per new authority for people-services leadership; the national allocation is £63M across all areas (HCWS286, 2026; Lancashire Live, 2026).

The county council's position matters most because its services and liabilities would have been divided four ways. Its 2026/27 net revenue budget is £1,329.3M. At Quarter 1 it forecast an overspend of £15.655M (1.18 per cent), with 87 per cent of a £73.9M savings programme forecast to be delivered; the 2025/26 outturn had delivered 98 per cent of that year's savings including mitigations, but only 80 per cent (£47.7M) recurrently, with £12.0M rolled forward (Lancashire County Council, 2026c, 2026d). The Dedicated Schools Grant deficit, which under current regulations would transfer to the successor councils, stood at £101.6M brought forward with a further £151.9M in-year pressure forecast, an accumulated £253.5M by March 2027, or £162.0M if a £91.4M High Needs Stability Grant is paid (Lancashire County Council, 2026c). Usable reserves were £345.0M at March 2025 on the MHCLG return; at March 2026 the county council reported total revenue reserves of £372.8M, of which £173.8M were classed as usable, including a £107.6M transitional reserve (forecast to fall to £105.2M by March 2027) and a £66.3M general fund balance held at 5 per cent of net expenditure under the 2026/27 budget policy (Lancashire County Council, 2026d, Appendix A; 2026g). External borrowing was £948.8M at March 2026 (MHCLG's provisional live table gives £953.3M, the figure in Table 3b) at an average rate of 4.0 per cent, with PFI liabilities of £114M; the long-term bond portfolio bought predominantly in 2020 to 2022 for £509.3M had a market value of £166.2M (Lancashire County Council, 2026f) and, according to the 2026/27 budget report, which puts the sum invested at £519M, yields £10.6M a year (Lancashire County Council, 2026g). On the contracts register deposited with this paper (August 2026), 169 county contracts with published ceilings of £1,078M run beyond 1 April 2028, the July timetable's vesting date rather than the 1 April 2029 now stated (Section 2.4), and would need novating or splitting (`contracts_beyond_vesting.csv`, from Contracts Finder and Find a Tender award notices). The count is a floor, because awarded notices that carry no end date are excluded, and ceilings are not spend. All fifteen councils are employers in the single Lancashire County Pension Fund, 134 per cent funded with a £3.0bn surplus at the 31 March 2025 valuation, which in the Cumbria and Northamptonshire precedents was not split on reorganisation (Mercer, 2026; Pickup, 2026).

Among the districts, three reported budget gaps or reliance on reserves: South Ribble forecast a £2.2M shortfall for 2026/27 when it consulted on its budget (South Ribble Borough Council, 2025); Rossendale drew £1.26M from its transitional reserve for 2026/27 and described continued reliance on reserves as unsustainable (Rossendale Borough Council, 2026); and Pendle agreed in June 2026 a strategy to close a £1.6M gap across its 2027 to 2030 medium-term plan (Burnley Express, 2026). None of the fifteen was subject to a section 114 notice or exceptional financial support at the time of writing.

3 Literature

Four strands of evidence bear on the question. They point in different directions because they measure different things.

Administrative cost and scale in English local government. Andrews and Boyne (2009), using data on English authorities, find that population size has a consistent, linear, negative effect on central administrative costs, and that, controlling for size, overheads are higher in the lower tier of two-tier areas. They read their results as support for amalgamating small councils and for unitary structures. This is the strongest UK evidence for the aggregation savings modelled here, and versions 3 and 3.1 follow its approach, estimating the relationship between cost and population line by line from published returns (Section 5.1). It does not identify an optimum size or a range above which costs rise. Andrews and Boyne (2012) add an important qualification: in the English counties reorganised in 2009, service performance deteriorated between announcement and vesting, consistent with structural change having disruptive effects on organisations in transition.

Municipal mergers internationally. Holzer et al. (2009), reviewing mainly North American studies, conclude that efficiency rises with population up to about 25,000, is roughly flat to about 250,000 and declines thereafter; the ranges are not transferable to English unitaries, whose functions and scale are different, but the finding that scale economies are exhausted is widely replicated. Blom-Hansen, Houlberg and Serritzlew (2014) exploit the 2007 Danish municipal reform and find that amalgamation reduced administrative costs per inhabitant. Slack and Bird (2013), reviewing metropolitan governance forms and the 1998 Toronto amalgamation, conclude that the merger "solved no problems" (p. 29), that costs did not fall as promised and that two-tier arrangements can capture scale benefits while preserving local voice (p. 15). Dollery and Fleming (2006) distinguish scale economies (proportional returns to all inputs), size economies (cost advantages that arise when input proportions can change as output grows) and scope economies (joint production of several services). The distinction matters for version 3, which estimates cost-population elasticities across existing councils and applies them to mergers: a cross-sectional elasticity describes how cost varies with size among councils as they are, not what a merger will achieve.

People services and scale. Newton (2025), for the County Councils Network, analyses 77 reorganisation scenarios in 19 counties and argues that dividing people services raises their cost. It offers as a working assumption that "for every additional 200,000 population, the unit cost will reduce by 1%" (p. 55), fitted on older adults' residential care bed unit costs and applied to adult and children's placement costs (pp. 98 and 99), and it estimates that a scenario in which every new unitary had fewer than 300,000 people would add over £270M a year nationally, counting purchasing power only (pp. 9 and 56). It does not publish its regression, coefficients or standard errors, and it states that it does not model the disaggregation of corporate and support functions (p. 88). The District Councils' Network (2025), in an analysis of all 132 English unitaries, finds total revenue spending per resident higher beyond about 350,000, but says that "the link is not statistically strong" (slide 14). The two are not directly comparable: Newton models the unit cost of people services as a function of scale, the District Councils' Network total spending per resident. Version 3 took Newton's working assumption as its central people-services parameter. Version 3.1 estimates the relationship from published unit costs instead. It finds no scale economy in the placement costs of older adults across English councils, an uninformative estimate for adults aged 18 to 64 and an imprecise one for children's placements, unit costs of transport for children with special educational needs that rise with size, and unit costs of direct payments to older adults that rise with size in the first year of client-level data but not in the four years before it; it reports Newton's assumption beside its central case with equal prominence (Section 5.3).

English reorganisation outcomes. For the 2009 wave, the House of Commons Library records a 2010 parliamentary answer estimating 2009-10 budget savings of £159.1M across all nine authorities restructured in 2008-09, and the Department's prior estimate of £77M of one-off costs for the five county unitaries, which Chisholm and Leach (2008) argued was an underestimate; they also suggested that about half of the Department's estimate of annual savings would be more accurate (Sandford, 2026, pp. 18, 21 and 22, reporting Chisholm and Leach, 2008, pp. 85 and 86). For the 2019 to 2023 wave, Grant Thornton (2024), drawing on its audits of eight new unitaries, reports that the financial benefits "are yet to materialise for all new unitary councils as planned" (p. 22), that savings take several years and require multi-year pro-

grammes (pp. 3 and 4), and that several new councils struggled with finance-team capacity (p. 14). Northamptonshire's transition cost was reported in June 2020 to have risen by £11M to £55M (Northampton Chronicle, 2020); Buckinghamshire's £22.2M implementation budget was underspent, at £19.5M (Local Government Association, 2024, slide 16). Table 3d assembles what is published for the six completed reorganisations of 2019 to 2023. Budgeted transition costs ranged from £29 to £62 per resident, which applied to Lancashire's 1.53 million residents (Census 2021) gives £44M to £95M; the county council's own estimate for four unitaries was £90M, the four-unitary business case's £27.2M, and this paper's £64.3M (£124.2M in version 3). Realised savings lagged projections in four of the six cases (Buckinghamshire exceeded its business case, and Northamptonshire's two councils reported more than the projected £12.1M a year), and the two county-split cases, Northamptonshire and Cumbria, produced a multi-year balance-sheet dispute and year-one financial support respectively. The post-implementation reviews of the 2023 cases are consistent: KPMG's closure report for Cumbria records that efficiencies "were not realised during the LGR phase" (KPMG, 2023, p. 8); CIPFA's assurance review of Somerset found that the business case "may have been overly optimistic as to the timescales for delivery", with £8.8M of the £18.5M of savings for 2023-24 delivered by the time of its review (CIPFA, 2024, pp. 20 and 50); and Andrews and De Widt (2026), applying a synthetic control to Northamptonshire, find improvements in some indicators offset by deteriorations in others, including higher exit payments. Shaw and Diamond (2024) review the wider evidence and find that transition costs were higher than anticipated, "casting some doubt on proposed savings", and that satisfaction and participation tend to be higher in smaller units. The Institute for Government (2025) reaches similar conclusions about the risks of running reorganisation and devolution simultaneously.

Table 3d Completed reorganisations, 2019 to 2023: budgeted and realised

Case	Vesting	Predecessors → unitaries	Population	Transition budgeted (actual)	Savings projected	Savings realised (as reported)
Dorset and BCP	Apr 2019	9 → 2	779,900	£25.0M (not published)	≥£108M over 6 years	Dorset reports £96M; BCP needed a £76M capitalisation request
Buckinghamshire	Apr 2020	5 → 1	553,300	£22.2M (£19.5M)	£18M a year	£75.4M over four years
West and North Northamptonshire	Apr 2021	8 → 2	745,610	£29.9M, later £43.5M, reported £55M (not published)	£12.1M a year	£34M (West) and £17M (North) over three years; £953M county balance-sheet split disputed for about four years
Cumberland and Westmorland & Furness	Apr 2023	7 → 2	499,800	£18.9M (£18.5M)	about £12M a year	Not realised in the LGR phase; W&F needed about £26M exceptional support in year one
North Yorkshire	Apr 2023	8 → 1	615,000	£38.0M (not published)	£30M to £70M a year	£3.1M in year one
Somerset	Apr 2023	5 → 1	571,600	£16.5M (not published)	£18.5M a year	About £7M by early 2024; financial emergency declared eight months after vesting

Source: `derived/precedents_2019_2023.csv`, compiled July 2026 from MHCLG decision documents, council business cases and outturn reports, the KPMG and CIPFA closure and assurance reviews, and Grant Thornton (2024); confidence flags are in the file. "Not published" means no consolidated outturn figure exists.

The table records what the councils and their auditors reported; it is not a controlled comparison, and the savings reported include transformation savings. Version 3.1 adds three controlled comparisons from published returns. The first compares adult and children's placement unit costs before and after the two county splits with those of councils whose boundaries did not change; two cases cannot detect an effect of the size at issue (Section 8.3). The second tests the corporate-overhead specification against the predecessors' and successors' RO6 overhead from 2018-19 to 2024-25, with a rule fixed in advance; it is inconclusive, because changes in accounting at vesting dominate (Section 8.4). A third, added after review, compares total spending per resident before and after vesting for all nine unitaries created in 2019 to 2023 with two-tier county areas whose outer boundaries did not change, from the predecessors' and successors' own returns (Section 8.6).

Consultancy models. PwC's 2025 update for the County Councils Network models each of the 21 remaining two-tier areas and aggregates the results: single unitaries save £2.87bn over five years nationally; two unitaries per area produce a net benefit of £708M; three produce a net cost of £738M, with annual disaggregation costs of £290M (two unitaries) and £475M (three) across the 21 areas; its four- and five-unitary scenarios, run only for six areas above one million people and three above 1.3 million, which it does not name, produce net five-year costs of about £754M with annual disaggregation costs of £268M and £199M respectively (PwC, 2025, pp. 13 to 18). Its published method applies percentage reductions to staff, addressable third-party spend and property, values democracy savings as districts times an average cost, adds recurring "disaggregation" costs for duplicated leadership, county service delivery and democratic structures in multi-unitary scenarios, and assumes about 75 per cent of benefit is realisable in year one (p. 5). The percentages themselves are not published. EY (2016), an earlier CCN-commissioned study, reached comparable conclusions in favour of single county unitaries. A survey for this paper of the competing 2025 business cases in Hertfordshire, Kent, Hampshire, Nottinghamshire, Surrey, Essex, Devon and Norfolk found the same pattern as in Lancashire: where assumptions are disclosed they are disclosed in an appendix, no workbook has been published for any case, and rival estimates of the recurring cost of splitting a county differ by a factor of three or more for the same configuration, at £66.4M against £17.9M a year in Hampshire, £57M against £18.1M in Surrey and £59.6M against £6M in Norfolk (Hampshire County Council and East Hampshire District Council, 2025; Basingstoke and Deane Borough Council et al., 2025; Surrey County Council, 2025; Runnymede Borough Council, 2025; Norfolk County Council, 2025; Future Norfolk, 2025). In Essex, the same five-unitary option was given a payback of 4.5 years by one model and 53.6 years by another, and officials advised ministers that only the three-unitary case was viable within five years before the five-unitary case was chosen (Essex County Council, 2025, 2026). Every decision letter of 2026 uses the same formula, that the Secretary of State "considered the expected costs and benefits set out in the proposals", and none cites a figure.

Three features of this literature shape the model. First, the UK evidence supports aggregation savings in administration and overheads, and says how they vary with size, but not what a merger achieves; version 3 therefore estimates line-by-line elasticities and treats them as uncertain. Second, the only quantified evidence on people services says that splitting a large authority raises their unit cost; version 2.2 credited a constant saving to every configuration instead, version 3 replaced it with a term whose size depends on the map, and version 3.1 estimates that term from published unit costs. Third, the multi-unitary case turns on recurring duplication costs, for which published estimates disagree by a factor of three or more; version 3 builds the cost from the county council's own published structure rather than assuming it.

4 Data

The four files exported on 16 February 2026 from AI DOGE Lancashire, an independent public spending transparency platform built by the author (see the Declaration of Interests), are deposited unchanged; a README records known errata.

`panel_dataset.csv` (780 rows) is a council by financial year by service category panel for the fifteen councils, 2021-22 to 2024-25, across the thirteen SeRCOP service categories used in the MHCLG Revenue Outturn summary returns. It carries service expenditure in pounds, Census 2021 population, and council-level context. Total service expenditure in 2024-25 is £3,345,060,550; the corresponding figures for 2021-22 to 2023-24 are £2,725.0M, £2,909.8M and £3,061.7M. Only 2024-25 is used in the model. `cross_council_efficiency.csv` (15 rows) gives 2024-25 per-capita expenditure by service with the same context variables. `lgr_model_inputs.csv` (18 rows) lists each proposed authority, its constituent councils, its mid-2024 population as used in the proposals and aggregate expenditure of the district and existing-

unitary constituents only; its financial columns do not apportion county expenditure and its population column is the business-case figure (README errata 1 to 3). The MHCLG returns are statistical outturn returns, not audited accounts.

Versions 2 to 2.2 added seven derived files, each carrying its sources: `cdc_ro6_2024_25.csv`, `ra_budget_2026_27_lancashire.csv` (the 2026-27 budget returns, MHCLG, 2026c), `council_finances_2026_27.csv` (Table 3b), `precedents_2019_2023.csv` (Table 3d), `four_unitary_starting_position_2026_27.csv` (Table 10), `lcc_payments_2024_2026.csv` and `member_allowances_2024_25.csv`.

Version 3 adds ten derived files, written by a deposited script (`tools/build_v3_inputs.py`) from the author's local copies of the published sources. Each carries a source column and is described in the README.

- `ro_sublines_2024_25.csv` (1,530 rows): every RO4, RO5 and RO6 line for the fifteen councils in 2024-25, with gross expenditure, income and net current expenditure, the MHCLG file name and URL, and the publication date recorded by the downloader (18 September 2025). MHCLG republished the 2024-25 RO6 file in June 2026 (MHCLG, 2026f); the 105 values of the seven RO6 lines used here, for the fifteen councils, are identical in both releases, and `reproduce.py` checks this. The RO6 line "Corporate and Democratic Core" is held as a single line; the published file by local authority does not separate its two sub-lines.
- `ro6_crosssection_2024_25.csv` (52 rows): the same RO6 lines for the 52 English councils in the AI DOGE parse that matched an ONS mid-2022 population. It is a non-random sample (18 districts and 34 unitary, metropolitan and London councils, 14 of them in Lancashire): county councils fell out through a gap in the population lookup, and the row labelled Calderdale holds Leeds's return (the fact-check of version 3). It was the basis of version 3's elasticities and is a sensitivity only in version 3.1.
- `successor_demographics.csv` (33 rows): Census 2021 population by age band, the IMD 2019 local-authority average score and the ONS 2022-based subnational population projections (ONS, 2025a) for 2028 and 2033, for each billing area, the county-council area and each proposed authority. Three of the four authorities in the alternative four-unitary proposal include wards of Wyre and Ribble Valley and cannot be built from district data. A "health-demand score" used in an earlier site extract is not used anywhere in this version because it is computed from employment and qualification rates by ethnic group, weighted by ethnic composition, and has no health or age content.
- `snpp_2028_2038_by_band.csv` (616 rows): the projections by age band for mid-2028 to mid-2038.
- `supplier_overlap_2024_25.csv` (15 rows) and `supplier_overlap_detail_2024_25.csv` (3,971 rows): from the AI DOGE cross-council supplier index of 5 September 2026, each council's 2024/25 published payments, the part paid to individuals or unnamed payees and to other public bodies, the remaining addressable third-party spend (£2,967M in total), and its payments to the 974 suppliers also paid by at least two other Lancashire councils in the same year. Coverage is the financial year 2024/25; publication thresholds are £500 for ten councils, £250 for Hyndburn, Ribble Valley, Blackpool and the county council, and nil for Blackburn with Darwen. The shares are within-council and are not used to compare councils. Four data-quality points are flagged in the file: the index adds purchase-order commitments to payments for Burnley, whose figures are therefore recomputed from its row-level payments; Chorley's 2024/25 total is far below its adjacent years; and Blackpool's and Hyndburn's 2024/25 totals are more than double 2023/24. Month-by-month completeness could not be checked locally. The index's public-body filter missed some public bodies, schools and universities; version 3.1 removes them by an explicit list in `reproduce.py` (Section 5.4). A supplier qualifies if at least three Lancashire councils, which may include the county council, paid it. The corpus contains no staff pay and is not used for any workforce figure.

- `lgr_preparation_payments.csv` (28 rows): payments since February 2025 identified under two stated rules (the cost centre or description names reorganisation; payments to the two jointly procured advisers, 31ten Consulting and Metro Dynamics), and each council's contribution to the £30M implementation budget. It identifies £498,670 paid, a lower bound because only Burnley's and Hyndburn's payments are scanned row by row; a further £65,000 at Burnley is recorded as purchase-order commitments, part of which may duplicate payments already counted.
- `contracts_beyond_vesting.csv` (359 rows): awarded contracts of the fifteen councils ending after 1 April 2028, from Contracts Finder award notices with Find a Tender notices from 24 February 2025 merged (register of August 2026). The county council has 169 such contracts with published ceilings of £1,078M (Section 2.5). Awarded notices without an end date are excluded, so counts are floors, and ceilings are not spend.
- `lcc_senior_structure.csv` (30 rows): the county council's 27 chief-officer posts, grades, salary bands as at 1 April 2025 and market supplements, from its Pay Policy Statement 2026/27 and Annex 1 structure chart (Lancashire County Council, 2026h).
- `successor_balance_sheet_inputs.csv` (130 rows): reserves by type (MHCLG Revenue Outturn Summary, 31 March 2025), external borrowing (MHCLG live tables), education expenditure, and the county council's treasury, PFI, DSG and reserves figures cited in Section 2.5. The two existing unitaries' DSG balances and any PFI outside the county council are not held and are not used.

Version 3.1 adds eleven derived files, each written by a builder deposited in `tools/` from the published original named in the README, and each carrying its source:

- `ro6_national_2024_25.csv` (317 rows): every English district, county, unitary, metropolitan and London council's 2024-25 RO6 lines used for the elasticities, the corporate-overhead line and its employee costs, with mid-2022 population (MHCLG, 2026f; ONS, 2025a). It replaces the 52-council cross-section as the basis of the elasticities.
- `ascfr_unit_costs_2019_2025.csv` (24,197 rows): Tables 3, 16, 43, 44, 51, 52 and 55 of three editions of the Adult Social Care Finance Return, covering 2019-20 to 2024-25, with IMD 2019 and population aged 65 and over (NHS Digital, 2021; NHS England, 2023; Department of Health and Social Care, 2025a). Tables 41 and 42, which report by ethnicity, are never read.
- `s251_children_placements_2020_2025.csv` (761 rows): S251 residential and fostering placement spend, children looked after at 31 March and population aged 0 to 17, 2020-21 to 2024-25 (Department for Education, 2025a, 2025b).
- `council_tax_table10_2026_27.csv` (15 rows): Band D, special expenses, tax base and council tax requirement for the fourteen billing authorities and the county council, 2025-26 and 2026-27 (MHCLG, 2026h).
- `transition_cost_parameters.csv` (84 rows): every published transition-cost line, constant, phasing profile and total used in Section 5.6, each with its document, PDF page, printed page and a verbatim string from that page, which the builder checks.
- `lgfutures_per_head_2025_26.csv` (48 rows) and `lgfutures_successor_projections.csv` (71 rows): the county council's per-head disaggregation indices and LG Futures' Fair Funding 2.0 projections for existing and successor authorities, 2025/26 to 2028/29 (LG Futures, 2025, slides 5 to 8, 10, 12 and 21 to 25). The projections were transcribed twice, independently, from the slide images and reconciled, and the builder checks the slides' own arithmetic.
- `csp_final_2025_29.csv` (15 rows): Core Spending Power 2025-26 to 2028-29 from the final local government finance settlement (MHCLG, 2026i).
- `ro6_history_overhead.csv` (1,586 rows) and `census2011_district_population.csv` (348 rows): every English council's corporate overhead in 2018-19, 2019-20, 2020-21, 2022-23 and 2023-24, and Census 2011 district populations, for the ex-post test of Section 8.4 (MHCLG, 2024b, 2024c, 2025c, 2025d, 2026g; ONS, 2013).

- `exit_packages_2024_25.csv` (16 rows): the exit packages disclosed in the fifteen councils' audited Statements of Accounts for 2024/25, each with its URL, page and a verbatim string; a cross-check on the redundancy line, not a model input.

After a referee-style review of the first draft of version 3.1, and a further review of the revised draft, seven further derived files were added, each with a builder in `tools/` and its public original named in the README:

- `ro_panel_2016_2026.csv` (3,335 rows) and `ons_mye_2016_2025.csv` (3,820 rows): every English council's corporate overhead and its net current service expenditure by service group, 2017-18 to 2025-26, from MHCLG's multi-year revenue outturn data set (MHCLG, 2026k), with the 2016-17 Revenue Outturn Summary (MHCLG, 2017), and ONS mid-year population estimates on April 2023 boundaries (ONS, 2026). The builder checks the overhead components against the separate RO6 files for every council and year from 2018-19 to 2024-25 and finds them identical. Sections 5.1, 8.5 and 8.6.
- `rs_history_2007_2016.csv` (3,247 rows), `rs_excluded_lines_2016_2026.csv` (3,335 rows) and `ons_mye_2007_2015.csv` (3,175 rows), added in version 3.2: every English council's net current service expenditure by service line for 2007-08 to 2015-16, from the Revenue Outturn Summary by authority (DCLG, 2016), with public health and the rent allowance and rent rebate lines; the same lines for 2016-17 to 2025-26 (MHCLG, 2017, 2026k); and ONS mid-year population estimates for mid-2007 to mid-2015 (ONS, 2023, 2024). The builder finds every column by its label and checks that the service lines sum to total service expenditure for every council in the early years. Section 8.6.
- `sen_transport_2020_2025.csv` (761 rows): each upper-tier council's spending on home-to-school and post-16 transport for children and young people with special educational needs (S251 lines 1.4.11, 2.1.4, 2.1.6 and 2.1.7) and its number of education, health and care plans in January, 2020-21 to 2024-25 (Department for Education, 2025a, 2026). The builder puts North Yorkshire, Somerset and Buckinghamshire on their current codes, which the source files do not do consistently. Section 5.3.
- `asc_direct_payment_clients_2021_2025.csv` (912 rows): the number of adults accessing long-term support through direct payments at 31 March, by council and age band, for 2020-21 and 2022-23 (NHS Digital, 2021; NHS England, 2023; Table 38, SALT) and 2024-25 (Department of Health and Social Care, 2025c, Table 38, client-level data). Section 5.3.
- `asc_direct_payments_2021_22_2023_24.csv` (610 rows): direct-payments spending (Adult Social Care Finance Return, Tables 43 and 44) and clients at 31 March (Table 38, SALT) by council and age band for 2021-22 and 2023-24 (NHS Digital, 2022; NHS England, 2024), added in the last revision so that the pooled check of the direct-payments term covers all five published years. Section 5.3.
- `la_pay_area_2024.csv` (153 rows): residents' median gross annual pay (ONS, 2025b) and land area (ONS, 2025c) for each county, unitary, metropolitan and London council, for the replication of Newton's specification and the density check in Section 5.3.
- `officer_remuneration_bands_2024_25.csv` (516 rows) and `senior_officers_2024_25.csv` (210 rows): the officers' remuneration notes in the fifteen councils' audited Statements of Accounts for 2024/25, transcribed with the page and a verbatim string for every value, which the builder re-finds in the published documents; no postholder is named. Section 8.7.

Three earlier files are revised by a deposited script (`tools/revise_v21_files.py`): Chorley's Band D in `council_finances_2026_27.csv` (Section 5.5); the removal from `four_unitary_starting_position_2026_27.csv` of the column apportioned by a needs score that was computed from ethnic composition (change log, item 27); and the removal from `successor_demographics.csv` of the empty column that version 3 had kept for that score. The `review/` folder of the deposit holds the fact-check of version 3, the referee-style review of version 3.1, the plan recording the decision on the overhead slope and the ex-post test's rule as committed on 27 September 2026, and the rules for the further tests as committed on 28 September 2026 before any of them was run, in two files: those written after the first review and those written after the second (the rules deposited with the paper; Appendix D).

The README records that the fraud and risk fields and the ethnicity context columns of the February 2026 export are not used anywhere and must not be used to compare councils. `reproduce.py` also writes `paper_tables.md` and `paper_figures.json`, from which every model table and prose figure in this paper is taken, and `tools/check_paper.py` checks the paper against them.

Version 3.2 adds two derived files, its rules and a second checker. `derived/precedent_documents_v32.csv` is a hand-compiled register of what was read in the precedents' published documents for the single councils (the structural changes orders, transition budgets and outturns, members' allowances schemes and area bodies), each row giving the document, its URL, the page and the verbatim text read, or its status where no value was read; `reproduce.py` takes the precedents' values from it. `derived/transition_comparators_v32.csv` holds, in the same form, the populations and the HM Treasury deflator series used for the precedents' transition costs per head in Table 8g. The rules are those committed before the package computed any result and the addendum written after the independent review of version 3.2; both are deposited, and Appendix D lists them. `tools/check_published_four.py` checks that the four published configurations reproduce version 3.1's generated tables, prose figures and results, and `tools/check_paper.py` now also compares the tables of the area annex (Appendix C), which `reproduce_annex.py` generates, cell by cell.

5 Method

The model computes, for each configuration, recurring structural savings, a recurring duplication cost and a people-services effect, and compares the net result with one-off transition costs built up by line. Each component is computed separately so that its effect can be seen. All parameters of the four published configurations are in Table 4, and the version 3.2 parameters are in Section 5.7 and Appendix B; each is sourced, estimated from deposited data with its standard error, or labelled an assumption and varied in Section 8. The script `reproduce.py` regenerates every table from the deposited files. It also reproduces version 2.2 unchanged (its Tables R1 to R3 and S1 to S3) and recomputes version 3 as deposited, which Table 9 reports beside version 3.1; the script checks the recomputed version 3 against its printed Table 8. The alternative four-unitary proposal cannot be built from district data (Section 4) and is not in the results; in version 2.2 it tracked the four-unitary proposal to within £0.1M.

Version 3.1 changes the method in five places in response to the fact-check of version 3: the administrative elasticities and the corporate-overhead specification (5.1), the people-services term (5.3), the procurement base (5.4), council-tax harmonisation paths (5.5), and the transition cost and the phasing of savings (5.6). After the referee-style review it adds a people-services term for the transport of children with special educational needs (5.3) and four tests (Sections 8.5 to 8.7 and the replication of Newton's specification in 5.3), and reports the review's variants of the overhead measure (5.1). A further review of the revised draft found that the deduction of support recharges from the overhead measure reflected how councils recorded them, and that direct payments had not been estimated as the rule for people services required; the overhead is now measured before that deduction for every council (5.1), and a direct-payments term was estimated (5.3). An independent review of that revision, which recomputed its results in separately written code, found that the direct-payments association rested on the first year of client-level data and that the most the new overhead measure can count twice could be bounded; the pooled check of the direct-payments term was extended to all five published years, on which it is not central (5.3), and the bound is reported (5.1). Where a choice between specifications had to be made, the rule is stated. The rule and stop rule of the ex-post test of the overhead specification (Section 8.4) were written into a plan committed at 22:53 on 27 September 2026, before the returns it uses were downloaded; the rules for the later tests and for the transport term were committed on 28 September 2026 before any of them was computed, and the rules for the recharge basis and direct payments at 11:27 on 28 September 2026 (commit 46a21b1), with the author's decision that the new basis would become central whatever it showed,

before either was computed; and the rule extending the pooled check of the direct-payments term at 13:04 on 28 September 2026 (commit 75d9695), before it was computed. The records are in the deposit (`review/`). They are dated records in the author's own repository, not an external registration. The choice of the central overhead specification itself was made after a pilot had shown its effect, and its alternative is reported beside it throughout (5.1).

Table 4 Parameters, version 3.1

Parameter	Value	Basis
Merger elasticities, five collection and electoral RO6 lines	0.500 to 0.657 (Table 5)	estimated: log-log OLS of 2024-25 line cost on mid-2022 population with class effects, 126 to 286 English councils by line, HC1 standard errors (`ro6_national_2024_25.csv`); bounded to [0.5, 1] (assumption)
Corporate-overhead slope, merging and dividing (central)	0.667 (s.e. 0.086)	estimated: upper-tier curve, 152 county, unitary, metropolitan and London councils, overhead before deducting support recharges within central services; the same slope for the merging councils and the divided county (Option 2)
Corporate-overhead merger slope, Option 1 (displayed with equal prominence)	0.747 (s.e. 0.083)	estimated: pooled merger curve, 295 district, unitary, metropolitan and London councils; the county still divided at 0.667
Corporate overhead divided, county council	£143.1M	Core, net of members' allowances, plus management and support services, gross; the £83.4M of support recharges the county recorded within central services is not deducted (rule R6)
Realisation	75% of line-level and procurement savings	assumption, as v2.2; varied 60% to 90%
Members' allowances that cease	£6,839,156	allowances paid in 2024/25 (`member_allowances_2024_25.csv`)
Successor councillors	210 (2UA); 313 (3UA, 4UA, 5UA)	joint response to MHCLG, June 2026 (Lancashire County Council, 2026b, Q9)
Successor allowance per councillor	£15,744	allowances paid by Blackpool and Blackburn with Darwen in 2024/25 divided by their 93 seats; varied £9,869 (fifteen-council average) to £21,310 (county council average)
County chief-officer structure	27 posts; £4.15M a year including on-costs at band midpoints	Lancashire County Council (2026h) and Annex 1 (`lcc_senior_structure.csv`); salary bands as at 1 April 2025, before the 2026-27 pay award
Tier 3 and 4 replication in each successor	100%	assumption; varied 50% to 100%
Position in salary band	midpoint	assumption; varied minimum to maximum
Employer pension contribution	9.3%	Lancashire County Council (2026h), p. 6
Employer National Insurance	15% of pay above £5,000	HM Revenue and Customs (2025); unchanged in 2026-27
People-services elasticities: adult placements aged 65 and over (A1); aged 18 to 64 (A11); children's placements (C1)	+0.015 (s.e. 0.015); +0.000 (s.e. 0.031); −0.022 (s.e. 0.030)	estimated from published unit costs (Table 7a); drawn from their sampling distributions in the Monte Carlo
Placement spend, 2024-25: county; Blackpool; Blackburn with Darwen	adults aged 65 and over £214.3M, £30.7M, £12.4M; aged 18 to 64 £46.1M, £10.4M, £8.4M; children £111.5M, £38.3M, £22.5M	ASC-FR 2024-25, Tables 43 and 44; S251 2024-25, lines 3.1.1 and 3.1.2; county spend apportioned to successors by population in each age band (assumption)
SEN transport elasticity (T1; central under the rule fixed in advance)	+0.227 (s.e. 0.104)	estimated: log SEN transport spend per EHC plan on log population aged 0 to 17, region effects and IMD, 153 councils (Table 7a); drawn from its sampling distribution in the Monte Carlo
SEN transport spend, 2024-25: county; Blackpool; Blackburn with Darwen	£44.0M; £2.9M; £5.0M	S251 2024-25 lines 1.4.11, 2.1.4, 2.1.6 and 2.1.7, gross (`sen_transport_2020_2025.csv`); county spend apportioned to successors by population aged 0 to 17 (assumption)
Direct-payments elasticity, adults aged 65 and over (DP65; not in the central case, under a rule fixed in advance)	+0.281 (s.e. 0.094)	estimated: log direct-payments spend per client on log population aged 18 and over, region effects and IMD, 152 councils (Table 7a); pooled over 2020-21 to 2024-25, +0.073 (95 per cent interval −0.019 to +0.165), so a sensitivity row under the rule fixed in advance and not drawn in the Monte Carlo; the estimate for adults aged 18 to 64 is not central either
Direct-payments spend, adults aged 65 and over, 2024-25: county; Blackpool; Blackburn with Darwen (sensitivity rows only)	£20.1M; £1.3M; £3.1M	ASC-FR 2024-25, Tables 43 and 44 (`ascfr_unit_costs_2019_2025.csv`); county spend apportioned to successors by population aged 65 and over (assumption)

Newton's working assumption (displayed with equal prominence)	1% per 200,000 population	Newton (2025), p. 55; applied to placement spend (its own scope) and to all people-services spend (version 3's treatment)
Procurement rate	3% of 2024/25 payments to a supplier shared by two or more constituents of the same successor	assumption, as v2.2; varied 1% to 5%, with 1.3% (Accounts Commission, 2014) (`supplier_overlap_detail_2024_25.csv`)
Transition cost, built up by line	£61.4M to £66.5M (Table 8b)	Blackpool's 31ten run for each configuration (`transition_cost_parameters.csv`)
Redundancy	35% of the staff part of realised line-level savings	31ten rate; varied 30% to 43% (Surrey)
Staff share of corporate overhead	43.4%	RO6 2024-25 employee costs over gross expenditure, fourteen billing councils (a lower bound)
Closedown	£1,950,000	£100,000 per district and £250,000 per upper-tier council (Four Lancashire, 2025b, p. 39)
Transition contingency	10%	31ten
IT aggregation programme	£22.8M after vesting	£500 per user (31ten)
Savings phasing	50%, 75%, 100% in years 1 to 3	31ten (Four Lancashire, 2025b, p. 43); Surrey's profiles, no phasing and a linear ramp varied
Transition overrun	0.98 to 1.45 (Monte Carlo)	Cumbria (KPMG, 2023, p. 8) to Northamptonshire (Table 3d)
Discount rate	3.5% (real)	HM Treasury (2026), para. 6.54
Horizon	2028/29 to 2037/38	vesting 1 April 2028 (the July 2026 timetable, kept as the central case; the July decision was paused on 7 September 2026 and withdrawn on 29 October 2026, and the stated timetable now has vesting on 1 April 2029, shown as a variant in Table 8h; Section 11); placement spend grows with the projected populations in each age band (ONS, 2025a)
Monte Carlo	10,000 draws	fixed seed; distributions in Section 8

The version 3.2 parameters are in Section 5.7 and Appendix B.

5.1 Structural savings: line-level consolidation

Version 2.2 applied 12 per cent and 18 per cent to aggregate central-services expenditure. Version 3 replaced these with the consolidation of individual Revenue Outturn lines at scale elasticities estimated across 52 councils held in the AI DOGE parse, a non-random set with no county councils (the fact-check of version 3). Version 3.1 keeps the approach and re-estimates the elasticities from MHCLG's full 2024-25 RO6 return, republished in June 2026 (MHCLG, 2026f), which covers 317 English district, county, unitary, metropolitan and London councils; Cumberland made no return. Version 3's elasticities are kept as a sensitivity (Table 11).

Six lines are consolidated. Five are collection and electoral functions that every billing authority performs: council-tax collection, business-rates collection, electoral registration, conducting elections and local land charges, each net of income. The sixth replaces version 3's two lines for the Corporate and Democratic Core and for management and support services. Those two lines double-counted support costs recharged into the Core, and they depended on how each council classified its recharges: two councils in version 3's sample recorded almost nothing on the support-services line (the fact-check of version 3, deposited in `review/`). Version 3.1 uses one corporate-overhead line: the Core, net, plus management and support services, gross, with members' allowances removed because they are counted separately (5.2). Until the second review it also deducted the support recharges that RO6 records within central services; it no longer does (below). On this definition the fourteen billing councils' corporate overhead is £280.4M and the county council's £143.1M.

For each line an elasticity b of cost with respect to population is estimated by ordinary least squares of log cost on log mid-2022 population (ONS, 2025a), with class effects and HC1 standard errors, across the councils with a positive value on the line. The merger curve uses districts, unitaries, metropolitan districts and London boroughs; the division curve (5.2) uses counties, unitaries, metropolitan districts and

London boroughs. The five collection and electoral elasticities range from 0.500 to 0.657 on 126 to 286 councils (Table 5). Central values are bounded to [0.5, 1], an assumption that rules out diseconomies of scale and implausibly strong economies; only local land charges is affected (estimate 0.347).

If cost varies with population s as s^b, merging constituents with populations s_i and combined population S changes the cost of a line from its observed value C to $C \times S^b / \Sigma s_i^b$, so the saving is $C \times (1 - S^b / \Sigma s_i^b)$. The saving depends on the actual map, not only on the number of authorities. An elasticity of 1 means no saving. An elasticity of 0 means the line's cost is wholly fixed, and the merged line then costs the average of its constituents' costs. The formula applies to the fourteen billing councils; the county council's overhead is divided, not merged (5.2).

The corporate-overhead slope. The estimated slope of the corporate overhead differs by kind of council: 1.169 across districts alone, 0.747 when districts, unitaries, metropolitan districts and London boroughs are pooled with class effects (295 councils), 0.667 on the upper-tier curve (152 councils) and 0.641 across unitaries alone (Table V1b in the deposit). Version 3 applied one pooled slope both to constituents that are mostly districts and to a successor that is a unitary (the fact-check of version 3). Three specifications were compared. Option 1 merges at the pooled slope (0.747) and divides the county on the upper-tier curve (0.667). Option 2 uses the upper-tier slope (0.667, standard error 0.086) for both merging and dividing, on the argument that one curve should govern both and that it should be the curve of the kind of council that will exist afterwards. Both apply the slope to each area's own overhead, so differences in how councils account for overheads are not booked as merger savings; the cost of dividing the county, however, scales with the county's own recorded overhead (below). Option 3 predicts each successor's overhead from the unitary curve in level as well as slope; its level carries the whole cross-sectional difference between unitary and two-tier areas, much of which is recharge accounting rather than scale, so it is reported as an upper bound only. Option 2 is central. It implies that merging cuts the merging councils' own overhead by 47, 39, 33 and 28 per cent before realisation, against 38, 32, 27 and 22 per cent under Option 1 (Table 5a), and readers can judge those cuts directly. The choice was made on the coherence argument after a pilot, on the netted measure then used, had shown that Option 2 raises the net position of every configuration and turned four unitaries from slightly negative to positive; on basis C it still raises every configuration. For that reason Option 1 is reported with equal prominence wherever the central case is quoted (Table 8a), an ex-post test with a rule fixed in advance was run on the 2019 to 2023 reorganisations (Section 8.4), and both slopes were re-estimated on every year of returns from 2017-18 to 2024-25 (Section 8.5). The plan that recorded the choice and the pilot's results is deposited (`review/partB_plan_D10.md`). The unitary intercept shift estimated with the curves is not applied to successors, because the county's functions enter through the division, not the merger.

The overhead measure. Until the second review the measure deducted the support recharges that RO6 records within central services, so as not to count twice support costs recharged into the Core. That deduction turned out to depend on how councils recorded their recharges. In 2024-25, 48 of 276 councils with a support cost recorded more than half of it as recharged within central services; in 2025-26, when MHCLG's return first asked each council how it records recharges, 5 of 271 did (MHCLG, 2026k). The county council was one of 17 counties that record support costs, and one of the four (Kent, Lancashire, Nottinghamshire and Suffolk) that recorded most of their support recharges within central services in 2024-25: it deducted £83.4M, 68 per cent of its £122.9M gross support cost, and in 2025-26 it recorded £1.2M within central services and £93.1M to general fund services, with a gross support cost of £126.2M. The recharges cannot all have gone to other lines of the form. RO6 records them as income ("Other income - Recharges within central services"; MHCLG, 2026k, data dictionary), and a cost recharged within central services can reappear only as gross expenditure on another central-services line of RO6. The county's other RO6 lines have gross expenditure of £44.0M between them, so at least £39.4M of its £83.4M could not have landed on any of them (`ro_sublines_2024_25.csv`). Lancashire's billing councils deducted £103.6M between them in 2024-25, most of it at Blackpool, Wyre, Blackburn with Darwen, Lancaster and Preston. The deduction therefore reflects recording rather than cost, and it affects the councils that define the

slopes and the merging councils as well as the county. A referee-style review proposed taking the county's base before the deduction (variant B below); a second review found that doing so for the county alone is one-sided. The measure is therefore now taken before the deduction for every council (basis C), a change decided, together with the decision that it would become the central case, before its effect was computed (Appendix D). Basis C counts twice any support cost that a council genuinely recharges into the Core. That amount is bounded. It cannot exceed the recharges themselves, nor the Core's gross expenditure less its employee costs and members' allowances, because recharged support arrives in the Core as non-employee cost. For the county the bound is £20.1M of its £143.1M (14.0 per cent; its Core is £22.0M gross, of which £0.1M is employee cost), and for the fourteen billing councils £23.7M of their £280.4M (8.5 per cent). Across the 152 councils of the upper-tier regression it is £353.0M of the £1,152.7M added back, a median of 2.3 per cent of a council's overhead on basis C and 10.8 per cent at the 90th percentile. The fall in the count of councils recording most of their recharges within central services shows that recording changed once the form asked the question, not that recharging into the Core is small; Table 8d reports basis C less the bound (C′, below). On basis C the fourteen billing councils' overhead is £280.4M, against £176.8M on the netted definition, and the county's is £143.1M, against £59.7M; the upper-tier slope is 0.667 (standard error 0.086), against 0.705, and the pooled slope 0.747, against 0.829. Because basis C enlarges both the overhead that is merged and the overhead that is divided, it raises the net position of two unitaries and lowers those of three, four and five (Table 8a).

Variants of the overhead measure. Table 8d reports four further variants beside the netted definition, which Table 8a shows with equal prominence. C′ takes basis C less the bound above, for every council, in the regressions and in the bases: the slopes are 0.673 (standard error 0.086) and 0.755, the bases £256.7M and £123.0M, and the net positions £72.1M, £33.7M, £4.0M and −£23.2M, or £54.8M, £18.3M, −£9.6M and −£35.0M under Option 1, between the central case and the netted definition for every configuration under both options. A leaves the 16 upper-tier councils that record no management and support services cost out of both regressions, which gives slopes of 0.736 and 0.810 and net positions of £68.3M, £32.3M, £4.9M and −£19.6M, or £49.1M, £15.6M, −£9.5M and −£32.0M under Option 1. B, the review's variant, takes the county's base before the deduction and every other council's after it: £39.4M, £5.4M, −£20.6M and −£44.3M. D takes the slopes (0.548 and 0.648) and the fifteen councils' bases from the 2025-26 returns, the first on the revised form, with the recharges deducted as recorded there: £68.7M, £16.8M, −£25.3M and −£62.6M (Ribble Valley, which has made no 2025-26 return, at its 2024-25 value, and 2025-26 cash throughout).

5.2 Recurring duplication, built bottom-up

Each successor must run structures that exist once today. The cost is built from four parts.

Leadership. Each successor is assumed to need the county council's chief-officer structure: the Chief Executive, four executive directors and eighteen directors, and four Consultants in Public Health, at the county's published grades (band midpoints, market supplements, employer pension at 9.3 per cent and employer National Insurance). The structure costs £4.15M a year: £2.07M for the corporate, place and resources posts and £2.08M for the children's, adults' and public-health posts, which are reported separately as people-services management. The county council's own structure ceases, so its cost is credited once.

Corporate overhead. The county council's corporate overhead (£143.1M, on the definition of 5.1) is divided between the successors in proportion to the county-served population in each. Division raises cost along the upper-tier curve: a share p_j of a base B costs $B \times p_j{}^{\wedge}b$, so the added cost is $B \times (\Sigma p_j{}^{\wedge}b - 1)$, with b = 0.667 under both Option 1 and Option 2. The county's chief-officer cost is deducted from the base so that it is not counted twice. The county's 35 contracts for software and IT services that run beyond vesting (published ceilings equivalent to £27.9M a year) are reported as a cross-check, not used: recurring IT is inside the overhead that the division curve covers, and no case examined publishes a rule for recurring IT that could be applied instead (Section 7).

Democratic structures. All members' allowances now paid (£6.84M) cease, and the successor councillors are paid at the average rate of the two existing unitaries, £15,744. This replaces version 2.2's treatment, which valued the councillor reduction at the fifteen-council average and also included "democratic structures" in the assumed duplication cost.

Boundaries. Leadership of district functions in the successors is inside the consolidated district overhead of 5.1, which already includes a leadership element; adding a full county-grade structure for every successor therefore overstates duplication a little. The two existing unitaries' chief officers are removed only through 5.1, not in full. Both effects work against every configuration and in proportion to the number of successors. The county's share of the overhead is divided separately from the overhead merged from each successor's own constituents; merging the county's share with the upper-tier support of Blackpool or Blackburn with Darwen within the same successor might yield a further saving, which is not counted.

The result is reported per new authority, before the county credit, beside version 3's figure, and as a break-even: the per-authority cost at which the net position is zero.

5.3 People services

Version 2.2 credited every configuration with 1 per cent of the county council's adult and children's social care spending as an integration saving. Version 3 replaced it with the working assumption of Newton (2025, p. 55), "For every additional 200,000 population, the unit cost will reduce by 1%", and applied it to all net adult and children's social care spending. That went beyond Newton's own scope. Newton's appendix states that the assumption "has been applied to Adult and Children's placement costs but not to SEND or Home to School Transport" (Newton, 2025, p. 99), and its regression was fitted on older adults' residential care bed unit costs, in a linear model with the population aged 65 and over, median income and deprivation as the explanatory variables (pp. 98 and 99), although its executive summary states the rate against total population ("For every 200,000 reduction in population") and describes a wider scope that includes special educational needs (p. 9). Newton publishes no coefficients or standard errors.

Version 3.1 estimates the relationship from published unit costs. For adults, the log weekly unit cost of long-term residential and nursing care for people aged 65 and over (Adult Social Care Finance Return, Table 52) is regressed on log adult population, with region effects and the IMD 2019 average score (MHCLG, 2019), across the 153 councils with data in 2024-25; three editions give 2019-20 to 2024-25 (NHS Digital, 2021; NHS England, 2023; Department of Health and Social Care, 2025a). For children, the dependent variable is residential and fostering placement spend per child looked after, from S251 lines 3.1.1 and 3.1.2, regressed on log population aged 0 to 17 (Department for Education, 2025a, 2025b). Table 7a gives the central specifications (A1 and C1 here, A11, T1 and DP65 below) and the checks. The adult elasticity is +0.015 (standard error 0.015; 95 per cent interval −0.014 to +0.044; 153 councils) and the children's −0.022 (0.030; −0.080 to +0.036; 149). Newton's working assumption corresponds to an elasticity of −0.055 if the 200,000 is read against total population at 1.0 million, as the executive summary states it, and of about −0.017 if it is read against the population aged 65 and over, on which the regression was fitted, at the county's 256,334. A1's interval excludes both. The check that measures size by the population aged 65 and over (A6: +0.009 (95 per cent interval −0.019 to +0.037)) excludes the first reading but not the second, and Newton's own specification, replicated from published data (A13: a linear regression on the population aged 65 and over, residents' median pay (ONS, 2025b) and the IMD score, converted to an elasticity at the county's values), gives +0.007 (95 per cent interval −0.082 to +0.096), which excludes neither. For adults aged 18 to 64 (A11: +0.000 (95 per cent interval −0.060 to +0.061)) and for children the estimates cannot distinguish Newton's rate from none. The estimates find no scale economy in the unit cost of older adults' placements across the range observed, but they cannot rule out one of the size Newton's regression implies. They are associations across councils as they are: dividing a county changes the number of buyers in the same care markets, not the markets, and no specification controls for the share of people who pay for their own care or for the placement mix, so none identifies the effect of dividing a county.

The term applies these elasticities to placement spend only, which is Newton's scope. For the county council that is £214.3M of long-term residential and nursing care for adults aged 65 and over, £46.1M for adults aged 18 to 64, to which A11, the specification central for that spend, applies (+0.000, standard error 0.031), and £111.5M of children's placements (Adult Social Care Finance Return, Tables 43 and 44; S251). Each piece moves from the authority that runs it now to a successor of a different size, and its unit cost changes by the ratio of the two sizes raised to the power b: the term is $spend \times (1 - (D_j/D_a)^b)$, where size is population aged 18 and over for adults and aged 0 to 17 for children (Census 2021). The county's spending is apportioned to successors by population in each age band. The term is not reduced by the realisation factor. The base is all provision, in-house and external, because Tables 43 and 44 do not split the two; Newton's scope is commissioned placements.

Newton's assumption is reported beside the central case with equal prominence in two forms: on placement spend, its own scope, and on all people-services spending, version 3's treatment (Table 8a). *Home-to-school transport for children with special educational needs.* Newton models the demand for and cost of this service (pp. 18, 96 and 97) but does not apply its scale factor to it (p. 99), and it is a large one: in 2024-25 the county spent £44.0M on home-to-school and post-16 transport for children and young people with special educational needs (S251 lines 1.4.11, 2.1.4, 2.1.6 and 2.1.7; Department for Education, 2025a), and the two unitaries £7.9M. Its unit cost, spending per child or young person with an education, health and care plan (Department for Education, 2026), is estimated as C1 is. The unit is approximate: lines 2.1.4 and 2.1.6 cover all pupils whose transport is agreed because of special educational needs or disability, not only those with a plan, and some transport funded from the Dedicated Schools Grant may be recorded on line 1.2.11 instead. Unlike the placements, it rises with the size of the council: T1 gives +0.227 (95 per cent interval +0.023 to +0.431); with population density as a further control (T2), +0.219 (95 per cent interval +0.003 to +0.435); pooled over 2020-21 to 2024-25 (T3), +0.162 (95 per cent interval +0.079 to +0.244). Under a rule fixed before the estimate was made (a term enters the central case only if the single-year interval excludes zero and the pooled estimate has the same sign and also excludes zero; `review/phase6b_rules.md`), the term is central. It is applied as the children's placements are, with the county's spending apportioned by population aged 0 to 17, and it adds £0.8M, £5.3M, £8.0M and £10.5M to the four configurations: on this estimate the smaller successors would carry lower costs per plan. The single-year interval only just excludes zero, and the mechanism is uncertain. Larger councils cover larger and more rural areas; population density measured at council level leaves the estimate almost unchanged, and with that control too the interval only just excludes zero. If the association reflects distance and rurality, dividing the county would not realise it, because a division does not change the distances its children travel. The central case without the term, the basis before this addition, is reported with equal prominence (Table 8a).

Home care is the largest adult service outside the placement base. Its external standard hourly rate shows no scale economy (H1: +0.019, standard error 0.018; Table 7a), and including it would give net positions of £75.7M, £32.4M, −£1.3M and −£31.6M (Table V25 in the deposit); following Newton's scope it is a sensitivity only. Supported living remains outside the model: the client-level activity data that replaced the older returns in 2024-25 count clients by how their support is delivered, not by setting, so they give no count of people in supported living, on which the county spent £113.7M in 2024-25 (Adult Social Care Finance Return, Tables 43 and 44).

Direct payments. The same data do count clients receiving direct payments, by council and age band, so the rule fixed for people services required a unit cost; the revised draft of version 3.1 did not estimate one, and the second review found the omission. The term was then estimated under that rule as written (committed before it was computed). The unit cost is direct-payments spending by age band (Adult Social Care Finance Return, Tables 43 and 44) over the clients receiving direct payments at 31 March (Table 38: NHS Digital, 2021, 2022; NHS England, 2023, 2024; Department of Health and Social Care, 2025c). For adults aged 65 and over DP65 gives +0.281 (95 per cent interval +0.096 to +0.465) in 2024-25, and the rule's pooled check, over 2020-21, 2022-23 and 2024-25, the three years then held, gave +0.110 (95 per

cent interval +0.003 to +0.217), so the term entered the central case. An independent review then found that the association is carried by 2024-25, the first year of client-level data. In the four years of the earlier SALT collection it is absent: on the same specification the single-year estimates for 2020-21 to 2023-24 are −0.032, −0.051, +0.045 and +0.066, and none of their intervals excludes zero. The 2024-25 unit costs are also widely spread, from Reading, £233 per client (£14,000 over 60 clients) to Gloucestershire, £75,680 per client (£3,784,000 over 50 clients); with the five lowest and five highest removed the estimate is +0.089 (95 per cent interval +0.017 to +0.161). The author then decided, before it was computed, to extend the pooled check to all five published years (Appendix D). Pooled over 2020-21 to 2024-25, with 712 observations from 156 councils, the estimate is +0.073 (95 per cent interval −0.019 to +0.165), so under the rule the term is a sensitivity row. For adults aged 18 to 64 the 2024-25 interval includes zero (+0.126 (95 per cent interval −0.007 to +0.259)) and the five-year estimate is +0.022 (95 per cent interval −0.053 to +0.097), so that term is a sensitivity row too. The central case therefore has no direct-payments term. Applied to the county's £20.1M of direct payments to adults aged 65 and over, apportioned to successors by population in that age band, the term for that age band at its 2024-25 estimate would add −£0.2M, £2.5M, £4.1M and £5.5M, giving net positions of £75.7M, £34.2M, £1.5M and −£27.8M; at the five-year pooled estimate the positions would be £76.0M, £32.5M, −£1.3M and −£31.5M, and with the term for adults aged 18 to 64 alone at its point estimate £77.3M, £36.1M, £3.8M and −£25.4M (Table V35 in the deposit). The two collections count a client with a part direct payment in the same way: SALT's count is the sum of clients with a direct payment only and with a part direct payment, and in the client-level data a client is counted under direct payment "if a ‘direct payment’ is found in either the delivery mechanism CLD field, or the service component CLD field" (Department of Health and Social Care, 2025d, section "Long-term support (LTS001)"), while a client who also has residential or nursing care is placed in that setting, which ranks above community support (2025d, Appendix 1). Other caveats remain: a count at 31 March is divided into a year's spending, and the Department advises that activity data cannot be compared directly with finance data (Department of Health and Social Care, 2025b). The case with the term at its 2024-25 estimate is reported with equal prominence (Table 8a).

The county's contract for accommodation-based adult care, to be let for eight years from April 2027 at a value of up to £700.0M, would pass to the successors; the county has said that contracts will carry break points "to support a potential transition" (Lancashire County Council, 2026i, Appendix A, item 25 and note 2). Two rows of Table 8c hold the adult placements term back, to the first fee round set by the successors and to the end of that contract. Direct payments are paid to the client to arrange care, not bought through that contract or set in the successors' fee rounds, so they would not be held back; the direct-payments term is in any case not central. Unit costs before and after the county splits of 2021 and 2023 are compared in Section 8.3.

5.4 Procurement

Version 2.2 applied 3 per cent to all non-people service spending (£564.3M), most of it the county council's. Versions 3 and 3.1 apply 3 per cent only where contracts can in fact be combined: 2024/25 payments to a supplier that is paid by at least three Lancashire councils, by two or more councils that would form the same successor. The county council's own spending is excluded because it is divided, not combined. Version 3.1 removes from this base the public bodies, schools, colleges and universities that the supplier index had left in it (the fact-check of version 3), using an explicit list of 32 entries, each checked against its published name so that private firms with similar names are not caught; for two unitaries this removes £22.7M. The 3 per cent rate remains an assumption. The only outturn-based benchmark found is Scottish: the Scottish Government, Scotland Excel and councils together reported procurement savings of "1.3 per cent of procurement spend" in 2012/13, with the caveat that "some of their savings calculations may not be reliable or may be incomplete" (Accounts Commission, 2014, p. 7). Table 11 shows 1.3 per cent beside 1 and 5 per cent. Social-value weighting and local reservation of contracts could offset price savings; neither is modelled.

5.5 Balance sheets and council tax

Opening balance sheets for each successor add its constituents' reserves and borrowing to a share of the county council's reserves, borrowing and PFI liabilities apportioned by county-served population, and a share of the county's Dedicated Schools Grant deficit apportioned by population aged 0 to 17. These are illustrative apportionments, not the statutory division, and do not enter the net position.

Council-tax harmonisation to the tax-base-weighted average of each successor's constituent Band D bills raises the same revenue as the predecessors. Version 3.1 takes every council's Band D on the basis of MHCLG's Table 10, line 9, which includes special expenses (MHCLG, 2026h). Chorley's is then £215.99 in both 2025-26 and 2026-27; version 3 used a figure that excluded Chorley's special expenses and so reported a fall of 10.7 per cent that did not happen.

Harmonisation need not be immediate. A reorganised authority may set different basic amounts in its predecessor areas for up to seven years (SI 2008/3022, reg. 15, as amended by SI 2018/1296, reg. 9). While it equalises, it may choose whether the referendum principles apply to the increase in each predecessor area or to the average increase across them, weighted by tax base (DLUHC, 2023, Annex B, paras 4 and 5(b)); the Table 10 return asks such an authority which it chooses (line 12). For 2026-27 an increase of 5 per cent or more is excessive for a county or unitary council, including 2 per cent for adult social care (MHCLG, 2026j, Annex A, para. 3; the principles are set under the Local Government Finance Act 1992, s.52ZE), so 4.99 per cent is the practical ceiling; for a shire district an increase is excessive if it is both 3 per cent or more and more than £5 (para. 7). The Government will "maintain core referendum principles as they were in 2025-26 over the multi-year Settlement" to 2028-29 (MHCLG, 2025b, para. 85); the model assumes they continue unchanged after that. For each successor it computes paths over one, three and seven years, with every predecessor raising its bill by the maximum in the year before vesting and tax bases held at 2026/27. Under the average test the revenue-neutral path keeps the average rise at the limit at every length. An authority that chose instead to hold every area's rise within 4.99 per cent could do so only by harmonising towards the lowest bill, which forgoes revenue permanently (Table 9c).

5.6 Transition cost, phasing, horizon and uncertainty

Transition cost. Version 3 carried version 2.2's round-number cost of £31.05M per new authority. Version 3.1 builds the cost up by line (the fact-check of version 3), following the 31ten template that four of the five business cases used. The lines for organisation set-up, communications, shadow elections, shadow running, programme management and IT implementation are taken from Blackpool's 31ten run, the only published run that covers two to five unitaries on one basis (Blackpool Council, 2025b, pp. 6 and 7); for four unitaries the column used is the one for the six-council proposal, not Blackpool's own variant. Closedown is costed at the stated £100,000 per district and £250,000 per upper-tier council, £1.95M in all (Four Lancashire, 2025b, p. 39). Redundancy is the 31ten rate, "modelled as 35% of total staff savings" (Four Lancashire, 2025b, p. 39), applied to the staff part of the model's own realised line-level savings. The staff part is the employee share of the constituents' corporate overhead in RO6, 43.4 per cent across the fourteen billing councils; that is a lower bound, because gross expenditure includes internal recharges. The rate is varied from 30 per cent, an assumption, to 43 per cent, Surrey County Council's rate for its wider-workforce savings (Surrey County Council, 2025, Annex 2, p. 32). A 10 per cent contingency is added to these lines, and the IT aggregation programme (£22.8M, at £500 per user) follows vesting. No published source gives a Lancashire cost per post. As a cross-check, the fifteen councils' audited accounts for 2024/25 disclose 337 exit packages costing £3.6M, or £10,804 each on average (`exit_packages_2024_25.csv`). Table 8b sets the built-up cost beside the business cases' own totals and the precedent envelope of Table 3d. Overrun is drawn in the Monte Carlo between the two precedents: Cumbria committed £18.5M of an £18.9M budget (KPMG, 2023, p. 8), and Northamptonshire's joint estimate rose from £29.9M to £43.5M (Table 3d), factors of 0.98 to 1.45.

Phasing. Transition costs fall in the two years before vesting, half in each, and the IT aggregation programme in the two years after (Four Lancashire, 2025b, p. 43, rows "Transition" and "Disaggregation - IT"). Structural savings are realised at 50, 75 and 100 per cent of the steady state in the first three years, the 31ten "Aggregation" profile on the same page. The duplication cost and the people-services term apply in full from the first year, and members' allowances cease at vesting. Version 3 assumed every year at the steady state. The steady-state net annual position, which every table reports as the net annual position, is unaffected; only payback and NPV change. Surrey's profiles (staff savings 40, 90 and 100 per cent, after a step of 10 per cent in the shadow year that is not used here; non-staff savings 25, 75 and 100 per cent; Surrey County Council, 2025, Annex 2, p. 37), no phasing, and a linear three-year ramp are shown as rows of Table 8c. Because the July decision was withdrawn on 29 October 2026 and the stated timetable now has vesting on 1 April 2029 (Section 2.4), the central timeline is the July timetable and not the one now stated: years are counted from vesting, and NPV is discounted to the year before vesting.

Horizon. The horizon runs from 2028/29 to 2037/38 in 2024-25 prices. Placement and SEN transport spending, and direct-payments spending in the rows that include it, grow with the projected populations in each age band (ONS, 2025a); other components are constant in real terms. Payback is the year in which cumulative undiscounted net savings recover the transition cost, counted from vesting; because the costs before vesting fall in the two preceding years, payback from the first spending is two years longer, and the ten-year value is discounted at 3.5 per cent, the Green Book's social time preference rate (HM Treasury, 2026, para. 6.54). With vesting on 1 April 2029, the timetable the Government stated on 29 October 2026 (MHCLG, 2026l, p. 3, para. 13), the ten years are 2029/30 to 2038/39 (Table 8h, a displayed variant on the central assumptions): the steady-state net annual position has no date in it and does not change; the ten-year value at 3.5 per cent, taken at the year before each vesting date, does not change to the nearest £0.1M for one new council and rises by £0.2M for five unitaries, the forms at each end of the range; and the order of the six forms by ten-year value is the same on both timetables.

Uncertainty. The Monte Carlo (Table 13) draws the sampling error of the estimated parameters and the range of the assumed ones; it does not draw the choice of specification (the overhead option, the recharge basis, Newton's assumption, and whether the SEN transport and direct-payments terms are included), which is shown instead by the rows of Tables 8a and 8d, so its probabilities are conditional on the central specification. It draws the 13 groups of parameters listed in Table V8 of the deposit 10,000 times with a fixed seed. Realisation is uniform on 60 to 90 per cent. The five merger elasticities and the upper-tier overhead slope are normal with their estimates and standard errors, truncated to [0.5, 1] by redrawing, and one overhead draw governs both merging and dividing. The four people-services elasticities (A1, A11, C1 and T1) are normal with their estimates and standard errors; the SEN transport elasticity is drawn from a third random stream, and a fourth stream, which drew the direct-payments elasticity while that term was central, is kept, so that every other draw is unchanged. Table 8a also gives the probabilities on the netted definition, drawn with that definition's own bases and slopes. Tier 3 and 4 replication is triangular on 50 to 100 per cent. The salary point, the successor allowance (£9,869 to £21,310), the procurement rate (1 to 5 per cent), the overrun (0.98 to 1.45) and the redundancy share (30 to 43 per cent) are uniform. Version 3 clipped wide normal draws at 0 and 1, which set almost half of its support-services draws to exactly 1 and was the main reason its medians differed from its central case (the fact-check of version 3, deposited in `review/`). Table 13 reports the result under clipping, with the elasticities fixed, and at other seeds.

5.7 Version 3.2: the single councils

The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries. Both single councils pass through the same code as the four published configurations,

whose every table and prose figure reproduces version 3.1 unchanged (`tools/check_published_four.py`). Four terms needed a rule, each fixed before the package computation (Appendix D); the allowances that cease follow from the configuration.

Scale. For scale, one new council would be larger than any single-tier council in England (1,551,393 against Birmingham (1,154,221), both mid-2022) and 2.5 times the largest unitary (North Yorkshire (623,896)); the county with its districts is compared with county councils by size and ranks 4 of 21 by population among English county councils; the checks in 8.6 and 8.8 cover councils of at most 623,896 people (North Yorkshire, mid-2022), the placebo comparators of 8.6 being two-tier county areas, the largest of them Kent CC and its districts (1,594,467); no precedent the paper uses merged existing unitaries with a county. Both single councils are larger than every council in the regressions for the five collection and electoral lines and for the Option 1 pooled slope, so those terms extrapolate beyond the data; the central upper-tier slope's sample includes one council larger than one new council and three larger than the county with its districts.

Transition. No published 31ten run has a column for one council, and the columns for two to five councils do not move in a constant ratio, so any figure below the two-unitary column would be an extrapolation. Both single councils therefore take the two-unitary lines unscaled; no value for one council is published, so whether the two-unitary values overstate or understate a single council's cost is not known; Table 8g shows, line by line, whether the published values rise, stay flat or fall from two to five unitaries (Appendix D). The new council closes all fifteen predecessors; the continuing authority closes only the twelve districts (£1.2M before contingency). None of the seven structural changes orders for the continuing-authority precedents (SI 2008/490, SI 2008/491, SI 2008/492, SI 2008/493 and SI 2008/494; SI 2022/328 and SI 2022/329) creates a shadow authority: each makes the county council "the sole principal authority" from vesting day (for example SI 2008/491, art. 3(1); SI 2022/328, art. 3(1)) and places the transition with "the Implementation Executive", a committee of the county's executive (SI 2008/491, art. 6), on which every district had members (nominees, or leaders ex officio), until the pre-vesting election where there was one, after which transition passed to the council's executive (for example SI 2008/493, art. 11). Four of the orders brought forward or moved a whole-council election so that it fell before vesting (SI 2008/493 and SI 2008/494, art. 13(1) and (2); SI 2021/175 and SI 2021/176, cited in SI 2022/328 and SI 2022/329); each elected the council that took the unitary's functions. The new council's pre-vesting election is costed (the 31ten line); the continuing authority's pre-vesting election is costed; its shadow running is not, which favours the county with its districts. The 35 per cent redundancy rate is the 31ten template's; the three-unitary business case, built on the same template as the Four Lancashire figures, says that it reflects "severance payments, pension strain and associated exit costs" (Three-Unitary Business Case, 2025, p. 163). Redundancy, contingency and the IT aggregation programme are as for every configuration; for the county with its districts the IT aggregation programme is priced on the staff of all existing authorities, Blackpool's and Blackburn with Darwen's included, which overstates (Table 8b). The county council's own one-unitary figure of £51M (Lancashire County Council, 2025a, slide 34) is displayed beside the built-up cost (Tables 8b and 8c), and the precedents' published costs, as read, in Table 8e.

Councillors. Seats are a parameter at 100, 120 and 150, each at the county council's 2024/25 allowances per seat (£21,310) and at the two unitaries' rate used for the other configurations (£15,744) (Table 6a). The central case is 120 seats at the county's rate: 120 lies between 100, above which the Commission looks "especially" for "particularly strong evidence" (LGBCE, 2023, p. 10), and the up to 140 that Suffolk proposed in 2025 (Suffolk County Council, 2025, p. 70); at 120 the smallest area committee has five members for one new council, on the Census 2021 allocation, the ONS electorate allocation and the allocation rule as committed would give, alike, and six for the county with its districts, against four and five at 100 (Table C4); and the county's rate is the higher, so it works against the single councils. The like-for-like row at the unitaries' rate stands beside the central case in Table 8a.

Area governance. A single council would need area bodies (Section 10). An area body is a neighbourhood governance body of a council (an area board, committee, partnership or network); regulatory planning committees are excluded. Their cost is a line of its own, for each of fourteen (1UA) or twelve (county+12) area bodies, one per district footprint, in two parts. The first is one chair's special responsibility allowance at the central rate, the higher of the two rates named in the question put to the author: Wiltshire Council's Area Board chair rate for 2023/24 (Wiltshire Council, 2023b, p. 6); North Yorkshire's 2025/26 recommended rate (North Yorkshire Council, 2024) is lower and is shown beside it wherever the term is quoted. The rules named Wiltshire's Area Board chair rate as central; Wiltshire's scheme could not be read when the single councils were first computed (the first of the decisions recorded in Appendix D) and was read later from https://web.archive.org/web/20240517164223/https://cms.wiltshire.gov.uk/documents/s221177/Part13_MembersAllowancesScheme.pdf, p. 6; the author decided that the higher of the two rates is central. Westmorland and Furness's Local Area Planning Committee chair rate, £6,918.75 a year (from April 2025; Schedule 1, p. 7), which the definition of an area body excludes, is not above the central one (Wiltshire's £8,927); the term at that rate is stated beside the central term. The second is an officer component. Buckinghamshire's 2019 budget gives a staffing line for its 16 community boards of £1,265,000 for 2020/21, of which £334,000 is reallocated existing staff (Buckinghamshire Shadow Authority, 2019, p. 10; an image table, read independently by rendering three times, the readings agreeing on both values). The term takes the gross line divided by the 16 boards it served, £79,062.50 a body, in 2020/21 cash as published, not uprated: the author accepted the review's change (Appendix D), which raises the term more for one new council (14 bodies) than for the county with its districts (12), and so narrows one new council's lead. The line less reallocated existing staff, £58,187.50 a body, is stated beside it. Somerset's officer support for its Local Community Networks (LCNs) is about half of one full time equivalent officer per LCN, as a research note records the terms of reference; not held (Somerset Council, 2024); no grade is published, so it is not converted. Grants to area bodies are transfers and are excluded; Buckinghamshire's per-board budgets, net and gross, are comparators only, and no term is computed from them (Table 6b). One body per district footprint gives bodies serving 110,814 residents each for one new council and 104,494 for the county with its districts, against 28,673 to 103,983 in the precedents whose body count is held (Buckinghamshire, Cornwall, Durham, North Yorkshire, Northumberland, Westmorland and Furness and Wiltshire); more than any precedent's for one new council and more than any precedent's for the county with its districts; the count therefore makes the term a lower bound. One body per district favours the single councils (fewer bodies, a lower term); Table 6b gives the term at the body counts implied by the precedents with the fewest and the most residents per body, and the first of these is the one against them. The term is incomplete: it understates because the cash is not uprated to 2024-25 prices, because Somerset's officer time is not priced, and because each Lancashire body would serve more residents than a Buckinghamshire board; whether Buckinghamshire's later halving of its boards changed its staffing cost is not published, so whether that raises or lowers the term is not known; the central term uses the gross staffing line, which includes reallocated existing staff not shown to be additional cost, so it is not called an understatement on that line. Its values, and every alternative stated beside them, are in Section 6.5 and Table 6b.

Procurement. Procurement follows the version 3.1 rule, which leaves the county's own payments out; for the single councils, where nothing is divided, that understates the procurement term.

Allowances that cease. These follow from the configuration: for the continuing authority Blackpool's and Blackburn with Darwen's members' allowances continue, so £5.4M ceases rather than £6.8M.

Overhead check. The implied overhead per head of each single council is set beside the county unitaries' as a displayed test, not a parameter (Section 8.8).

6 Results

Statements in Sections 6 to 6.4, 7 and 8.1 to 8.7 about every configuration, and their ranges and orderings, refer to the four proposals modelled (two, three, four and five unitaries, the configurations published in version 3.1) unless they name the single councils (Section 6.5).

Table 5 Scale elasticities and line-level consolidation savings (gross, before realisation)

Line	Elasticity (s.e.)	Councils	Lancashire base	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
Council-tax collection	0.644 (0.123)	273	£8.6M	£5.2M	£4.1M	£4.2M	£3.6M	£3.1M	£2.6M
Business-rates collection	0.657 (0.211)	183	£1.2M	£0.7M	£0.7M	£0.6M	£0.5M	£0.4M	£0.3M
Electoral registration	0.655 (0.078)	286	£2.8M	£1.7M	£1.4M	£1.3M	£1.1M	£1.0M	£0.8M
Conducting elections	0.613 (0.181)	269	£4.1M	£2.6M	£2.2M	£2.1M	£1.8M	£1.6M	£1.3M
Local land charges	0.500 (0.304)	126	£0.5M	£0.3M	£0.3M	£0.3M	£0.2M	£0.2M	£0.2M
Corporate overhead (Corporate and Democratic Core and support services, net of members' allowances; support recharges within central services not deducted, basis C)	0.667 (0.086)	152	£280.4M	£163.0M	£103.6M	£131.6M	£110.0M	£93.5M	£79.0M
Total				**£173.5M**	**£112.2M**	**£140.2M**	**£117.3M**	**£99.7M**	**£84.2M**
Version 3: seven lines, 52-council cross-section, for comparison				n/a	n/a	£31.3M	£25.8M	£21.8M	£18.2M

The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries. This applies to every table in this paper with single-council columns or figures: Table 5, Table 5a, Table 6, Table 7, Table 8, Table 8a, Table 8b, Table 8c, Table 8d, Table 9b, Table 9c, Table 9d, Table 11, Table 12, Table 13, Table 13b, Table 10, Appendix B, Table 6a, Table 6b, Table 8f, Table 8h, Table 6c, Table 12a and Table 12b (the paper's generated tables), and Table C4, Table C4 (continued) and Table C7 (Appendix C, from the annex tables). Source: `reproduce.py`, Tables V1b and V2. The Lancashire base is the fourteen billing councils. Elasticities are bounded to [0.5, 1]; the corporate overhead is merged and divided on the upper-tier curve (Option 2). For the single councils the version 3 rows are n/a: version 3 had no single-council configuration. Some row labels in the generated tables keep the working labels of the rules (for example R4, item G or F19) so that every table reproduces exactly; Appendix D explains each.

The corporate overhead supplies most of the line-level saving: £131.6M of £140.2M for two unitaries and £79.0M of £84.2M for five. The totals are larger than version 3's (£31.3M for two unitaries and £18.2M for five) because the overhead line is merged at the national upper-tier slope, 0.667, where version 3 had estimated 0.979 for support services on its 52 councils, which meant that merged support services cost nearly as much as the sum of their parts, and because on basis C the merged overhead is larger (£280.4M; Section 5.1). The totals are gross, before the 75 per cent realisation, and before the cost of dividing the county's overhead, which rises with the same slope on a base that basis C also enlarges (Table 6).

Table 5a The corporate overhead under each specification

Specification	Measure	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
Option 2 (central): one upper-tier slope, 0.667, for merging and dividing	merger cut in the merging councils' own overhead	58%	56%	47%	39%	33%	28%

	county change, share of the county's overhead	+0%	+0%	+28%	+48%	+65%	+79%
	net annual, steady state	£133.0M	£88.4M	£75.9M	£31.7M	−£2.6M	−£33.3M
Option 1: pooled merger slope, 0.747; county divided at 0.667	merger cut in the merging councils' own overhead	48%	46%	38%	32%	27%	22%
	county change, share of the county's overhead	+0%	+0%	+28%	+48%	+65%	+79%
	net annual, steady state	£112.4M	£75.1M	£57.5M	£15.4M	−£16.9M	−£45.8M
Option 2, slope at −1.96 s.e. (0.500)	net annual, steady state	£164.4M	£109.2M	£85.0M	£19.9M	−£33.6M	−£82.3M
Option 2, slope at +1.96 s.e. (0.835)	net annual, steady state	£84.3M	£57.0M	£52.9M	£28.6M	£10.7M	−£5.6M
Option 2, unitary-only slope (0.641)	net annual, steady state	£138.9M	£92.3M	£78.2M	£30.8M	−£6.2M	−£39.5M
For reference: overhead merger slope from districts only (bounded to 1), other lines unchanged; county divided at 0.667	net annual, steady state	£10.8M	£10.8M	−£22.8M	−£50.9M	−£72.7M	−£92.5M
For reference: no overhead scale effect (both slopes 1)	net annual, steady state	£10.8M	£10.8M	£13.0M	£9.9M	£7.5M	£4.0M
Option 3 (upper bound only): unitary level and slope, six variants	net annual, steady state	£188.4M to £218.3M	£135.4M to £161.2M	£158.6M to £195.1M	£134.1M to £175.1M	£116.1M to £160.5M	£99.6M to £146.9M

Source: `reproduce.py`, Table V16. Merger cut: the fall in the merging councils' own corporate overhead, before the 75 per cent realisation. County change: the change in the cost of the county's overhead and chief-officer structures once divided among the successors, as a share of the county's overhead. Option 3 carries the whole cross-sectional difference in level between unitary and two-tier areas, much of it recharge accounting, and is an upper bound only. For the single councils nothing of the county's is divided; for the county with its districts nothing is divided or merged at the upper tier, so these terms are nil by construction and the leadership lines net to zero.

With the recharge basis (Section 5.1), the specification of the overhead slope is the choice that matters most in the model. Option 1 lowers each published configuration's net position by £12.6M to £18.4M against the central case, taking four unitaries from −£2.6M to −£16.9M and five from −£33.3M to −£45.8M. Three unitaries are the configuration least sensitive to the slope itself: at the two ends of its 95 per cent interval their net position is £19.9M and £28.6M, because a lower slope brings both a larger merger saving and a larger cost of dividing the county. Four unitaries are negative at the lower end (−£33.6M) and positive at the upper (£10.7M); five are negative at both (−£82.3M and −£5.6M). If mergers of districts had no scale economy in overhead, as the slope estimated across districts alone implies, every published configuration would be negative, two unitaries at −£22.8M. Option 3's range, £158.6M to £195.1M for two unitaries and £99.6M to £146.9M for five, shows how much a comparison of levels would add; it is not used.

Table 6 Recurring duplication, bottom-up

Part	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
Leadership, corporate and place (Tiers 1 to 3, county grades)	£2.1M	£2.1M	£4.1M	£6.2M	£8.3M	£10.4M
People-services management (children's, adults' and public-health chief officers)	£2.1M	£2.1M	£4.2M	£6.2M	£8.3M	£10.4M
County corporate overhead, divided on the upper-tier curve	£0.0M	£0.0M	£35.8M	£60.8M	£80.2M	£96.5M
Democratic structures (successor councillors at £15,744; single councils at £21,310, Table 6a)	£2.6M	£2.6M	£3.3M	£4.9M	£4.9M	£4.9M
Less: county chief-officer structure that ceases	−£4.1M	−£4.1M	−£4.1M	−£4.1M	−£4.1M	−£4.1M
Total	**£2.6M**	**£2.6M**	**£43.2M**	**£74.0M**	**£97.5M**	**£118.1M**
Councillors and allowance rate used (version 3.2)	120 at £21,310	120 at £21,310	210 at £15,744	313 at £15,744	313 at £15,744	313 at £15,744
Area governance, not in the total (version 3.2, review/rules_v32.md R4)	£1.2M	£1.1M	nil	nil	nil	nil
Per new authority, before the county credit	£6.7M	£6.7M	£23.7M	£26.1M	£25.4M	£24.4M
Version 3 per new authority, for comparison	n/a	n/a	£8.4M	£8.7M	£8.2M	£7.8M

Source: `reproduce.py`, Table V3. For the single councils nothing of the county's is divided; for the county with its districts nothing is divided or merged at the upper tier, so these terms are nil by construction and the leadership lines net to zero. For the single councils the version 3 rows are n/a: version 3 had no single-council configuration. The area governance row is the term of Table 6b; it is not in the total and enters the net position in Table 8.

The bottom-up cost is £23.7M to £26.1M per new authority, against £7.8M to £8.7M in version 3. The rise comes from the county's corporate overhead, whose division now costs £35.8M to £96.5M a year; version 3 divided it at elasticities close to 1, which implied almost no cost of division. The per-authority figure is about twice the £11M to £13M per unitary implied by PwC's scenarios for areas of Lancashire's size, because basis C divides the county's whole support cost, and far above the four-unitary business case's £1.2M (Section 7). It includes management below Tier 3 only through the division of the county's overhead.

Table 7 People services and procurement

Measure	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
Successors' population aged 18 and over (thousands)	1,213	985	554; 658	389; 394; 430	282; 272; 380; 279	201; 228; 208; 279; 296
Successors' population aged 0 to 17 (thousands)	318	251	132; 186	88; 100; 130	70; 62; 118; 68	60; 70; 46; 68; 74
People-services term, estimated elasticities (central)	−£6.3M	£0.0M	£2.3M	£6.8M	£9.6M	£12.1M
of which adult placements, 65 and over (A1)	−£2.2M	£0.0M	£0.5M	£2.0M	£3.2M	£3.9M
of which adult placements, 18 to 64 (A11)	£0.0M	£0.0M	£0.0M	£0.0M	£0.0M	£0.0M
of which children's placements (C1)	£3.5M	£0.0M	£0.9M	−£0.6M	−£1.6M	−£2.3M
of which SEN transport (T1)	−£7.6M	£0.0M	£0.8M	£5.3M	£8.0M	£10.5M
At the lower 95% bounds of all four elasticities	£16.7M	£0.0M	£3.2M	−£4.9M	−£10.6M	−£14.6M
At the upper 95% bounds	−£33.8M	£0.0M	−£1.1M	£15.8M	£26.1M	£34.3M
Newton on its own scope (1% per 200,000 on placement spend; the SEN transport part is added in Table 8a)	£13.8M	£0.0M	−£5.2M	−£11.4M	−£14.5M	−£16.3M
Newton on all people-services spend (version 3's treatment; likewise)	£32.5M	£0.0M	−£12.0M	−£26.9M	−£33.9M	−£38.4M
Payments to shared suppliers combined within a successor, 2024/25	£273.9M	£111.1M	£217.2M	£178.7M	£166.6M	£120.7M
of which removed in version 3.1 as public bodies, schools, colleges and universities	£23.6M	£0.6M	£22.7M	£1.8M	£1.6M	£6.8M
Procurement saving at 3%	£8.2M	£3.3M	£6.5M	£5.4M	£5.0M	£3.6M
Procurement saving at 1.3% (Accounts Commission, 2014)	£3.6M	£1.4M	£2.8M	£2.3M	£2.2M	£1.6M
Version 3 procurement saving, for comparison	n/a	n/a	£7.2M	£5.4M	£5.0M	£3.8M

Source: `reproduce.py`, Tables V4 and V5. The people-services term is a saving when positive. Population in thousands, Census 2021, one figure per successor. For the single councils nothing of the county's is divided; for the county with its districts nothing is divided or merged at the upper tier, so these terms are nil by construction and the leadership lines net to zero. For the single councils the version 3 rows are n/a: version 3 had no single-council configuration. The rules addendum (Appendix D) compares one new council with each people-services regression's sample: one new council's population aged 0 to 17 (318,444) lies within the 153 councils of the T1 regression, whose largest is Kent (355,390); one new council's population aged 18 and over (1,212,692) lies within the 153 councils of the A1 regression, whose largest is Kent (1,283,639); one new council's population aged 18 and over (1,212,692) lies within the 152 councils of the A11 regression, whose largest is Kent (1,283,639); one new council's population aged 0 to 17 (318,444) lies within the 149 councils of the C1 regression, whose largest is Kent (355,390). Every part of one new council's people-services term lies within its regression's data. The central value keeps the SEN transport (T1), adult placements, 65 and over (A1), adult placements, 18 to 64 (A11) parts, which are negative for one new council; the county with its districts' term is nil by construction, so the central value is the one against one new council and narrows its lead over the county with its districts. The positive children's placements (C1) part has no excluded row: it is the estimated term version 3.1's decisions make central, used within its data, and favours one new council.

Table 7a Estimated elasticities of people-services unit costs with respect to size

Spec	Specification	Elasticity	Standard error	95% interval	Observations	Change for an authority 20% larger
A1	Residential and nursing care, 65 and over, 2024-25; region effects and IMD (central)	+0.015	0.015	−0.014 to +0.044	153	+0.28%
A2	As A1, 2023-24	+0.017	0.018	−0.017 to +0.052	152	+0.32%
A3	As A1, with council-type effects	+0.034	0.023	−0.010 to +0.079	153	+0.62%
A5	As A1, county councils and unitaries only	+0.005	0.012	−0.018 to +0.027	84	+0.08%

A6	As A1, size measured by population aged 65 and over	+0.009	0.014	−0.019 to +0.037	149	+0.16%
A7	Pooled 2019-20 to 2024-25, year effects, clustered by council	+0.006	0.014	−0.021 to +0.032	904 (158 councils)	+0.10%
A11	Residential and nursing care, 18 to 64, 2024-25 (central for that spend)	+0.000	0.031	−0.060 to +0.061	152	+0.01%
A12	Externally provided residential care, 65 and over (commissioned price)	+0.024	0.018	−0.012 to +0.060	152	+0.44%
A13	Newton's specification: linear in population aged 65 and over, with median resident pay and IMD; elasticity at the county's values	+0.007	0.045	−0.082 to +0.096	147	+0.12%
H1	Home care, external standard hourly rate, 2024-25 (sensitivity only)	+0.019	0.018	−0.017 to +0.055	152	+0.35%
T1	Home-to-school and post-16 SEN transport per EHC plan, 2024-25; size measured by population aged 0 to 17 (central under rule R3)	+0.227	0.104	+0.023 to +0.431	153	+4.23%
T2	As T1, with population density	+0.219	0.110	+0.003 to +0.435	153	+4.07%
T3	As T1, pooled 2020-21 to 2024-25, year effects, clustered by council	+0.162	0.042	+0.079 to +0.244	755 (155 councils)	+2.99%
DP65	Direct payments per client, 65 and over, 2024-25, client-level data; size measured by population aged 18 and over (central under rule R3a; a sensitivity row under rule R3b)	+0.281	0.094	+0.096 to +0.465	152	+5.25%
DP65s20	As DP65, 2020-21 only (SALT)	−0.032	0.046	−0.123 to +0.059	141	−0.58%
DP65s21	As DP65, 2021-22 only (SALT)	−0.051	0.060	−0.170 to +0.067	140	−0.93%
DP65s22	As DP65, 2022-23 only (SALT)	+0.045	0.052	−0.057 to +0.148	139	+0.83%
DP65s23	As DP65, 2023-24 only (SALT)	+0.066	0.046	−0.024 to +0.157	140	+1.22%
DP65t	As DP65, 2024-25, the five lowest and five highest unit costs removed	+0.089	0.037	+0.017 to +0.161	142	+1.64%
DP65p	As DP65, pooled 2020-21, 2022-23 and 2024-25 (the three years whose spending and counts were held when rule R3a was fixed), year effects, clustered by council	+0.110	0.055	+0.003 to +0.217	432 (156 councils)	+2.03%
DP65p5	As DP65, pooled over the five years 2020-21 to 2024-25 (rule R3b), year effects, clustered by council	+0.073	0.047	−0.019 to +0.165	712 (156 councils)	+1.35%
DP1864	Direct payments per client, 18 to 64, 2024-25, client-level data (a sensitivity row under rules R3a and R3b)	+0.126	0.068	−0.007 to +0.259	152	+2.33%
DP1864s20	As DP1864, 2020-21 only (SALT)	+0.005	0.040	−0.073 to +0.082	144	+0.09%
DP1864s21	As DP1864, 2021-22 only (SALT)	+0.010	0.043	−0.075 to +0.095	144	+0.18%
DP1864s22	As DP1864, 2022-23 only (SALT)	−0.025	0.038	−0.100 to +0.051	143	−0.45%
DP1864s23	As DP1864, 2023-24 only (SALT)	−0.031	0.045	−0.119 to +0.057	144	−0.57%
DP1864t	As DP1864, 2024-25, the five lowest and five highest unit costs removed	+0.063	0.027	+0.011 to +0.116	142	+1.16%
DP1864p	As DP1864, pooled 2020-21, 2022-23 and 2024-25 (the three years whose spending and counts were held when rule R3a was fixed), year effects, clustered by council	+0.042	0.042	−0.041 to +0.124	439 (156 councils)	+0.77%
DP1864p5	As DP1864, pooled over the five years 2020-21 to 2024-25 (rule R3b), year effects, clustered by council	+0.022	0.038	−0.053 to +0.097	727 (156 councils)	+0.40%
C1	Placement spend per child looked after, 2024-25; size measured by population aged 0 to 17 (central)	−0.022	0.030	−0.080 to +0.036	149	−0.39%
C2	As C1, 2023-24	−0.026	0.032	−0.089 to +0.037	150	−0.48%
C3	Pooled 2020-21 to 2024-25, year effects, clustered by council	+0.046	0.037	−0.026 to +0.118	751 (154 councils)	+0.84%
	For comparison: Newton's working assumption, 1% per 200,000 at 1.0 million	−0.055				−1.00%
	For comparison: the same, read against population aged 65 and over at the county's 256,334	−0.017				−0.32%

Source: `reproduce.py`, Table V14, which gives every specification. Log unit cost on log population, with region effects and the IMD 2019 average score; HC1 standard errors, clustered by council for the pooled panels. Adults: Adult Social Care Finance Return (`ascfr_unit_costs_2019_2025.csv`); children: S251 and the DfE looked-after children release (`s251_children_placements_2020_2025.csv`). A positive elasticity means unit costs rise with size.

The estimated people-services term is positive for every published configuration, £2.3M to £12.1M a year, and it has two parts. The placements part is small, £1.4M to £1.6M, and its components pull in opposite directions: adult placement unit costs rise slightly with size, so dividing the county's adult placements saves £0.5M to £3.9M a year, while children's placement costs fall slightly with size, so dividing the county's children's placements adds cost for three or more unitaries (−£2.3M a year for five). Neither is statistically distinguishable from zero, and at the 95 per cent bounds the placements part runs from −£15.9M to £17.5M for five unitaries. The SEN transport part, £0.8M, £5.3M, £8.0M and £10.5M, is larger for more authorities, because its unit cost is estimated to fall as the county's spending passes to smaller councils, while merging the two unitaries' spending into larger successors raises theirs (Section 5.3). A direct-payments part, which is not central, would add −£0.2M, £2.5M, £4.1M and £5.5M at its 2024-25 estimate. Newton's working assumption, which covers placements only, gives a cost of £5.2M to £16.3M a year on its own scope and £12.0M to £38.4M on version 3's; both are shown beside the central case in Table 8a, with the SEN transport part as estimated. Removing public bodies, schools and universities reduces the two-unitary procurement base by £22.7M, and procurement savings are £3.6M to £6.5M a year at 3 per cent, or £1.6M to £2.8M at the Scottish rate of 1.3 per cent.

Table 8 Net annual position, transition cost, payback and ten-year value, version 3.1

Measure	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
Line-level consolidation (gross)	£173.5M	£112.2M	£140.2M	£117.3M	£99.7M	£84.2M
Procurement (gross)	£8.2M	£3.3M	£6.5M	£5.4M	£5.0M	£3.6M
Realised structural savings (75%)	£136.3M	£86.7M	£110.0M	£92.0M	£78.6M	£65.9M
Members' allowances that cease	£6.8M	£5.4M	£6.8M	£6.8M	£6.8M	£6.8M
People-services term	−£6.3M	£0.0M	£2.3M	£6.8M	£9.6M	£12.1M
Recurring duplication (Table 6)	−£2.6M	−£2.6M	−£43.2M	−£74.0M	−£97.5M	−£118.1M
Area governance (version 3.2; Table 6)	−£1.2M	−£1.1M	nil	nil	nil	nil
Net annual, steady state	**£133.0M**	**£88.4M**	**£75.9M**	**£31.7M**	**−£2.6M**	**−£33.3M**
Net annual, year 10 (projected demand)	£133.0M	£88.4M	£76.0M	£31.8M	−£2.3M	−£33.1M
Transition cost (one-off, built up by line; Table 8b)	£65.6M	£54.9M	£61.4M	£63.0M	£64.3M	£66.5M
Payback (years)	0.8	1.0	1.8	4.2	none	none
Ten-year net (undiscounted)	£1,162.3M	£764.5M	£615.3M	£185.4M	−£147.6M	−£447.4M
Ten-year NPV at 3.5%	£943.4M	£619.1M	£491.6M	£135.4M	−£140.5M	−£389.1M
Ten-year NPV, savings on a linear three-year ramp	£910.8M	£598.4M	£465.3M	£113.4M	−£159.3M	−£404.8M
Break-even duplication per new authority	n/a	n/a	£61.6M	£36.6M	£24.8M	£17.8M
Break-even duplication per council (version 3.2, single councils; the area governance term subtracted as in the net position)	£139.7M	£95.1M	n/a	n/a	n/a	n/a

Source: `reproduce.py`, Table V6. The steady-state net annual position counts every saving at its full realised level. Payback and NPV use the savings phased as in Section 5.6 and the transition costs of Table 8b. For the single councils the break-even row is per council, with the area governance term subtracted as in the net position. Titled as in version 3.1; the two single-council columns are version 3.2's.

Four things stand out. First, the ordering is the same as in every earlier version: two unitaries do best of the five proposals and five worst, with steady-state net annual positions of £75.9M, £31.7M, −£2.6M and −£33.3M. Second, the transition cost barely varies with the number of authorities, from £61.4M to £66.5M, because the IT aggregation programme is the same in every case and more authorities mean smaller savings and so smaller redundancy costs; the one-off cost of dividing the county's systems, services and contracts, which would rise with the number of authorities, is not in the central case (only Hertfordshire's IT estimate is shown, in Table 8c), so its omission favours the configurations with more successors. Payback, counted from vesting, is 1.8 years for two unitaries and 4.2 for three; four and five unitaries do not pay back within ten years. Third, the ten-year values are £491.6M, £135.4M, −£140.5M and

−£389.1M; for four unitaries the transition cost and the phasing of savings turn a steady state close to break-even into a clearly negative ten-year value. Fourth, unlike version 3, the net position hardly changes over the decade (£76.0M, £31.8M, −£2.3M and −£33.1M in year 10), because the people-services term grows only with the projected populations. The break-even duplication cost per new authority, £61.6M, £36.6M, £24.8M and £17.8M, is above the bottom-up estimate for two and three unitaries and below it for four, narrowly, and for five.

Table 8a The central case beside the displayed alternatives

Treatment	Measure	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
Central: Option 2 overhead, people services estimated	net annual, steady state	£133.0M	£88.4M	£75.9M	£31.7M	−£2.6M	−£33.3M
	ten-year NPV	£943.4M	£619.1M	£491.6M	£135.4M	−£140.5M	−£389.1M
	payback (years)	0.8	1.0	1.8	4.2	none	none
Realised savings per resident for two unitaries set to Buckinghamshire's reported rate (as in Table 8d; version 3.2, F75)	net annual, steady state	£61.3M	£42.9M	£18.0M	−£16.7M	−£43.9M	−£67.9M
	ten-year NPV	£410.3M	£280.0M	£61.3M	−£224.5M	−£447.8M	−£646.6M
The same, at West and North Northamptonshire's reported rate (as in Table 8d; version 3.2, F75)	net annual, steady state	£40.0M	£29.3M	£0.8M	−£31.2M	−£56.2M	−£78.2M
	ten-year NPV	£251.3M	£178.9M	−£67.0M	−£331.9M	−£539.5M	−£723.4M
Councillors at the two unitaries' allowance rate (like for like; version 3.2)	net annual, steady state	£133.7M	£89.1M	£75.9M	£31.7M	−£2.6M	−£33.3M
	ten-year NPV	£948.9M	£624.7M	£491.6M	£135.4M	−£140.5M	−£389.1M
	payback (years)	0.8	0.9	1.8	4.2	none	none
Collection and electoral line elasticities at 1 for the single councils (the lines on which they lie beyond the data; version 3.2)	net annual, steady state	£125.1M	£81.9M	n/a	n/a	n/a	n/a
	ten-year NPV	£884.8M	£570.7M	n/a	n/a	n/a	n/a
	payback (years)	0.8	1.0	n/a	n/a	n/a	n/a
Option 1 overhead (pooled merger slope)	net annual, steady state	£112.4M	£75.1M	£57.5M	£15.4M	−£16.9M	−£45.8M
	ten-year NPV	£790.6M	£519.8M	£354.8M	£14.5M	−£247.3M	−£482.3M
	payback (years)	0.9	1.1	2.2	7.6	none	none
Newton on its own scope (1% per 200,000 on placement spend)	net annual, steady state	£145.5M	£88.4M	£69.3M	£18.8M	−£18.6M	−£51.1M
	ten-year NPV	£1,051.9M	£619.1M	£433.8M	£21.6M	−£282.3M	−£547.2M
	payback (years)	0.6	1.0	2.1	7.3	none	none
Newton on all people-services spend (version 3's treatment)	net annual, steady state	£164.2M	£88.4M	£62.5M	£3.3M	−£38.1M	−£73.3M
	ten-year NPV	£1,212.1M	£619.1M	£372.6M	−£114.2M	−£453.0M	−£741.0M
	payback (years)	0.5	1.0	2.3	none	none	none
Option 1 and Newton on placements	net annual, steady state	£125.0M	£75.1M	£50.9M	£2.5M	−£33.0M	−£63.7M
	ten-year NPV	£899.2M	£519.8M	£297.0M	−£99.3M	−£389.1M	−£640.4M
	payback (years)	0.7	1.1	2.5	none	none	none
Option 1 and Newton on all spend	net annual, steady state	£143.7M	£75.1M	£44.1M	−£13.0M	−£52.4M	−£85.8M
	ten-year NPV	£1,059.4M	£519.8M	£235.9M	−£235.2M	−£559.8M	−£834.2M
	payback (years)	0.5	1.1	2.9	none	none	none
SEN transport term excluded	net annual, steady state	£140.6M	£88.4M	£75.0M	£26.3M	−£10.5M	−£43.7M

	ten-year NPV	£1,003.9M	£619.1M	£484.2M	£91.9M	−£205.2M	−£473.6M
	payback (years)	0.7	1.0	1.8	5.0	none	none
Adult placements, 65 and over (A1) term excluded (version 3.2, item G)	net annual, steady state	£135.2M	£88.4M	n/a	n/a	n/a	n/a
	ten-year NPV	£963.4M	£619.1M	n/a	n/a	n/a	n/a
	payback (years)	0.8	1.0	n/a	n/a	n/a	n/a
Adult placements, 18 to 64 (A11) term excluded (version 3.2, item G)	net annual, steady state	£133.0M	£88.4M	n/a	n/a	n/a	n/a
	ten-year NPV	£943.6M	£619.1M	n/a	n/a	n/a	n/a
	payback (years)	0.8	1.0	n/a	n/a	n/a	n/a
All negative parts excluded (SEN transport (T1), adult placements, 65 and over (A1), adult placements, 18 to 64 (A11); version 3.2, item G)	net annual, steady state	£142.9M	£88.4M	n/a	n/a	n/a	n/a
	ten-year NPV	£1,024.1M	£619.1M	n/a	n/a	n/a	n/a
	payback (years)	0.7	1.0	n/a	n/a	n/a	n/a
Netted overhead definition (central before session 6), Option 2	net annual, steady state	£82.0M	£58.5M	£58.1M	£37.0M	£20.8M	£5.3M
	ten-year NPV	£564.4M	£396.4M	£380.7M	£210.3M	£80.1M	−£46.1M
	payback (years)	1.1	1.3	1.7	2.7	4.6	none
Netted overhead definition, Option 1	net annual, steady state	£58.6M	£42.6M	£37.9M	£19.4M	£5.5M	−£7.9M
	ten-year NPV	£390.4M	£278.0M	£230.0M	£79.7M	−£33.9M	−£144.0M
	payback (years)	1.4	1.7	2.3	4.3	none	none
Direct payments term included, 65 and over, at its 2024-25 estimate (central under rule R3a, a sensitivity row under rule R3b)	net annual, steady state	£127.6M	£88.4M	£75.7M	£34.2M	£1.5M	−£27.8M
	ten-year NPV	£895.3M	£619.1M	£490.5M	£158.5M	−£103.4M	−£339.6M
	payback (years)	0.9	1.0	1.8	3.8	none	none
Own calibration: each single council's realisation set so that its own realised structural saving per resident equals Buckinghamshire's reported rate, capped at the central 75% (version 3.2, F05)	realisation	28.7%	36.4%	n/a	n/a	n/a	n/a
	net annual, steady state	£48.9M	£43.8M	n/a	n/a	n/a	n/a
	ten-year NPV	£317.6M	£287.4M	n/a	n/a	n/a	n/a
	payback (years)	1.7	1.6	n/a	n/a	n/a	n/a
Own calibration, the same at West and North Northamptonshire's reported rate (version 3.2, F05)	realisation	19.2%	24.4%	n/a	n/a	n/a	n/a
	net annual, steady state	£31.6M	£29.9M	n/a	n/a	n/a	n/a
	ten-year NPV	£189.3M	£183.8M	n/a	n/a	n/a	n/a
	payback (years)	2.4	2.2	n/a	n/a	n/a	n/a
Option 3 overhead (upper bound only)	net annual, steady state	£188.4M to £218.3M	£135.4M to £161.2M	£158.6M to £195.1M	£134.1M to £175.1M	£116.1M to £160.5M	£99.6M to £146.9M
Monte Carlo, Option 2 (central)	probability net annual > 0	100%	100%	100%	100%	46%	3%
	probability ten-year NPV > 0	100%	100%	100%	88%	10%	0%
Monte Carlo, Option 2 (central), one new council with replication held at 1 (version 3.2)	probability net annual > 0	100%	n/a	n/a	n/a	n/a	n/a
	probability ten-year NPV > 0	100%	n/a	n/a	n/a	n/a	n/a

Monte Carlo, Option 1	probability net annual > 0	100%	100%	98%	70%	29%	9%
	probability ten-year NPV > 0	100%	100%	96%	49%	14%	3%
Monte Carlo, Option 1, one new council with replication held at 1 (version 3.2)	probability net annual > 0	100%	n/a	n/a	n/a	n/a	n/a
	probability ten-year NPV > 0	100%	n/a	n/a	n/a	n/a	n/a
Monte Carlo, netted definition, Option 2	probability net annual > 0	100%	100%	100%	100%	99%	74%
	probability ten-year NPV > 0	100%	100%	100%	100%	85%	24%
Monte Carlo, netted definition, Option 2, one new council with replication held at 1 (version 3.2)	probability net annual > 0	100%	n/a	n/a	n/a	n/a	n/a
	probability ten-year NPV > 0	100%	n/a	n/a	n/a	n/a	n/a
Monte Carlo, netted definition, Option 1	probability net annual > 0	100%	100%	99%	87%	65%	38%
	probability ten-year NPV > 0	99%	100%	94%	71%	41%	18%
Monte Carlo, netted definition, Option 1, one new council with replication held at 1 (version 3.2)	probability net annual > 0	100%	n/a	n/a	n/a	n/a	n/a
	probability ten-year NPV > 0	99%	n/a	n/a	n/a	n/a	n/a

Source: `reproduce.py`, Tables V26, V8 and V16. NPV and payback use the transition cost built up by line and the savings phased as in Table 8. In the own-calibration rows the published four's cells are n/a: own calibration applies to the single councils only. Size, for these rows and for Table 8d's fitted-rate rows: both the fitted-rate rows and the own-calibration rows apply a precedent's saving per resident to a council larger than the precedent: Buckinghamshire 553,300 and West & North Northamptonshire 745,610 residents (as the precedents' documents state), against 1,531,136 for one new council and 1,235,368 for the county with its districts (Census 2021). In the row with the collection and electoral line elasticities at 1 the published four's cells are n/a: the published four lie within the data on these lines. The rows that exclude a part of one new council's people-services term are built as the SEN transport row is, and the published four's cells in those rows are n/a. Every part of one new council's people-services term lies within its regression's data. The central value keeps the SEN transport (T1), adult placements, 65 and over (A1), adult placements, 18 to 64 (A11) parts, which are negative for one new council; the county with its districts' term is nil by construction, so the central value is the one against one new council and narrows its lead over the county with its districts. The positive children's placements (C1) part has no excluded row: it is the estimated term version 3.1's decisions make central, used within its data, and favours one new council.

Table 8a gives the central case and the treatments that the paper reports beside it with equal prominence. Two unitaries are positive in every row and pay back in every row that reports payback; their ten-year value is positive in every row except realisation at West and North Northamptonshire's reported rate. The signs of the other three configurations depend on the treatment. Three unitaries are positive in every row except Option 1 combined with Newton's assumption on all spending (−£13.0M) and the two rows at the precedents' reported rates, but their ten-year value is negative under Newton's assumption on all spending, under Option 1 combined with either Newton treatment and in the two precedent-rate rows. Four unitaries are negative in the central case (−£2.6M) and positive on the netted definition (£20.8M under Option 2 and £5.5M under Option 1) and with the direct-payments term at its 2024-25 estimate (£1.5M); they are negative in every other row: under Option 1 (−£16.9M), with Newton's assumption on placements (−£18.6M) or on all spending (−£38.1M), and without the SEN transport term (−£10.5M), and at the precedents' reported rates. Their ten-year value is negative in every row except the netted definition under Option 2 (£80.1M). Five unitaries are negative in every row except the netted definition under Option 2 (£5.3M), and their ten-year value is negative in every row. The Monte Carlo, which does not draw these choices (Section 5.6), gives a probability of a positive net annual position of 100, 100, 46 and 3 per cent under Option 2 and 98, 70, 29 and 9 per cent under Option 1; on the netted

definition, with its own bases and slopes, 100, 100, 99 and 74 per cent under Option 2 and 99, 87, 65 and 38 per cent under Option 1. The ordering 2UA > 3UA > 4UA > 5UA holds in every net-position and ten-year-value row.

Table 8b Transition cost, built up by line

Line	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
Redundancy (35% of the staff part of realised savings)	£21.7M	£13.7M	£17.6M	£14.7M	£12.4M	£10.7M
Organisation set-up	£2.4M	£2.4M	£2.4M	£2.8M	£3.1M	£3.4M
Closedown	£2.1M	£1.3M	£2.1M	£2.1M	£2.1M	£2.1M
Communications	£1.7M	£1.7M	£1.7M	£1.7M	£1.8M	£1.8M
Shadow elections	£1.8M	£1.8M	£1.8M	£2.0M	£2.1M	£2.3M
Shadow running	£1.9M	£0.0M	£1.9M	£2.4M	£2.8M	£3.5M
Programme management	£8.5M	£8.5M	£8.5M	£11.3M	£13.4M	£15.4M
IT implementation	£2.8M	£2.8M	£2.8M	£3.3M	£3.9M	£4.4M
Before vesting (each line includes the 10% contingency)	**£42.8M**	**£32.1M**	**£38.6M**	**£40.2M**	**£41.5M**	**£43.7M**
IT aggregation programme, after vesting	£22.8M	£22.8M	£22.8M	£22.8M	£22.8M	£22.8M
Total one-off transition cost	**£65.6M**	**£54.9M**	**£61.4M**	**£63.0M**	**£64.3M**	**£66.5M**
Version 3: £31.05M per new authority	n/a	n/a	£62.1M	£93.1M	£124.2M	£155.2M
Total one-off transition cost: Pre-vesting election and shadow running lines both nil (session 1 decision 2; version 3.2, F19)	n/a	£53.1M	n/a	n/a	n/a	n/a
Total one-off transition cost: With the election and shadow running lines of the two-unitary 31ten column (transition ran through an Implementation Executive with district members until the pre-vesting election, F58; version 3.2, F19)	n/a	£56.7M	n/a	n/a	n/a	n/a
Published: four-unitary case appendix, p. 40	n/a	n/a	n/a	£24.8M	£27.2M	n/a
Published: three-unitary case, p. 164	n/a	n/a	n/a	£32.7M	£37.6M	n/a
Published: five-unitary case, p. 187	n/a	n/a	n/a	£20.5M	£22.1M	£22.7M
Published: county's two-unitary case, p. 114 (includes ICT)	n/a	n/a	£62.0M	n/a	n/a	n/a
Published: Blackpool's 31ten run, before the IT aggregation programme	n/a	n/a	£27.3M	£31.2M	£34.3M	£37.3M
Published: the county council's own figure for one unitary, slide 34 (version 3.2)	£51.0M	n/a	n/a	n/a	n/a	n/a
Precedent envelope: £29 to £62 per resident (Table 3d)	£44.2M to £94.6M	£35.7M to £76.3M	£44.2M to £94.6M	£44.2M to £94.6M	£44.2M to £94.6M	£44.2M to £94.6M

Source: `reproduce.py`, Table V19, and `transition_cost_parameters.csv`, which gives the document and page of every line. The published totals include contingency and exclude the IT aggregation programme, except the county council's two-unitary case, which includes its ICT costs. For the county with its districts the IT aggregation programme is priced on the staff of all existing authorities, Blackpool's and Blackburn with Darwen's included, whose systems would not be aggregated; no split is published, so it is not reduced, which overstates. The county with its districts' central transition carries the pre-vesting election line of the two-unitary 31ten column with contingency, and its shadow running line is nil, because the orders create no shadow authority; the two further rows headed 'Total one-off transition cost' give its total with both lines nil and with both lines charged. For the single councils the version 3 rows are n/a: version 3 had no single-council configuration.

The built-up transition cost, £61.4M to £66.5M, lies within the envelope implied by the 2019 to 2023 reorganisations, £44.2M to £94.6M, and replaces version 3's £62.1M to £155.2M, which rose in proportion to the number of new authorities. It is higher than the business cases' own totals (£20.5M to £37.6M) mainly because it includes the IT aggregation programme; like for like, the four-unitary case's £27.2M plus its IT aggregation programme is £50.0M, against this model's £64.3M. Each line of Table 8b includes the 10 per cent contingency. The redundancy line, £10.7M to £17.6M, is larger than the £3.6M that the fifteen councils disclosed for all their exit packages in 2024/25.

Table 8c Ten-year NPV and payback under the transition and phasing variants

Treatment	1UA NPV	1UA payback	1UA (county+12) NPV	1UA (county+12) payback	2UA NPV	2UA payback	3UA NPV	3UA payback	4UA NPV	4UA payback	5UA NPV	5UA payback
Central (built up by line; savings phased 50%, 75%, 100%, 31ten)	£943.4M	0.8	£619.1M	1.0	£491.6M	1.8	£135.4M	4.2	−£140.5M	none	−£389.1M	none
Savings not phased (every year at the steady state)	£1,041.0M	0.4	£681.2M	0.4	£570.4M	0.6	£201.4M	2.0	−£84.3M	none	−£341.9M	none
Savings phased on Surrey's profiles	£926.5M	1.2	£608.3M	1.2	£478.0M	2.1	£124.1M	4.5	−£150.3M	none	−£397.1M	none
Savings on a linear three-year ramp	£910.8M	1.2	£598.4M	1.3	£465.3M	2.3	£113.4M	4.9	−£159.3M	none	−£404.8M	none
Redundancy 30% of the staff part	£946.5M	0.7	£621.1M	0.9	£494.2M	1.7	£137.6M	4.1	−£138.7M	none	−£387.5M	none
Redundancy 43% of the staff part (Surrey)	£938.3M	0.9	£615.9M	1.0	£487.5M	1.9	£132.0M	4.3	−£143.4M	none	−£391.6M	none
Redundancy as published in the 31ten run	£959.1M	0.5	£626.6M	0.7	£503.1M	1.5	£144.6M	3.9	−£133.2M	none	−£382.5M	none
Overrun ×0.98 (Cumbria)	£944.7M	0.8	£620.2M	0.9	£492.8M	1.8	£136.7M	4.1	−£139.3M	none	−£387.7M	none
Overrun ×1.45 (Northamptonshire)	£914.0M	1.2	£594.7M	1.4	£464.2M	2.3	£107.3M	5.1	−£169.3M	none	−£418.8M	none
ICT after vesting (county's two-unitary case)	£943.6M	0.8	£619.3M	0.9	£491.8M	1.8	£135.6M	4.2	−£140.3M	none	−£388.8M	none
Plus Hertfordshire's one-off IT disaggregation, high	n/a	n/a	n/a	n/a	£460.7M	2.2	£94.6M	5.5	−£191.4M	none	n/a	n/a
High case: redundancy 43%, overrun ×1.45, Hertfordshire IT high	£906.7M	1.3	£590.1M	1.4	£413.4M	2.9	£43.1M	7.2	−£247.2M	none	n/a	n/a
Adult placements term from year 2 (first successor fee round)	£945.6M	0.8	£619.1M	1.0	£491.1M	1.8	£133.4M	4.2	−£143.6M	none	−£392.9M	none
Adult placements term not before the care contract ends (year 8)	£957.9M	0.8	£619.1M	1.0	£488.4M	1.8	£122.1M	4.5	−£161.3M	none	−£414.6M	none
Redundancy on all realised line-level savings (all treated as staff)	£914.5M	1.2	£600.1M	1.3	£468.3M	2.2	£115.9M	4.8	−£157.2M	none	−£402.9M	none
Plus Hertfordshire's one-off IT disaggregation, low	n/a	n/a	n/a	n/a	£475.1M	2.1	£111.7M	5.0	−£171.5M	none	n/a	n/a
Overrun ×1.84 (Northamptonshire, £55M as reported in the press)	£888.6M	1.4	£573.5M	1.8	£440.4M	2.6	£82.8M	5.8	−£194.2M	none	−£444.6M	none
Savings on a linear five-year ramp	£786.4M	1.8	£519.3M	2.0	£364.9M	3.6	£29.4M	7.8	−£231.0M	none	−£464.9M	none
Version 3's flat transition cost at the start	n/a	n/a	n/a	n/a	£490.5M	1.9	£104.9M	5.1	−£200.9M	none	−£478.2M	none
The county council's own one-unitary transition cost, £51M (1UA only; version 3.2)	£956.7M	0.8	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-vesting election and shadow running lines both nil (session 1 decision 2; version 3.2, F19)	n/a	n/a	£620.9M	0.9	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
With the election and shadow running lines of the two-unitary 31ten column (transition ran through an Implementation Executive with district members until the pre-vesting election, F58; version 3.2, F19)	n/a	n/a	£617.2M	1.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: `reproduce.py`, Tables V19 and V17. Hertfordshire publishes no estimate of one-off IT disaggregation for five authorities, so those cells are not applicable. The rows for the county with its districts with both pre-vesting lines nil and with the election and shadow running lines follow the rules addendum (Appendix D). A nil shadow running line favours the county with its districts. The single councils divide nothing, so Hertfordshire's disaggregation cost does not apply. This removes a cost from the single councils' rows, so their High case carries only redundancy at 43 per cent and the overrun of ×1.45. The published 31ten redundancy values fall from two to five unitaries; no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known. For the single councils the version 3 rows are n/a: version 3 had no single-council configuration.

Two and three unitaries keep a positive ten-year value in every variant; three unitaries' falls to £29.4M if savings build up over five years, as Grant Thornton's finding that savings take several years suggests, and to £82.8M with an overrun on the scale reported for Northamptonshire (a factor of 1.84). Four and five unitaries have a negative ten-year value in every variant; four unitaries' ranges from −£84.3M without phasing, as in version 3, to −£247.2M in the combined high case.

Table 8h Vesting on 1 April 2029, the stated timetable, beside the central timetable (version 3.2, a displayed variant)

Measure	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
Net annual, steady state (no date in it; the same on both timetables)	**£133.0M**	**£88.4M**	**£75.9M**	**£31.7M**	**−£2.6M**	**−£33.3M**
Vesting 1 April 2028 (central), 2028/29 to 2037/38: net annual, year 1	£53.5M	£33.7M	£9.5M	−£25.7M	−£53.2M	−£77.6M
Vesting 1 April 2028 (central): net annual, year 10	£133.0M	£88.4M	£76.0M	£31.8M	−£2.3M	−£33.1M
Vesting 1 April 2028 (central): ten-year net (undiscounted)	£1,162.3M	£764.5M	£615.3M	£185.4M	−£147.6M	−£447.4M
Vesting 1 April 2028 (central): ten-year NPV at 3.5%, at 2027/28	£943.4M	£619.1M	£491.6M	£135.4M	−£140.5M	−£389.1M
Vesting 1 April 2028 (central): payback from vesting (years)	0.8	1.0	1.8	4.2	none	none
Vesting 1 April 2029 (variant), 2029/30 to 2038/39: net annual, year 1	£53.5M	£33.7M	£9.5M	−£25.7M	−£53.2M	−£77.6M
Vesting 1 April 2029 (variant): net annual, year 10	£133.0M	£88.4M	£76.0M	£31.8M	−£2.3M	−£33.1M
Vesting 1 April 2029 (variant): ten-year net (undiscounted)	£1,162.3M	£764.5M	£615.4M	£185.5M	−£147.4M	−£447.2M
Vesting 1 April 2029 (variant): ten-year NPV at 3.5%, at 2028/29 (its own year before vesting)	£943.4M	£619.1M	£491.7M	£135.5M	−£140.3M	−£388.9M
Vesting 1 April 2029 (variant): ten-year NPV at 3.5%, at 2027/28 (the central case's reference year)	£911.5M	£598.2M	£475.1M	£131.0M	−£135.6M	−£375.8M
Vesting 1 April 2029 (variant): payback from vesting (years)	0.8	1.0	1.8	4.2	none	none
Variant with demand re-anchored at mid-2029: ten-year NPV at 3.5%, at 2028/29	£943.4M	£619.1M	£491.5M	£135.4M	−£140.6M	−£389.2M
Variant with demand re-anchored at mid-2029: payback from vesting (years)	0.8	1.0	1.8	4.2	none	none

Source: `reproduce.py`, Table V37. Rules: the rules for the timetable variant (Appendix D), committed on 13 November 2026 before any value of the variant was computed. The stated timetable for the areas whose July 2026 decisions were withdrawn is elections in May 2028 and vesting on 1 April 2029 (MHCLG, 2026l, p. 3, para. 13); no outcome has been announced for Lancashire, so the date is stated, not decided, and the central case keeps 1 April 2028. The variant is the central case counted over the ten years from 2029/30, in 2024-25 prices. Demand keeps its path by calendar year: each financial year's placement, SEN transport and direct-payments spending is the base value times the projected population of that mid-year over mid-2028 (ONS 2022-based projections), so a given year carries the same demand on both timetables; the last two rows move the anchor to mid-2029. Transition costs, the IT aggregation programme, the savings profile and payback are counted from vesting and keep their shape one year later; no amount changes. The variant's ten-year value is given at its own year before vesting and, divided by 1.035, at the central case's. Not rerun on the variant: the Monte Carlo (the probability rows are for the central timetable); the council-tax paths, which assume each predecessor raises by its maximum in 2027/28 (a later vesting adds one more predecessor year and would change the opening spread); the people-services phasing sensitivity (the county's eight-year care contract from April 2027 ends at the end of year 7 on the central timetable and of year 6 on the variant); the successors' starting positions and opening balance sheets. The cost of a further year before vesting to the existing councils is not in this model. The combination grid is unchanged. Contracts with a published end date after each date (August 2026 register; ceilings are not spend and neither count is in the net position): after 1 April 2028, 359 of the fifteen councils, 169 of them the county council's, with published ceilings of £1,078M; after 1 April 2029, 193, 91 and £671M.

Table 8d Further checks on the overhead, the scale of savings and the duplication cost

Treatment	Measure	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
A. Councils with no recorded support cost left out of the overhead regressions, Option 2	net annual, steady state	£115.7M	£77.2M	£68.3M	£32.3M	£4.9M	−£19.6M
	ten-year NPV	£814.5M	£535.2M	£442.8M	£152.6M	−£67.6M	−£265.9M
A, Option 1	net annual, steady state	£93.1M	£62.6M	£49.1M	£15.6M	−£9.5M	−£32.0M
	ten-year NPV	£646.8M	£427.3M	£299.5M	£29.1M	−£174.6M	−£357.9M
B. The county's base before netting, every other council netted (the review's variant), Option 2	net annual, steady state	£82.0M	£58.5M	£39.4M	£5.4M	−£20.6M	−£44.3M
	ten-year NPV	£564.4M	£396.4M	£224.7M	−£52.4M	−£264.1M	−£458.5M
B, Option 1	net annual, steady state	£58.6M	£42.6M	£19.1M	−£12.2M	−£35.9M	−£57.5M
	ten-year NPV	£390.4M	£278.0M	£74.1M	−£183.0M	−£378.1M	−£556.5M
D. Slopes and bases from the 2025-26 returns (MHCLG's revised form), Option 2	net annual, steady state	£132.8M	£90.0M	£68.7M	£16.8M	−£25.3M	−£62.6M
	ten-year NPV	£941.5M	£630.4M	£430.0M	£9.0M	−£332.4M	−£636.7M

D, Option 1	net annual, steady state	£116.6M	£79.1M	£53.1M	£2.4M	−£38.3M	−£74.3M
	ten-year NPV	£821.3M	£549.7M	£314.0M	−£97.7M	−£428.9M	−£723.2M
C′. Basis C less the most it can count twice (the Core's gross expenditure less its employee costs and members' allowances, up to the recharges), every council, Option 2	net annual, steady state	£121.3M	£79.6M	£72.1M	£33.7M	£4.0M	−£23.2M
	ten-year NPV	£856.6M	£553.2M	£469.1M	£159.3M	−£80.3M	−£300.0M
C′, Option 1	net annual, steady state	£101.8M	£67.2M	£54.8M	£18.3M	−£9.6M	−£35.0M
	ten-year NPV	£711.6M	£460.9M	£339.9M	£45.2M	−£181.0M	−£387.5M
Overhead slopes estimated on each year, 2017-18 to 2024-25, Option 2	net annual, range across years	£98.7M to £149.1M	£66.2M to £99.0M	£60.2M to £81.6M	£28.1M to £32.4M	−£14.5M to £8.9M	−£52.9M to −£10.8M
The same, Option 1	net annual, range across years	£93.7M to £140.4M	£63.1M to £93.3M	£56.0M to £73.2M	£16.2M to £27.3M	−£21.5M to £5.9M	−£59.1M to −£13.4M
Realised savings per resident for two unitaries set to Buckinghamshire's reported rate	net annual, steady state	£61.3M	£42.9M	£18.0M	−£16.7M	−£43.9M	−£67.9M
	ten-year NPV	£410.3M	£280.0M	£61.3M	−£224.5M	−£447.8M	−£646.6M
The same, at West and North Northamptonshire's reported rate	net annual, steady state	£40.0M	£29.3M	£0.8M	−£31.2M	−£56.2M	−£78.2M
	ten-year NPV	£251.3M	£178.9M	−£67.0M	−£331.9M	−£539.5M	−£723.4M
Own calibration: each single council's realisation set so that its own realised structural saving per resident equals Buckinghamshire's reported rate, capped at the central 75% (version 3.2, F05)	realisation	28.7%	36.4%	n/a	n/a	n/a	n/a
	net annual, steady state	£48.9M	£43.8M	n/a	n/a	n/a	n/a
	ten-year NPV	£317.6M	£287.4M	n/a	n/a	n/a	n/a
Own calibration, the same at West and North Northamptonshire's reported rate (version 3.2, F05)	realisation	19.2%	24.4%	n/a	n/a	n/a	n/a
	net annual, steady state	£31.6M	£29.9M	n/a	n/a	n/a	n/a
	ten-year NPV	£189.3M	£183.8M	n/a	n/a	n/a	n/a
Leadership per successor at the two existing unitaries' disclosed senior-officer cost	net annual, steady state			£81.2M	£39.6M	£8.0M	−£20.0M
	ten-year NPV			£535.7M	£201.6M	−£52.3M	−£278.8M

Source: `reproduce.py`, Tables V28, V29, V32 and V33. Rows A and B are the variants a referee-style review proposed, row D follows the rule on the overhead measure, and row C′ follows the independent review of that revision (Appendix D); the year-by-year slopes and the staffing row follow rules fixed before they were computed (`review/phase6b_rules.md`); the precedent calibration was added after the review without a rule fixed in advance. In the own-calibration rows the published four's cells are n/a: own calibration applies to the single councils only. Size: both the fitted-rate rows and the own-calibration rows apply a precedent's saving per resident to a council larger than the precedent: Buckinghamshire 553,300 and West & North Northamptonshire 745,610 residents (as the precedents' documents state), against 1,531,136 for one new council and 1,235,368 for the county with its districts (Census 2021). The single councils' cells in the leadership row are blank: not applicable: a single or continuing council has no copied leadership structure to rescale.

Table 8d collects the further checks on the overhead, the scale of savings and the duplication cost. Leaving out the councils with no recorded support cost (A) gives £68.3M, £32.3M, £4.9M and −£19.6M under Option 2 and £49.1M, £15.6M, −£9.5M and −£32.0M under Option 1. The review's variant B, which takes the county alone before the deduction of recharges, gives £39.4M, £5.4M, −£20.6M and −£44.3M, and basis D, the 2025-26 returns, £68.7M, £16.8M, −£25.3M and −£62.6M. Basis C less the most it can count twice (C′) gives £72.1M, £33.7M, £4.0M and −£23.2M under Option 2 and £54.8M, £18.3M, −£9.6M and −£35.0M under Option 1. Re-estimating the slopes on each year from 2017-18 to 2024-25 gives four unitaries −£14.5M to £8.9M under Option 2 and −£21.5M to £5.9M under Option 1 (Section 8.5). Calibrating the realisation rate so that two unitaries' realised structural saving per resident equals what Buckinghamshire, or West and North Northamptonshire, reported (Section 7) gives £18.0M, −£16.7M, −£43.9M and −£67.9M, or £0.8M, −£31.2M, −£56.2M and −£78.2M: only two unitaries of the published four stay positive. Replacing the leadership copied into each successor by the senior-officer cost that Blackpool and Blackburn with Darwen disclose, as the rule fixed in advance requires once the model's figure lies outside the disclosed range (Section 8.7), lowers duplication and gives £81.2M, £39.6M, £8.0M and −£20.0M; the row is not like for like,

because the disclosures cover only the most senior posts while the model's structure also has Tier 3 and 4 posts, so it drops those posts altogether and favours the configurations with more successors. The ordering holds in every row.

Table 9 Version 3 as deposited beside version 3.1

Measure	2UA v3	2UA v3.1	3UA v3	3UA v3.1	4UA v3	4UA v3.1	5UA v3	5UA v3.1
Net annual, steady state	**£11.0M**	**£75.9M**	**−£18.5M**	**£31.7M**	**−£35.5M**	**−£2.6M**	**−£49.7M**	**−£33.3M**
Net annual, year 10	£9.2M	£76.0M	−£21.5M	£31.8M	−£39.0M	−£2.3M	−£53.5M	−£33.1M
Transition cost (one-off)	£62.1M	£61.4M	£93.1M	£63.0M	£124.2M	£64.3M	£155.2M	£66.5M
Payback (years)	6.0	1.8	none	4.2	none	none	none	none
Ten-year NPV at 3.5%	£21.7M	£491.6M	−£259.4M	£135.4M	−£433.8M	−£140.5M	−£584.5M	−£389.1M
Probability net annual > 0	86%	100%	24%	100%	2%	46%	0%	3%
Probability ten-year NPV > 0	66%	100%	8%	88%	0%	10%	0%	0%

Source: `reproduce.py`, Table V27, which recomputes version 3 as deposited and checks it against version 3's Table 8. Version 3's Monte Carlo probabilities are quoted from its Table 13, because version 3.1 draws different parameters (Section 5.6).

Table 9a From version 3 to version 3.1, one change at a time (net annual, steady state)

Step (cumulative)	2UA	3UA	4UA	5UA
Version 3 as deposited	£11.0M	−£18.5M	−£35.5M	−£49.7M
1. Public bodies, schools and universities removed from the procurement base	£10.5M	−£18.6M	−£35.5M	−£49.9M
2. People services estimated from published unit costs, on placement spend, in place of Newton's assumption on all spend	£23.9M	£9.8M	£0.0M	−£9.9M
3. Administrative elasticities from the national RO6 returns, with one corporate-overhead line (Option 1: pooled merger slope)	£37.0M	£14.1M	−£2.5M	−£18.4M
4. One upper-tier slope for merging and dividing the corporate overhead (Option 2, decision D10)	£57.3M	£31.6M	£12.8M	−£5.2M
5. SEN transport per EHC plan estimated from published data, beside placements (rule R3)	£58.1M	£37.0M	£20.8M	£5.3M
6. Corporate overhead before deducting support recharges within central services, for every council (basis C, rule R6): version 3.1	£75.9M	£31.7M	−£2.6M	−£33.3M

Source: `reproduce.py`, Table V27.

Version 3.1 raises the steady-state net position of every configuration by £16.5M to £64.9M against version 3 (Table 9), and reverses the sign of three unitaries. Table 9a attributes the change. Removing public bodies from the procurement base changes little (−£0.5M for two unitaries). Estimating the people-services term from published unit costs, in place of Newton's assumption on all spending, adds £13.4M, £28.4M, £35.5M and £40.0M; it is the largest single change for three, four and five unitaries. The national elasticities with one overhead line, under Option 1, add £13.1M for two unitaries and £4.3M for three and change four and five by −£2.5M and −£8.5M, because they raise the cost of dividing the county as well as the merger saving. One upper-tier slope for merging and dividing (Option 2) adds a further £13.2M to £20.3M, and the SEN transport term £0.8M, £5.3M, £8.0M and £10.5M. Measuring the overhead before the deduction of recharges within central services (basis C) then adds £17.7M to two unitaries and changes three, four and five by −£5.3M, −£23.4M and −£38.6M. The direct-payments term, a step in the previous draft, is not central (Section 5.3). The conclusions that change are marked in the change log (items 33 to 45, 46 to 58, 59 to 68 and 69 onwards).

6.1 Robustness: the version 2.2 model on the 2026-27 budgets

MHCLG published the councils' 2026-27 budget returns on 11 June 2026 (MHCLG, 2026c). Re-running the version 2.2 model on them moves each net figure by £1.5M to £2M and changes no sign (`reproduce.py`, Tables D2 and R3). Versions 3 and 3.1 cannot be re-run on the budget returns, because they are published by service category and do not contain the RO6 lines that the line-level component uses.

6.2 Balance sheets and council tax

Table 9b gives the illustrative opening balance sheets. On population apportionment each successor inherits between £381 and £550 of usable reserves per resident. Borrowing is far less even: under three, four and five unitaries the successor containing Blackpool inherits £1,997 to £2,314 of borrowing and PFI per resident, against £811 to £1,387 for the others, because Blackpool's £606.8M of borrowing is not shared. The county's DSG deficit brought forward, £101.6M, is divided in proportion to children and young people; on the county council's own forecast it would be £253.5M by March 2027 (Section 2.5).

Table 9b Opening balance sheets (illustrative apportionment)

Configuration	Successor	Population	Reserves	Borrowing	PFI share	DSG deficit share	Reserves per head	Borrowing and PFI per head
1UA	Lancashire	1,531,136	£713.3M	£2,010.1M	£114.0M	£101.6M	£466	£1,387
1UA (county+12)	Lancashire	1,235,368	£598.9M	£1,295.0M	£114.0M	£101.6M	£485	£1,141
2UA	North	686,687	£335.4M	£1,096.1M	£50.4M	£42.3M	£488	£1,669
2UA	South	844,449	£377.9M	£914.0M	£63.6M	£59.3M	£447	£1,158
3UA	Coastal	477,294	£213.4M	£922.2M	£31.0M	£24.4M	£447	£1,997
3UA	Central	494,035	£215.8M	£574.7M	£45.6M	£40.6M	£437	£1,256
3UA	Pennine	559,807	£284.0M	£513.2M	£37.4M	£36.6M	£507	£983
4UA	North Lancashire	352,325	£190.6M	£340.1M	£32.5M	£28.5M	£541	£1,058
4UA	Fylde Coast	334,362	£144.8M	£756.0M	£17.8M	£13.8M	£433	£2,314
4UA	Pennine Lancashire	498,249	£246.1M	£465.7M	£31.7M	£31.9M	£494	£998
4UA	South Lancashire	346,200	£131.7M	£448.4M	£31.9M	£27.4M	£381	£1,387
5UA	East	261,278	£125.4M	£284.4M	£24.1M	£24.3M	£480	£1,181
5UA	Middle	298,529	£158.7M	£228.8M	£13.3M	£12.3M	£532	£811
5UA	North	254,881	£140.2M	£252.6M	£23.5M	£18.8M	£550	£1,083
5UA	South	346,200	£131.7M	£448.4M	£31.9M	£27.4M	£381	£1,387
5UA	West	370,248	£157.3M	£796.0M	£21.2M	£18.8M	£425	£2,207
1UA	of which Blackpool's own	141,033	£34.7M	£606.8M				
1UA	of which Blackburn with Darwen's own	154,735	£79.6M	£108.3M				
1UA	without Blackpool and Blackburn with Darwen		£598.9M	£1,295.0M				

Source: `reproduce.py`, Table V10. Reserves are usable revenue reserves at 31 March 2025 (MHCLG Revenue Outturn Summary), including a population share of the county council's £345.0M; borrowing is at 31 March 2026 (MHCLG, provisional), including a population share of the county council's £953.3M; PFI is a population share of £114M (Lancashire County Council, 2026f); the DSG deficit share is of £101.6M (Lancashire County Council, 2026c). The two existing unitaries' DSG balances are not held. Population is Census 2021.

Council-tax harmonisation to the tax-base-weighted average is revenue-neutral by construction, so it does not change the net position; it moves bills. The spread between the highest and lowest constituent bill in 2026/27 is widest where Preston and Ribble Valley fall in the same successor: £204.65 in the two-unitary North and the four-unitary North Lancashire authorities. Harmonising every successor down to its lowest constituent bill would forgo £38.2M a year for two unitaries, £31.4M for three, £24.6M for four and £20.0M for five on 2026/27 figures. Version 3 gave £43.1M to £21.7M, because it used Chorley's Band D without its special expenses (Section 5.5).

Table 9c sets out the paths. Harmonising in one year would raise one area's bill by up to 10.8 per cent for two unitaries and 11.2 per cent for four, in both cases in Ribble Valley; over seven years the largest rise in a single area and year falls to 5.8 per cent and 5.9 per cent. In every configuration, every successor's revenue-neutral path raises some area's bill by more than 4.99 per cent in some year, whatever its length. That is lawful under the average test, which a reorganised authority may choose (Section 5.5). Holding every area within 4.99 per cent is also possible, but only by converging on the lowest bill, and the shortfall then continues after harmonisation: £22.1M to £41.8M a year if harmonised in one year and £29.5M to

£56.0M if over seven, at the prices of the year harmonisation completes. For four unitaries that shortfall, £26.4M to £35.3M, is larger than the steady-state net position in any row of Table 8a. More successors mean narrower spreads and less revenue at risk.

Table 9c Council-tax harmonisation: revenue-neutral paths and the cost of a per-area limit

Measure	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
Largest spread between constituents' bills, 2027/28	£210.79	£210.79	£210.79	£186.17	£210.79	£140.32
Revenue forgone if harmonised to the lowest bill, 2026/27 (a year)	£49.5M	£40.0M	£38.2M	£31.4M	£24.6M	£20.0M
Revenue-neutral path over 1 year: largest single-area rise in a year	10.5% (Ribble Valley)	10.2% (Ribble Valley)	10.8% (Ribble Valley)	10.8% (Ribble Valley)	11.2% (Ribble Valley)	9.2% (Fylde)
Revenue-neutral path over 3 years: largest single-area rise in a year	6.8% (Ribble Valley)	6.7% (Ribble Valley)	6.9% (Ribble Valley)	6.9% (Ribble Valley)	7.1% (Ribble Valley)	6.4% (Fylde)
Revenue-neutral path over 7 years: largest single-area rise in a year	5.8% (Ribble Valley)	5.7% (Ribble Valley)	5.8% (Ribble Valley)	5.8% (Ribble Valley)	5.9% (Ribble Valley)	5.6% (Fylde)
Successors whose revenue-neutral path breaches a 4.99% limit in some area (every path length)	1 of 1	1 of 1	2 of 2	3 of 3	4 of 4	5 of 5
Holding every area within 4.99%, 1-year path: annual shortfall once harmonised	£54.0M	£43.2M	£41.8M	£34.5M	£26.4M	£22.1M
Holding every area within 4.99%, 3-year path: annual shortfall once harmonised	£59.5M	£47.6M	£46.1M	£38.0M	£29.1M	£24.3M
Holding every area within 4.99%, 7-year path: annual shortfall once harmonised	£72.3M	£57.9M	£56.0M	£46.2M	£35.3M	£29.5M

Source: `reproduce.py`, Tables V11 and V20. Bills are council-controlled Band D, including the county element in district areas (MHCLG Table 10, line 9). Every predecessor raises its bill by the maximum in 2027/28; tax bases are held at 2026/27. The paths assume vesting on 1 April 2028; the Government's stated timetable is 1 April 2029 (MHCLG, 2026l, p. 3, para. 13), and the paths were not rerun on that date (Table 8h).

6.3 Preparation costs and contracts

By September 2026 the fifteen councils had committed £30M to an implementation budget (Table 3b) and paid at least £498,670 to the two jointly procured advisers or to cost centres named for reorganisation (`lgr_preparation_payments.csv`, a lower bound). On the refreshed contracts register, 359 awarded contracts of the fifteen councils run beyond 1 April 2028, the July timetable's vesting date, 169 of them the county council's; 193 of them run beyond 1 April 2029, the vesting date now stated (Section 2.4), 91 of those the county council's, with published ceilings of £671M (Table 8h); each would need to be novated, divided or ended under any configuration, and the number of successors among which the county's contracts must be divided rises with n. None of these is in the net position.

6.4 The successors

The results above are for configurations, but each successor would begin with its own budget. LG Futures (2025) projected each successor's position in 2028/29 under Fair Funding 2.0 before any reorganisation effect, using the county council's own disaggregation of its budget and assuming that the fifteen councils close their combined cumulative funding gap of £96.5M to 2027/28 (slide 11; Section 2.3). The final local government finance settlement (MHCLG, 2026i) gave the fifteen councils £50.6M more growth in resources to 2028/29 than LG Futures projected; the largest differences were the county council's (£48.5M) and Blackburn with Darwen's (£14.8M), and Blackpool's was −£8.0M (Table V23 in the deposit). Table 9d gives LG Futures' figure for each successor, the same recalibrated to the final settlement, and this model's central steady-state effect attributed to each successor, which sums to Table 8. The effect is attributed as follows: line-level and procurement savings where they arise; the people-services term piece by piece; one leadership structure to each successor; the county's divided overhead as each successor's share raised to the slope, less its share; and the county credit, the county's members' allowances and the successor councillors in proportion to each successor's population.

Table 9d Successors: starting position and the reorganisation's effect

Configuration	Successor	LG Futures net, 2028/29	Recalibrated to the final settlement	Reorganisation effect (central)	of which duplication	LG Futures' figure plus effect	Recalibrated figure plus effect
1UA	Lancashire	−£37.0M	£13.6M	£133.0M	−£3.8M	£96.0M	£146.6M
1UA (county+12)	Lancashire			£88.4M	−£3.6M		
2UA	North	£2.0M	£12.7M	£36.3M	−£23.0M	£38.3M	£49.0M
2UA	South	−£39.0M	£0.9M	£39.6M	−£20.3M	£0.6M	£40.5M
3UA	Coastal	−£7.8M	−£4.5M	£13.4M	−£25.1M	£5.6M	£8.9M
3UA	Central	−£3.7M	£11.9M	£5.3M	−£23.9M	£1.6M	£17.2M
3UA	Pennine	−£25.4M	£6.3M	£13.0M	−£25.1M	−£12.4M	£19.3M
4UA	North Lancashire	£2.7M	£14.3M	−£2.9M	−£24.6M	−£0.2M	£11.5M
4UA	Fylde Coast	−£0.7M	−£1.7M	£0.1M	−£23.1M	−£0.6M	−£1.6M
4UA	Pennine Lancashire	−£43.3M	−£13.2M	£6.9M	−£25.1M	−£36.4M	−£6.3M
4UA	South Lancashire	£4.3M	£14.1M	−£6.7M	−£24.6M	−£2.4M	£7.5M
5UA	East	−£18.6M	−£6.7M	−£13.7M	−£24.0M	−£32.3M	−£20.5M
5UA	Middle	−£6.9M	£12.9M	−£2.3M	−£21.5M	−£9.2M	£10.6M
5UA	North	−£12.4M	−£3.4M	−£10.6M	−£23.9M	−£23.0M	−£14.0M
5UA	South	£4.3M	£14.1M	−£6.7M	−£24.6M	−£2.4M	£7.5M
5UA	West	−£3.5M	−£3.4M	£0.0M	−£24.0M	−£3.5M	−£3.4M

Source: `reproduce.py`, Tables V23 and V24; LG Futures (2025), slides 10, 12 and 21 to 25, transcribed twice independently (`lgfutures_successor_projections.csv`). The county's settlement difference is apportioned by the county's own split of its expenditure (slide 12), which is approximate. The starting position is in 2028/29 cash and the effect in 2024-25 prices, so their sum is indicative only. Neither includes transformation savings. For one new council LG Futures' figure is the sum of LG Futures' four-unitary successors, −£37.0M for 2028/29. The county with its districts' cells for LG Futures' figure, its recalibration and the two sums are blank: LG Futures publishes projections only for the successors of the five proposals and resources, not expenditure, for existing councils; a figure for the county with its districts would need Blackpool's and Blackburn with Darwen's projected expenditure, which is not published, or an apportionment of a successor, which would be an estimate.

A configuration can be positive in total while one of its successors is not, and the answer depends on the starting position used. On the recalibrated figures, both two-unitary successors and all three three-unitary successors end positive; of the four-unitary successors, North and South Lancashire do, while Pennine Lancashire ends at −£6.3M and the Fylde Coast authority at −£1.6M; and of the five-unitary successors only Middle and South do. On LG Futures' own figures, which predate the final settlement, fewer end positive: two-unitary South ends at £0.6M, three-unitary Pennine at −£12.4M, none of the four-unitary successors ends positive, Pennine Lancashire ending at −£36.4M and South Lancashire at −£2.4M, and none of the five-unitary successors ends positive. The starting positions are in 2028/29 cash and the effects in 2024-25 prices, so the sums are indicative only. Each successor in the four published configurations carries a duplication cost of £20.3M to £25.1M a year. The differences between these figures are small relative to the uncertainty in each, and they rest on apportionments that the Structural Changes Order, not this model, would settle. They show where the pressure would fall; they do not show whether any successor would be viable.

6.5 A single council (version 3.2)

The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries. Even so, each single council ranks level with or ahead of two unitaries in every row of Table 8a except in: Option 3 overhead (upper bound only), net annual, steady state (1UA (county+12)); rows with an n/a or blank compared cell are left out and named in Table 12a; the order of the two single councils, row by row across Tables 8, 8a, 8c, 8d, 11 and 12, is in Section 12 and Table 12a. For scale, one new council would be larger than any single-tier council in England (1,551,393 against Birmingham (1,154,221), both mid-2022) and 2.5 times the largest unitary (North Yorkshire (623,896)); the county with

its districts is compared with county councils by size and ranks 4 of 21 by population among English county councils; the checks in 8.6 and 8.8 cover councils of at most 623,896 people (North Yorkshire, mid-2022), the placebo comparators of 8.6 being two-tier county areas, the largest of them Kent CC and its districts (1,594,467); no precedent the paper uses merged existing unitaries with a county.

On the central case the model has 120 councillors at the county's allowance rate, an annual area governance term (chair allowances and Buckinghamshire's published staffing cost per board, in 2020/21 cash, £1.2M (one new council) and £1.1M (the county with its districts); chair allowances only, £0.1M in each; with the staffing line less reallocated existing staff, £0.9M (one new council) and £0.8M (the county with its districts); at North Yorkshire's chair rate, £1.2M (one new council) and £1.0M (the county with its districts); at Westmorland and Furness's planning committee chair rate, £1.2M (one new council) and £1.0M (the county with its districts); at the body count of the precedent with the fewest residents per body (Wiltshire), £4.8M (one new council) and £3.9M (the county with its districts); at the body count of the precedent with the most residents per body (North Yorkshire), £1.3M (one new council) and £1.1M (the county with its districts); the term is incomplete: it understates because the cash is not uprated to 2024-25 prices, because Somerset's officer time is not priced, and because each Lancashire body would serve more residents than a Buckinghamshire board; whether Buckinghamshire's later halving of its boards changed its staffing cost is not published, so whether that raises or lowers it is not known) and a people-services term of −£6.3M (one new council) and nil (the county with its districts).

With those terms the steady-state net annual position is £133.0M (one new council) and £88.4M (the county with its districts) (Table 8), the one-off transition cost £65.6M (one new council) and £54.9M (the county with its districts), payback 0.8 years (one new council) and 1.0 years (the county with its districts), and the ten-year value £943.4M (one new council) and £619.1M (the county with its districts); Table 6c gives every alternative on the closed list (the alternatives fixed in the rules before the results were presented), as net annual position and ten-year value for both forms, with transition cost and payback for the two rows that change the county with its districts' pre-vesting election and shadow running lines. At the unitaries' allowance rate used for the other configurations, the net annual position is £133.7M (one new council) and £89.1M (the county with its districts) (Table 8a).

With realisation at a rate fitted on two unitaries to the savings Buckinghamshire and Northamptonshire reported, the net annual position and ten-year value are £61.3M and £410.3M at Buckinghamshire's rate and £40.0M and £251.3M at Northamptonshire's (one new council) and £42.9M and £280.0M and £29.3M and £178.9M (the county with its districts). Those values use the rate fitted to two unitaries; on it, one new council's implied saving per resident is above the precedents' (£42.21 and £28.25 against £34.07 and £22.80), and the county with its districts' is below them (£33.27 and £22.26); calibrated on Buckinghamshire's and West & North Northamptonshire's reported savings, realisation would be 28.7 and 19.2 per cent for one new council (net positions £48.9M and £31.6M) and 36.4 and 24.4 per cent for the county with its districts (£43.8M and £29.9M), with ten-year values of £317.6M and £189.3M (one new council) and £287.4M and £183.8M (the county with its districts); as the notes to Tables 8a and 8d say, both the fitted-rate rows and the own-calibration rows apply a precedent's saving per resident to a council larger than the precedent: Buckinghamshire 553,300 and West & North Northamptonshire 745,610 residents (as the precedents' documents state), against 1,531,136 for one new council and 1,235,368 for the county with its districts (Census 2021).

Between the two forms, one new council's net annual position exceeds the county with its districts' by £44.6M and its ten-year value by £324.3M in the central case; with realisation at the rates fitted on two unitaries, by £18.5M and £130.3M at Buckinghamshire's rate and £10.7M and £72.4M at Northamptonshire's; and on each single council's own calibration, by £5.0M and £30.2M at Buckinghamshire's rate and £1.7M and £5.5M at West & North Northamptonshire's (Table 6c). Every other alternative on the closed list (Table 6c) gives a net annual position between £125.1M and £142.9M and a ten-year value between £884.8M and £1,024.1M (one new council), and between £81.9M and £89.4M and

£570.7M and £627.0M (the county with its districts), and a difference between £43.2M and £54.4M net and £314.1M and £405.0M over ten years. The difference is mostly Blackpool's and Blackburn with Darwen's overhead not merging.

Almost all of the net position is the merger of the fourteen (one new council) or twelve (the county with its districts) billing councils' overhead, which no other configuration achieves in full, and the absence of duplication: nothing of the county's is divided, so the leadership structure that replaces the county's nets to nil, and each single council's duplication cost, £2.6M, is the 120 successor councillors' allowances (Table 6a, 120 seats at £21,310). The people-services term is −£6.3M for one new council: SEN transport (−£7.6M), whose estimated cost per plan rises with size, adult placements, 65 and over (−£2.2M) and adult placements, 18 to 64 (−£0.02M), partly offset by children's placements (+£3.5M) (Table 7), and nil for the county with its districts, where nothing is divided or merged at the upper tier. Every part of one new council's people-services term lies within its regression's data. The central value keeps the SEN transport (T1), adult placements, 65 and over (A1), adult placements, 18 to 64 (A11) parts, which are negative for one new council; the county with its districts' term is nil by construction, so the central value is the one against one new council and narrows its lead over the county with its districts. The positive children's placements (C1) part has no excluded row: it is the estimated term version 3.1's decisions make central, used within its data, and favours one new council. Table 7's note gives each part's range against its regression's sample. Councillor numbers and rates move the net position by £1.0M or less from the central case in every cell of Table 6a.

The single councils stay positive in every row reported with equal prominence. Under Option 1 they are £112.4M (one new council) and £75.1M (the county with its districts); on the netted definition £82.0M (one new council) and £58.5M (the county with its districts), or £58.6M (one new council) and £42.6M (the county with its districts) under Option 1; and with Newton's assumption on all spending £164.2M (one new council) and £88.4M (the county with its districts) (Table 8a). With Newton's assumption on placements, without the SEN transport term and with the direct-payments term, one new council's net annual position is £145.5M, £140.6M and £127.6M, and the county with its districts' is £88.4M in each, since those rows change only the people-services term (Table 8a). In the Monte Carlo, across the probabilities of a positive net annual position and of a positive ten-year value under Option 2 and Option 1, on both overhead definitions (Table 8a), the single councils are at 100 per cent in every row except: netted definition, Option 1, positive ten-year NPV, one new council 99 per cent; with the allowance held at £21,310, the single councils are at 100 per cent in every row (Table 13, which holds the allowance in the central run only); and with replication held at 1, one new council is at 100 per cent in every row except: netted definition, Option 1, positive ten-year NPV, one new council 99 per cent. These are the model's results, and the model was not built to test whether one council can be run as cheaply per head as its implied overhead, £196 (one new council) and £202 (the county with its districts) at the central 75 per cent realisation, against £277 for the Lancashire area today (£266 for the county's own area) (Section 8.8); the precedents test in Section 8.6 is the evidence on that, and it does not show the saving arriving.

The county council's own figure for one unitary, £216M a year at steady state (Lancashire County Council, 2025a, slide 33), is not reproduced from structure alone; on this paper's reading of the business cases much of such a figure is transformation (Section 7). With the county's £51M transition cost (Lancashire County Council, 2025a, slide 34) in place of the built-up £65.6M for one new council, the ten-year value is £956.7M and payback 0.8 years (Table 8c). Table 8e sets out what the continuing-authority precedents published about their own transition: bid estimates, budgets and partial lines; there is no complete transition outturn in any document read, and Shropshire's and Northumberland's 2009/10 accounts give partial outturn lines, mainly exit costs. Neither the transition cost nor the net position includes pay and terms harmonisation or equal pay risk, which one employer concentrates; the deposit records, at medium confidence, that only North Yorkshire completed job evaluation before vesting; Somerset's financial emergency is in Table 3d.

One council has no apportionment problem and the largest balance sheet (£2,010.1M, Table 9b); borrowing and PFI per resident, £1,387, below the successors containing Blackpool (£1,669 to £2,314), a range that includes two unitaries' North successor, beside the £1,997 to £2,314 that Section 6.2 gives for three to five unitaries; the county with its districts' £1,141 is also below that range. Its starting position on the Table 9d method is the whole area's, the sum of LG Futures' four-unitary successors, −£37.0M for 2028/29, recalibrated to £13.6M; for the county with its districts the cell is blank: LG Futures publishes projections only for the successors of the five proposals and resources, not expenditure, for existing councils; a figure for the county with its districts would need Blackpool's and Blackburn with Darwen's projected expenditure, which is not published, or an apportionment of a successor, which would be an estimate. Of the all-fifteen council's borrowing, Blackpool's is £606.8M and Blackburn with Darwen's £108.3M, and its reserves are £713.3M (Table 9b); the county with its districts would hold £1,295.0M of borrowing and £598.9M of reserves. Table 10 (Section 11) adds both single councils' 2026/27 figures from held data, for comparison: constituents' own net budgets of £690.5M (one new council) and £230.6M (the county with its districts), each with the county council's £1,329.3M budget taken whole (Table 10 note).

Harmonising council tax to the revenue-neutral Band D (£2,076.46 (one new council) and £2,072.84 (the county with its districts), for the council's own element) closes a spread of £204.65 in 2026/27 in both, the same as the two-unitary North and four-unitary North Lancashire successors, which also contain Preston and Ribble Valley (£210.79 in 2027/28, Table 9c). Harmonising down to the lowest bill would forgo £49.5M (one new council) and £40.0M (the county with its districts) a year, and holding every area within 4.99 per cent would leave an annual shortfall once harmonised of £54.0M (one new council) and £43.2M (the county with its districts) on a one-year path and £72.3M (one new council) and £57.9M (the county with its districts) on a seven-year path, against net positions at Northamptonshire's fitted rate of £40.0M (one new council) and £29.3M (the county with its districts) (Table 8d); a one-year path would raise Ribble Valley's bill by 10.5 per cent (one new council) and 10.2 per cent (the county with its districts) (Table 9c).

Table 6a The single councils: councillors and allowance rate (version 3.2)

Councillors and rate	1UA net annual	1UA ten-year NPV	1UA payback	1UA (county+12) net annual	1UA (county+12) ten-year NPV	1UA (county+12) payback
100 councillors at the county council's rate (£21,310)	£133.4M	£946.9M	0.8	£88.9M	£622.6M	0.9
100 councillors at the two unitaries' rate (£15,744)	£134.0M	£951.5M	0.8	£89.4M	£627.3M	0.9
120 councillors at the county council's rate (£21,310) (central)	£133.0M	£943.4M	0.8	£88.4M	£619.1M	1.0
120 councillors at the two unitaries' rate (£15,744)	£133.7M	£948.9M	0.8	£89.1M	£624.7M	0.9
150 councillors at the county council's rate (£21,310)	£132.4M	£938.1M	0.8	£87.8M	£613.8M	1.0
150 councillors at the two unitaries' rate (£15,744)	£133.2M	£945.0M	0.8	£88.6M	£620.7M	0.9

Source: `reproduce.py`, version 3.2. Ten-year NPV at 3.5 per cent; payback in years from vesting. The central cell is the central case of Table 8.

Table 6b The area governance term and the alternatives stated beside it (version 3.2)

Component	Per body	1UA	1UA (county+12)
Area governance term (central): chair allowance at Wiltshire's rate plus Buckinghamshire's staffing line per board, 2020/21 cash (Buckinghamshire Shadow Authority, 2019, p. 10)	£87,989.50	£1.2M	£1.1M
Term, chair allowances only, at Wiltshire's rate	£8,927	£0.1M	£0.1M
Term with the staffing line less reallocated existing staff: (£1,265,000 less £334,000) / 16 boards, 2020/21 cash (Buckinghamshire Shadow Authority, 2019, p. 10)	£67,114.50	£0.9M	£0.8M
Term at North Yorkshire's chair rate, £5,637 a year (2025/26), in place of Wiltshire's	£84,699.50	£1.2M	£1.0M

Term at Westmorland and Furness's planning committee chair rate, £6,918.75 a year (from April 2025; regulatory planning committee, excluded by the definition of an area body), in place of Wiltshire's; the excluded rate is not above the central one	£85,981.25	£1.2M	£1.0M
Term at the body count of the precedent with the fewest residents per body (Wiltshire, Area Boards: 28,673 residents per body): 55 bodies for 1UA, more bodies than the central count; 44 bodies for 1UA (county+12), more bodies than the central count	£87,989.50	£4.8M	£3.9M
Term at the body count of the precedent with the most residents per body (North Yorkshire, Area Constituency Committees: 103,983 residents per body): 15 bodies for 1UA, more bodies than the central count; 13 bodies for 1UA (county+12), more bodies than the central count	£87,989.50	£1.3M	£1.1M
Chair allowance at Wiltshire's rate, £8,927 a year (2023/24) (central rate)	£8,927	£0.1M	£0.1M
Chair allowance at North Yorkshire's rate, £5,637 a year (2025/26)	£5,637	£0.1M	£0.1M
Chair allowance at Westmorland and Furness's rate, £5,535 a year (from April 2025)	£5,535	£0.1M	£0.1M
Chair allowance at Buckinghamshire's 2020/21 recommended rate, £1,000 a year (superseded)	£1,000	not computed (superseded; comparator only)	not computed (superseded; comparator only)
Chair allowance at Westmorland and Furness's Local Area Planning Committee chair rate, £6,918.75 a year (from April 2025; regulatory planning committee, excluded by the definition of an area body)	£6,918.75	£0.1M	£0.1M
Officer component, high: Buckinghamshire's staffing line, £1,265,000 / 16 boards, 2020/21 cash (Buckinghamshire Shadow Authority, 2019, p. 10) (central)	£79,062.50	£1.1M	£0.9M
Officer component, low: the staffing line less reallocated existing staff, (£1,265,000 less £334,000) / 16 boards, 2020/21 cash (Buckinghamshire Shadow Authority, 2019, p. 10)	£58,187.50	£0.8M	£0.7M
Residents per body, one body per district footprint (mid-2022)		110,814	104,494
Residents per body, Wiltshire (Area Boards: 18, PDF p. 36; mid-2022)	28,673		
Residents per body, Cornwall (Community Area Partnerships, from May 2023: 12, PDF p. 1; mid-2022)	47,961		
Residents per body, Cornwall (Community Networks, before May 2023: 19, PDF p. 1; mid-2022)	30,291		
Residents per body, Durham (Local Networks, from 1 April 2025: 12, PDF p. 3; mid-2022)	43,975		
Residents per body, Durham (Area Action Partnerships, 2009 to March 2025: 14, PDF p. 4; mid-2022)	37,693		
Residents per body, North Yorkshire (Area Constituency Committees: 6, PDF p. 1; mid-2022)	103,983		
Residents per body, Westmorland and Furness (Locality Boards: 3, PDF p. 8; mid-2022)	75,883		
Residents per body, Buckinghamshire (Community Boards, 2020 to 2025: 16, PDF p. 1; mid-2022)	35,043		
Residents per body, Buckinghamshire (Community Boards, from May 2025; secondary: 8, PDF p. none; HTML; mid-2022)	70,086		
Residents per body, Northumberland (Local Area Committees: 5, PDF p. 74; mid-2022)	64,857		
Residents per body, Somerset	not held; research note only		
Buckinghamshire's net additional MTFP investment per board, after reallocated staff, reallocated grants and a New Homes Bonus allocation, 2021/22 onward (Buckinghamshire Shadow Authority, 2019, p. 10)	£125,000	not computed (comparator only)	not computed (comparator only)
Buckinghamshire's gross expenditure per board, gross, including grants and staff, 2020/21 (Buckinghamshire Shadow Authority, 2019, p. 10)	£322,812.50	not computed (comparator only)	not computed (comparator only)
Buckinghamshire's total community-board budget per board from 2025/26, including staffing, project funding and operational delivery, 8 boards (Bucks Radio, 2024, secondary)	£125,000	not computed (comparator only)	not computed (comparator only)
Ireland, maximum allowance for the Cathaoirleach of a Metropolitan District, 2020 (Moorhead, 2020, p. 40; comparator only, in euros, no exchange rate)	€18,000	not computed (comparator only)	not computed (comparator only)
Ireland, maximum allowance for the Cathaoirleach of a Borough District or named Municipal District, 2020 (Moorhead, 2020, p. 40; comparator only, in euros, no exchange rate)	€12,000	not computed (comparator only)	not computed (comparator only)

Ireland, maximum allowance for the Cathaoirleach of any other Municipal District, 2020 (Moorhead, 2020, p. 40; comparator only, in euros, no exchange rate)	€6,000	not computed (comparator only)	not computed (comparator only)

Source: `reproduce.py` and `derived/precedent_documents_v32.csv`: Wiltshire Council (2023b), p. 6; North Yorkshire Council (2024); Westmorland and Furness Council (2025), pp. 7 and 8; Buckinghamshire Council (2020), p. 2; Buckinghamshire Shadow Authority (2019, p. 10); Bucks Radio (2024, secondary); Moorhead (2020), p. 40; and, for residents per body, the documents and pages the rows name, with mid-2022 population (`ro6_national_2024_25.csv`). An area body is a neighbourhood governance body of a council (an area board, committee, partnership or network); regulatory planning committees are excluded. The central term is the chair allowance at the higher of the two rates named in the question put to the author, Wiltshire's Area Board chair rate, plus Buckinghamshire's gross staffing line for its community boards per board (the independent readings of the image table agreed), for one body per district footprint; each alternative row stands beside it wherever the term is quoted. Under the author's decision the higher rate is central, which is against the single councils; North Yorkshire's lower rate is shown beside it. Westmorland and Furness's Local Area Planning Committee chair rate, £6,918.75 a year (from April 2025; Schedule 1, p. 7), which the definition of an area body excludes, is not above the central one (Wiltshire's £8,927); the term at that rate is stated beside the central term. The term is incomplete: it understates because the cash is not uprated to 2024-25 prices, because Somerset's officer time is not priced, and because each Lancashire body would serve more residents than a Buckinghamshire board; whether Buckinghamshire's later halving of its boards changed its staffing cost is not published, so whether that raises or lowers the term is not known. The central term uses the gross staffing line, which includes reallocated existing staff not shown to be additional cost, so it is not called an understatement on that line. Chair rates are cash as published (2020/21 to 2025/26), not converted to 2024-25 prices. Somerset's officer support for its Local Community Networks, about half of one full time equivalent officer per network as a research note records the terms of reference (not held), is not converted, because no grade is published. One body per district favours the single councils (fewer bodies, a lower term); the row at the body count of the precedent with the fewest residents per body is the one against them. A precedent enters the residents-per-body range only where its body count comes from a held or fetched document with its page; Somerset's count rests on a research note alone, so its cell is blank (not held; research note only). Durham's scheme has no allowance for Area Action Partnership or Local Network chairs; its three Area Planning Committee chairs receive £3,325 (Durham County Council, 2024a, pp. 14 and 15). Buckinghamshire's per-board budget rows, net and gross, and its budget per board from 2025/26 include grants, which are transfers between the council and local bodies, not a cost of the structure; they and Buckinghamshire's superseded £1,000 rate are comparators only, and no term is computed from them. The Irish maximum allowances (Moorhead, 2020, p. 40) are in euros, with no exchange rate applied, as comparators only.

Table 6c The single councils: the central case, every alternative on the closed list and the difference between the two forms (version 3.2)

Alternative	Measure	1UA	1UA (county+12)	Difference (1UA minus county+12)
Central: Option 2 overhead, people services estimated (Table 8a)	net annual, steady state	£133.0M	£88.4M	£44.6M
	ten-year NPV	£943.4M	£619.1M	£324.3M
Area governance term, chair allowances only (Table 6b)	net annual, steady state	£134.1M	£89.4M	£44.7M
	ten-year NPV	£952.6M	£627.0M	£325.6M
Area governance term with the staffing line less reallocated existing staff (Table 6b)	net annual, steady state	£133.3M	£88.7M	£44.6M
	ten-year NPV	£945.8M	£621.2M	£324.6M
Area governance term at North Yorkshire's chair rate (Table 6b)	net annual, steady state	£133.1M	£88.5M	£44.6M
	ten-year NPV	£943.8M	£619.4M	£324.3M
Area governance term at Westmorland and Furness's planning committee chair rate (Table 6b)	net annual, steady state	£133.0M	£88.5M	£44.6M
	ten-year NPV	£943.6M	£619.3M	£324.3M
Area governance term at the body count of the precedent with the fewest residents per body (Table 6b)	net annual, steady state	£129.4M	£85.6M	£43.8M
	ten-year NPV	£913.4M	£595.7M	£317.7M
Area governance term at the body count of the precedent with the most residents per body (Table 6b)	net annual, steady state	£132.9M	£88.3M	£44.6M
	ten-year NPV	£942.6M	£618.4M	£324.3M
SEN transport term excluded (Table 8a)	net annual, steady state	£140.6M	£88.4M	£52.2M
	ten-year NPV	£1,003.9M	£619.1M	£384.8M
Adult placements, 65 and over (A1) term excluded (version 3.2, item G; Table 8a)	net annual, steady state	£135.2M	£88.4M	£46.8M
	ten-year NPV	£963.4M	£619.1M	£344.3M
Adult placements, 18 to 64 (A11) term excluded (version 3.2, item G; Table 8a)	net annual, steady state	£133.0M	£88.4M	£44.6M
	ten-year NPV	£943.6M	£619.1M	£324.5M

All negative parts excluded (SEN transport (T1), adult placements, 65 and over (A1), adult placements, 18 to 64 (A11); version 3.2, item G; Table 8a)	net annual, steady state	£142.9M	£88.4M	£54.4M
	ten-year NPV	£1,024.1M	£619.1M	£405.0M
Pre-vesting election and shadow running lines both nil (session 1 decision 2; version 3.2, F19; Tables 8b and 8c)	net annual, steady state	£133.0M	£88.4M	£44.6M
	ten-year NPV	£943.4M	£620.9M	£322.5M
	transition cost	£65.6M	£53.1M	£12.5M
	payback (years)	0.8	0.9	n/a
With the election and shadow running lines of the two-unitary 31ten column (transition ran through an Implementation Executive with district members until the pre-vesting election, F58; version 3.2, F19; Tables 8b and 8c)	net annual, steady state	£133.0M	£88.4M	£44.6M
	ten-year NPV	£943.4M	£617.2M	£326.2M
	transition cost	£65.6M	£56.7M	£8.9M
	payback (years)	0.8	1.0	n/a
Realised savings per resident for two unitaries set to Buckinghamshire's reported rate (as in Table 8d; version 3.2, F75; Tables 8a and 8d)	net annual, steady state	£61.3M	£42.9M	£18.5M
	ten-year NPV	£410.3M	£280.0M	£130.3M
The same, at West and North Northamptonshire's reported rate (as in Table 8d; version 3.2, F75; Tables 8a and 8d)	net annual, steady state	£40.0M	£29.3M	£10.7M
	ten-year NPV	£251.3M	£178.9M	£72.4M
Own calibration: each single council's realisation set so that its own realised structural saving per resident equals Buckinghamshire's reported rate, capped at the central 75% (version 3.2, F05; Tables 8a and 8d)	net annual, steady state	£48.9M	£43.8M	£5.0M
	ten-year NPV	£317.6M	£287.4M	£30.2M
Own calibration, the same at West and North Northamptonshire's reported rate (version 3.2, F05; Tables 8a and 8d)	net annual, steady state	£31.6M	£29.9M	£1.7M
	ten-year NPV	£189.3M	£183.8M	£5.5M
Collection and electoral line elasticities at 1 for the single councils (the lines on which they lie beyond the data; version 3.2; Table 8a)	net annual, steady state	£125.1M	£81.9M	£43.2M
	ten-year NPV	£884.8M	£570.7M	£314.1M

Source: `reproduce.py` and `derived/paper_figures.json`; the alternatives are those on the closed list of the rules addendum, set out under the presentation addendum (Appendix D). Every cell is a registered value; Tables 6b, 8a, 8b, 8c and 8d print the same values. The difference column is one new council minus the county with its districts for each row; payback has no difference (n/a). The area governance readings change one new council's term only, so the county with its districts' cells in those rows are its central values; the two rows that cost the continuing authority's pre-vesting election change the county with its districts' transition lines only, so one new council's cells in those rows are its central values. The two replication treatments for one new council and the held allowance are probabilities, not net positions or ten-year values, and stay in Tables 8a and 13: in Table 8a, 'Monte Carlo, Option 2 (central), one new council with replication held at 1 (version 3.2)'; 'Monte Carlo, Option 1, one new council with replication held at 1 (version 3.2)'; 'Monte Carlo, netted definition, Option 2, one new council with replication held at 1 (version 3.2)'; 'Monte Carlo, netted definition, Option 1, one new council with replication held at 1 (version 3.2)'; in Table 13, the 10 rows ending 'allowance held at £21,310 (version 3.2, single councils)' and the 23 rows ending 'one new council with replication held at 1 (version 3.2)'. The working labels in row names (finding numbers, item letters, rule numbers) are explained in Appendix D.

Table 8e The continuing-authority precedents' published transition costs, as read (version 3.2)

Precedent	Item	Value as printed	Price basis	Document	PDF page	Notes
Cornwall	one off cost in bid	19.3 (£m)	cash, as stated in the 2007 bid	Cornwall Council, 'Insights into Local Government Reorganisation', March 2025, LGA toolkit presentation	7	the council's own retrospective slide citing the bid; outturn not found
Wiltshire	transition or implementation cost			no figure read (not verified); see `precedent_documents_v32.csv`		
Shropshire	unitary transition: redundancy	1,799,770 (£)	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	Shropshire Council, Audit Committee 18 June 2010 and Council 24 June 2010, 'Statement of Accounts 2009/10'	2	voluntary early retirement and redundancy costs only (staffing exit costs), not the whole transition budget

Shropshire	unitary transition: pension fund strain	1,431,990 (£)	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	Shropshire Council, Audit Committee 18 June 2010 and Council 24 June 2010, 'Statement of Accounts 2009/10'	2	voluntary early retirement and redundancy costs only (staffing exit costs), not the whole transition budget
Shropshire	unitary transition: total	3,231,760 (£)	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	Shropshire Council, Audit Committee 18 June 2010 and Council 24 June 2010, 'Statement of Accounts 2009/10'	2	voluntary early retirement and redundancy costs only (staffing exit costs), not the whole transition budget
Shropshire	unitary transformation: redundancy	338,940 (£)	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	Shropshire Council, Audit Committee 18 June 2010 and Council 24 June 2010, 'Statement of Accounts 2009/10'	2	not transition costs alone: the source separates unitary transformation from unitary transition; voluntary early retirement and redundancy costs only (staffing exit costs), not the whole transition budget
Shropshire	unitary transformation: pension fund strain	331,880 (£)	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	Shropshire Council, Audit Committee 18 June 2010 and Council 24 June 2010, 'Statement of Accounts 2009/10'	2	not transition costs alone: the source separates unitary transformation from unitary transition; voluntary early retirement and redundancy costs only (staffing exit costs), not the whole transition budget
Shropshire	unitary transformation: total	670,820 (£)	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	Shropshire Council, Audit Committee 18 June 2010 and Council 24 June 2010, 'Statement of Accounts 2009/10'	2	not transition costs alone: the source separates unitary transformation from unitary transition; voluntary early retirement and redundancy costs only (staffing exit costs), not the whole transition budget
Shropshire	VER and redundancy total	3,902,580 (£)	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	Shropshire Council, Audit Committee 18 June 2010 and Council 24 June 2010, 'Statement of Accounts 2009/10'	2	voluntary early retirement and redundancy costs only (staffing exit costs), not the whole transition budget
Durham	transition cost in bid	12.45 (£m)	cash, as stated in the bid; year not stated	Durham County Council, Revenue and Capital Budgets 2009/2010 (Budget Book), County Council 27 February 2009	15	the passage read (p. 15, para. 27) states no price year
Durham	LGR transition costs 2008/09 actual to date	2.300 (£m)	cash, 2008/09	Durham County Council, Revenue and Capital Budgets 2009/2010 (Budget Book), County Council 27 February 2009	39	
Durham	LGR transition costs 2008/09 forecast total	3.598 (£m)	cash, 2008/09	Durham County Council, Revenue and Capital Budgets 2009/2010 (Budget Book), County Council 27 February 2009	35	
Durham	planned transition costs 2009/10 (from reserves)	8.851 (£m)	cash, 2009/10 budget	Durham County Council, Revenue and Capital Budgets 2009/2010 (Budget Book), County Council 27 February 2009	39	
Durham	transition costs 2009/10 by directorate: Adults, Wellbeing and Health	97 (£000)	cash, 2009/10 budget	Durham County Council, Revenue and Capital Budgets 2009/2010 (Budget Book), County Council 27 February 2009	40	the six directorate figures as printed sum to 8,850 against the printed total of 8,851 (rounding in the source)
Durham	transition costs 2009/10 by directorate: Regeneration and Economic Development	582 (£000)	cash, 2009/10 budget	Durham County Council, Revenue and Capital Budgets 2009/2010 (Budget Book), County Council 27 February 2009	40	the six directorate figures as printed sum to 8,850 against the printed total of 8,851 (rounding in the source)
Durham	transition costs 2009/10 by directorate: Neighbourhood Services	436 (£000)	cash, 2009/10 budget	Durham County Council, Revenue and Capital Budgets 2009/2010 (Budget Book), County Council 27 February 2009	40	the six directorate figures as printed sum to 8,850 against the printed total of 8,851 (rounding in the source)
Durham	transition costs 2009/10 by directorate: Corporate Resources	6,211 (£000)	cash, 2009/10 budget	Durham County Council, Revenue and Capital Budgets 2009/2010 (Budget Book), County Council 27 February 2009	40	the six directorate figures as printed sum to 8,850 against the printed total of 8,851 (rounding in the source)

Durham	transition costs 2009/10 by directorate: Assistant Chief Executive	1,524 (£000)	cash, 2009/10 budget	Durham County Council, Revenue and Capital Budgets 2009/2010 (Budget Book), County Council 27 February 2009	40	the six directorate figures as printed sum to 8,850 against the printed total of 8,851 (rounding in the source)
Northumberland	LGR and budget support from balances 2009/10	13,300 (£000)	cash, 2009/10 outturn	Northumberland County Council, Statement of Accounts 2009 to 2010	4 (printed p. 2)	not transition costs alone: LGR and budget support combined; the LGR share is not separated
Northumberland	LGR projects ICT (slippage to 2010/11)	1,718 (£000)	cash, carried to 2010/11	Northumberland County Council, Statement of Accounts 2009 to 2010	4 (printed p. 2)	slippage to 2010/11
Northumberland	redundancy costs per capitalisation bid (slippage to 2010/11)	3,460 (£000)	cash, carried to 2010/11	Northumberland County Council, Statement of Accounts 2009 to 2010	4 (printed p. 2)	not labelled LGR in the source
Northumberland	ADC provision for efficiency savings following LGR (used 2009/10)	720 (£000)	cash, 2009/10	Northumberland County Council, Statement of Accounts 2009 to 2010	65 (printed p. 63)	a district provision transferred to the county council (Note 28), described as severance and pension strain for staff made redundant after 31 March 2009 as a result of LGR
Northumberland	BBC severance and strain on the fund (LGR) (used 2009/10)	514 (£000)	cash, 2009/10	Northumberland County Council, Statement of Accounts 2009 to 2010	65 (printed p. 63)	a district provision transferred to the county council (Note 28), described as severance and pension strain for staff made redundant after 31 March 2009 as a result of LGR
Northumberland	CMBC redundancy costs (used 2009/10)	184 (£000)	cash, 2009/10	Northumberland County Council, Statement of Accounts 2009 to 2010	65 (printed p. 63)	a district provision transferred to the county council (Note 28), described as severance and pension strain for staff made redundant after 31 March 2009 as a result of LGR
Northumberland	TDC redundancy costs (used 2009/10)	985 (£000)	cash, 2009/10	Northumberland County Council, Statement of Accounts 2009 to 2010	65 (printed p. 63)	a district provision transferred to the county council (Note 28), described as severance and pension strain for staff made redundant after 31 March 2009 as a result of LGR
Northumberland	WDC redundancy provision (used 2009/10)	418 (£000)	cash, 2009/10	Northumberland County Council, Statement of Accounts 2009 to 2010	65 (printed p. 63)	a district provision transferred to the county council (Note 28), described as severance and pension strain for staff made redundant after 31 March 2009 as a result of LGR
North Yorkshire	transition fund (budgeted)	32 (£m)	cash, as stated; year not stated	North Yorkshire Council Implementation Plan v1.0 (copy hosted by the LGA)	24	may rise to £38m (the business case's sum); backfilling funded from existing budgets outside the fund; no line items given
North Yorkshire	one-off investment in the business case for the transition and further change (maximum), with backfilling funded outside the fund (Implementation Plan, p. 24, para. 107)	38 (£m)	cash, as stated; year not stated	North Yorkshire Council Implementation Plan v1.0 (copy hosted by the LGA)	24	the business case itself was not retrieved
Somerset	transition or implementation cost			no figure read: the implementation budget (HTTP 403) and business case (HTTP 404) were not obtained; the CIPFA review (held) has no reorganisation transition line		

Source: the documents listed, as read on 4 November 2026 (`derived/precedent_documents_v32.csv`, which gives each figure's URL, page and the sentence it was read from). Figures are in the documents' own prices and are not restated. No transition figure was read for Wiltshire: the page reporting one returned an error and the council's own documents could not be read. None was read for Somerset either (its row gives the reason). Figures seen only in search results are not used. Durham's bid figure is in cash; the passage read (p. 15, para. 27) states no price year. The PDF page column gives the page of the PDF as held, with the printed folio in brackets where it differs.

Table 8g The 31ten transition lines from two to five unitaries, line by line (version 3.2)

Line (31ten run, before contingency)	Two unitaries	Three unitaries	Four unitaries	Five unitaries	Published direction as councils are added	One council

Redundancy	£5.7M	£5.1M	£4.7M	£3.9M	falling	no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known
Organisation set-up	£2.2M	£2.5M	£2.8M	£3.1M	rising	no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known
Closedown	£2.0M	£2.0M	£2.0M	£2.0M	flat	no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known
Communications	£1.5M	£1.5M	£1.6M	£1.6M	rising (flat from two to three and from four to five unitaries)	no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known
Shadow elections	£1.6M	£1.8M	£1.9M	£2.1M	rising	no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known
Shadow running	£1.7M	£2.2M	£2.5M	£3.2M	rising	no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known
Programme management	£7.7M	£10.3M	£12.2M	£14.0M	rising	no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known
IT implementation	£2.5M	£3.0M	£3.5M	£4.0M	rising	no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known
Total before contingency	£24.8M	£28.4M	£31.2M	£33.9M	rising	no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known
Total with contingency	£27.3M	£31.2M	£34.3M	£37.3M	rising	no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known
IT aggregation programme (one value for every option)	£22.8M	£22.8M	£22.8M	£22.8M	flat	no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known

Source: `reproduce.py` and `transition_cost_parameters.csv` (Blackpool Council, 2025b, pp. 87 and 88). Each line is classified as rising, flat or falling by comparing its published two-, three-, four- and five-unitary values only. For every line, whatever its direction, no value for one council is published, so whether the two-unitary value overstates or understates a single council's cost is not known; no value for one council is computed, and no line is extrapolated.

Table 8g (continued) The precedents' published transition costs per head, comparators only (version 3.2)

Precedent	Item (Table 8e)	Price basis	Population used	Per head, cash as printed	Per head, 2024-25 prices (HM Treasury, GDP deflators at market prices, and money GDP, October 2026 (Budget) edition)	Blank because
Cornwall	one off cost in bid	cash, as stated in the 2007 bid	500,000 (as the document states)	£38.60		price year not stated as a financial year, so not converted
Wiltshire	no figure read (Table 8e)					no transition figure read
Shropshire	unitary transition: redundancy	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	302,069 (ONS mid-2009)	£5.96	£8.74	
Shropshire	unitary transition: pension fund strain	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	302,069 (ONS mid-2009)	£4.74	£6.95	
Shropshire	unitary transition: total	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	302,069 (ONS mid-2009)	£10.70	£15.69	
Shropshire	unitary transformation: redundancy	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	302,069 (ONS mid-2009)	£1.12	£1.65	

Shropshire	unitary transformation: pension fund strain	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	302,069 (ONS mid-2009)	£1.10	£1.61	
Shropshire	unitary transformation: total	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	302,069 (ONS mid-2009)	£2.22	£3.26	
Shropshire	VER and redundancy total	cash, 2009/10, draft accounts subject to audit; provided for in the District Council's 2008/09 accounts	302,069 (ONS mid-2009)	£12.92	£18.95	
Durham	transition cost in bid	cash, as stated in the bid; year not stated				no population stated in the document and no price year to match an ONS estimate
Durham	LGR transition costs 2008/09 actual to date	cash, 2008/09	505,617 (ONS mid-2008)	£4.55	£6.76	
Durham	LGR transition costs 2008/09 forecast total	cash, 2008/09	505,617 (ONS mid-2008)	£7.12	£10.57	
Durham	planned transition costs 2009/10 (from reserves)	cash, 2009/10 budget	507,311 (ONS mid-2009)	£17.45	£25.59	
Durham	transition costs 2009/10 by directorate: Adults, Wellbeing and Health	cash, 2009/10 budget	507,311 (ONS mid-2009)	£0.19	£0.28	
Durham	transition costs 2009/10 by directorate: Regeneration and Economic Development	cash, 2009/10 budget	507,311 (ONS mid-2009)	£1.15	£1.68	
Durham	transition costs 2009/10 by directorate: Neighbourhood Services	cash, 2009/10 budget	507,311 (ONS mid-2009)	£0.86	£1.26	
Durham	transition costs 2009/10 by directorate: Corporate Resources	cash, 2009/10 budget	507,311 (ONS mid-2009)	£12.24	£17.96	
Durham	transition costs 2009/10 by directorate: Assistant Chief Executive	cash, 2009/10 budget	507,311 (ONS mid-2009)	£3.00	£4.41	
Northumberland	LGR and budget support from balances 2009/10	cash, 2009/10 outturn	314,489 (ONS mid-2009)	£42.29	£62.03	
Northumberland	LGR projects ICT (slippage to 2010/11)	cash, carried to 2010/11	315,463 (ONS mid-2010)	£5.45	£7.86	
Northumberland	redundancy costs per capitalisation bid (slippage to 2010/11)	cash, carried to 2010/11	315,463 (ONS mid-2010)	£10.97	£15.83	
Northumberland	ADC provision for efficiency savings following LGR (used 2009/10)	cash, 2009/10	314,489 (ONS mid-2009)	£2.29	£3.36	
Northumberland	BBC severance and strain on the fund (LGR) (used 2009/10)	cash, 2009/10	314,489 (ONS mid-2009)	£1.63	£2.40	
Northumberland	CMBC redundancy costs (used 2009/10)	cash, 2009/10	314,489 (ONS mid-2009)	£0.59	£0.86	
Northumberland	TDC redundancy costs (used 2009/10)	cash, 2009/10	314,489 (ONS mid-2009)	£3.13	£4.59	
Northumberland	WDC redundancy provision (used 2009/10)	cash, 2009/10	314,489 (ONS mid-2009)	£1.33	£1.95	
North Yorkshire	transition fund (budgeted)	cash, as stated; year not stated				no population stated in the document and no price year to match an ONS estimate
North Yorkshire	one-off investment in the business case for the transition and further change (maximum), with backfilling funded outside the fund (Implementation Plan, p. 24, para. 107)	cash, as stated; year not stated				no population stated in the document and no price year to match an ONS estimate
Somerset	no figure read (Table 8e)					no transition figure read

Source: Table 8e and `derived/precedent_documents_v32.csv`. Comparators only, never in the model. Per head of the population the document states or, where it states none, the ONS mid-year estimate for the price year; in cash as printed and in 2024-25 prices (HM Treasury, GDP deflators at market prices, and money GDP, October 2026 (Budget) edition, 2025-26 = 100); blank where no population is held or the price year is not stated as a financial year.

7 Comparison with the proposers' business cases

The business cases report recurring benefits well above Table 8: £140M a year for two unitaries, £67M for three, £82M for four. A like-for-like comparison requires separating what each case calls "aggregation" from "transformation".

The four-unitary case is the most transparent. Its steady-state aggregation benefit is £25.6M a year, its aggregation (duplication) cost £4.8M, made up of social-care leadership (£3.5M) and ten additional specialist posts (£1.3M), and its transformation benefit £61.3M, giving £82.1M (Four Lancashire, 2025a, s.5.4.1.2; 2025b, p. 38). Its transition cost is £27.2M, to which it adds an IT aggregation programme of £22.8M that it counts among aggregation costs (Four Lancashire, 2025b, pp. 38 to 40). The three-unitary case in the same document shows aggregation of £26.3M, no aggregation cost and transformation of £48.3M. The three-unitary executive summary separately gives aggregation benefits of up to £29M a year (leadership and back office £11M; third-party, ICT, property and procurement £6M) and transformation of up to £63M. The county council's model attributes roughly half of its £140M two-unitary steady state to "net transition saving" and half to transformation (Lancashire County Council, 2025a, slide 33).

On aggregation the two approaches now differ in both directions. This model's gross structural savings (line-level consolidation plus procurement) are larger than the business cases' aggregation benefits, at £104.7M a year for four unitaries and £122.7M for three against £25.6M and £26.3M to £29M, because the national upper-tier slope implies a larger fall in the merging councils' overhead than the cases' percentages do (Table 5a), on the larger overhead that basis C measures. Its recurring duplication is also far larger: £97.5M a year for four unitaries, or £25.4M per authority before the county credit, against £4.8M in total in the business case. Net of duplication, and before people services and transformation, this model gives −£12.1M a year for four unitaries against the business case's £20.8M, and £24.8M for three against £26.3M to £29M. On people services, only the county council's two-unitary case appears to include a recurring cost of dividing county services. Its amounts are in an appendix that is no longer published, and its evidence base says that Newton's analysis "has informed the overall financial analysis work" (Lancashire County Council, 2025a, slide 28). The four-unitary case costs social-care leadership only. This model's placements term is small, but its SEN transport term adds £8.0M a year for four unitaries (Table 7); Newton's assumption on its own scope, in place of the estimated placements term, would change the four-unitary position by −£16.0M a year.

The model's aggregation savings are also larger, per resident, than the savings the councils reorganised in 2019 to 2023 reported, although those include transformation savings and the model's do not. Buckinghamshire reported £75.4M over four years, about £34 per resident a year, and West and North Northamptonshire £34M and £17M over three years, about £23 (Table 3d); the model's realised structural savings are £72, £60, £51 and £43 per resident a year for two, three, four and five unitaries. The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries. In Table V32 of the deposit, the single councils' implied savings per resident are £89 and £70, above (one new council) and within the range of (the county with its districts) the published four's (£43 to £72), against the precedents' £34 and £23. Nothing in the precedents shows that Lancashire would exceed the best of them. Table 8d therefore reports the result with the realisation rate scaled down, to 36 per cent and 24 per cent, so that two unitaries match each precedent's rate, and Section 8.6 tests total spending before and after vesting in all nine unitaries of 2019 to 2023: it finds no detectable change, and a fall of the size this model implies would lie outside the range its placebo produces.

Transformation accounts for about half of the county council's two-unitary steady state (read from the chart on slide 33 of Lancashire County Council, 2025a, which prints no split), 68 per cent of the upper-bound aggregation and transformation benefits in the three-unitary executive summary, 75 per cent of the four-unitary case's steady state and 72 per cent of the five-unitary case's (Three-Unitary Executive

Summary, 2025, p. 12; Four Lancashire, 2025a, s.5.4.1.2; Five-Unitary Business Case, 2025). Transformation savings are real possibilities, but they are not a property of structure: a service redesign that saves money in four unitaries would in principle save it in two, or in the present structure. Treating them as a benefit of a particular configuration is what allows every proposer to show a favourable case for its own option.

The county council's comparative modelling, which uses one set of assumptions across all options, produces the same ordering as this model: a five-year cumulative position of about zero for four unitaries and a net cost for five (Lancashire County Council, 2025a, slide 32). Four of the five business cases used the same impact template on the LG Futures baseline, with each proposer choosing its own percentages behind what the Pendle report calls "ethical walls" (Pendle Borough Council, 2025b; Blackpool Council, 2025a). The same three-unitary configuration is therefore valued at £218M over five years by the county council, £188.4M by its own proposers, £200.9M in the four-unitary case, £176.9M by Blackpool and £207.4M in the five-unitary case. Version 3.1 takes its transition lines from that template (Section 5.6). The template's constants are IT aggregation at £500 per user (£22.8M in every case), employer on-costs of 30 per cent, redundancy at 35 per cent of staff savings, closedown at £100,000 per district and £250,000 per upper-tier council, and a 10 per cent contingency (Four Lancashire, 2025b, pp. 38 to 40). The five-unitary case describes its closedown cost as £250,000 per council, but its own total, £1.95M, follows the rule for districts and upper-tier councils (Five-Unitary Business Case, 2025, p. 187). Blackpool's run of the template gives £27.3M to £37.3M before the IT aggregation programme. This model's lines give £38.6M to £43.7M, because its redundancy line follows its own savings, and £61.4M to £66.5M with the IT programme, against £51M to £105M in the county council's model. No case applies an optimism-bias adjustment, and none reports a sensitivity beyond a single upside case.

Other areas' business cases cost the division of a county in ways this model does not. Kent's applies uplifts to county spending for each additional upper-tier authority: 0.7 to 1.8 per cent for adult social care, 2.5 to 3 per cent for children's services, 3.5 per cent for place services and 3.8 per cent for corporate and support services, with the caveat that its assumptions "have not been tested against actual outturn data" (Kent Council Leaders, 2025, pp. 71, 167, 176 and 177). Kent counts additional authorities in a way consistent with successors less the existing upper-tier councils; on that reading Lancashire has none under two or three unitaries, one under four and two under five. Kent's place uplift, net of the place leadership this model already copies, lowers four unitaries to −£8.6M and five to −£45.3M; Kent's people-services rates in place of this model's term give −£9.3M to −£17.2M for four unitaries (Table V18 in the deposit). Kent's corporate uplift overlaps the division of the county's overhead and is not added. Twelve Hampshire councils cost disaggregation as one set of percentages of the county's budget: adults 1.6, children's services 0.9, place 1.4 and corporate 3.8 per cent (Basingstoke and Deane Borough Council et al., 2025, pp. 162 and 163), with cost assumptions "consistent across all 3 options" (p. 163). Applied as stated, in place of this model's leadership copies and divided overhead, they give £95.7M, £80.6M, £69.9M and £59.7M, because they do not rise with the number of authorities. Hertfordshire's recurring "diseconomies of scale", £8.1M to £18.3M a year for four unitaries, cover social-care management and IT systems together (Hertfordshire councils, 2025, pp. 205 and 206); they overlap this model's leadership copies and overhead division and are not added. Only the Hampshire rates turn five unitaries positive, and the ordering holds in every row.

The PwC national model cannot be compared directly, because no Lancashire-specific output has been published. Its four- and five-unitary scenarios cover six county areas above one million people and three above 1.3 million, which PwC does not name (PwC, 2025, p. 13), and imply annual disaggregation costs of about £45M to £66M per area (pp. 17 and 18). PwC's disaggregation cost covers duplicated leadership, the management and supervision of county service delivery in adults' and children's services, and democratic structures, measured against a single unitary for the area (pp. 10 and 11). The nearest comparator here is therefore the duplication cost alone, £97.5M for four unitaries and £118.1M for five, which is well above

PwC's range; PwC's figure covers leadership, service management and democracy, whereas on basis C this model divides the county's whole support cost (Section 5.1). PwC has no counterpart to this model's people-services term, and this model measures against the present structure, not a single unitary.

8 Sensitivity analysis

The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries. Tables 11, 12, 13 and 13b print the single councils' columns beside the published four's; statements in Sections 8.1 to 8.7 are scoped as the head of Section 6 says, and Section 8.8 treats the single councils.

8.1 One parameter at a time

Table 11 One-at-a-time sensitivity, version 3.1 net annual (steady state)

Parameter (low / high)	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
Central	£133.0M	£88.4M	£75.9M	£31.7M	−£2.6M	−£33.3M
Realisation 60% / 90%	£105.7M / £160.3M	£71.1M / £105.8M	£53.9M / £97.9M	£13.3M / £50.1M	−£18.3M / £13.1M	−£46.4M / −£20.1M
Scale elasticities +2 / −2 standard errors, bounded to [0.5, 1]	£77.9M / £165.9M	£51.9M / £110.5M	£47.8M / £86.5M	£24.5M / £21.2M	£7.4M / −£32.3M	−£8.0M / −£81.1M
Scale elasticities all 1 (no scale economies, no division cost)	£2.9M	£4.3M	£6.5M	£4.5M	£2.8M	£0.1M
Corporate overhead, Option 1 (pooled merger slope)	£112.4M	£75.1M	£57.5M	£15.4M	−£16.9M	−£45.8M
Corporate-overhead slope at its 95% bounds (−1.96 / +1.96 s.e.)	£164.4M / £84.3M	£109.2M / £57.0M	£85.0M / £52.9M	£19.9M / £28.6M	−£33.6M / £10.7M	−£82.3M / −£5.6M
Corporate-overhead slope from unitaries only	£138.9M	£92.3M	£78.2M	£30.8M	−£6.2M	−£39.5M
County overhead divided at elasticity 1	£133.0M	£88.4M	£111.7M	£92.5M	£77.6M	£63.3M
No corporate-overhead scale effect (both slopes 1)	£10.8M	£10.8M	£13.0M	£9.9M	£7.5M	£4.0M
Merger elasticities from districts only, bounded to [0.5, 1] (all six lines)	£8.4M	£8.9M	−£24.7M	−£52.5M	−£74.1M	−£93.7M
Version 3's administrative treatment (two lines, 52 councils)	n/a	n/a	£24.7M	£15.2M	£8.0M	£0.6M
As above, Havant and Solihull excluded	n/a	n/a	£19.2M	£12.2M	£6.8M	£0.8M
Tier 3 and 4 replication 50% / 100%	£134.5M / £133.0M	£88.4M / £88.4M	£78.9M / £75.9M	£36.2M / £31.7M	£3.5M / −£2.6M	−£25.7M / −£33.3M
Tier 3 and 4 replication 50% / 100%, one new council with replication held at 1 (version 3.2)	£133.0M / £133.0M	n/a	n/a	n/a	n/a	n/a
Salary at band minimum / maximum	£133.0M / £133.0M	£88.4M / £88.4M	£76.0M / £75.7M	£31.9M / £31.4M	−£2.2M / −£3.0M	−£32.7M / −£33.8M
Successor allowance £9,869 / £21,310	£134.4M / £133.0M	£89.8M / £88.4M	£77.1M / £74.7M	£33.5M / £29.9M	−£0.7M / −£4.3M	−£31.4M / −£35.0M
Placement elasticities at the lower / upper 95% bounds (A1, A11, C1)	£149.1M / £115.3M	£88.4M / £88.4M	£77.5M / £73.3M	£24.7M / £37.7M	−£15.7M / £9.3M	−£50.8M / −£17.4M
Placement elasticities from the pooled panels (A7, C3)	£122.9M	£88.4M	£72.4M	£31.9M	£0.1M	−£28.9M
People-services effect zero (placements, SEN transport and direct payments)	£139.3M	£88.4M	£73.6M	£24.8M	−£12.1M	−£45.3M
Newton on its own scope (placements)	£145.5M	£88.4M	£69.3M	£18.8M	−£18.6M	−£51.1M
Newton on all people-services spend (version 3's treatment)	£164.2M	£88.4M	£62.5M	£3.3M	−£38.1M	−£73.3M
Procurement rate 1% / 5%	£128.9M / £137.1M	£86.8M / £90.1M	£72.6M / £79.1M	£29.0M / £34.4M	−£5.1M / −£0.1M	−£35.1M / −£31.4M
Procurement rate 1.3% (Accounts Commission, 2014) / 2%	£129.5M / £131.0M	£87.0M / £87.6M	£73.1M / £74.2M	£29.4M / £30.3M	−£4.7M / −£3.8M	−£34.8M / −£34.2M
£10.35M per new authority, including successor councillors (not version 2.2's basis)	£125.2M	£80.6M	£98.4M	£74.6M	£53.6M	£33.1M
SEN transport elasticity at its lower / upper 95% bounds (T1)	£139.9M / £123.2M	£88.4M / £88.4M	£75.2M / £75.1M	£27.0M / £34.6M	−£9.6M / £2.1M	−£42.5M / −£26.9M

SEN transport elasticity from the pooled panel (T3)	£135.5M	£88.4M	£75.8M	£30.4M	−£4.6M	−£35.9M
SEN transport term excluded	£140.6M	£88.4M	£75.0M	£26.3M	−£10.5M	−£43.7M
Direct payments, 65 and over, added at its 2024-25 point estimate (DP65; not central under rule R3b)	£127.6M	£88.4M	£75.7M	£34.2M	£1.5M	−£27.8M
The same, at the lower / upper bounds of its 2024-25 95% interval	£131.5M / £122.0M	£88.4M / £88.4M	£76.0M / £74.5M	£32.7M / £34.8M	−£0.9M / £3.0M	−£31.1M / −£25.6M
The same, at the five-year pooled estimate	£131.8M	£88.4M	£76.0M	£32.5M	−£1.3M	−£31.5M
Direct payments, 18 to 64, added at its point estimate (not central)	£129.0M	£88.4M	£77.3M	£36.1M	£3.8M	−£25.4M

Source: `reproduce.py`, Table V7. Each row changes one parameter and holds the others at their central values. For the single councils the version 3 rows are n/a: version 3 had no single-council configuration. The 0.5 to 1.0 replication draw for one new council favours it; its values with replication held at 1 are shown beside them. The single councils' seat and allowance-rate variants are in Table 6a. Titled as in version 3.1; the two single-council columns are version 3.2's.

The specification of the corporate overhead matters most: the recharge basis (on the netted definition the positions are £58.1M, £37.0M, £20.8M and £5.3M; Table 8a) and the slope. Option 1 lowers each published configuration's net position by £12.6M to £18.4M, and merger elasticities estimated on districts alone would make every published configuration negative, two unitaries at −£24.7M. With no scale economies and no cost of division, every published configuration keeps a small position, between £0.1M for five unitaries and £6.5M for two. If the county's overhead could be divided without cost, every published configuration would be positive, five unitaries at £63.3M. The people-services treatment comes second. At the lower bounds of the three placement elasticities four unitaries fall to −£15.7M and five to −£50.8M; at the lower bound of the SEN transport elasticity, to −£9.6M and −£42.5M; without the SEN transport term, to −£10.5M and −£43.7M; the direct-payments term, which is not central, would take them to £1.5M and −£27.8M at its 2024-25 estimate and to −£1.3M and −£31.5M at the five-year pooled estimate; and Newton's assumption gives four unitaries −£18.6M on placements and −£38.1M on all spending. Realisation between 60 and 90 per cent moves two unitaries between £53.9M and £97.9M and five between −£46.4M and −£20.1M. Version 3's administrative treatment, with the people-services term estimated, puts four unitaries at £8.0M. The replication, salary, allowance and procurement parameters each move a result by at most £7.6M.

8.2 Duplication, people services and the Monte Carlo

Table 12 Net annual position by recurring duplication per new authority and people-services treatment

Duplication per authority	People-services treatment	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
£2.5M	zero	£139.4M	£88.5M	£111.9M	£91.4M	£75.4M	£60.2M
£2.5M	estimated (central)	£133.1M	£88.5M	£114.1M	£98.2M	£85.0M	£72.3M
£2.5M	Newton, placements	£145.6M	£88.5M	£107.5M	£85.3M	£68.9M	£54.4M
£2.5M	Newton, all spend	£164.3M	£88.5M	£100.7M	£69.8M	£49.5M	£32.3M
£5.0M	zero	£136.9M	£86.0M	£106.9M	£83.9M	£65.4M	£47.7M
£5.0M	estimated (central)	£130.6M	£86.0M	£109.1M	£90.7M	£75.0M	£59.8M
£5.0M	Newton, placements	£143.1M	£86.0M	£102.5M	£77.8M	£58.9M	£41.9M
£5.0M	Newton, all spend	£161.8M	£86.0M	£95.7M	£62.3M	£39.5M	£19.8M
Bottom-up (Table 6)	zero	£139.3M	£88.4M	£73.6M	£24.8M	−£12.1M	−£45.3M
Bottom-up (Table 6)	estimated (central)	£133.0M	£88.4M	£75.9M	£31.7M	−£2.6M	−£33.3M
Bottom-up (Table 6)	Newton, placements	£145.5M	£88.4M	£69.3M	£18.8M	−£18.6M	−£51.1M
Bottom-up (Table 6)	Newton, all spend	£164.2M	£88.4M	£62.5M	£3.3M	−£38.1M	−£73.3M
£10.35M	zero	£131.5M	£80.6M	£96.2M	£67.8M	£44.0M	£21.0M
£10.35M	estimated (central)	£125.2M	£80.6M	£98.4M	£74.6M	£53.6M	£33.1M
£10.35M	Newton, placements	£137.7M	£80.6M	£91.8M	£61.7M	£37.5M	£15.2M
£10.35M	Newton, all spend	£156.4M	£80.6M	£85.0M	£46.3M	£18.1M	−£7.0M
£15.0M	zero	£126.9M	£76.0M	£86.9M	£53.9M	£25.4M	−£2.3M
£15.0M	estimated (central)	£120.6M	£76.0M	£89.1M	£60.7M	£35.0M	£9.8M
£15.0M	Newton, placements	£133.1M	£76.0M	£82.5M	£47.8M	£18.9M	−£8.1M

£15.0M	Newton, all spend	£151.8M	£76.0M	£75.7M	£32.3M	−£0.5M	−£30.2M

Source: `reproduce.py`, Table V12, which gives every treatment. Uniform duplication values replace the whole of Table 6, including the county credit and successor councillors.

Table 12a Where the single councils rank, table by table (version 3.2)

Table	Row and measure (as printed)	Comparison	Result
Table 8	6 rows compared	all	no exception and no row left out
Table 8a	72 rows compared	all	every exception and every row left out is named below
Table 8a	Collection and electoral line elasticities at 1 for the single councils (the lines on which they lie beyond the data; version 3.2), net annual, steady state	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Collection and electoral line elasticities at 1 for the single councils (the lines on which they lie beyond the data; version 3.2), ten-year NPV	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Collection and electoral line elasticities at 1 for the single councils (the lines on which they lie beyond the data; version 3.2), payback (years)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Adult placements, 65 and over (A1) term excluded (version 3.2, item G), net annual, steady state	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Adult placements, 65 and over (A1) term excluded (version 3.2, item G), ten-year NPV	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Adult placements, 65 and over (A1) term excluded (version 3.2, item G), payback (years)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Adult placements, 18 to 64 (A11) term excluded (version 3.2, item G), net annual, steady state	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Adult placements, 18 to 64 (A11) term excluded (version 3.2, item G), ten-year NPV	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Adult placements, 18 to 64 (A11) term excluded (version 3.2, item G), payback (years)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	All negative parts excluded (SEN transport (T1), adult placements, 65 and over (A1), adult placements, 18 to 64 (A11); version 3.2, item G), net annual, steady state	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	All negative parts excluded (SEN transport (T1), adult placements, 65 and over (A1), adult placements, 18 to 64 (A11); version 3.2, item G), ten-year NPV	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	All negative parts excluded (SEN transport (T1), adult placements, 65 and over (A1), adult placements, 18 to 64 (A11); version 3.2, item G), payback (years)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Own calibration: each single council's realisation set so that its own realised structural saving per resident equals Buckinghamshire's reported rate, capped at the central 75% (version 3.2, F05), net annual, steady state	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank

Table 8a	Own calibration: each single council's realisation set so that its own realised structural saving per resident equals Buckinghamshire's reported rate, capped at the central 75% (version 3.2, F05), ten-year NPV	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Own calibration: each single council's realisation set so that its own realised structural saving per resident equals Buckinghamshire's reported rate, capped at the central 75% (version 3.2, F05), payback (years)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Own calibration, the same at West and North Northamptonshire's reported rate (version 3.2, F05), net annual, steady state	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Own calibration, the same at West and North Northamptonshire's reported rate (version 3.2, F05), ten-year NPV	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Own calibration, the same at West and North Northamptonshire's reported rate (version 3.2, F05), payback (years)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Option 3 overhead (upper bound only), net annual, steady state	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA, 3UA
Table 8a	Option 3 overhead (upper bound only), net annual, steady state	the county with its districts before two unitaries (F12, F27)	behind
Table 8a	Monte Carlo, Option 2 (central), probability net annual > 0	one new council first (F12)	level with 1UA (county+12), 2UA, 3UA
Table 8a	Monte Carlo, Option 2 (central), probability net annual > 0	both single councils above the four published configurations (F35)	1UA level with 2UA, 3UA; 1UA (county+12) level with 2UA, 3UA
Table 8a	Monte Carlo, Option 2 (central), probability net annual > 0	the county with its districts before two unitaries (F12)	level
Table 8a	Monte Carlo, Option 2 (central), probability ten-year NPV > 0	one new council first (F12)	level with 1UA (county+12), 2UA
Table 8a	Monte Carlo, Option 2 (central), probability ten-year NPV > 0	both single councils above the four published configurations (F35)	1UA level with 2UA; 1UA (county+12) level with 2UA
Table 8a	Monte Carlo, Option 2 (central), probability ten-year NPV > 0	the county with its districts before two unitaries (F12)	level
Table 8a	Monte Carlo, Option 2 (central), one new council with replication held at 1 (version 3.2), probability net annual > 0	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Monte Carlo, Option 2 (central), one new council with replication held at 1 (version 3.2), probability ten-year NPV > 0	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Monte Carlo, Option 1, probability net annual > 0	one new council first (F12)	level with 1UA (county+12)
Table 8a	Monte Carlo, Option 1, probability ten-year NPV > 0	one new council first (F12)	level with 1UA (county+12)
Table 8a	Monte Carlo, Option 1, one new council with replication held at 1 (version 3.2), probability net annual > 0	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Monte Carlo, Option 1, one new council with replication held at 1 (version 3.2), probability ten-year NPV > 0	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Monte Carlo, netted definition, Option 2, probability net annual > 0	one new council first (F12)	level with 1UA (county+12), 2UA, 3UA
Table 8a	Monte Carlo, netted definition, Option 2, probability net annual > 0	both single councils above the four published configurations (F35)	1UA level with 2UA, 3UA; 1UA (county+12) level with 2UA, 3UA

Table 8a	Monte Carlo, netted definition, Option 2, probability net annual > 0	the county with its districts before two unitaries (F12)	level
Table 8a	Monte Carlo, netted definition, Option 2, probability ten-year NPV > 0	one new council first (F12)	level with 1UA (county+12), 2UA, 3UA
Table 8a	Monte Carlo, netted definition, Option 2, probability ten-year NPV > 0	both single councils above the four published configurations (F35)	1UA level with 2UA, 3UA; 1UA (county+12) level with 2UA, 3UA
Table 8a	Monte Carlo, netted definition, Option 2, probability ten-year NPV > 0	the county with its districts before two unitaries (F12)	level
Table 8a	Monte Carlo, netted definition, Option 2, one new council with replication held at 1 (version 3.2), probability net annual > 0	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Monte Carlo, netted definition, Option 2, one new council with replication held at 1 (version 3.2), probability ten-year NPV > 0	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Monte Carlo, netted definition, Option 1, probability net annual > 0	one new council first (F12)	level with 1UA (county+12)
Table 8a	Monte Carlo, netted definition, Option 1, probability ten-year NPV > 0	one new council first (F12)	behind 1UA (county+12)
Table 8a	Monte Carlo, netted definition, Option 1, one new council with replication held at 1 (version 3.2), probability net annual > 0	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8a	Monte Carlo, netted definition, Option 1, one new council with replication held at 1 (version 3.2), probability ten-year NPV > 0	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12, F27)	left out: a compared cell n/a or blank
Table 8c	44 rows compared	all	every exception and every row left out is named below
Table 8c	Savings not phased (every year at the steady state) (payback)	one new council first (F12)	level with 1UA (county+12)
Table 8c	Savings phased on Surrey's profiles (payback)	one new council first (F12)	level with 1UA (county+12)
Table 8c	Plus Hertfordshire's one-off IT disaggregation, high (NPV)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8c	Plus Hertfordshire's one-off IT disaggregation, high (payback)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8c	High case: redundancy 43%, overrun ×1.45, Hertfordshire IT high (NPV)	one new council first (F12); both single councils above the four published configurations (F35)	left out: a compared cell n/a or blank
Table 8c	High case: redundancy 43%, overrun ×1.45, Hertfordshire IT high (payback)	one new council first (F12); both single councils above the four published configurations (F35)	left out: a compared cell n/a or blank
Table 8c	Plus Hertfordshire's one-off IT disaggregation, low (NPV)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8c	Plus Hertfordshire's one-off IT disaggregation, low (payback)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8c	Version 3's flat transition cost at the start (NPV)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank

Table 8c	Version 3's flat transition cost at the start (payback)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8c	The county council's own one-unitary transition cost, £51M (1UA only; version 3.2) (NPV)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8c	The county council's own one-unitary transition cost, £51M (1UA only; version 3.2) (payback)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8c	Pre-vesting election and shadow running lines both nil (session 1 decision 2; version 3.2, F19) (NPV)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8c	Pre-vesting election and shadow running lines both nil (session 1 decision 2; version 3.2, F19) (payback)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8c	With the election and shadow running lines of the two-unitary 31ten column (transition ran through an Implementation Executive with district members until the pre-vesting election, F58; version 3.2, F19) (NPV)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8c	With the election and shadow running lines of the two-unitary 31ten column (transition ran through an Implementation Executive with district members until the pre-vesting election, F58; version 3.2, F19) (payback)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8d	28 rows compared	all	every exception and every row left out is named below
Table 8d	Own calibration: each single council's realisation set so that its own realised structural saving per resident equals Buckinghamshire's reported rate, capped at the central 75% (version 3.2, F05), net annual, steady state	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8d	Own calibration: each single council's realisation set so that its own realised structural saving per resident equals Buckinghamshire's reported rate, capped at the central 75% (version 3.2, F05), ten-year NPV	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8d	Own calibration, the same at West and North Northamptonshire's reported rate (version 3.2, F05), net annual, steady state	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8d	Own calibration, the same at West and North Northamptonshire's reported rate (version 3.2, F05), ten-year NPV	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8d	Leadership per successor at the two existing unitaries' disclosed senior-officer cost, net annual, steady state	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 8d	Leadership per successor at the two existing unitaries' disclosed senior-officer cost, ten-year NPV	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 11	31 rows compared	all	every exception and every row left out is named below
Table 11	Scale elasticities all 1 (no scale economies, no division cost)	one new council first (F12)	behind 1UA (county+12), 2UA, 3UA
Table 11	Scale elasticities all 1 (no scale economies, no division cost)	both single councils above the four published configurations (F35)	1UA behind 2UA, 3UA; 1UA (county+12) behind 2UA, 3UA
Table 11	Scale elasticities all 1 (no scale economies, no division cost)	the county with its districts before two unitaries (F12)	behind

Table 11	County overhead divided at elasticity 1	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA, 3UA
Table 11	County overhead divided at elasticity 1	the county with its districts before two unitaries (F12)	behind
Table 11	No corporate-overhead scale effect (both slopes 1)	one new council first (F12)	behind 2UA; level with 1UA (county+12)
Table 11	No corporate-overhead scale effect (both slopes 1)	both single councils above the four published configurations (F35)	1UA behind 2UA; 1UA (county+12) behind 2UA
Table 11	No corporate-overhead scale effect (both slopes 1)	the county with its districts before two unitaries (F12)	behind
Table 11	Merger elasticities from districts only, bounded to [0.5, 1] (all six lines)	one new council first (F12)	behind 1UA (county+12)
Table 11	Version 3's administrative treatment (two lines, 52 councils)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 11	As above, Havant and Solihull excluded	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 11	Tier 3 and 4 replication 50% / 100%, one new council with replication held at 1 (version 3.2)	one new council first (F12); both single councils above the four published configurations (F35); the county with its districts before two unitaries (F12)	left out: a compared cell n/a or blank
Table 11	£10.35M per new authority, including successor councillors (not version 2.2's basis)	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 11	£10.35M per new authority, including successor councillors (not version 2.2's basis)	the county with its districts before two unitaries (F12)	behind
Table 12	20 rows compared	all	every exception and every row left out is named below
Table 12	£2.5M, zero	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA, 3UA
Table 12	£2.5M, zero	the county with its districts before two unitaries (F12)	behind
Table 12	£2.5M, estimated (central)	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA, 3UA
Table 12	£2.5M, estimated (central)	the county with its districts before two unitaries (F12)	behind
Table 12	£2.5M, Newton, placements	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£2.5M, Newton, placements	the county with its districts before two unitaries (F12)	behind
Table 12	£2.5M, Newton, all spend	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£2.5M, Newton, all spend	the county with its districts before two unitaries (F12)	behind
Table 12	£5.0M, zero	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£5.0M, zero	the county with its districts before two unitaries (F12)	behind
Table 12	£5.0M, estimated (central)	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA, 3UA
Table 12	£5.0M, estimated (central)	the county with its districts before two unitaries (F12)	behind
Table 12	£5.0M, Newton, placements	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£5.0M, Newton, placements	the county with its districts before two unitaries (F12)	behind

Table 12	£5.0M, Newton, all spend	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£5.0M, Newton, all spend	the county with its districts before two unitaries (F12)	behind
Table 12	£10.35M, zero	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£10.35M, zero	the county with its districts before two unitaries (F12)	behind
Table 12	£10.35M, estimated (central)	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£10.35M, estimated (central)	the county with its districts before two unitaries (F12)	behind
Table 12	£10.35M, Newton, placements	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£10.35M, Newton, placements	the county with its districts before two unitaries (F12)	behind
Table 12	£10.35M, Newton, all spend	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£10.35M, Newton, all spend	the county with its districts before two unitaries (F12)	behind
Table 12	£15.0M, zero	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£15.0M, zero	the county with its districts before two unitaries (F12)	behind
Table 12	£15.0M, estimated (central)	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£15.0M, estimated (central)	the county with its districts before two unitaries (F12)	behind
Table 12	£15.0M, Newton, placements	both single councils above the four published configurations (F35)	1UA (county+12) behind 2UA
Table 12	£15.0M, Newton, placements	the county with its districts before two unitaries (F12)	behind
Table 8a (F142)	16 single-council Monte Carlo cells compared	the single councils at 100 per cent (F142)	every cell below 100 per cent is named below
Table 8a (F142)	Monte Carlo, netted definition, Option 1, positive ten-year NPV	the single councils at 100 per cent (F142)	one new council 99 per cent

Source: `reproduce.py`, generated from the same comparison as the row lists in the text, with the single councils' Monte Carlo cells below 100 per cent. Rows compared: every row of Tables 8, 8a, 8c, 8d, 11 and 12 that gives a net position, a ten-year value, a payback (lower first; none last) or a probability, Table 8c's NPV and payback columns separately; a cell holding two values is compared value by value. Rows giving a component, cost or realisation rate rank no position and are not compared (14 rows). A row with any compared cell n/a or blank is left out of that comparison and named. A tie is not first and not before: it is named as level. Each row is named by its label and measure as the table prints it.

Table 12 gives a frontier, not a point. The bottom-up duplication, £23.7M to £26.1M per new authority on basis C (Table 6), lies above every uniform value in the grid, which runs from £2.5M to £15.0M. At £15.0M per authority four unitaries are positive under every treatment except Newton's assumption on all spending (−£0.5M), and five unitaries only with the estimated people-services term (£9.8M); at £10.35M, the version 2.2 value, five unitaries are positive except with Newton's assumption on all spending (−£7.0M). Two and three unitaries are positive across the whole grid. The result for four and five unitaries therefore turns on how much the division of the county's overhead costs, which is the quantity basis C enlarges.

Tables 8a and 8d change one treatment at a time. Taking their treatments together (four overhead treatments, three for people services, the SEN transport term in or out, the direct-payments term in or out, and three realisation rates: 4 × 3 × 2 × 2 × 3) gives 144 cells for each form, of which 24 repeat others, because the direct-payments term is not added under Newton on all people-services spend; that leaves 120 distinct combinations, the central case among them (Table 12b). On the net annual position the six forms

stand in their central order in 117 of the 120, one new council stands before the county with its districts in 117 of the 120, and two, three, four and five unitaries keep their order among themselves in all 120; the net annual position is positive in all 120 for one new council, all 120 for the county with its districts, 90 for two unitaries, 39 for three unitaries, 11 for four unitaries and 3 for five unitaries. On the ten-year value the six forms stand in their central order in 117 of the 120, and the value is positive in all 120 for one new council, all 120 for the county with its districts, 62 for two unitaries, 22 for three unitaries, 5 for four unitaries and 1 for five unitaries. The combinations are not equally likely, and many stack several departures from the central case at once; a count is not a probability and says nothing about which combination is right. The combinations leave out the rows of Table 8a that are not among these treatments, and every draw of the Monte Carlo.

Table 12b The closed-list treatments in combination: how often each form is positive and the order holds (version 3.2)

Count of combinations	Net annual position, of 120 distinct combinations	Ten-year value at 3.5 per cent, of 120 distinct combinations	Net annual position, of 144 cells	Ten-year value at 3.5 per cent, of 144 cells
Positive: one new council	120	120	144	144
Positive: the county with its districts	120	120	144	144
Positive: two unitaries	90	62	102	70
Positive: three unitaries	39	22	42	22
Positive: four unitaries	11	5	11	5
Positive: five unitaries	3	1	3	1
The six forms stand in their central order	117	117	141	141
Two, three, four and five unitaries stand in their central order among themselves	120	120	144	144
One new council stands before the county with its districts	117	117	141	141

Source: `reproduce.py`, Table V38. Rules: the rules for the grid statement (Appendix D), committed on 13 November 2026 before any count was recomputed on the final grid; counts on the net annual position over all 144 cells had been seen on 11 November 2026 on the grid as first built. Each form has 144 cells: the closed-list treatments of Tables 8a and 8d taken together (four overhead treatments, three for people services, the SEN transport term in or out, the direct-payments term in or out, and three realisation rates). 24 of them are the direct-payments cells under Newton on all people-services spend, which equal their twins by construction, so there are 120 distinct combinations; the central case is one of them. Positive means above zero. The order is from highest to lowest, compared with the central case's order on the same measure; two forms within £1 of each other count as a change. Pairs that change places or tie, of the 120: on the net annual position, one new council and the county with its districts in 3; on the ten-year value, one new council and the county with its districts in 3. The combinations are not equally likely, and many stack several departures from the central case at once; a count is not a probability and says nothing about which combination is right. The combinations leave out the rows of Table 8a that are not among these treatments, and every draw of the Monte Carlo.

Table 13 Monte Carlo (10,000 draws)

Statistic	1UA	1UA (county+12)	2UA	3UA	4UA	5UA
Net annual, 5th percentile	£87.0M	£59.8M	£50.8M	£11.7M	−£30.6M	−£71.0M
Net annual, median	£129.7M	£86.4M	£72.9M	£30.6M	−£1.5M	−£31.5M
Net annual, 95th percentile	£172.7M	£113.1M	£100.3M	£48.8M	£18.5M	−£2.5M
Ten-year NPV, 5th percentile	£585.8M	£395.3M	£302.3M	−£41.4M	−£394.2M	−£727.7M
Ten-year NPV, median	£903.8M	£592.2M	£456.6M	£118.2M	−£144.9M	−£389.1M
Ten-year NPV, 95th percentile	£1,223.8M	£790.0M	£651.3M	£254.2M	£30.1M	−£132.3M
Probability net annual > 0	100%	100%	100%	100%	46%	3%
Probability ten-year NPV > 0	100%	100%	100%	88%	10%	0%
Probability of payback within ten years	100%	100%	100%	92%	14%	0%
Payback, median (years)	1.0	1.2	2.1	4.6	none within 10	none within 10
Probability net annual > 0, Option 1 overhead	100%	100%	98%	70%	29%	9%
Probability ten-year NPV > 0, Option 1 overhead	100%	100%	96%	49%	14%	3%
Probability net annual > 0, other priors and seeds (range)	100%	100%	100%	99% to 100%	45% to 46%	0% to 3%
Net annual, 5th percentile, allowance held at £21,310 (version 3.2, single councils)	£86.3M	£59.1M	n/a	n/a	n/a	n/a

Net annual, median, allowance held at £21,310 (version 3.2, single councils)	£129.0M	£85.8M	n/a	n/a	n/a	n/a
Net annual, 95th percentile, allowance held at £21,310 (version 3.2, single councils)	£172.0M	£112.4M	n/a	n/a	n/a	n/a
Ten-year NPV, 5th percentile, allowance held at £21,310 (version 3.2, single councils)	£580.3M	£390.0M	n/a	n/a	n/a	n/a
Ten-year NPV, median, allowance held at £21,310 (version 3.2, single councils)	£897.9M	£586.3M	n/a	n/a	n/a	n/a
Ten-year NPV, 95th percentile, allowance held at £21,310 (version 3.2, single councils)	£1,217.4M	£784.2M	n/a	n/a	n/a	n/a
Probability net annual > 0, allowance held at £21,310 (version 3.2, single councils)	100%	100%	n/a	n/a	n/a	n/a
Probability ten-year NPV > 0, allowance held at £21,310 (version 3.2, single councils)	100%	100%	n/a	n/a	n/a	n/a
Probability of payback within ten years, allowance held at £21,310 (version 3.2, single councils)	100%	100%	n/a	n/a	n/a	n/a
Payback, median (years), allowance held at £21,310 (version 3.2, single councils)	1.0	1.2	n/a	n/a	n/a	n/a
Net annual, 5th percentile, one new council with replication held at 1 (version 3.2)	£86.3M	n/a	n/a	n/a	n/a	n/a
Net annual, median, one new council with replication held at 1 (version 3.2)	£129.1M	n/a	n/a	n/a	n/a	n/a
Net annual, 95th percentile, one new council with replication held at 1 (version 3.2)	£172.1M	n/a	n/a	n/a	n/a	n/a
Ten-year NPV, 5th percentile, one new council with replication held at 1 (version 3.2)	£582.9M	n/a	n/a	n/a	n/a	n/a
Ten-year NPV, median, one new council with replication held at 1 (version 3.2)	£899.6M	n/a	n/a	n/a	n/a	n/a
Ten-year NPV, 95th percentile, one new council with replication held at 1 (version 3.2)	£1,218.3M	n/a	n/a	n/a	n/a	n/a
Probability net annual > 0, one new council with replication held at 1 (version 3.2)	100%	n/a	n/a	n/a	n/a	n/a
Probability ten-year NPV > 0, one new council with replication held at 1 (version 3.2)	100%	n/a	n/a	n/a	n/a	n/a
Probability of payback within ten years, one new council with replication held at 1 (version 3.2)	100%	n/a	n/a	n/a	n/a	n/a
Payback, median (years), one new council with replication held at 1 (version 3.2)	1.0	n/a	n/a	n/a	n/a	n/a
Probability net annual > 0, Option 1 overhead, one new council with replication held at 1 (version 3.2)	100%	n/a	n/a	n/a	n/a	n/a
Probability ten-year NPV > 0, Option 1 overhead, one new council with replication held at 1 (version 3.2)	100%	n/a	n/a	n/a	n/a	n/a
Probability net annual > 0, other priors and seeds (range), one new council with replication held at 1 (version 3.2)	100%	n/a	n/a	n/a	n/a	n/a
Net annual, 5th percentile, allowance held at £21,310 (version 3.2, single councils), one new council with replication held at 1 (version 3.2)	£85.8M	n/a	n/a	n/a	n/a	n/a
Net annual, median, allowance held at £21,310 (version 3.2, single councils), one new council with replication held at 1 (version 3.2)	£128.4M	n/a	n/a	n/a	n/a	n/a
Net annual, 95th percentile, allowance held at £21,310 (version 3.2, single councils), one new council with replication held at 1 (version 3.2)	£171.4M	n/a	n/a	n/a	n/a	n/a
Ten-year NPV, 5th percentile, allowance held at £21,310 (version 3.2, single councils), one new council with replication held at 1 (version 3.2)	£577.7M	n/a	n/a	n/a	n/a	n/a
Ten-year NPV, median, allowance held at £21,310 (version 3.2, single councils), one new council with replication held at 1 (version 3.2)	£894.2M	n/a	n/a	n/a	n/a	n/a
Ten-year NPV, 95th percentile, allowance held at £21,310 (version 3.2, single councils), one new council with replication held at 1 (version 3.2)	£1,212.7M	n/a	n/a	n/a	n/a	n/a
Probability net annual > 0, allowance held at £21,310 (version 3.2, single councils), one new council with replication held at 1 (version 3.2)	100%	n/a	n/a	n/a	n/a	n/a
Probability ten-year NPV > 0, allowance held at £21,310 (version 3.2, single councils), one new council with replication held at 1 (version 3.2)	100%	n/a	n/a	n/a	n/a	n/a
Probability of payback within ten years, allowance held at £21,310 (version 3.2, single councils), one new council with replication held at 1 (version 3.2)	100%	n/a	n/a	n/a	n/a	n/a
Payback, median (years), allowance held at £21,310 (version 3.2, single councils), one new council with replication held at 1 (version 3.2)	1.1	n/a	n/a	n/a	n/a	n/a

Source: `reproduce.py`, Table V8, which gives the distributions and further percentiles. Draws as in Section 5.6. For the single councils the allowance range drawn (£9,869 to £21,310, Table 4) lies at or below their central rate, so the draws lift their net position on average; the rows with the allowance held at their central rate give the same statistics from the same streams, and the published four's cells there are n/a. The 0.5 to 1.0 replication draw for one new council favours it; its values with replication held at 1 are shown beside them.

The Monte Carlo draws parameter uncertainty within the central specification (Section 5.6); the choice of specification is shown by Tables 8a and 8d. For two to five unitaries, the probability of a positive net annual position is 100, 100, 46 and 3 per cent, and of a positive ten-year NPV 100, 88, 10 and 0 per cent. Under Option 1 they are 98, 70, 29 and 9 per cent and 96, 49, 14 and 3 per cent, for two to five unitaries. The medians are close to the central case, because the elasticities are drawn from truncated rather than clipped distributions (Section 5.6). Clipping at 0 and 1, holding the elasticities fixed and changing the seed keep the probability for five unitaries between 0 and 3 per cent. For four unitaries the 5th percentile of the net annual position is −£30.6M, and the probability of a positive ten-year NPV is 10 per cent; five unitaries' steady state is positive in 3 per cent of draws, and their ten-year value in 0 per cent, to the nearest whole number. On the netted definition, with its own bases and slopes, for two to five unitaries, the probabilities of a positive net annual position are 100, 100, 99 and 74 per cent under Option 2 and 99, 87, 65 and 38 per cent under Option 1, and of a positive ten-year value 100, 100, 85 and 24 and 94, 71, 41 and 18 per cent (Table 8a). In every one of these lists, central, Option 1 and both netted-definition sentences, the single councils are at 100 per cent in every row except: netted definition, Option 1, positive ten-year NPV, one new council 99 per cent; with the allowance held at £21,310, the single councils are at 100 per cent in every row (Table 13; the allowance is held in the central specification only); and with replication held at 1, one new council is at 100 per cent in every row except: netted definition, Option 1, positive ten-year NPV, one new council 99 per cent (Tables 8a and 13).

8.3 People-services unit costs before and after the county splits

Version 3 said that a test of unit costs before and after the 2019 to 2023 reorganisations could not be done with the data held. Version 3.1 does it for adult and children's placements, which the Adult Social Care Finance Return and S251 cover from 2019-20 and 2020-21 (Table V13 in the deposit). The statistic is the change in the log unit cost of the predecessor county's footprint after vesting, relative to councils whose boundaries did not change, with year effects; after vesting, the footprint's unit cost is the average of its successors' weighted by population. Adult residential and nursing unit costs rose 9.9 per cent relative to the controls after Northamptonshire's split and fell 5.6 per cent after Cumbria's; 25 and 49 per cent of the controls moved at least as much. Buckinghamshire, North Yorkshire and Somerset, which reorganised without dividing people services, moved by 8.6, 11.9 and 8.9 per cent. Children's placement spend per child looked after rose 27.0 per cent after Northamptonshire's split, with only one year before vesting (11 per cent of the controls moved as much), and 6.2 per cent after Cumbria's (68 per cent). Two cases cannot detect an effect of 2 to 4 per cent, and, for adult placements, the cases that did not divide people services moved as much as those that did. The test neither supports nor rules out a people-services scale effect.

8.4 Ex-post test of the overhead specification

Table 13a Ex-post test of the corporate-overhead specification (rule fixed in advance)

Case	Before (year)	After (year)	Observed, relative to controls	Option 1 prediction	Option 2 prediction	Closer	Controls: median, s.d. (n)
Dorset and BCP (2019)	£157.1M (2018-19)	£67.5M (2023-24)	−1.04	−0.14	−0.19	Option 2	+0.20, 0.73 (273)
Dorset and BCP (2019)	£157.1M (2018-19)	£96.2M (2024-25)	−0.73	−0.14	−0.19	Option 2	+0.24, 0.70 (273)
Buckinghamshire (2020)	£57.6M (2019-20)	£9.4M (2023-24)	−1.99	−0.31	−0.41	Option 2	+0.17, 0.77 (275)
Buckinghamshire (2020)	£57.6M (2019-20)	£98.1M (2024-25)	+0.31	−0.31	−0.41	Option 1	+0.22, 0.75 (275)
North and West Northamptonshire (2021)	£115.8M (2020-21)	£121.8M (2023-24)	−0.12	+0.06	+0.03	Option 2	+0.17, 0.69 (275)
North and West Northamptonshire (2021)	£115.8M (2020-21)	£132.8M (2024-25)	−0.06	+0.06	+0.03	Option 2	+0.19, 0.69 (275)
Cumberland and Westmorland and Furness (2023)	£88.4M (2022-23)	£72.5M (2023-24)	−0.26	−0.13	−0.19	Option 2	+0.06, 0.44 (306)

North Yorkshire (2023)	£98.4M (2022-23)	£8.2M (2023-24)	−2.55	−0.45	−0.59	Option 2	+0.06, 0.44 (306)
North Yorkshire (2023)	£98.4M (2022-23)	£12.3M (2024-25)	−2.17	−0.45	−0.59	Option 2	+0.09, 0.52 (306)
Somerset (2023)	£64.0M (2022-23)	£107.0M (2023-24)	+0.46	−0.28	−0.37	Option 1	+0.06, 0.44 (306)
Somerset (2023)	£64.0M (2022-23)	£118.7M (2024-25)	+0.53	−0.28	−0.37	Option 1	+0.09, 0.52 (306)
Rule outcome (fixed in advance)						**Option 1 closer in 2 of 6 cases: Option 2**	
Noise diagnostic (added in version 3.1 to apply the stop rule)			mean gap between the predictions 0.08			mean control s.d. 0.60	inconclusive

Source: `reproduce.py`, Table V22; RO6 by local authority, 2018-19 to 2024-25 (MHCLG, 2024b, 2024c, 2025c, 2025d, 2026g, 2026f); relative sizes of predecessors from Census 2011 (ONS, 2013). Observed and predicted changes are in log points, relative to the median change of councils whose boundaries did not change.

The choice between Option 1 and Option 2 (Section 5.1) was tested on the reorganisations of 2019 to 2023, with a rule and a stop rule written into a plan committed at 22:53 on 27 September 2026, before the returns the test uses were downloaded (`review/partB_plan_D10.md`); that is a dated record in the author's own repository, not an external registration. For each case the predecessors' corporate overhead in the year before vesting is compared with the successors' in 2023-24 and 2024-25, relative to councils whose boundaries did not change, and set against what each option predicts from the predecessors' own overhead. The rule: if Option 1 predicts the observed change better in a majority of cases, each counted once at its latest year, Option 1 becomes central. The stop rule: if accounting breaks at vesting dominate, the test is reported as inconclusive and the decision stands. Option 1 was closer in 2 of 6 cases, so the rule would keep Option 2. But the stop rule applies. The observed changes are dominated by how the successors account for overheads, not by scale: Buckinghamshire's overhead fell by 1.99 log points relative to the controls to 2023-24 and rose by 0.31 to 2024-25, and North Yorkshire's fell by 2.55. The spread of the control councils' own changes, a standard deviation of 0.60 log points, dwarfs the mean gap of 0.08 between the two options' predictions. The criterion used to apply the stop rule, that this noise should not exceed twice the gap, was added in version 3.1 and was not specified in advance. Both the gap and the spread could have been computed before any outcome was seen, so the test could not have discriminated between the options: it is evidence for neither. On the netted definition used before the last revision the outcome is the same: Option 1 closer in 2 of 6 cases, and the noise dominates (Table V22). Option 2 remains central by the decision of Section 5.1, not by this test, and Option 1 is reported beside it with equal prominence.

8.5 Stability of the overhead slopes

Table 13b The corporate-overhead slopes estimated on each year's returns

Year	Upper-tier slope (s.e.)	Pooled merger slope (s.e.)	1UA Option 2	1UA (county+12) Option 2	2UA Option 2	3UA Option 2	4UA Option 2	5UA Option 2	1UA Option 1	1UA (county+12) Option 1	2UA Option 1	3UA Option 1	4UA Option 1	5UA Option 1
2017-18	0.590 (0.123)	0.634 (0.112)	£149.1M	£99.0M	£81.6M	£28.1M	−£14.5M	−£52.9M	£140.4M	£93.3M	£73.2M	£20.3M	−£21.5M	−£59.1M
2018-19	0.717 (0.082)	0.774 (0.082)	£120.8M	£80.5M	£70.7M	£32.4M	£3.1M	−£23.0M	£104.6M	£70.0M	£56.5M	£20.0M	−£7.7M	−£32.4M
2019-20	0.793 (0.084)	0.808 (0.079)	£98.7M	£66.2M	£60.2M	£30.8M	£8.9M	−£10.8M	£93.7M	£63.1M	£56.0M	£27.3M	£5.9M	−£13.4M
2020-21	0.647 (0.101)	0.683 (0.092)	£137.5M	£91.4M	£77.6M	£31.0M	−£5.3M	−£37.9M	£129.2M	£86.0M	£70.0M	£24.2M	−£11.4M	−£43.3M
2021-22	0.703 (0.091)	0.757 (0.083)	£124.2M	£82.7M	£72.2M	£32.3M	£1.7M	−£25.6M	£109.6M	£73.2M	£59.3M	£21.0M	−£8.1M	−£34.2M
2022-23	0.682 (0.091)	0.744 (0.082)	£129.6M	£86.2M	£74.5M	£32.0M	−£0.7M	−£30.1M	£113.4M	£75.7M	£60.0M	£19.2M	−£12.0M	−£39.9M
2023-24	0.644 (0.108)	0.711 (0.098)	£138.2M	£91.8M	£77.9M	£30.9M	−£5.7M	−£38.6M	£122.4M	£81.5M	£63.4M	£18.0M	−£17.3M	−£48.8M
2024-25	0.667 (0.090)	0.743 (0.086)	£133.1M	£88.5M	£75.9M	£31.7M	−£2.6M	−£33.4M	£113.7M	£75.9M	£58.5M	£16.2M	−£16.3M	−£45.3M
2025-26 (sensitivity)	0.562 (0.160)	0.639 (0.150)	£154.2M	£102.4M	£83.0M	£26.0M	−£19.8M	−£61.2M	£139.4M	£92.6M	£68.7M	£12.7M	−£31.8M	−£72.0M

Source: `reproduce.py`, Table V29; MHCLG, Revenue outturn multi-year data set, version 4 (MHCLG, 2026k). A fixed panel of councils whose boundaries did not change from 2017-18 to 2024-25; population mid-2022. Net positions apply each year's slopes, bounded to [0.5, 1], to the 2024-25 levels. MHCLG changed the RO6 form for 2025-26, so that year is a sensitivity only. The 2024-25 row is estimated on the fixed panel, so its slopes and standard errors differ slightly from those of Tables 4 and 5, which use the full cross-section of 152 and 295 councils.

Both overhead slopes were re-estimated on each year's returns from 2017-18 to 2024-25, on a fixed panel of 306 councils whose boundaries did not change, on basis C (Table 13b; the test was applied to the new basis). The rule, fixed before the estimates were made, was that the slopes are stable if every yearly estimate lies inside the 2024-25 95 per cent interval: 0.499 to 0.835 for the upper-tier slope and 0.584 to 0.910 for the pooled slope. The upper-tier slope ranges from 0.590 to 0.793 and the pooled slope from 0.634 to 0.808; by the rule, both are stable. Applied to the 2024-25 levels, the yearly slopes give four unitaries −£14.5M to £8.9M under Option 2 and −£21.5M to £5.9M under Option 1, and five unitaries −£52.9M to −£10.8M and −£59.1M to −£13.4M. Two cautions apply. With the 16 councils that record no support cost left out, the upper-tier slope ranges from 0.696 to 0.932 and lies outside the interval in 2018-19 and 2019-20 (Table V29 in the deposit), so the stability depends on how those councils are treated. And in 2025-26, the first year on MHCLG's revised form, the upper-tier slope is 0.562; that year is a sensitivity only, because the form changed. On the netted definition the slopes are also stable (Table V29). The cross-section is stable from year to year; what it cannot show is whether a merger moves a council along it (Section 9).

8.6 Spending before and after vesting

Table 13c Spending per resident before and after vesting, the 2019 to 2023 reorganisations

Case	Before	After	Change	Comparators' median change	Gap	Percentile among comparators; for the means, placebo 5th to 95th percentile
Dorset and BCP (2019)	2016-17 to 2018-19	2019-20 to 2024-25	+0.256	+0.231	+0.025	62
Buckinghamshire (2020)	2017-18 to 2019-20	2020-21 to 2024-25	+0.231	+0.243	−0.012	43
North and West Northamptonshire (2021)	2018-19 to 2020-21	2021-22 to 2024-25	+0.211	+0.201	+0.009	67
Cumberland and Westmorland and Furness (2023)	2020-21 to 2022-23	2023-24	+0.149	+0.122	+0.027	62
North Yorkshire (2023)	2020-21 to 2022-23	2023-24 to 2024-25	+0.049	+0.145	−0.097	0
Somerset (2023)	2020-21 to 2022-23	2023-24 to 2024-25	+0.307	+0.145	+0.161	100
Mean gap (central)					**+0.019**	**−0.020 to +0.028: no detectable difference**
Mean gap, all unchanged footprints as comparators					**+0.007**	**−0.053 to +0.046: no detectable difference**
Mean gap, post-vesting years to 2025-26					**+0.010**	**−0.022 to +0.030: no detectable difference**

Source: `reproduce.py`, Table V30; MHCLG (2026k) and MHCLG (2017); ONS mid-year population estimates on April 2023 boundaries (ONS, 2026). Net current service expenditure less education, police and fire, per resident, in log points. Comparators: two-tier county footprints whose outer boundary did not change. Rule fixed in advance: lower if the mean gap lies below the placebo 5th percentile, higher if above the 95th, otherwise no detectable difference.

The reorganisations of 2019 to 2023 give a direct, if noisy, check on whether reorganisation changes spending. For each of the six footprints covering the nine unitaries, spending per resident on all services except education, police and fire is compared over the three years before vesting and the years after it to 2024-25, relative to two-tier county areas whose outer boundaries did not change, from the predecessors' and successors' own returns (MHCLG, 2017, 2026k; ONS, 2026). The test and its rule were fixed before any result was computed. The gaps range from −0.097 to +0.161 log points: North Yorkshire's spending fell relative to the comparators (−0.097), and Somerset's rose (+0.161). The mean gap, +0.019, lies inside the interval of −0.020 to +0.028 obtained by giving comparator areas the cases' vesting dates: by the rule, there is no detectable difference. The result is the same with every unchanged council as a comparator (+0.007) and with the post-vesting years extended to 2025-26 (+0.010). The rule also asked whether a change of the size the model implies would lie outside the placebo interval. This model's realised structural saving is 3.5 to 5.9 per cent of Lancashire's spending on the same measure (£1,861.7M), or −0.061, −0.051, −0.043 and −0.036 log points for two to five unitaries; over the cases' post-vesting windows the model's own phasing would deliver about 71 per cent of the steady state, or −0.044, −0.036, −0.031 and −0.026 (Table V30 in the

deposit). Every one of these lies below the lower end of the placebo interval, while the mean gap observed is +0.019. A single reorganisation could not be distinguished from noise (interval −0.053 to +0.069). For the single councils, each on its own footprint's measure (Table V30 in the deposit), the model implies −0.076 log points for one new council and −0.062 for the county with its districts, or −0.054 and −0.044 with the model's own phasing: against the placebo interval, both are below the interval, unphased and phased; against a single reorganisation's interval, one new council's change is below the interval unphased and phased, and the county with its districts' is below the interval unphased and within the interval phased. The comparison is approximate: the precedents differ from Lancashire (three of the six created a single county unitary, and costs rose everywhere in these years), the measure also moves with duplication and people services, which the structural saving leaves out, and the model's saving is computed for Lancashire, not for the precedents. Within those limits the precedents give no support to structural savings as large as the model's.

For scale (Section 5.7), the checks in this section and in Section 8.8 cover councils of at most 623,896 people (North Yorkshire, mid-2022), the placebo comparators here being two-tier county areas, the largest of them Kent CC and its districts (1,594,467).

Version 3.2 adds a realisation test for the single county unitaries, specified in advance (Appendix D) and run by the author's decision. The fetch it needed was allowed, but the 2009 cohort could not be computed, so the test is labelled: "single county unitaries of 2020 and 2023 only; the 2009 cohort could not be computed (no RS by local authority outturn file for 2006-07, the 2009 cohort's first pre year, was found on any host the fetch protocol allows (gov.uk's multi-year revenue outturn data set starts at 2017-18; DCLG's 2006-07 outturn release has England tables only), and under the test's outcome rule a cohort that lacks a pre year is not computable); these three cases' version 3.1 gaps were seen before the test was specified". A second test of the 2009 cohort, on two pre years, was specified later under rules of its own and is reported with Table 13d. The first test is therefore not the long-series test and not a blind test, and the sentence on the model's ordering is not amended. On version 3.1's measure, comparators, estimator, placebo scheme and seed, Buckinghamshire, North Yorkshire and Somerset give a mean gap of +0.018 against a placebo interval of −0.029 to +0.043 (21 comparators): no detectable difference (Table V36 in the deposit); by sensitivity, without event time −1 (pre years at event times −3 and −2 only): no detectable difference, mean gap +0.017; with unchanged single-tier councils among the comparators (version 3.1's sensitivity): no detectable difference, mean gap +0.003; with 2025-26, where every unit reported: no detectable difference, mean gap −0.001. That verdict is set against −0.076 log points (one new council) and −0.062 log points (the county with its districts) implied by the model, each on its own footprint's measure (Table V30); the smallest change the test could detect is 0.036 log points (half the width of the placebo interval); the test could detect a change of the size the model implies for both. The pre-trend check passed: neither event time −3 nor −2 lies outside its placebo interval; in the event study without event time −1 it failed at event time −3, and no unit is dropped for it. The note to Table V36 names the variants not run and why. Because the three cases' version 3.1 gaps were seen before the test was specified, it is not independent evidence beside the version 3.1 test above.

Table 13d Spending per resident before and after vesting, the single county unitaries: 2009 on two pre years, 2020 and 2023 (version 3.2)

Case	Before	After	Change	Comparators' median change	Gap	Percentile among comparators; for the means, placebo 5th to 95th percentile
Cornwall (2009)	2007-08 to 2008-09	2009-10 to 2018-19	−0.016	+0.027	−0.043	15
Durham (2009)	2007-08 to 2008-09	2009-10 to 2018-19	−0.067	+0.027	−0.094	0
Northumberland (2009)	2007-08 to 2008-09	2009-10 to 2018-19	−0.192	+0.027	−0.219	0
Shropshire (2009)	2007-08 to 2008-09	2009-10 to 2018-19	−0.106	+0.027	−0.133	0

Wiltshire (2009)	2007-08 to 2008-09	2009-10 to 2018-19	+0.054	+0.027	+0.027	81
Buckinghamshire (2020)	2017-18 to 2019-20	2020-21 to 2024-25	+0.231	+0.243	−0.012	43
North Yorkshire (2023)	2020-21 to 2022-23	2023-24 to 2024-25	+0.049	+0.145	−0.097	0
Somerset (2023)	2020-21 to 2022-23	2023-24 to 2024-25	+0.307	+0.145	+0.161	100
Mean gap, the five 2009 units (central)					**−0.093**	**−0.025 to +0.023 (26 comparators): lower**
The five 2009 units, (a) post years to 2024-25					**−0.082**	**−0.026 to +0.027 (21 comparators): lower**
The five 2009 units, (b) post years to 2025-26					**−0.090**	**−0.022 to +0.024 (8 comparators): lower**
The five 2009 units, (c) pre year 2007-08 only (without event time −1)					**−0.049**	**−0.017 to +0.034 (26 comparators): lower**
The five 2009 units, (d) without the six counties reorganised after 2018-19					**−0.090**	**−0.025 to +0.022 (21 comparators): lower**
The five 2009 units, (e) public health not excluded (version 3.1's measure)					**−0.082**	**−0.021 to +0.024 (26 comparators): lower**
The five 2009 units, (f) total spending, without the population denominator					**−0.108**	**−0.028 to +0.019 (27 comparators): lower**
The five 2009 units, (g) with unchanged single-tier councils among the comparators					**−0.054**	**−0.088 to +0.041 (139 comparators): no detectable difference**
The five 2009 units, (h) the two pre years from the memorandum block (without FRS17)					**−0.093**	**−0.025 to +0.023 (26 comparators): lower**
The five 2009 units, (i) post years 2010-11 to 2018-19 (without 2009-10)					**−0.095**	**−0.023 to +0.028 (26 comparators): lower**
Mean gap, the 2020 and 2023 cases (as first reported)					**+0.018**	**−0.029 to +0.043 (21 comparators): no detectable difference**
The 2020 and 2023 cases, public health excluded					**+0.020**	**−0.030 to +0.042 (21 comparators): no detectable difference**
The eight units pooled, each on its cohort's central measure					**−0.051**	**−0.021 to +0.020 (21 comparators): lower**
The eight units pooled, public health excluded for every unit					**−0.050**	**−0.021 to +0.020 (21 comparators): lower**

The rows for the 2009 units are a separate test under the label "two pre years, 2007-08 and 2008-09; a departure from the test as first specified, which required three and allowed no shorter window; fixed before any 2009 cohort value was read". With two pre years the pre-trend check has one event time, a single point and so a weak check, and it failed; run (c) has no pre-trend check. Source: `reproduce.py`, Table V36 and its continuation; DCLG (2016) for 2007-08 to 2015-16, MHCLG (2017) and MHCLG (2026k) for later years; ONS (2023, 2024, 2026); the structural change orders of 2008 for the five footprints (SI 2008/490 to 494, art. 4). For the 2009 units: net current service expenditure less education, police and fire, less public health from 2013-14, per resident, in log points; for the 2020 and 2023 cases, the measure of Table 13c. Comparators: two-tier county footprints whose outer boundary did not change in the window, 26 for the central run on the 2009 units, named in the deposit; left out: Dorset (2011-12: population cannot be summed from whole areas). Bedfordshire and Cheshire, each reorganised in 2009 into two councils, are neither treated nor comparators. Runs (a) to (i) are the alternatives fixed before any value was read (Appendix D); the rule for a verdict is that of Table 13c. Run (h) reproduces the central run because, in the published workbooks, the memorandum block's service lines sum to the main block's for all but one of 776 council-years, so it gives no separate reading of the pensions accounting basis. The smallest change the central run on the 2009 units could detect is 0.024 log points (half the width of its placebo interval), so it could detect a change of the size the model implies for one new council (−0.076) and of the size it implies for the county with its districts (−0.062). The rows for the 2020 and 2023 cases repeat the test already reported above.

Run instead under the label "two pre years, 2007-08 and 2008-09; a departure from the test as first specified, which required three and allowed no shorter window; fixed before any 2009 cohort value was read", the five single county unitaries of 2009 give a mean gap of −0.093 log points over 2009-10 to 2018-19 against a placebo interval of −0.025 to +0.023 (26 two-tier county comparators), which the rule reads as

lower (Table 13d); eight of the nine other runs in the table give the same verdict (one of them, with the pre years from the memorandum block, reproduces the central run and so does not test the change of pensions accounting basis at vesting), and one does not: with unchanged single-tier councils among the comparators, no detectable difference, mean gap −0.054, placebo interval −0.088 to +0.041; the pre-trend check failed: relative to the comparators, the five footprints' spending rose by 0.068 log points between 2007-08 and 2008-09, the year before vesting (the gap at event time −2 is −0.068, outside its placebo interval of −0.023 to +0.026), which raises the pre mean and pushes the gap towards lower; on the pre year 2007-08 alone (run (c)) the mean gap is −0.049, which the rule reads as lower.

8.7 Staffing below chief officers

The duplication cost can be checked from a second direction with the officers' remuneration notes that every council publishes in its audited accounts under the Accounts and Audit Regulations 2015, regulation 7 (`officer_remuneration_bands_2024_25.csv`, `senior_officers_2024_25.csv`; Table V33 in the deposit). Blackpool and Blackburn with Darwen, the two existing all-purpose authorities, disclose senior officers costing £1.3M and £1.7M in 2024-25, including pension contributions, and the county council £1.4M. The model copies into each successor a chief-officer structure costing £4.15M, which includes Tier 3 and 4 posts that the disclosures do not. Under the rule fixed in advance, that is above the range the disclosures support (more than twice the higher of the two), so Table 8d reports the result with each successor's leadership costed at the two unitaries' mean (£1.5M): £81.2M, £39.6M, £8.0M and −£20.0M. That row is not like for like: it drops the Tier 3 and 4 posts altogether, and so it is an upper bound for the configurations with more successors, not a correction. Below the chief officers, Blackpool employs 16.7 people paid £50,000 or more, other than school staff, per 10,000 residents, against 8.9 in the two-tier area. The model's duplication cost per new authority is equivalent to 328 to 361 posts at the county's mean pay for such staff with on-costs (£72,188), against the 235 staff paid £50,000 or more that Blackpool employs in all, senior officers included. These comparisons are descriptive: fifteen councils of three kinds cannot identify how senior staffing scales with size, councils differ in whether their senior officers are inside the band tables, Blackburn with Darwen's table includes teachers, and Lancaster prints a list of posts instead of bands.

8.8 Overhead per head after merger (version 3.2)

The single councils' rows rest on the merger of the fourteen (one new council) or twelve (the county with its districts) billing councils' overhead at the upper-tier slope, so the check is where the overhead per head that merger implies would sit among councils of that class. Table 8f sets the implied figure beside the English county unitaries' on the same basis: at the central realisation of 75 per cent, corporate overhead per head after merger would be £196 for one new council and £202 for the county with its districts, ranking 4 of 13 in each among the county unitaries named in the rules fixed in advance (Appendix D); the county-unitary median is £124 (12 councils), and £148 (10 councils) without the councils recording no support cost (Northumberland and Wiltshire); every comparator has at most 623,896 people (North Yorkshire, mid-2022, ro6_national_2024_25.csv), so the comparison shows only that the figure lies within the range of much smaller councils; the placebo comparators of Section 8.6 are two-tier county areas, the largest of them Kent CC and its districts (1,594,467). With the full saving the figure would be £170 (one new council) and £181 (the county with its districts), against £277 for the Lancashire area today (£266 for the county's own area) and a median of £177 for English unitaries (£190 with the councils that record no support cost left out). Four county unitaries record little or no management and support cost (none at Wiltshire and Northumberland, and small amounts at North Yorkshire and Westmorland and Furness); Cumberland's 2024-25 return has no figures; the £190 median leaves out the councils Section 8.5 identifies as recording no support cost, and North Yorkshire and Westmorland and Furness remain in. The saving is the distance from today's two-tier figure. The test cannot show that a merger reaches the implied figure, which is the question Section 8.6 addresses; the precedents there give no support to savings on the model's scale.

Table 8f Corporate overhead per head after merger beside the county unitaries (version 3.2, a displayed test)

Council	Overhead per head, basis C, 2024-25	Rank among the county unitaries (highest first)
1UA, implied after merger, full saving / realised at 75%	£170 / £196	5 of 13 / 4 of 13
1UA (county+12), implied after merger, full saving / realised at 75%	£181 / £202	4 of 13 / 4 of 13
The Lancashire area today (fifteen councils)	£277	
The county's own area today (Lancashire County Council and its twelve districts; version 3.2)	£266	
Durham UA	£243	
Isle of Wight UA	£206	
Somerset	£206	
Buckinghamshire UA	£175	
Cornwall UA	£160	
Shropshire UA	£137	
Herefordshire UA	£112	
Dorset UA	£78	
Wiltshire UA (records no support cost)	£38	
Northumberland UA (records no support cost)	£34	
North Yorkshire	£20	
Westmorland and Furness	£2	
Cumberland	not reported	
Median, English unitaries (62)	£177	
Median, English unitaries, councils recording no support cost left out (54)	£190	

Source: `reproduce.py`, version 3.2; MHCLG RO6 2024-25 (`ro6_national_2024_25.csv`), basis C (Corporate and Democratic Core net plus management and support services gross), mid-2022 population. The single councils' figure is the constituents' overhead excluding current members' allowances, less the line-level saving, plus the county's overhead on the same basis, the change in the county's leadership and overhead structures (zero for both single councils), and the successor councillors' allowances. The county unitaries are those named in the rules fixed in advance (Rutland, a county unitary of 41,225 people (mid-2022, ro6_national_2024_25.csv), is not among them). Rank counts the twelve county unitaries that report an overhead.

9 Limitations

Administrative elasticities. The elasticities are cross-sectional: they describe how cost varies with size among councils as they are, not what a merger will achieve. Councils classify costs between RO6 lines differently. On basis C the corporate-overhead line does not deduct support recharges recorded within central services, and so counts twice any support cost genuinely recharged into the Core, at most £20.1M of the county's base and £23.7M of the billing councils' (Section 5.1; row C′ of Table 8d); the netted definition, which deducts them, depends on how each council recorded them (Section 5.1). The recharge basis and the overhead slope are the model's largest uncertainties: on the netted definition under Option 2 four and five unitaries are positive (Table 8a). The slopes are stable across eight years of returns on the full panel, though not when the councils with no recorded support cost are left out (Section 8.5), but the one test of the overhead specification on past reorganisations was inconclusive (Section 8.4), and total spending in the areas reorganised in 2019 to 2023 shows no detectable change, which gives no support to savings on the model's scale (Section 8.6). The bounds of [0.5, 1] are an assumption. The difference in overhead levels between unitary and two-tier areas (Option 3) is not used, because it cannot be separated from differences in accounting.

People services. The central elasticities come from one year's cross-section of unit costs, with pooled panels as checks, and those unit costs mix in-house and commissioned provision, which the finance return does not split for spending; Newton's scope is commissioned placements. The regressions measure the size of the council, not of the market in which it buys care, and they do not identify the effect of dividing

a county. Newton's assumption can be read against total population or against the population aged 65 and over; the central estimate excludes both readings, but the specification that measures size by the population aged 65 and over excludes only the first, and Newton's own specification, replicated, excludes neither (Section 5.3). The SEN transport term rests on an association across councils whose mechanism is uncertain, and it is the term that most raises the configurations with more successors. The direct-payments association appears only in the first year of client-level data, and the term is not central (Section 5.3). The precedent test has two cases and cannot detect an effect of the size Newton assumes (Section 8.3). Home care is a sensitivity only, and supported living is outside the model because no count of its clients is published. The county's spending is apportioned by age band. The county's own line-by-line disaggregation, published by LG Futures (2025) only as per-head indices, changes the result by no more than £0.5M (Table V21 in the deposit), but the workbook behind it is not published. Transitional disruption to services (Andrews and Boyne, 2012) is not modelled beyond the contract rows of Table 8c.

Duplication and staffing. The leadership part assumes each successor needs the county's full chief-officer structure at county grades; smaller successors might need fewer or lower-graded posts, which is why replication is varied down to half. Management below Tier 3 enters only through the division of the county's overhead. The overlap between the district leadership retained in the consolidated overhead and the new county-grade structures, and the incomplete credit for the two unitaries' existing chief officers, both overstate duplication slightly and in proportion to the number of successors. Staff costs come from the published chief-officer structure and from RO6, not from an establishment by grade and function, which is not published. The officers' remuneration notes give a partial second view (Section 8.7): the model's leadership cost per successor is above what the two existing unitaries disclose for their senior officers. The leadership on-costs leave out the lease car that the county council's pay policy grants chief officers (the README says so); the omission understates the duplication cost slightly, and by more for the configurations with more successors.

Procurement. The payments corpus records gross payments including capital and, for some councils, VAT; it is published above thresholds of £250 or £500, and four councils' 2024/25 figures carry data-quality flags. The supplier index does not merge supplier names on a guess, so shared suppliers are undercounted. The 3 per cent rate has no English outturn benchmark. The cost of dividing the county council's contracts between successors is not modelled. Care providers used by Blackpool and Blackburn with Darwen may appear in the shared-supplier base that earns the procurement saving while the same councils' placements enter the people-services term, so a small part of one saving may be counted twice; it is not sized.

Transition costs. The lines without a published unit rate (organisation set-up, shadow running and programme management) come from one consultancy's run for one council. No Lancashire cost per post is published, and the redundancy share is an assumption within a published range. No optimism-bias adjustment is applied beyond the range of precedent overruns, and the one-off cost of dividing the county's systems, services and contracts is not in the central case, which favours the configurations with more successors. Payback is counted from vesting. Realisation at 75 per cent applies to the line-level and procurement savings only, not to the people-services term, the duplication cost or the allowances that cease; the fact-check of version 3 proposed applying it to every term as a sensitivity, which is not run.

Funding and council tax. The model does not recalculate Fair Funding 2.0 itself: it uses LG Futures' projections for each successor, attributed and checked against the final settlement (Section 6.4). The harmonisation paths assume that the referendum principles continue unchanged after 2028-29 and that tax bases stay at their 2026/27 levels.

Balance sheets. The balance sheets are illustrative apportionments by population and age; the statutory division could differ substantially, as the Northamptonshire precedent shows.

Scope and horizon. The model uses a single year of outturn in real terms. Functions that could pass to a combined authority, such as transport and skills, are named but not deducted. Transformation savings are excluded by design. The alternative four-unitary proposal is not modelled. The July 2026 decision was paused on 7 September 2026 and withdrawn on 29 October 2026, and all options and proposals remain under consideration (MHCLG, 2026l, p. 2, paras 7 and 8; Section 11), so the central timeline, with vesting on 1 April 2028, is the July timetable and not the one now stated; counted from vesting on 1 April 2029 the ten-year value of each form changes by between £0.0M and £0.2M at the year before vesting (between −£31.9M and £13.3M with both timetables valued at 2027/28, one further year of discounting), and the order of the six forms by ten-year value is the same on both timetables (Table 8h). The variant does not rerun the Monte Carlo or the council-tax paths, and leaves out any cost to the existing councils of the further year before vesting.

Version 3.2. The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries. The limitations of the two single-council configurations are stated where they arise and are gathered here. The area governance term is incomplete and, on the clauses the note to Table 6b lists, understates (Section 5.7). Transition is built by line, and no precedent publishes a transition value for a council of either form as a whole: there is no complete transition outturn in any document read (Section 6.5 and Table 8g). Both single councils are larger than every council in the regressions for the five collection and electoral lines and for the Option 1 pooled slope, so those terms extrapolate beyond the data; the central upper-tier slope's sample includes one council larger than one new council and three larger than the county with its districts. The overhead check of Section 8.8 compares the single councils with county unitaries of at most 623,896 people (North Yorkshire, mid-2022), so it shows only that their overhead per head would lie within the range of much smaller councils; the placebo comparators of Section 8.6 are two-tier county areas, the largest of them Kent CC and its districts (1,594,467). Appendix C's area figures rest on the bases each table states (the county council's own disaggregation of its budget, attribution by population and seat allocations on three bases); they describe and do not forecast. The range the prose gives covers the closed list of Table 6c only; the single councils' lowest values are in Table 11, where with no scale economies (every scale elasticity at 1) both fall behind two and three unitaries, and with no corporate-overhead scale effect both fall behind two unitaries (Table 12a). The test on the 2009 single county unitaries (Table 13d) rests on two pre years where three were first specified and no shorter window was allowed, both on a different pensions accounting basis from every later year, and its pre-trend check failed; its verdict (lower, mean gap −0.093) is therefore weaker evidence than the test first specified would have given, and the sentence on the model's ordering is not amended by it.

Review. The model and the paper have been checked by AI agents: a fact-check of version 3, a referee-style review of the first draft of version 3.1, a further review of the revised draft (a second reading, a hostile read, an independent recomputation of every new result and a check of new citations against the primary sources), and an independent review of that revision, which recomputed its results in separately written code. Their findings were verified against the primary sources before any change, and the reports are deposited. None is a human peer review, and no human peer review has taken place; an external replication will be sought before the paper is submitted to a journal. Version 3.2 was reviewed on 4 November 2026, by AI agents working for the author, including an independent recomputation of the single councils' components in separately written code; its findings were verified before any change, the changes follow a rules addendum committed before they were computed, and the presentation of the single councils' results follows a second addendum and a third presentation rule (Appendix D); the version 3.2 review records are deposited.

Author. The author is an elected member of Lancashire County Council, the council that proposed two unitaries, and since June 2026 its Cabinet Member for Adult Social Care. That portfolio covers the adult placements whose scale effect is one of the model's larger uncertainties, and the accommodation-based

care contract that feeds two rows of Table 8c. The first draft (February 2026) was written during the consultation; every later version, from version 2 to version 3.1, was prepared in September 2026, after the Government's decision of 16 July 2026, and version 3.2 in November 2026. The ordering of the four published configurations, which puts the author's council's proposal first, is the same in every version and in every net-position and ten-year-value row; it is partly built in, because duplication rises and merger savings fall with the number of authorities, so its persistence is not independent evidence. In version 3.2 two single councils, one of which continues the author's council, rank above the four in every row of Tables 8, 8a, 8c, 8d, 11 and 12 except 5 in Table 8a, 4 in Table 11 and 15 in Table 12 (named in Table 12a); rows with an n/a or blank compared cell are left out and named in Table 12a; that ranking is partly built into the model and is not independent evidence either. The single-council rules were written after an exploratory run had shown the author its figures; they bind what is reported, not what was known. The central overhead slope was chosen after its effect was known: it raises every configuration, it turned four unitaries, the Government's choice, from negative to positive on the netted measure before the SEN transport term was added (Table 9a), and it widens two unitaries' lead over four from £74.4M to £78.4M a year (Table 8a). The recharge basis was changed in the last revision under a rule committed, with the decision that the new basis would become central, before its effect was computed. But the review's variant B, whose effect was already known, had shown that taking the county's recharges before the deduction lowers the configurations with more successors, and basis C does the same while raising two unitaries: it widens two unitaries' lead over four from £37.3M on the netted definition to £78.4M. Before the rule on the overhead measure was committed, the review had computed the upper-tier slope with only the four counties that recorded most of their support recharges within central services taken before the deduction (0.721, against 0.705), and the fifteen councils' recharges, including the billing councils' £103.6M. With variant B these made the direction of basis C's effect foreseeable on both sides, a larger merger saving where the merger cut is largest and a larger cost of dividing the county, although not its size. The SEN transport term, entered under a rule fixed in advance, raises most the configurations with more successors. The direct-payments term did so too. It left the central case under a rule that the author fixed after the independent review had shown that the association was absent in the two earlier years then held, so that a smaller five-year estimate was to be expected, although not whether its interval would include zero (Appendix D); its removal lowers three, four and five unitaries. For these reasons Option 1, Newton's assumption, the netted definition and the other variants of the overhead measure, the case without the SEN transport term and the case with the direct-payments term are reported beside the central case, the rules for the later tests were committed before they were run, and the review records are deposited. On 5 November 2026 the author answered the questions the version 3.2 rules addendum left to the author (Appendix D); each answer is his own decision. The author allowed a one-off fetch of published documents from non-council hosts (Appendix D); each document fetched is listed with its SHA-256 in MANIFEST.csv and the fact-check; and the author accepted the review's amendment of the chair-rate rule, so the central chair rate is the higher of Wiltshire's and North Yorkshire's where Wiltshire's was read, and the other rate is shown beside it wherever the term is quoted; Wiltshire's rate was read and is higher than North Yorkshire's, so it is central, which raises the term more for one new council (14 bodies) than for the county with its districts (12), and so narrows one new council's lead. A test of the single county unitaries of 2009, 2020 and 2023 was specified in advance (Appendix D) and the fetch was allowed, by the author's decision; the 2009 cohort could not be computed (no RS by local authority outturn file for 2006-07, the 2009 cohort's first pre year, was found on any host the fetch protocol allows (gov.uk's multi-year revenue outturn data set starts at 2017-18; DCLG's 2006-07 outturn release has England tables only), and under the test's outcome rule a cohort that lacks a pre year is not computable); only the 2020 and 2023 cases were run, and their version 3.1 gaps had been seen before the test was specified. A later test of the 2009 cohort on two pre years, under rules of its own (Appendix D) and so a departure from the test as first specified, is reported in Section 8.6 and Table 13d; its verdict favours the single county form, and its limits are in the version 3.2 paragraph above. The author accepted the review's change to the area governance term (the officer component of the area governance term made central), which raises the term more for one new council (14 bodies) than for the county with its districts (12), and so narrows one new

council's lead; the previous treatment is shown in Table 6b. The author accepted the review's change to the transition lines (the continuing authority's pre-vesting election costed), which charges the county with its districts the pre-vesting election line that one new council carries, and so widens one new council's lead; the previous treatment is shown in Table 8c. The author kept the 0.5 to 1.0 replication draw for one new council, which favours it: it keeps one new council's replication credit and can widen its lead over the county with its districts; the values with replication held at 1 are shown beside them in Tables 11 and 13 and wherever its Monte Carlo values are quoted. Readers should weigh the analysis with that in mind.

10 Efficiency and proximity

The five configurations trade fiscal consolidation against representation and identity, and the evidence on the two sides is of different kinds.

On representation, the joint Lancashire response of June 2026 proposed 210 councillors for two unitaries and 312 or 313 for the other four options, against 693 today. The resident-to-councillor ratio would rise from about 1:2,300 to about 1:7,600 (2UA) or 1:5,100 (3UA, 4UA, 5UA), using the mid-2024 area population of 1.6 million. The three-, four- and five-unitary options are therefore indistinguishable on this measure; the only sharp difference is between two unitaries and the rest.

On public preference, the Government's analysis of 1,636 consultation responses found, averaging across questions, positive and negative shares of 15 and 76 per cent for two unitaries, 43 and 48 for three, 45 and 44 for four, 19 and 67 for the alternative four, and 32 and 56 for five: "a marginal preference for the 4 unitary proposal" (MHCLG, 2026b, paras 34 and 35). The councils' own resident survey in September 2025 (13,414 responses) had found 63 per cent preferring the existing structure (Lancashire County Council, 2025a, slide 25). Burnley and Pendle's survey of about 1,600 residents found about 80 per cent preferring the five-unitary option (Pendle Borough Council, 2025a). The statutory consultation covered only the five proposals (MHCLG, 2026b, para. 2); the preference evidence above does not bear on a single council.

On the academic evidence, the UK administrative-cost literature favours scale within the observed range (Andrews and Boyne, 2009); the international literature, on evidence that does not transfer directly to English unitaries (Section 3), finds scale economies exhausted well below the size of any Lancashire option (Holzer et al., 2009) and finds satisfaction and participation higher in smaller units (Shaw and Diamond, 2024; Slack and Bird, 2013). These are not contradictory: they measure administrative cost on the one hand and democratic outcomes on the other. Version 1 of this paper described a "paradox" between an academically optimal size of 200,000 to 400,000 and the financially optimal configuration; that framing rested on a misreading of Andrews and Boyne and is withdrawn. The District Councils' Network's analysis of the 132 English unitaries finds total revenue spending per resident higher beyond about 350,000, but says that "the link is not statistically strong" (District Councils' Network, 2025, slide 14), and, with 22 other characteristics controlled for, population size "predicts far less about spend per resident than other factors" (slides 16 and 17). This version's own estimates are mixed for people services: across English councils, the unit costs of older adults' placements show no fall with size, though they cannot rule out a fall of the size Newton's regression implies; the children's estimate cannot be distinguished from no effect; the unit costs of SEN transport rise with size, and those of direct payments to older adults do so only in the first year of client-level data (Section 5.3). The defensible statement is narrow. The published evidence does not show that spending per resident falls with size above about 350,000, nor that it rises; and nothing in the democratic evidence favours authorities of 700,000 to 900,000.

A single council (version 3.2). The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries. For scale (Section 5.7), one new council would be larger than any single-tier council in England (1,551,393 against Birmingham (1,154,221), both mid-2022) and 2.5 times the largest unitary (North Yorkshire (623,896)); the county with its districts is compared with county councils by size and ranks 4 of 21 by population among English county councils; the checks in 8.6 and 8.8 cover councils of at most 623,896 people (North Yorkshire, mid-2022), the placebo comparators of 8.6 being two-tier county areas, the largest of them Kent CC and its districts (1,594,467); no precedent the paper uses merged existing unitaries with a county. On Census 2021, a single council of 1.5 million with 120 councillors would have one councillor for every 12,759 residents (15,311 at 100 seats, 10,208 at 150), and the county with its twelve districts one for 10,295 residents within its own area and 7,823 county electors on the May 2025 electorates (7,649 on the ONS local government electors of 1 December 2023), and one new council one for 9,543 electors on the allocation rule as committed (9,369 on the ONS local government electors of 1 December 2023) (Appendix C, Tables C4 and C4 (continued)). Both are well beyond the 1:7,600 of two unitaries, the sparsest configuration the councils proposed, although that ratio is on the mid-2024 population; no two-unitary ratio on Census 2021 is generated in this version. Every English county unitary created since 2009 whose documents were read set up area bodies of some kind: formal committees of the council's own members (Wiltshire, Northumberland, North Yorkshire, Westmorland and Furness) or partnership forums with parish and partner members (Cornwall, Durham, Buckinghamshire), with Shropshire's joint committees between (Wiltshire Council, 2023a, p. 22, para. 4.3; Northumberland County Council, 2024, art. 10.2(a); North Yorkshire Council, 2023, para. 2.1; Westmorland and Furness Council, 2025, p. 8; Cornwall Council, 2023, p. 2; Durham County Council, 2024b, p. 4; Buckinghamshire Shadow Authority, 2019, p. 1; Shropshire Council, 2021, para. 3.1). For Cumberland (formal committees), Somerset (partnership forums) and Dorset (no area bodies) the position rests on a research note only, which is not held, and is unverified. Over the councils examined, Cornwall's 19 Community Networks were replaced by 12 Community Area Partnerships from May 2023 (Cornwall Council, 2023, p. 1), and Shropshire removed its Local Joint Committees from its constitution in 2021 because "very few Local Joint Committees have been held" (Shropshire Council, 2021, para. 3.2); Durham's 14 Area Action Partnerships were to become 12 Local Networks from April 2025, with a £0.5M savings target (Durham County Council, 2024b, pp. 1 and 4), and Buckinghamshire's 16 Community Boards were to be halved to 8 from 2025 (Buckinghamshire Shadow Authority, 2019, p. 1; Bucks Radio, 2024, a secondary source), so each of the three partnership forums whose documents were read was reduced or was to be. Wiltshire had 18 Area Boards in 2023 (three sitting as one Eastern Wiltshire Area Committee) (Wiltshire Council, 2023a, pp. 22 and 36); North Yorkshire had six Area Constituency Committees in 2023 (North Yorkshire Council, 2023, para. 2.1); Northumberland's committees changed in 2017 (research note only; not held), and its constitution of April 2024 names five Local Area Committees (Northumberland County Council, 2024, art. 10.2(a)); Somerset kept its Local Community Networks (research note only; not held); and the two Cumbrian councils' bodies are new, from 2023. At 120 seats the area committees would have from 5 to 12 members for one new council on the Census 2021 allocation (5 to 12 on the ONS electorate allocation and 5 to 12 on the allocation rule as committed would give) and from 6 to 14 for the county with its twelve districts (Table C4). The objection on the record in Lancashire is in the Four Lancashire appraisal of the two-unitary model: "While large unitary authorities may improve efficiency and strategic capacity, their scale risks reducing responsiveness to local needs. Addressing this may require sub-structures, which could reintroduce bureaucracy and undermine the clarity and coordination benefits of the unitary model" (Four Lancashire, 2025a, p. 53). Section 62 of the English Devolution and Community Empowerment Act 2026 requires local authorities in England to make appropriate arrangements for the effective governance of neighbourhood areas, the arrangements and the areas to be specified in regulations (s.62(1) and (3)), of which none had been located by 4 November 2026; this applies whatever the configuration, and for a single council those arrangements could take the form of its area committees. Nothing in this paper measures whether area committees recover any of the proximity that one council loses.

11 Postscript: what happened after February 2026

Consultation. The statutory consultation closed on 26 March 2026 with 1,636 responses. The Government's summary, published on 21 July 2026, is described in Section 10.

Structural Changes Order questions. On 19 May 2026 MHCLG wrote to the fifteen chief executives seeking views, by 16 June, on the matters a Structural Changes Order would need to settle: interim implementation structures (joint committees or a preparing council), membership and political balance of joint committees, the implementation team, returning officers, alignment of parish elections, the names of the new councils, and councillor numbers and warding for the first election (Lancashire County Council, 2026a, Appendix A). The councils answered jointly through the Lancashire Leaders forum. The response, approved by the county council's Cabinet on 4 June 2026 as item 5 of the supplementary agenda, recorded consensus on most questions and disagreement on joint-committee membership, where the county council argued for parity with the districts on the ground that it alone would have to oversee the disaggregation of county services impartially. It set out agreed warding principles and proposed 210 councillors for two unitaries and 312 or 313 for each of the other options (Lancashire County Council, 2026b, Q2 and Q9).

Decision. On 16 July 2026 the Secretary of State for Housing, Communities and Local Government announced decisions for fourteen areas. For Lancashire he decided, subject to Parliamentary approval, to implement the four-unitary proposal submitted by Chorley, Lancaster, Preston, Ribble Valley, South Ribble and West Lancashire: North Lancashire (Lancaster, Preston, Ribble Valley), South Lancashire (Chorley, South Ribble, West Lancashire), Pennine Lancashire (Blackburn with Darwen, Burnley, Hyndburn, Pendle, Rossendale) and Fylde Coast (Blackpool, Fylde, Wyre), with elections to the new councils in May 2027 and implementation "by April 2028" (HCWS286, 2026; MHCLG, 2026b, para. 4; MHCLG, 2026e, pp. 2 and 4). The written statement gives no reasons; they are in the decision letter to the Lancashire leaders, published the same day (MHCLG, 2026e): the configuration "creates new councils that are more clearly rooted in the distinct local identities across the area" and "provides for sensible geographies that will be more easily recognised by residents"; the two-unitary option was set aside on the size of its councils and a "demonstrably higher" risk of deadlock in devolution governance, the three-unitary option on local identity, the alternative four because its boundary changes would not "outweigh the risks from the added complexity", and the five-unitary option as providing geographies "less recognised by residents". On finance the letter says only that the Secretary of State "considered the expected costs and benefits set out in the proposals", that the chosen option "may take longer than the other proposals to pay back the upfront costs of reorganisation", and that it was "likely to represent an overall improvement in sustainability over current structures"; it also notes "some risk from disaggregating complex services across four authorities rather than two or three" (p. 4); no figure is verified, and the letter adds that the 500,000 population figure "has always been a guiding principle, not a fixed threshold". The proposers' financial claim of £194.9M cumulative and £81.9M a year recurring was reported alongside the decision (Lancashire Lead, 2026a; Blog Preston, 2026); the business case itself gives £82.1M (Section 2.3).

Implementation arrangements, July to September 2026. MHCLG wrote again after the decision asking for warding, naming and other details by 17 August. The fifteen councils had agreed in spring 2026 an initial implementation budget of £30M, funded in the shares shown in Table 3b and paid in quarterly instalments to 2028, to meet the costs of additional staff, consultants, consultation, legal advice, elections and contingencies (Lancashire Telegraph, 2026a; Lancashire Live, 2026). On 17 August 2026 the county council's Leader took an urgent key decision under Standing Order C15(1), noted by Cabinet on 3 September, which approved the councils' joint response to Government on warding and the Structural Changes Order, the receipt by the county council as accountable body of the £3.6M government transition funding with £900,000 ringfenced for each new authority, and the appointment of Ernst & Young as strategic partner to all fifteen councils for up to £10M from the implementation reserve (£3.36M of core services and £6.64M of optional work), with an initial commitment of £482,307 for August to November

2026; EY had first been engaged in March 2026 after a four-bidder procurement (Lancashire County Council, 2026e). The same report expected the Structural Changes Order to be approved in March 2027; none had been laid before Parliament when the programme was paused.

Pause. On 7 September 2026 a new Secretary of State told the House of Commons that, "in the light of legal advice", she wished to be satisfied that the process was "robust and, of course, that it complies with the law", and to test the programme against the priorities of a new administration. She withdrew the March 2026 decisions for Essex, Hampshire, Norfolk and Suffolk, which were subject to judicial review, and paused and placed under a "rapid review" the July decisions for fourteen areas including Lancashire. Elections in May 2027 will be held on existing council boundaries; the East and West Surrey unitaries, already established in law, are unaffected (Hansard, 2026a). The Government's announcement, which does not name Lancashire, framed the review as ensuring that the process "is robust and aligns with new government priorities" and with the Government's plans "to rewire the state" (MHCLG, 2026d). By 27 September 2026 the review had not reported and no date had been given; no Structural Changes Order had been laid for any of the fourteen areas; judicial reviews had been brought by Essex, Hampshire, Norfolk and Suffolk; on 22 September the Minister for Local Government met Lancashire's leaders at County Hall on mayoral devolution, with the Lancashire Post reporting reorganisation "delayed - for at least a year - by legal issues" (Lancashire Post, 2026b); and the county council's Cabinet agenda for 1 October 2026 contained no reorganisation item. The timetable that followed the withdrawal of 29 October 2026, with vesting on 1 April 2029, is in the next paragraph. On 9 September the county council's Leader, in an open letter hosted on the Local Government Association's website, asked the Government to reimburse councils' preparation costs and to publish them council by council (Atkinson, 2026; Lancashire Telegraph, 2026b); the Government had not said whether costs would be repaid. Lancashire's leaders divided on what should follow, from calls to abandon the process to a call to "go back to the drawing board" (Lancashire Post, 2026a; Lancashire Lead, 2026b).

Withdrawal, 29 October 2026. On 29 October 2026 the Minister for Local Government concluded the first phase of the review. The July 2026 decisions for nine areas, among them "Lancashire, Blackburn with Darwen, and Blackpool", were withdrawn, and "all options and proposals in these areas will remain under consideration as part of the review" (UK Parliament, 2026). In the Commons he added that "it should not be assumed that the same proposal will automatically be selected" (Hansard, 2026b, col. 462) and, on new proposals, that "There is not a window in this process for new proposals, but there will be a 'minded to' process" (Hansard, 2026b, col. 471). The timetable for these areas is "elections to new councils in May 2028 followed by vesting day on 1 April 2029" (MHCLG, 2026l, p. 3, para. 13), with an outcome expected early in 2027 (MHCLG, 2026l, p. 2, para. 12). Five areas received minded-to decisions the same day; Gloucestershire's is the "One unitary proposal submitted by Cotswold District Council, Gloucestershire County Council, Stroud District Council, and Tewkesbury Borough Council" (UK Parliament, 2026), a proposal for one unitary from the county council and three of its districts, which is the footprint of this paper's second single-council form only if it covers the whole county council area; the statement does not say, nor whether a new council or the county council would continue (Section 2.2). A single council for Lancashire is not among the five proposals under consideration (Section 2.2; MHCLG, 2026a). The paper takes no position on whether any proposal should be resubmitted or modified; after a minded-to decision there is a period of at least three weeks for further representations before a final decision is taken (MHCLG, 2026m, para. 3).

The configuration chosen in July: starting position. The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries. Table 10 sets out what each of the four new councils would have inherited on the 2026/27 figures, with the two single councils above them for comparison: the constituent councils' own net budgets, the county council's £1,329.3M budget apportioned by population, and the constituents' reserves and borrowing. The county apportionment is illustrative; the Structural Changes Order and subsequent regulations, not population shares, would have de-

termined the division of the county's assets, liabilities and contracts. The final two columns show the revenue-neutral harmonised Band D bill for each new council's own element and the spread between its highest- and lowest-charging constituent, the range over which council tax would have had to converge.

Table 10 Starting position of the four new councils on 2026/27 figures

New council	Constituents	Population (Census 2021)	Own net budgets 2026/27	County budget apportioned by population	Constituent reserves	Constituent borrowing	Harmonised Band D (own element)	Band D spread
1UA, for comparison; neither was proposed	Lancashire County Council, Blackburn with Darwen, Blackpool, Burnley, Chorley, Fylde, Hyndburn, Lancaster, Pendle, Preston, Ribble Valley, Rossendale, South Ribble, West Lancashire, Wyre	1,531,136	£690.5M	£1,329.3M	£715.3M	£2,010.1M	£2,076	£205
1UA (county+12), for comparison; neither was proposed	Lancashire County Council, Burnley, Chorley, Fylde, Hyndburn, Lancaster, Pendle, Preston, Ribble Valley, Rossendale, South Ribble, West Lancashire, Wyre	1,235,368	£230.6M	£1,329.3M	£598.8M	£1,295.0M	£2,073	£205
North Lancashire	Lancaster, Preston, Ribble Valley	352,338	£71.3M	£379.1M	£92.2M	£68.2M	£2,092	£205
Fylde Coast ("West")	Blackpool, Fylde, Wyre	334,360	£261.8M	£208.0M	£90.8M	£606.8M	£2,071	£85
Pennine Lancashire ("East")	Blackburn with Darwen, Burnley, Hyndburn, Pendle, Rossendale	498,255	£303.4M	£369.6M	£152.3M	£200.6M	£2,104	£90
South Lancashire	Chorley, South Ribble, West Lancashire	346,197	£54.1M	£372.5M	£35.0M	£181.2M	£2,036	£30

Source: `derived/four_unitary_starting_position_2026_27.csv` (Pickup, 2026), built from the budget papers in `council_finances_2026_27.csv` and MHCLG live tables, and revised in version 3.1 for Chorley's Band D (Section 5.5), which moves South Lancashire's harmonised Band D from £2,028 to £2,036 and its spread from £53 to £30. Blackpool and Blackburn with Darwen residents are not served by the county council; the apportionment applies only to the county's served population. Band D figures are the council-controlled element only, excluding police, fire and parish precepts. Population is Census 2021 as extracted for the data file, and differs by a few persons from the sums of the Nomis figures in Table 1 and, more substantially, from the mid-2024 figures in Table 2. Versions 2.1 and 2.2 also showed an apportionment "by need"; it is withdrawn in version 3 because the need index it used was computed from employment and qualification rates by ethnic group, weighted by ethnic composition (change log, item 27). The LG Futures baseline (LG Futures, 2025) contains the county council's own line-by-line disaggregation of its 2025/26 budget by district, presented there as charts; the population apportionment here is a simpler substitute. Section 6.2 gives version 3's opening balance sheets for every configuration. The rows for one new council and the county with its districts are for comparison; neither was proposed. Each sums its constituents' own 2026/27 net budgets, takes the county council's 2026/27 net budget whole (one council takes it all, so nothing is apportioned), and sums the constituents' usable reserves at 31 March 2025 and external borrowing at 31 March 2026 (provisional) with the county council's, so for these two rows the reserves and borrowing columns include the county's; the harmonised Band D and spread are those of Table V11a (version 3.2; the rule is listed in Appendix D). Reserves are taken from `council_finances_2026_27.csv`, as in the four published rows; Table 9b takes them from the RS return (`successor_balance_sheet_inputs.csv`), so its totals differ by £2.07M (1UA) and −£0.08M (1UA (county+12)); borrowing is the same in both tables.

The configuration chosen in July against this model. For the four-unitary configuration this model's central steady-state net position is −£2.6M a year (version 3: −£35.5M), with a transition cost of £64.3M, no payback within ten years and a ten-year value of −£140.5M, against the proposers' claim of £82M a year. The position is close to break-even, negative in the central case, and its sign is not robust. It is positive on the netted overhead definition used before the last revision (£20.8M, with a ten-year value of £80.1M), with the direct-payments term at its 2024-25 estimate (£1.5M) and on basis C less the most it can count twice (£4.0M), and negative under Option 1 (−£16.9M), with Newton's assumption on placements (−£18.6M) or on all spending (−£38.1M), without the SEN transport term (−£10.5M), with the review's variant B (−£20.6M) or the 2025-26 returns (−£25.3M), and with realisation scaled to either precedent's reported savings (Tables 8a and 8d). As Section 7 shows, most of the gap to the business case is the £61.3M of transformation benefit that it counts and this model does not; this model's aggregation saving is larger than the business case's, and its duplication cost, £97.5M a year here against £4.8M, much larger. The decision letter's acknowledgement that the chosen option "may take longer than the other proposals to pay back" is consistent with this model's ordering against two and three unitaries; the letter compares four unitaries with all the other proposals, including five, which on this model is the weakest configuration. Section 6.4 shows where the pressure would fall among the successors, on starting positions that the Structural Changes Order, not this model, would settle. If the reorganisation proceeds, four quantities will be ob-

servable in the new authorities' first budgets and outturns: the recurring cost of their duplicated leadership, overhead and democratic structures, which this model puts at £25.4M per authority; the fall in their corporate overhead from the merging councils' own levels, which Option 2 puts at 33 per cent before realisation and Option 1 at 27 per cent (Table 5a); the unit costs of adult and children's placements in authorities of 330,000 to 500,000 people, compared with the county council's; and their spending on SEN transport per plan and on direct payments per client. On the definition of Table 8, four unitaries break even at a duplication cost of £24.8M per new authority, narrowly below the £25.4M estimated here; on Table 12's basis, which replaces the whole of Table 6, they stay positive at £15.0M per authority unless Newton's assumption is applied to all spending.

12 Conclusion

On published 2024-25 outturn data, counting only effects that follow from structure, the four proposals modelled keep the same order in every version of this model and in every net-position and ten-year-value row of its tables: two unitaries do best and five worst. The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries.

On the central case the steady-state net annual position is £75.9M, £31.7M, −£2.6M and −£33.3M for two, three, four and five unitaries, £133.0M for one new council and £88.4M for the county with its districts; the one-off transition cost is £61.4M to £66.5M for the four and £65.6M and £54.9M for the single councils; two and three unitaries pay back in 1.8 and 4.2 years, four and five not within ten years, and the single councils in 0.8 and 1.0 years; and the ten-year value (the net present value over ten years at 3.5 per cent) is £491.6M, £135.4M, −£140.5M and −£389.1M for the four and £943.4M and £619.1M for the single councils (Tables 8, 8a and 6c). The single councils' values include an area governance term of £1.2M and £1.1M a year, which understates the cost of area bodies (Table 6b).

With realisation scaled to the savings Buckinghamshire and West and North Northamptonshire reported, the net annual position is £18.0M, −£16.7M, −£43.9M and −£67.9M at Buckinghamshire's rate and £0.8M, −£31.2M, −£56.2M and −£78.2M at the Northamptonshire councils', so only two unitaries of the four proposals modelled stay positive, although at the Northamptonshire councils' rate their ten-year value is negative (Table 8a); for the single councils, fitted on two unitaries or calibrated on their own footprints, it is between £31.6M and £61.3M (one new council) and £29.3M and £43.8M (the county with its districts) (Table 8a).

Every other treatment is in Table 8a, and for the single councils also in Table 6c; two unitaries' net annual position stays positive in each. For three, four and five unitaries four choices matter: how the corporate overhead is measured and merged; whether placements have the scale economy Newton assumes (Section 5.3); the transport term for children with special educational needs, which entered the central case under a rule fixed in advance; and the direct-payments term for older adults, which under such a rule is not central. A configuration can also be positive in total while some of its successors are not (Section 6.4). Taken together instead of one at a time, the alternative treatments of Tables 8a and 8d (four overhead treatments, three for people services, the SEN transport term in or out, the direct-payments term in or out, and three realisation rates) give 120 distinct combinations for each form; on the net annual position the six forms stand in their central order in 117 of the 120, and the position is positive in all 120 for one new council, all 120 for the county with its districts, 90 for two unitaries, 39 for three unitaries, 11 for four unitaries and 3 for five unitaries (Table 12b). The combinations are not equally likely, and many stack several departures from the central case at once; a count is not a probability and says nothing about which combination is right. The combinations leave out the rows of Table 8a that are not among these treatments, and every draw of the Monte Carlo.

Three checks bear on how far to trust the central case. The overhead slopes are stable across eight years of returns, although not when the councils that record no support cost are left out (Section 8.5). The one test of the overhead specification against past reorganisations is inconclusive (Section 8.4). And total spending per resident in the areas reorganised in 2019 to 2023 shows no detectable change against areas that were not reorganised, while a fall of the size of this model's structural saving would lie outside the range the test's placebo produces (Section 8.6); the precedents give no support to structural savings on the model's scale.

Between the single councils, one new council minus the county with its districts, the difference is £44.6M a year and £324.3M over ten years in the central case, £18.5M and £130.3M at Buckinghamshire's fitted rate and £10.7M and £72.4M at Northamptonshire's, and £5.0M and £30.2M and £1.7M and £5.5M on their own calibration; every other alternative is in Table 6c. In the next sentence each measure row of a table counts separately. On the model's own terms one new council comes first in every row of Tables 8, 8a, 8c, 8d, 11 and 12 except 8 in Table 8a, 2 in Table 8c and 3 in Table 11 (named in Table 12a), and the county with its districts comes before two unitaries in every row except 5 in Table 8a, 4 in Table 11 and 15 in Table 12 (named in Table 12a); rows with an n/a or blank compared cell are left out and named in Table 12a; its lead rests on not dividing the county overhead. The single councils' lowest values are in Table 11: with no scale economies both fall behind two and three unitaries. Of the five Table 8a rows in which the county with its districts does not come before two unitaries, it is behind in one (Option 3, upper bound only) and level in four Monte Carlo rows, where both are at 100 per cent; Section 6.5 counts as exceptions only the rows in which it is behind.

The precedents of 2019 to 2023 give no support to savings on this scale; the single councils' implied savings per resident are £89 and £70, above (one new council) and within the range of (the county with its districts) the published four's (£43 to £72), against the precedents' £34 and £23 (Section 7). Under the label "two pre years, 2007-08 and 2008-09; a departure from the test as first specified, which required three and allowed no shorter window; fixed before any 2009 cohort value was read", spending per resident in the five single county unitaries created in 2009 fell by 0.093 log points relative to two-tier counties over the ten years after vesting, outside the placebo interval of −0.025 to +0.023 (Table 13d); eight of the nine other runs in the table give the same verdict (one of them, with the pre years from the memorandum block, reproduces the central run and so does not test the change of pensions accounting basis at vesting), and one does not: with unchanged single-tier councils among the comparators, no detectable difference, mean gap −0.054, placebo interval −0.088 to +0.041; the pre-trend check failed, in the direction that pushes the gap towards lower, and on the pre year 2007-08 alone the mean gap is −0.049 (lower). The cost the model cannot price is distance: one new council would be larger than any single-tier council in England (Section 5.7), and on Census 2021 at 120 seats there would be one councillor for 12,759 residents (one new council) and 10,295 within its own area (the county with its districts); the area bodies that might narrow that distance are ones that Cornwall and Shropshire reduced or removed and Durham and Buckinghamshire planned to reduce (Section 10).

The Government chose four unitaries in July 2026 for reasons of identity and geography rather than fiscal return, acknowledging a longer payback, paused that choice in September 2026 and withdrew it on 29 October 2026; all options and proposals remain under consideration, and every area is to have an outcome early in 2027 (MHCLG, 2026l, p. 2, paras 7, 8 and 12; Section 11). If the configuration chosen in July is chosen again, the fiscal question will not be whether the four councils save £82M a year, which depends on transformation that any structure could pursue, but whether their merged overheads fall as far as the upper-tier curve implies and whether their duplicated structures cost no more than the £23.7M to £26.1M per authority estimated here, a range that contains the £24.8M at which four unitaries break even (Table 8). The evidence that would settle the first point, the overheads and total spending of the councils reorganised since 2019, does not yet show the savings the curve implies; more years of outturn, on MHCLG's revised form, will make it clearer.

Declaration of interests

The author is the elected County Councillor for the Padiham and Burnley West division of Lancashire County Council (elected 1 May 2025, Reform UK) and, since June 2026, the Council's Cabinet Member for Adult Social Care. Lancashire County Council proposed the two-unitary option and would be the continuing authority under the second of the two single-council forms that version 3.2 adds. The author built and maintains AI DOGE (aidoge.co.uk), an independent public spending transparency platform from which the deposited data were exported; the platform is not funded by any council or party. The author also built the UK Demographics and UK Elections platforms; UK Demographics is not used in this paper, and the declared May 2025 county election results held by UK Elections are used in Appendix C. The first draft of this paper (February 2026) predates the author's Cabinet appointment; every later version was prepared after the Government's decision of 16 July 2026, and reviewed by AI agents whose reports are deposited (Section 9). Every rule governing the version 3.2 results was committed before the result it governs was computed, with four exceptions: an exploratory run of the model with 100 councillors for each single council had shown the author their central figures before their rules were written; the addendum to those rules was written after an independent review by AI agents had shown the author illustrative values; the two sets of rules on how results are presented (8 and 11 November 2026) were written after every figure had been seen; and the rule on quoting counts from the combination grid (13 November 2026) was written after the counts over all 144 cells on the net annual position had been seen. The test on the 2009 single county unitaries departs from the test first specified (two pre years where three were required), under rules written before any of its values was read. Appendix D gives each rule file's date and what had been seen, the author's answers at each decision point, and, word for word, the earlier record of the decisions taken during the run and whether each widens or narrows one new council's lead. The analysis and any errors are the author's own and do not represent the position of Lancashire County Council or its Cabinet.

Data availability statement

The data and code for the model are deposited with the paper on Zenodo under CC BY 4.0; the inputs held outside the deposit are named below, where version 3.2's additions are listed. Deposited: `panel_dataset.csv`, `cross_council_efficiency.csv`, `lgr_model_inputs.csv` and `codebook.txt` (exported from AI DOGE Lancashire, 16 February 2026, unchanged); the derived files added in versions 2 to 2.2 (`cdc_ro6_2024_25.csv`, `ra_budget_2026_27_lancashire.csv`, `council_finances_2026_27.csv`, `precedents_2019_2023.csv`, `four_unitary_starting_position_2026_27.csv`, `lcc_payments_2024_2026.csv`, `member_allowances_2024_25.csv`) and in version 3 (`ro_sublines_2024_25.csv`, `ro6_crosssection_2024_25.csv`, `successor_demographics.csv`, `snpp_2028_2038_by_band.csv`, `supplier_overlap_2024_25.csv`, `supplier_overlap_detail_2024_25.csv`, `lgr_preparation_payments.csv`, `contracts_beyond_vesting.csv`, `lcc_senior_structure.csv`, `successor_balance_sheet_inputs.csv`), each carrying its sources; `reproduce.py`, which regenerates every model table from these files under Python 3.12 with no dependencies beyond the standard library; and `tools/build_v3_inputs.py`, which records how the version 3 derived files were built from the author's local copies of the sources. Version 3.1 adds `ro6_national_2024_25.csv`, `ascfr_unit_costs_2019_2025.csv`, `s251_children_placements_2020_2025.csv`, `council_tax_table10_2026_27.csv`, `transition_cost_parameters.csv`, `lgfutures_per_head_2025_26.csv`, `lgfutures_successor_projections.csv`, `csp_final_2025_29.csv`, `ro6_history_overhead.csv`, `census2011_district_population.csv` and `exit_packages_2024_25.csv`, each with a builder in `tools/` and its public original named in the README; `derived/paper_tables.md` and `derived/paper_figures.json`, from which the paper's model tables and prose figures are taken; and `tools/check_paper.py`, which checks the paper against them. After the referee-style review it adds `ro_panel_2016_2026.csv`, `ons_mye_2016_2025.csv`, `sen_transport_2020_2025.csv`, `la_pay_area_2024.csv`, `officer_remuneration_bands_2024_25.csv` and

senior_officers_2024_25.csv, each with its builder, and a review/ folder holding the fact-check of version 3, the referee-style review, the record of the second review, the plan recording the decision on the overhead slope and the rules for the later tests as committed before they were run. After the second review it adds asc_direct_payment_clients_2021_2025.csv, with its builder; and after the independent review of that revision asc_direct_payments_2021_22_2023_24.csv, with its builder, the review itself and the rules fixed before its changes were computed. The underlying MHCLG Revenue Outturn returns (RS, RSX, RO2, RO4, RO5, RO6) are published by MHCLG under the Open Government Licence v3.0 at gov.uk/government/collections/local-authority-revenue-expenditure-and-financing. Census 2021 data are from ONS via Nomis; population projections from ONS (2025a); deprivation scores from MHCLG (2019). Payments and supplier fields are computed by AI DOGE from the councils' published transparency data (payments over £500, or £250 where the council publishes at that threshold) and are lower bounds; contracts are from Contracts Finder and Find a Tender award notices. The county council's chief-officer structure is from its Pay Policy Statement 2026/27 (Lancashire County Council, 2026h). The README in the deposit records known errata in the February 2026 codebook and in the derived files. Version 3.2 adds derived/precedent_documents_v32.csv, a hand-compiled register of the precedents' documents giving each value's URL, page and verbatim text; the rules files review/rules_v32.md, review/rules_v32_s2.md and review/rules_v32_s2b.md; the checkers tools/check_paper.py and tools/check_published_four.py; and the area annex (Appendix C), produced by annex/reproduce_annex.py, deposited with its outputs and the two registers it reads. Some inputs are held outside the deposit: the source documents themselves (listed with their SHA-256 hashes in a manifest), the declared May 2025 county election results and the division-to-district file held by UK Elections, and the committee tables of the author's ukskynet engine used for Table C6. It also adds derived/combination_grid.csv and derived/combination_grid.json, written by reproduce.py under rules committed before any value was computed (review/rules_grid.md): for each of the six configurations, the net annual position, the ten-year values and the components under every combination of the Table 8a alternatives and the Table 8d precedent rates (864 cells), a lookup from which the text quotes only the counts of Table 12b, under a rule of their own (review/rules_grid_statement.md), written after counts over all 144 cells on the net annual position had been seen. The variant with vesting on 1 April 2029 adds no data file; its rules are review/rules_2029.md, and the presentation rules are review/rules_presentation.md. For the test on the 2009 single county unitaries it adds derived/rs_history_2007_2016.csv, derived/rs_excluded_lines_2016_2026.csv and derived/ons_mye_2007_2015.csv, with their builder tools/build_rs_history.py (which needs the xlrd and openpyxl packages to read the published workbooks; reproduce.py itself still needs none) and the rules review/rules_2009.md.

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Appendix A. Service expenditure by category, all fifteen councils, 2024-25

Service category (SeRCOP)	2024-25
Education services	£1,483.4M
Adult social care	£733.9M
Children's social care	£431.7M
Environmental and regulatory services	£195.6M
Public health	£137.1M
Central services	£112.5M
Cultural and related services	£86.0M
Highways and transport services	£77.9M
Planning and development services	£55.6M
Housing services (General Fund only)	£32.6M
Other services	−£1.3M
Total	**£3,345.1M**

Source: `panel_dataset.csv`. Police and fire are precepting bodies and carry zero in the council returns.

Appendix B. Model bases derived from the data files

Base	Value	Derivation
Total service expenditure, 15 councils	£3,345,060,550	sum of `outturn_pounds`, 2024-25 (`panel_dataset.csv`)
Corporate overhead, fourteen billing councils	£280,420,873	RO6 2024-25: Corporate and Democratic Core net, less members' allowances, plus management and support services gross; support recharges within central services not deducted (basis C, rule R6) (`ro6_national_2024_25.csv`)
County corporate overhead	£143,104,951	£21,963,000 less £1,790,049 allowances, plus £122,932,000; £83,382,000 of re-charges within central services not deducted
County chief-officer structure, 27 posts, with on-costs	£4,147,664	`lcc_senior_structure.csv`, band midpoints
Corporate, place and re-sources posts; people-services posts	£2,070,233; £2,077,432	as above
Staff share of the fourteen councils' corporate overhead	43.4%	RO6 employee costs over gross expenditure (`ro6_national_2024_25.csv`)
Adult placement spend, 65 and over: county; Blackpool; Blackburn with Darwen	£214,324,012; £30,735,000; £12,394,000	ASC-FR 2024-25, Tables 43 and 44, long-term residential and nursing care, gross (`ascfr_unit_costs_2019_2025.csv`)
Adult placement spend, 18 to 64: county; Blackpool; Blackburn with Darwen	£46,140,546; £10,434,000; £8,410,000	as above
Children's placement spend: county; Blackpool; Blackburn with Darwen	£111,474,851; £38,309,164; £22,499,124	S251 2024-25, lines 3.1.1 and 3.1.2 (`s251_children_placements_2020_2025.csv`)
SEN transport spend: county; Blackpool; Blackburn with Darwen	£44,033,907; £2,916,180; £4,953,673	S251 2024-25, lines 1.4.11, 2.1.4, 2.1.6 and 2.1.7, gross (`sen_transport_2020_2025.csv`)
Direct-payments spend, 65 and over: county; Blackpool; Blackburn with Darwen	£20,135,516; £1,342,000; £3,128,000	ASC-FR 2024-25, Tables 43 and 44, community: direct payments (`ascfr_unit_costs_2019_2025.csv`)
Home-care spend (sensitivity only): county; Blackpool; Blackburn with Darwen	£81,554,842; £15,159,005; £12,655,000	ASC-FR 2024-25, Tables 43 and 44, community home care

Members' allowances paid, 15 councils, 2024/25	£6,839,156	`member_allowances_2024_25.csv`
Successor allowance per councillor	£15,744	Blackpool and Blackburn with Darwen, £1,464,181 / 93 seats
Payments to shared suppliers combined within a successor, 2024/25	2UA £217.2M; 3UA £178.7M; 4UA £166.6M; 5UA £120.7M	`supplier_overlap_detail_2024_25.csv`, public bodies, schools, colleges and universities excluded
Closedown	£1,950,000	12 districts at £100,000 and 3 upper-tier councils at £250,000
IT aggregation programme	£22,800,000	Blackpool's 31ten run, £500 per user
Transition cost, built up by line	2UA £61,418,446; 3UA £63,045,307; 4UA £64,295,602; 5UA £66,462,106	Table 8b
Payments to shared suppliers combined, the single councils (version 3.2)	1UA £273.9M; 1UA (county+12) £111.1M	as above
Transition cost, the single councils (version 3.2)	1UA £65,597,881; 1UA (county+12) £54,854,914	Table 8b: the two-unitary 31ten lines unscaled; the continuing authority closes twelve districts and has no shadow lines
Councillor allowance, the single councils (version 3.2)	£21,310 per seat, 120 seats	the county council's 2024/25 allowances, £1,790,049 / 84 seats (review/rules_v32.md R3)
Area body chair allowance (version 3.2)	£8,927; 14 and 12 bodies	Wiltshire Council, 2023/24 scheme (`precedent_documents_v32.csv`; review/rules_v32.md R4; review/rules_v32_s2.md item B)
Area body officer component (version 3.2)	£79,062.50 per body; 14 and 12 bodies	Buckinghamshire's 2020/21 staffing line, £1,265,000 / 16 boards, 2020/21 cash (`precedent_documents_v32.csv`; review/rules_v32_s2.md F03)
Residents, Lancashire area, Census 2021	1,531,136	for the precedent envelope

Appendix C. One council's areas (version 3.2)

This appendix uses held data only and is produced by `annex/reproduce_annex.py` (in the deposit, with its outputs and the two registers it reads). The model's ordering favours fewer councils by construction, and the precedents show no detectable change in spending per resident after the 2019 to 2023 reorganisations, three of which created single county unitaries. It describes what a single council's areas would look like on the published figures; it is not a design and makes no forecast. The county council's disaggregation of its budget by district is its own; LG Futures reviewed the methodology, principles and final outputs but not the line-by-line calculations or denominators (LG Futures, 2025, slide 4), so the budgets are notional. Seats are counts, not a warding. Committee composition describes the May 2025 county vote by district footprint, by party and seat only (Lancashire County Council, 2025d). Table C7 sets each area's 2026/27 Band D against the harmonised Band D under each single council, rises and falls alike. The workload measure was to be a worked example on the committee data the author's ukskynet engine already held for Durham; no area body appears in those data, so Table C6 is blank; the Isle of Wight's was not held locally, and no council was asked for anything.

Table C1 Notional area budgets, 2026/27: the county council's own disaggregation applied to its 2026/27 budget

Area	Population, mid-2022	County spend per head, 2025/26 (LG Futures index)	Index (county average = 100)	Notional share of the county's 2026/27 net budget	Per head	District council's own net budget, 2026/27 (basis as published)
Burnley	95,655	£1,447.8	124	£125.3M	£1,309	£22.4M (Net Budget Requirement (council tax resolution))
Chorley	118,623	£1,074.0	92	£115.2M	£971	£17.1M (Total Expenditure (net budget requirement))
Fylde	82,990	£1,102.1	94	£82.7M	£997	£13.1M (Budget requirement (MTFS agreed budget))
Hyndburn	83,215	£1,437.8	123	£108.2M	£1,300	£17.6M (Net revenue expenditure)

Lancaster	144,561	£1,111.6	95	£145.3M	£1,005	£27.8M (General Fund Revenue Budget)
Pendle	96,197	£1,212.8	104	£105.5M	£1,097	£18.4M (Budget Requirement (net expenditure £18.944m))
Preston	151,869	£1,288.1	110	£176.9M	£1,165	£34.5M (Total Net Requirement (Summary Revenue Account))
Ribble Valley	63,140	£971.7	83	£55.5M	£879	£8.9M (Net budget / Borough Requirement)
Rossendale	71,187	£1,038.5	89	£66.9M	£939	£14.6M (Total General Fund (original budget))
South Ribble	112,201	£1,121.1	96	£113.8M	£1,014	£17.5M (Total Expenditure (net budget requirement))
West Lancashire	119,360	£1,089.0	93	£117.6M	£985	£19.5M (Net budget requirement)
Wyre	114,924	£1,120.4	96	£116.5M	£1,013	£19.1M (Net expenditure before other government grants)
Twelve districts (the county council)	**1,253,922**	**£1,169.2**	**100**	**£1,329.3M**	**£1,060**	**£230.6M (sum; the bases differ)**
Blackpool (own budget: General Fund net expenditure (cash limit))	141,648			£229.6M	£1,621	
Blackburn with Darwen (own budget: Net Revenue Expenditure)	155,823			£230.3M	£1,478	

Source: LG Futures (2025), Lancashire LGR financial baseline, slide 8 (total per person), the county council's own line-by-line disaggregation of its 2025/26 budget; LG Futures reviewed the methodology, principles and final outputs but not the line-by-line calculations or denominators (slide 4); held as `derived/lgfutures_per_head_2025_26.csv`. Each district's share of the county's 2026/27 net revenue budget (£1,329.3M, `council_finances_2026_27.csv`) is its index times its mid-2022 population (`ro6_national_2024_25.csv`) over the sum across the twelve; LG Futures' own denominator is not stated on the slide, so mid-2022 is used and the shares are notional. £1,169.2 is LG Futures' stated average; it differs slightly from the mid-2022 weighted mean because LG Futures' denominator is not stated. The two unitaries' figures are their own 2026/27 budgets on the bases stated, which differ from the county's; they are not comparable line by line. The last column gives each district council's own 2026/27 net budget (`council_finances_2026_27.csv`) on the basis that council publishes, named in each cell; the bases differ, so the sum is of unlike measures and the district rows can be read against the unitaries' own budgets only approximately (`review/rules_v32_s2.md` F117).

Table C2 Notional county spend against age-weighted population

District	Share of notional county spend (Table C1)	Share of population, Census 2021	Weighted share, Census 2021, A	Weighted share, Census 2021, B	Weighted share, 2028, nearest held year to 2026, A	Weighted share, 2028, nearest held year to 2026, B	Weighted share, 2033, A	Weighted share, 2033, B	Spend share less weighted share, 2028, B	Spend share less weighted share, 2033, B
Burnley	9.4%	7.7%	7.8%	7.7%	7.7%	7.6%	7.6%	7.4%	+1.9 points	+2.0 points
Chorley	8.7%	9.5%	9.5%	9.5%	9.4%	9.4%	9.5%	9.4%	−0.8 points	−0.8 points
Fylde	6.2%	6.6%	6.4%	6.6%	6.6%	6.8%	6.6%	6.9%	−0.6 points	−0.7 points
Hyndburn	8.1%	6.7%	6.8%	6.7%	6.5%	6.5%	6.4%	6.3%	+1.7 points	+1.8 points
Lancaster	10.9%	11.6%	11.4%	11.4%	11.5%	11.4%	11.4%	11.3%	−0.5 points	−0.4 points
Pendle	7.9%	7.8%	7.9%	7.9%	7.6%	7.5%	7.5%	7.4%	+0.4 points	+0.6 points
Preston	13.3%	12.0%	12.1%	11.8%	12.9%	12.5%	13.1%	12.7%	+0.8 points	+0.6 points
Ribble Valley	4.2%	5.0%	4.9%	5.0%	5.1%	5.2%	5.3%	5.4%	−1.1 points	−1.2 points
Rossendale	5.0%	5.7%	5.8%	5.7%	5.6%	5.5%	5.5%	5.4%	−0.5 points	−0.4 points
South Ribble	8.6%	9.0%	9.0%	9.0%	8.7%	8.8%	8.7%	8.7%	−0.2 points	−0.2 points
West Lancashire	8.8%	9.5%	9.4%	9.4%	9.2%	9.3%	9.2%	9.2%	−0.5 points	−0.4 points
Wyre	8.8%	9.1%	8.9%	9.2%	9.2%	9.5%	9.3%	9.7%	−0.7 points	−0.9 points

Weights are the county's average spend per head by age band and nothing else: A uses LG Futures' county averages (adult social care £365.2 per adult, children's social care £1,160.6 per child, and the rest of the £1,169.2 per person spread over everyone, £642.5; LG Futures, 2025, slides 5, 6 and 8); B splits the adult weight between 18 to 64 and 65 and over by the county's own 2024-25 long-term care gross expenditure (£254.3M and £326.5M; NHS England, ASCFR 2024-25, Tables 43 and 44, held in `ascfr_unit_costs_2019_2025.csv`). Populations: Census 2021 (`successor_demographics.csv`), and ONS 2022-based SNPP for mid-2028, the nearest held year to 2026 (`snpp_2028_2038_by_band.csv`), and mid-2033 (`successor_demographics.csv`, equal to the same projection's 2033 rows); the Census 2021 columns stay beside the projected ones (`review/rules_v32_s2.md` F45). A positive gap means the district's notional share of spend exceeds its weighted share of the population. The weights describe the county's average pattern of spending, not need; they are a description of where the money would be argued about, not a funding formula. Deprivation is not in the weights. The £642.5 rest weight is a residual over Census 2021 counts; LG Futures gives its adult social care figure per adult on a "weighted average population" that it does not define (slide 5); spend shares use mid-2022 population (Table C1) and weighted shares the year each column states. Gaps are computed before rounding.

Table C3 Each area's attributed position in 2028/29 plus the reorganisation effect, as part of its four-unitary successor

Area	Four-unitary successor	Share of the successor's population, Census 2021	Share of the successor's population, 2028, nearest held year to 2026	Successor: recalibrated 2028/29 position plus effect (Table 9d)	Attributed to the area, Census 2021 share	Attributed to the area, 2028 share	Per resident, Census 2021	Per resident, 2028
Blackpool	Fylde Coast	42.2%	40.3%	−£1.6M	−£0.7M	−£0.6M	−£5	−£5
Blackburn with Darwen	Pennine Lancashire	31.1%	30.8%	−£6.3M	−£2.0M	−£1.9M	−£13	−£12
Burnley	Pennine Lancashire	19.0%	19.3%	−£6.3M	−£1.2M	−£1.2M	−£13	−£12
Chorley	South Lancashire	34.0%	34.3%	£7.5M	£2.6M	£2.6M	£22	£21
Fylde	Fylde Coast	24.3%	25.0%	−£1.6M	−£0.4M	−£0.4M	−£5	−£5
Hyndburn	Pennine Lancashire	16.5%	16.5%	−£6.3M	−£1.0M	−£1.0M	−£13	−£12
Lancaster	North Lancashire	40.6%	39.3%	£11.5M	£4.7M	£4.5M	£33	£30
Pendle	Pennine Lancashire	19.2%	19.2%	−£6.3M	−£1.2M	−£1.2M	−£13	−£12
Preston	North Lancashire	42.0%	43.1%	£11.5M	£4.8M	£5.0M	£33	£30
Ribble Valley	North Lancashire	17.5%	17.6%	£11.5M	£2.0M	£2.0M	£33	£30
Rossendale	Pennine Lancashire	14.2%	14.2%	−£6.3M	−£0.9M	−£0.9M	−£13	−£12
South Ribble	South Lancashire	32.1%	31.8%	£7.5M	£2.4M	£2.4M	£22	£21
West Lancashire	South Lancashire	33.9%	33.9%	£7.5M	£2.5M	£2.5M	£22	£21
Wyre	Fylde Coast	33.5%	34.7%	−£1.6M	−£0.5M	−£0.6M	−£5	−£5

Source: Table 9d of the paper (`derived/paper_tables.md`, rows 4UA, last column), attributed to each constituent area by its share of the successor's population, on Census 2021 and on the ONS 2022-based SNPP for mid-2028, the nearest held year to 2026 (`snpp_2028_2038_by_band.csv`), side by side (`review/rules_v32_s2.md` F45). Attribution by population is a convention: it is not how a successor's budget would fall, and it makes every area of one successor equal per head. Under a single council there is no area starting position at all; the comparison shows what each area would have shared as part of a four-unitary successor, beside its notional share of one council's spending (Tables C1 and C2).

Table C4 Seats by area: the size of each area committee at 100, 120 and 150 councillors

Area	Population, Census 2021	Local government electors, ONS, 1 December 2023	County electorate, May 2025	County divisions, 2025	1UA, 100: Census 2021 / ONS electors / C3 as committed	County+12, 100: May 2025 electorate / ONS electors	1UA, 120: Census 2021 / ONS electors / C3 as committed	County+12, 120: May 2025 electorate / ONS electors	1UA, 150: Census 2021 / ONS electors / C3 as committed	County+12, 150: May 2025 electorate / ONS electors
Blackpool	141,033	102,360			9 / 9 / 9		11 / 11 / 11		14 / 14 / 13	
Blackburn with Darwen	154,735	103,989			10 / 9 / 9		12 / 11 / 11		15 / 14 / 14	
Burnley	94,649	65,878	67,435	6	6 / 6 / 6	7 / 7	7 / 7 / 7	9 / 9	9 / 9 / 9	11 / 11
Chorley	117,731	86,572	87,914	8	8 / 8 / 8	9 / 9	9 / 9 / 9	11 / 11	12 / 11 / 11	14 / 14
Fylde	81,380	63,928	65,336	6	5 / 6 / 6	7 / 7	6 / 7 / 7	8 / 8	8 / 8 / 8	10 / 11
Hyndburn	82,236	59,748	60,766	5	6 / 5 / 5	7 / 7	6 / 7 / 6	8 / 8	8 / 8 / 8	10 / 10
Lancaster	142,932	108,942	110,193	10	9 / 10 / 9	12 / 12	11 / 12 / 12	14 / 14	14 / 14 / 14	18 / 18
Pendle	95,753	67,824	68,581	5	6 / 6 / 6	7 / 7	8 / 7 / 7	9 / 9	9 / 9 / 9	11 / 11
Preston	147,835	103,955	111,297	9	10 / 9 / 10	12 / 11	12 / 11 / 12	14 / 14	14 / 14 / 15	18 / 17
Ribble Valley	61,558	48,753	49,420	4	4 / 4 / 4	5 / 5	5 / 5 / 5	6 / 6	6 / 6 / 6	8 / 8
Rossendale	70,876	50,974	52,175	5	5 / 4 / 4	6 / 6	6 / 6 / 6	7 / 7	7 / 7 / 7	8 / 8
South Ribble	111,042	87,017	88,341	8	7 / 8 / 8	9 / 10	9 / 9 / 9	11 / 11	11 / 12 / 12	14 / 14
West Lancashire	117,427	87,548	89,093	8	8 / 8 / 8	10 / 10	9 / 9 / 9	12 / 12	12 / 12 / 12	14 / 14
Wyre	111,949	86,750	88,268	8	7 / 8 / 8	9 / 9	9 / 9 / 9	11 / 11	11 / 12 / 12	14 / 14
Total	**1,531,136**	**1,124,238**	**938,819**	**82**	**100 / 100 / 100**	**100 / 100**	**120 / 120 / 120**	**120 / 120**	**150 / 150 / 150**	**150 / 150**

Seats are allocated to areas by the largest-remainder method. For 1UA each cell gives three allocations: on Census 2021 population for all fourteen areas (session 1 decision 5, which stays central under `review/rules_v32_s2.md` G4); on ONS local government electors at 1 December 2023 for all fourteen (ONS, Electoral statistics for the UK, December 2023 edition, Table 1, column D, cells D39, D40 and D258 to D269; the December 2025 edition omits local authority statistics and no December 2024 edition was published; item C); and as rule C3 was committed, on the May 2025 county electorates for the twelve districts with the ONS electors for Blackpool and Blackburn with Darwen (which departs from C3's own fallback, Census 2021 population for those two, because UK Elections holds no electorate for them). For the county plus its twelve districts each cell gives the allocation on the electorates of the May 2025 county election summed over each district's divisions (rule C3, central; UK Elections, `data/history/dc-historic-results.json`, from the county council's declared results; division to district from `data/geography/lcc-2025-division-to-district.json`), then on the ONS electors, displayed for comparison. Each area committee is all the councillors for its area. The Local Government Boundary Commission would ward any such council itself; these are counts, not a warding. Seats enter no money term of the model.

Table C4 (continued) Electors and residents per councillor: the precedents' council sizes beside the single councils

Council	LGBCE final recommendation (page)	Councillors	Electorate, as the report states it (year; page)	Electors per councillor	Population, mid-2022	Residents per councillor, mid-2022
Wiltshire	October 2019 (PDF p. 6, para 9)	98	367,686 (2018; PDF p. 9, para 18 table)	3,752	516,107	5,266
Cornwall	December 2018 (PDF p. 6, para 9)	87	425,514 (2016; PDF p. 8, para 19 table)	4,891	575,532	6,615
Shropshire	October 2023 (PDF p. 8, para 9)	74	249,308 (2022; PDF p. 10, para 19 table)	3,369	327,479	4,425
County Durham	November 2023 (PDF p. 7, para 9)	98	391,146 (2022; PDF p. 10, para 19 table)	3,991	527,704	5,385
Northumberland	October 2023 (PDF p. 8, para 9)	69	251,363 (2022; PDF p. 11, para 19 table)	3,643	324,286	4,700
Buckinghamshire	May 2023 (PDF p. 7, para 10)	97	410,789 (2021; PDF p. 10, para 19 table)	4,235	560,688	5,780
North Yorkshire	January 2026 (PDF p. 7, para 10)	89	483,598 (2024; PDF p. 10, para 20 table)	5,434	623,896	7,010
Somerset	March 2026 (PDF p. 7, para 10)	96	446,702 (2024; PDF p. 10, para 20 table)	4,653	577,091	6,011
1UA, 100 councillors		100	1,145,168 (C3 as committed) / 1,124,238 (ONS, 1 December 2023)	11,452 / 11,242	1,551,393	15,514
1UA, 120 councillors		120	1,145,168 (C3 as committed) / 1,124,238 (ONS, 1 December 2023)	9,543 / 9,369	1,551,393	12,928
1UA, 150 councillors		150	1,145,168 (C3 as committed) / 1,124,238 (ONS, 1 December 2023)	7,634 / 7,495	1,551,393	10,343
County+12, 100 councillors		100	938,819 (May 2025, central, rule C3) / 917,889 (ONS, 1 December 2023)	9,388 / 9,179	1,253,922	12,539
County+12, 120 councillors		120	938,819 (May 2025, central, rule C3) / 917,889 (ONS, 1 December 2023)	7,823 / 7,649	1,253,922	10,449
County+12, 150 councillors		150	938,819 (May 2025, central, rule C3) / 917,889 (ONS, 1 December 2023)	6,259 / 6,119	1,253,922	8,359

Source: LGBCE final recommendations for each council (each value read with its page and verbatim text under question 1, `review/rules_v32_s2.md`, F46); electors per councillor is the report's electorate over its recommended council size, and agrees with the average each report states. The electorates are of different years, as each report gives them; residents per councillor is on one base for every row, ONS mid-2022 population (`ro6_national_2024_25.csv`). Each single council's electorate and electors per councillor cell gives two bases, rule C3's first and the ONS local government electors at 1 December 2023 (item C) beside it. For the county plus its districts the first is the May 2025 county electorate, the sum of the electorates of each district's divisions (rule C3, central; UK Elections, `data/history/dc-historic-results.json`). For 1UA the first is C3 as committed: the May 2025 county electorate for the twelve districts with the ONS electors for Blackpool and Blackburn with Darwen, as in Table C4. No other English unitary is compared: its council size is not held.

Table C5 Committee composition on the May 2025 county vote, by district footprint

District	Divisions	Seats	Reform UK: seats (share of votes cast)	Conservative: seats (share of votes cast)	Labour: seats (share of votes cast)	Liberal Democrats: seats (share of votes cast)	Green Party: seats (share of votes cast)	Independent: seats (share of votes cast)	Our West Lancashire: seats (share of votes cast)	Trade Unionist and Socialist Coalition: seats (share of votes cast)	Alliance for Democracy and Freedom: seats (share of votes cast)	Workers Party of Britain: seats (share of votes cast)	UK Independence Party (UKIP): seats (share of votes cast)
Burnley	6	6	4 (37.9%)	0 (17.2%)	0 (11.4%)	0 (7.1%)	0 (8.4%)	2 (17.8%)	none stood	none stood	none stood	0 (0.2%)	none stood
Chorley	8	8	4 (36.5%)	1 (17.8%)	3 (32.4%)	0 (3.3%)	0 (8.9%)	0 (0.1%)	none stood	0 (0.9%)	none stood	none stood	none stood
Fylde	6	6	2 (30.9%)	4 (34.2%)	0 (10.3%)	0 (5.2%)	0 (4.6%)	0 (14.5%)	none stood	none stood	0 (0.3%)	none stood	none stood
Hyndburn	5	6	5 (41.7%)	0 (22.1%)	0 (25.3%)	none stood	1 (10.9%)	none stood	none stood	none stood	none stood	none stood	none stood
Lancaster	10	10	7 (31.6%)	0 (13.5%)	0 (18.7%)	0 (11.1%)	3 (25.0%)	none stood	none stood	none stood	none stood	none stood	none stood
Pendle	5	6	2 (28.4%)	1 (24.6%)	0 (7.0%)	1 (20.8%)	0 (3.7%)	2 (15.5%)	none stood	none stood	none stood	none stood	0 (0.1%)
Preston	9	9	2 (27.8%)	0 (12.5%)	1 (19.3%)	3 (23.8%)	0 (4.4%)	3 (12.1%)	none stood	0 (0.2%)	none stood	none stood	none stood
Ribble Valley	4	4	4 (37.9%)	0 (21.8%)	0 (15.0%)	0 (9.0%)	0 (6.2%)	0 (10.1%)	none stood	none stood	none stood	none stood	none stood
Rossendale	5	5	4 (43.5%)	0 (19.8%)	1 (26.1%)	0 (1.0%)	0 (9.6%)	none stood	none stood	none stood	none stood	none stood	none stood
South Ribble	8	8	7 (37.7%)	0 (23.5%)	0 (21.7%)	1 (12.7%)	0 (4.3%)	none stood	none stood	0 (0.2%)	none stood	none stood	none stood
West Lancashire	8	8	5 (34.4%)	1 (19.3%)	0 (21.4%)	0 (4.5%)	0 (6.4%)	none stood	2 (14.0%)	none stood	none stood	none stood	none stood
Wyre	8	8	7 (44.3%)	1 (30.0%)	0 (17.0%)	0 (2.9%)	0 (5.3%)	0 (0.4%)	none stood	none stood	none stood	none stood	none stood
Twelve districts	**82**	**84**	**53 (35.7%)**	**8 (21.1%)**	**5 (18.9%)**	**5 (9.0%)**	**4 (8.4%)**	**7 (5.5%)**	**2 (1.2%)**	**0 (0.1%)**	**0 (0.0%)**	**0 (0.0%)**	**0 (0.0%)**

Source: the county council's declared results of 1 May 2025, as held by UK Elections (`data/history/dc-historic-results.json`), aggregated to districts; joint Labour and Co-operative candidates are counted with Labour. Every party, and Independent, that received votes is shown, with its seats and its share of votes cast; parties and seats only, no councillor or candidate is named. The table describes the composition the May 2025 vote would have given each district footprint, not a forecast; a single council's area committees would be elected on new wards. Blackpool and Blackburn with Darwen had no county election and are not shown (`review/rules_v32_s2.md` F47). One division in Hyndburn and one in Pendle return two members, so seats exceed divisions there; their electors had two votes, so shares are of votes cast, not voters. Independent counts candidates standing as independents; they are not a party or group.

Table C6. Area-body workload in the cohort's held committee data

blank: no area body appears in the held data (Durham's two Area Planning Committees are regulatory committees, excluded by definition)

Source: ukskynet's held ModernGov tables (`bronze/<host>_moderngov/meetings.parquet` and `agenda_items.parquet`), read only; no collection was run for this annex. Under the definition of an area body (Section 5.7; `review/rules_v32_s2.md` F72 and F48), Durham's Area Planning Committees are regulatory planning committees, not area bodies. The annex output (`annex_tables.md`) lists every pattern searched with its class and records 18 meetings of all Durham committees in the window held (2026-09-16 to 2026-10-28), far shorter than the twelve months the rule asked for. Durham's Local Networks are partnership bodies whose meetings are not on its ModernGov host; the Isle of Wight's committee data were not held.

Table C7 Band D by area, 2026/27, and its change to the harmonised Band D under each single council

Area	Own element, 2026/27	County element	Council-controlled Band D, 2026/27	1UA: change to £2,076.46	1UA: change, per cent	County+12: change to £2,072.84	County+12: change, per cent
Blackpool	£2,126.09	none (unitary)	£2,126.09	−£49.63	−2.3%	not harmonised	not harmonised
Blackburn with Darwen	£2,062.96	none (unitary)	£2,062.96	+£13.50	+0.7%	not harmonised	not harmonised
Burnley	£351.44	£1,801.75	£2,153.19	−£76.73	−3.6%	−£80.35	−3.7%
Chorley	£215.99	£1,801.75	£2,017.74	+£58.72	+2.9%	+£55.10	+2.7%
Fylde	£239.11	£1,801.75	£2,040.86	+£35.60	+1.7%	+£31.98	+1.6%
Hyndburn	£276.46	£1,801.75	£2,078.21	−£1.75	−0.1%	−£5.37	−0.3%
Lancaster	£272.20	£1,801.75	£2,073.95	+£2.51	+0.1%	−£1.11	−0.1%
Pendle	£316.71	£1,801.75	£2,118.46	−£42.00	−2.0%	−£45.62	−2.2%
Preston	£375.34	£1,801.75	£2,177.09	−£100.63	−4.6%	−£104.25	−4.8%
Ribble Valley	£170.69	£1,801.75	£1,972.44	+£104.02	+5.3%	+£100.40	+5.1%
Rossendale	£327.16	£1,801.75	£2,128.91	−£52.45	−2.5%	−£56.07	−2.6%
South Ribble	£241.28	£1,801.75	£2,043.03	+£33.43	+1.6%	+£29.81	+1.5%
West Lancashire	£245.71	£1,801.75	£2,047.46	+£29.00	+1.4%	+£25.38	+1.2%
Wyre	£240.05	£1,801.75	£2,041.80	+£34.66	+1.7%	+£31.04	+1.5%

Source: MHCLG, Council Tax levels set by local authorities in England 2026 to 2027, Table 10, line 9 (Band D excluding parish precepts; `council_tax_table10_2026_27.csv`). Each district's council-controlled Band D is its own element plus the county element; Blackpool's and Blackburn with Darwen's are their own. The harmonised Band D is the revenue-neutral level of Table V11a (`tables.md`; tax-base-weighted mean of the bills, 2026/27 tax bases), for one new council over all fourteen areas and for the county with its districts over the twelve; Blackpool and Blackburn with Darwen are not part of the county with its districts and are marked not harmonised. Every area is shown, rises and falls alike; the change is before any referendum limit or harmonisation path (Table 9c), and excludes parish precepts, police and fire.

Appendix D. Record of process

This appendix holds the record of how version 3.2 was made, which until 11 November 2026 sat in the declaration of interests, and explains the working labels that remain in some generated tables. It reports no new result.

Rules and when they were fixed. Each file is deposited in `review/`. The time is that of the commit that fixed it, before any result it governs was computed except where the last column says otherwise; the last column says what the author had seen by then, and the Declaration of interests counts the exceptions.

Rules	What they govern	Commit	Fixed (UTC)	Seen by the author when fixed
`rules_v32.md` (R1 to R10, C1 to C5)	the two single-council configurations and the area annex	af0408cb	01:38:09, 4 November 2026	the central figures of an exploratory run at 100 seats, listed in the file

`rules_v32_s2.md` (G1 to G11, items A to J)	the changes after the independent review of version 3.2	4db9cca8	02:28:55, 5 November 2026	illustrative values from the review's recomputation, listed in the file
`rules_v32_s2b.md` (PA1 to PA8)	how the single councils' results are presented	079362dc	20:42:06, 8 November 2026	every version 3.2 figure
`rules_grid.md` (GR1 to GR6)	the combination grid in `derived/`	04e6eeae	12:30:04, 11 November 2026	every version 3.2 figure, and no grid cell
`rules_presentation.md` (PP1 to PP9)	the abstract, Section 12, the declaration and this appendix	59ae109b	15:01:45, 11 November 2026	every version 3.2 figure and the grid; a note (its Section 7) was added later the same day, after the author's approval, recording that the abstract's range for the single councils was taken over more rows than the rule named, which lowers both lows; the file as committed is at 59ae109b
`rules_2009.md` (Y1 to Y19)	the test on the 2009 single county unitaries and the measure less public health (Table 13d)	2a352f0d	23:28:08, 11 November 2026	every version 3.2 figure, including the same test's result for the 2020 and 2023 cases; no value for any council for 2007-08 to 2015-16
`rules_2029.md` (TV1 to TV14)	the variant with vesting on 1 April 2029 (Table 8h)	8b1-bea4a	15:41:30, 13 November 2026	every version 3.2 figure on the central timetable; no flow, value or payback on any other horizon, and no count of contracts to the later date
`rules_grid_statement.md` (GS1 to GS10)	the counts quoted from the combination grid (Table 12b), amending GR6	e10298c1	17:26:53, 13 November 2026	every version 3.2 figure and the grid; counts on the net annual position over all 144 cells, seen on 11 November 2026; no count on the ten-year value or over the 120 distinct combinations

Version 3.1's rules (`rules_session6.md`, `rules_session7.md`, `phase6b_rules.md` and the plan recording the decision on the overhead slope, `partB_plan_D10.md`) are deposited with it and unchanged.

The process as the declaration recorded it until this revision, word for word.

> *Every version after the first draft, and all of version 3.1's methods, were prepared after the Government's decision of 16 July 2026; version 3.1 was revised after a fact-check of version 3 and three reviews of version 3.1, all carried out by AI agents and deposited with the paper (Section 9). Lancashire County Council would be the continuing authority under one of the two single-council configurations that version 3.2 adds; their rules were committed (`review/rules_v32.md`, af0408cb) before the package computed any result; an earlier exploratory run at 100 seats, listed in that file, had shown the author its central figures; the results are reported as they fell. Six decisions taken during the version 3.2 run, where a document named in the rules could not be read or held data were missing, are recorded in the session 1 log of the version 3.2 working files (not deposited), and the session 2 changes follow a rules addendum (`review/rules_v32_s2.md`), written after an independent review had recomputed the single councils' figures and shown the author illustrative values, listed in that file. The presentation of the single councils' results follows a second addendum (`review/rules_v32_s2b.md`), written on 8 November 2026 after the author had seen every version 3.2 figure; it keeps in the prose the central values, the values at the fitted rates and a range over every other alternative on the closed list (Table 6c). On 5 November 2026 the author answered the questions the session 2 rules addendum left to him (`review/rules_v32_s2.md`, Section 6); each answer is his own decision. The author allowed a one-off fetch of published documents from non-council hosts (`review/rules_v32_s2.md`, Section 3); each document fetched is listed with its SHA-256 in MANIFEST.csv and the fact-check; and the author accepted item B's amendment of rule R4(a), so the central chair rate is the higher of Wiltshire's and North Yorkshire's where Wiltshire's was read, and the other rate is shown beside it wherever the term is quoted; Wiltshire's rate was read and is higher than North Yorkshire's, so it is central, which raises the term more for one new council (14 bodies) than for the county with its districts (12), and so narrows one new council's lead. A test of the single county unitaries of 2009, 2020 and 2023 was specified in advance (`review/rules_v32_s2.md`, item A) and the fetch was allowed, by the author's decision; the 2009 cohort could not be computed (no RS by local authority outturn file for 2006-07, the 2009 cohort's first pre year, was found on any host the fetch protocol allows (gov.uk's multi-year revenue outturn data set starts at 2017-18; DCLG's 2006-07 outturn release has England tables only), and under item A's Outcome rule a cohort that lacks a pre year is not computable); only the 2020 and 2023 cases were run, and their version 3.1 gaps had been seen. The author accepted the review's change to F03 (the officer component of the area governance term made central), which raises the term more for one new council (14 bodies) than for the county with its districts*

> *(12), and so narrows one new council's lead; the previous treatment is shown in Table 6b. The author accepted the review's change to F19 (the continuing authority's pre-vesting election costed), which charges the county with its districts the pre-vesting election line that one new council carries, and so widens one new council's lead; the previous treatment is shown in Table 8c. The author kept the 0.5 to 1.0 replication draw for one new council, which favours it: it keeps one new council's replication credit and can widen its lead over the county with its districts; the values with replication held at 1 are shown beside them in Tables 11 and 13 and wherever its Monte Carlo values are quoted.*

The author's answers when the work stopped for a decision, each quoted as given:

- 4 November 2026, on the rules for the single councils: "Go, fetch allowed".
- 4 November 2026, on the run and the area annex: "Go to Phase D".
- 5 November 2026, on the questions the rules addendum left to the author: "All yes".
- 7 November 2026, on Northumberland's chair rate: "Register row only"; on the five readings put to the author: "Accept all five".
- 9 November 2026, on the decisions after the referee panel: "Yes, run it here"; on reading the text again before deposit: "Skip my read".
- 11 November 2026, on the grid's overhead treatments: "Four states"; on the version number: "Yes, keep 3.2"; on the presentation rules of this revision: "Approve, all defaults".
- 12 November 2026, on the rules for the test on the 2009 single county unitaries, including that it runs on two pre years where the test first specified required three: "Approve, all defaults".
- 13 November 2026, on the rules for the variant with vesting on 1 April 2029 (demand kept on its path by calendar year, the ten-year value on two reference years, the grid unchanged, the Monte Carlo and the council-tax paths not rerun): "Approve, all defaults".
- 13 November 2026, on the rules for the counts quoted from the combination grid (counts over the 120 distinct combinations in the text with the 144 cells in the table, on the net annual position and the ten-year value, and two stale phrases on the timetable reworded): "Approve, all defaults".
- 13 November 2026, after three AI referees had read the text (figures, the rules read hostilely, a cold reader), on putting the ten-year counts in the Section 8.2 sentence as well as Table 12b: "Add ten-year counts"; on the version 3.2 review records: "Deposit, F103 withheld"; on a sentence of Section 11 about the judicial reviews of other areas' decisions: "Trim".

Departures from earlier rules, gathered. (1) The first rules for the single councils placed their people-services term (negative for one new council, nil for the county with its districts), transition cost, ten-year value and like-for-like allowance row in the abstract; under the author's answer of 9 November 2026 and the presentation rules of 11 November 2026 they are in Sections 6.5 and 12 and Tables 6c, 7 and 8a instead, a departure made after every figure had been seen. (2) At the stop of 9 November 2026 the author accepted seven recommended answers together ("Yes, run it here"): keys for the Table 9c values quoted in Section 6.5; five wording changes in generated text; the version 3.1 alternatives kept in Section 12 in full and as one sentence in the abstract; Table 11's single-council values kept in the table and not the prose; the sentence on the model's ordering at the head of Section 2 and not in Sections 2.2 and 2.3; two findings applied in Section 11; and the abstract's version 3.2 part cut to about 300 words. The third and seventh were superseded for the abstract and Section 12 by the presentation rules two days later, on the author's approval. (3) The test on the 2009 single county unitaries runs on two pre years where the test first specified required three and allowed no shorter window. (4) The rule on counts from the combination grid was written after the counts over all 144 cells on the net annual position had been seen, and the ten-year counts were added to the Section 8.2 sentence after all counts had been seen, which that rule had made conditional. (5) The six decisions taken after the first rules, which the record below calls not

deposited, are deposited as `review/v32/session1_decisions_after_rules.md`. The author did not read the full text again before deposit ("Skip my read"); a record of the three referees' findings of 13 November 2026, and of what was done with each, is deposited as `review/v32/referee_panel_predeposit.md`.

Labels in the generated tables. Some row labels in tables that `reproduce.py` generates carry the working labels of the rules files, kept so that every table reproduces exactly. They mean:

Label	Meaning
R3	the rule, fixed before the estimate, that put the term for transport of children with special educational needs in the central case
R3a, R3b	the rules on the direct-payments term: R3a, fixed before the estimate, with its pooled check over three years; R3b, fixed later, extending the check to all five published years, under which the term is not central
R4	the rule for the area governance term
R6	the rule that measures the corporate overhead before deducting support recharges within central services (basis C)
session 6	version 3.1's review sitting that made basis C central; "central before session 6" marks the netted definition
session 1 decision 2	the decision, taken after the rules, to set the county with its districts' pre-vesting election and shadow running lines to nil
item B	the fetch of Wiltshire's Area Board chair rate, and the amendment under which the higher of Wiltshire's and North Yorkshire's rates is central
item G	one new council's people-services parts excluded one at a time, each checked against the range of its regression's data
F03	the officer component of the area governance term at Buckinghamshire's staffing line per board
F05	realisation calibrated on each single council's own footprint to the precedents' reported savings
F12	one new council ranked against every other configuration, and the county with its districts against two unitaries
F19	the continuing authority's pre-vesting election and shadow running lines costed
F27	the county with its districts against two unitaries as Section 6.5 counts it (only rows where it is behind are exceptions)
F35	both single councils against the four published configurations
F58	the Implementation Executive, with district members, running the transition until the pre-vesting election
F75	the precedent-rate rows placed in the same table as the central single-council rows
F142	the single councils' Monte Carlo cells below 100 per cent

Change log: version 1 (16 February 2026) to version 3.2 (13 November 2026)

Conclusions that changed are marked **[conclusion changed]**.

1. **Realisation factor applied as stated.** V1 described a 75 per cent realisation factor but reported net figures without it. V2 applies it to gross savings before deducting duplication costs. Two-unitary net annual saving falls from £27.45M to £16.2M; three-unitary from £13.8M to £2.4M; four-unitary from −£0.2M to −£10.1M; five-unitary from −£14.3M to −£22.6M (version 2 figures; see item 18 for version 2.2). **[conclusion changed: magnitudes]**
2. **Payback computed on net, not gross, savings.** Two-unitary payback moves from 1.3 to 3.8 years; three-unitary from 2.1 to about 39 years. **[conclusion changed: the three-unitary option no longer has a short payback]**
3. **Ten-year figures include ongoing costs and are discounted.** V1's ten-year totals omitted the ongoing costs it reported elsewhere and therefore showed every configuration positive over ten years. V2 shows only two unitaries positive. **[conclusion changed]**
4. **Transition overrun factor.** V1 stated a 1.25× factor that its tables did not apply. V2 treats it as a sensitivity; the central transition costs are unchanged.
5. **Senior management ratio respecified** as (15 − n)/15 for all configurations. V1's text gave one formula, its worked example another, and its three-, four- and five-unitary values matched neither. Gross totals change by less than £1.5M.
6. **Consolidation ratio stated as (13 − n)/12**, which is what v1's tables and code used; v1's text said /13.
7. **Councillors.** Current total corrected from 626 to 693; successor numbers taken from the June 2026 joint response (210 to 313) instead of a constant 200. The democratic saving now varies by configuration (£8.1M for two unitaries, £6.4M otherwise). Representation ratios in Section 10 recomputed.
8. **Property component dropped** (£0.12M; inputs not in the deposited data).
9. **Social care component** specified as 1 per cent of the county council's adult and children's social care only; v1 described it as "combined" expenditure.
10. **Comparators relabelled.** The figures v1 attributed to "Newton Europe activity-based costing" are Lancashire County Council's own financial model (Cabinet presentation, 6 November 2025) and are now cited as such. The Lancashire-specific figures v1 attributed to CCN/PwC could not be traced to any published document and are removed; PwC's model is described from its published methodology and national results. V1's six "methodological concerns" about the PwC model are replaced by a neutral description; in particular, PwC does state a realisation assumption. **[conclusion changed: "all three models agree" is withdrawn; the comparison is now with the proposers' business cases]**
11. **Literature corrected.** Andrews and Boyne (2009) finds a linear negative size effect, not a U-curve with a 200,000 to 400,000 optimum; v1's "paradox" between academic and financial optima is withdrawn. Slack and Bird is 2013 and is not a meta-analysis of back-office savings. Cheshire (2004/2006) and NAO (2013) removed as irrelevant to the claims they supported. EY (2016) correctly attributed to CCN. Andrews and Boyne (2012), Blom-Hansen et al. (2014), Chisholm and Leach (2008), Grant Thornton (2024), IfG (2025), Sandford (2026) and Shaw and Diamond (2024) added. **[conclusion changed: Section 10]**
12. **Central finding on four and five unitaries downgraded from a verdict to a conditional.** V1 stated that four or more unitaries "produce a net annual cost rather than a saving". V2 shows that this holds on the central duplication-cost assumption and reports the break-even values (£7.8M and £5.8M per au-

thority) below which it does not. **[conclusion changed]**

13. **Section 7.1 of v1 removed.** The VeLTIP, Dedicated Schools Grant, Oracle Fusion and CQC material was uncited and not part of the model. The county council's savings-delivery record is retained in the Limitations only as a general caution. These items can be restored with document references if wanted.

14. **Register and facts.** Party labels removed from the description of councils; "vested interest" and similar characterisations removed; the claim that a 201,508-population authority would be England's smallest unitary removed (it would not); election result corrected to 53 seats; total service expenditure corrected to £3,345.1M; Appendix C of v1 replaced by Table 1, derived from the deposited file; population vintages labelled; the cover letter removed; a declaration of interests added.

15. **Postscript added** covering the consultation outcome, the 19 May 2026 MHCLG letter and 4 June 2026 joint response, the 16 July 2026 decision and the 7 September 2026 pause.

16. **Reproducibility.** A script (`reproduce.py`) that regenerates every table from the deposited files is added; a derived file of Corporate and Democratic Core expenditure and seat counts is added; the codebook errata are recorded in the README.

17. **Version 2.1 (27 September 2026): later data.** Section 2.5, Table 3b and Table 10 added from the councils' 2026/27 budget papers, MHCLG live tables and the county council's Quarter 1 2026/27 monitoring and 2025/26 outturn reports; Table 3d (2019 to 2023 precedents) added to Section 3; Section 6.1 and Table 6b added (Table 6b is not reproduced in version 3.1; the rerun is in the deposit as Tables D2 and R3), re-running the model on MHCLG's 2026-27 budget returns (no conclusion changes; net figures move by £1M to £2M); Section 11 extended with the £30M implementation reserve, the strategic-partner decision, the Government's review announcement and the reimbursement correspondence; county council published payments to August 2026 added to Section 4; five derived files added to the deposit. The version 1 claims about the county council's investment portfolio, schools deficit and savings delivery that were removed in version 2 for want of citations are restored in Section 2.5 with the Cabinet papers that support them.

18. **Version 2.2 (27 September 2026): fact-checking pass.** (a) **Cost per councillor re-sourced.** The v2 figure of £16,800 (an unsourced £12,000 allowance times an unsourced 1.4 support multiplier in the February code) is replaced by £9,869, the members' allowances actually paid by the fifteen councils in 2024/25 (£6.84M) divided by 693 seats, deposited as `derived/member_allowances_2024_25.csv`. Democratic savings fall from £8.1M to £4.8M (2UA) and from £6.4M to £3.8M (others); net annual positions move from £16.2M to £13.7M (2UA), £2.4M to £0.4M (3UA), −£10.1M to −£12.1M (4UA) and −£22.6M to −£24.5M (5UA); two-unitary payback lengthens from 3.8 to 4.5 years; break-even duplication costs fall to £17.2M, £10.5M, £7.3M and £5.4M; the combined pessimistic case now takes two unitaries marginally negative (−£0.4M) where version 2.1 had them barely positive. Tables 5 to 9 and 6b regenerated; £16,800 and a successor-rate variant retained as a sensitivity row. **[conclusion changed: magnitudes; the pessimistic bound for two unitaries]** (b) **PwC comparison corrected.** Section 5.2 had misread PwC's £475M as an annual cost per additional unitary across 21 areas; it is the total annual disaggregation cost of the three-unitary scenario. The implied cost per additional unitary is £11M to £14M nationally and £11M to £13M per unitary in PwC's four- and five-unitary scenarios for areas of Lancashire's size, which brackets the £10.35M used; Sections 3, 5.2, 7 and 12 restated accordingly. (c) **Citations corrected.** The Government's reasons for the decision are re-attributed from HCWS286, which contains none, to the decision letter of 16 July 2026 (published the same day; version 2.2's "4 August" was the date of an update concerning Devon); Lancashire County Council (2025a) was presented to a Scrutiny Committee, not Cabinet; Lancashire County Council (2026d) reported total reserves of £372.8M, of which £173.8M usable, and a transitional reserve of £107.6M, not £105.2M; the 5 per cent general-fund policy and the £10.6M portfolio income are cited to the 2026/27 budget report; the treasury report's title and document number corrected; the Evidence Base credited to Metro

Dynamics alone; the five-unitary business case cited by section and file; the "LGA open letter" re-described as a letter from a political group hosted on the LGA's website; the Burnley Express item re-dated to June 2026 and its £1.6M gap described as a three-year figure; Institute for Government re-dated to March 2025; Sandford's £159M and £77M figures given their correct bases; Dollery and Fleming's definitions corrected; Grant Thornton's finding on finance capacity softened to what the report says; the Blom-Hansen timing claim removed as unverifiable. (d) **Figures corrected.** County share of the combined net budget 66 per cent, not 64; precedent transition costs £29 to £62 per resident and £44M to £95M, not £22 and £34M; Northamptonshire's realised savings exceeded projection on the paper's own table; the 197 notices without an end date are of 1,214 parsed, not of 276 live; Rossendale's reserve draw £1.26M; two population vintages labelled throughout; Table 2 populations attributed to the county council's report, with the business cases' figures noted. (e) **Additions.** The strategic partner (Ernst & Young, up to £10M, 17 August 2026), the LG Futures common baseline, the five valuations of the three-unitary option, the transformation shares of each headline, the post-implementation reviews of Cumbria and Somerset, Andrews and De Widt (2026), the District Councils' Network regression, the MHCLG FOI reply, and a survey of eight other areas' business cases added to Sections 1, 2, 3, 7 and 11; Section 11 extended to 27 September 2026. (f) The abstract no longer mentions the county council's in-year position, which is context rather than a result.

19. **Version 3 (27 September 2026): line-level structural savings.** Version 2.2's senior-management component (12 per cent of all central services, 60 per cent eliminated, scaled by (15 − n)/15) and back-office component (18 per cent of district central services) rested on unsourced percentages. They are replaced by consolidation of seven RO6 lines at scale elasticities estimated from 52 English councils (Section 5.1, Table 5). Gross savings from these lines are £31.3M, £25.8M, £21.8M and £18.2M, against £16.8M, £15.3M, £13.9M and £12.5M for the two components they replace; on its own the change raises every net figure by £4.3M to £10.9M.

20. **Procurement bounded by supplier overlap.** The 3 per cent rate now applies only to 2024/25 payments to suppliers already paid by two or more constituents of the same successor (£127.5M to £239.9M), not to £564.3M of spending that was mostly the county council's and that reorganisation divides. Gross procurement savings fall from £15.5M and £11.3M (two and five unitaries) to £7.2M and £3.8M; on its own the change lowers every net figure by £5.6M to £6.5M.

21. **Bottom-up duplication cost.** The £10.35M per new authority carried as an input from version 1 is replaced by a cost built from the county council's published chief-officer structure, the division of its corporate core and support services at the estimated elasticities, and successor councillors at the two unitaries' allowance rate, less the county structure that ceases (Section 5.2, Table 6). Members' allowances are now counted once. Total duplication is £12.8M, £21.9M, £28.5M and £34.7M, or £7.8M to £8.7M per new authority; on its own the change raises every net figure by £11.2M to £21.1M. **[conclusion changed: the duplication cost per authority is lower than assumed and no longer decides the sign]**

22. **People services.** The constant 1 per cent social-care integration saving (£8.8M gross) is replaced by a term applying Newton's working assumption to each successor's demand-weighted population (Section 5.3, Table 7): −£12.0M, −£26.9M, −£33.9M and −£38.4M. The realisation factor is no longer applied to this term or to members' allowances. On its own the change lowers every net figure by £18.5M to £45.0M. **[conclusion changed: the people-services effect now decides the sign for two and three unitaries]**

23. **Central case.** Net annual £11.0M for two unitaries (version 2.2: £13.7M), −£18.5M for three (£0.4M), −£35.5M for four (−£12.1M) and −£49.7M for five (−£24.5M). Two-unitary payback 6.0 years with projected demand (4.5 years). Break-even duplication per new authority £13.9M, £2.5M, −£0.7M and −£2.2M (£17.2M, £10.5M, £7.3M, £5.4M, on a different basis). Tables 5 to 9 of version 2.2 are replaced by Tables 5

to 13; version 2.2's tables are regenerated unchanged by `reproduce.py` and summarised in Table 9. **[conclusion changed: three unitaries are net negative; four and five unitaries are net negative for any duplication cost at the central people-services effect; the two-unitary payback is longer]**

24. **Horizon and uncertainty.** A ten-year horizon with people-services spending growing with the projected populations aged 65 and over and 0 to 17, and a Monte Carlo over eight parameters, replace the static ten-year values and the pessimistic and optimistic bounds (Tables 8, 12 and 13). The probability of a positive net annual position is 86, 24, 2 and 0 per cent. **[conclusion changed: with a three-year ramp the two-unitary ten-year value is negative (−£5.9M; version 2.2 £18.7M); version 2.2's pessimistic bound for two unitaries (−£0.4M) is replaced by a 5th percentile of −£5.1M]**

25. **Balance sheets and council tax.** Illustrative opening balance sheets for every successor and revenue-neutral council-tax harmonisation added (Section 6.2); neither enters the net position. Harmonising down to the lowest constituent bill would forgo £21.7M to £43.1M a year.

26. **Alternative four-unitary proposal.** Not modelled in version 3, because three of its authorities include wards of Wyre and Ribble Valley and cannot be built from district data; version 2.2's figures for it remain in `reproduce.py`.

27. **Table 10 "by need" column withdrawn.** Versions 2.1 and 2.2 apportioned the county budget "by need" using population weighted by a "health-demand score" taken from a site extract. The score was found in September 2026 to be computed from employment and qualification rates by ethnic group, weighted by each area's ethnic composition (ukdemographics, `generate_national_dashboards.mjs`, lines 305 to 320), with no health or age content. The column is removed from Table 10, the corresponding column of `four_unitary_starting_position_2026_27.csv` is marked in the README errata as not to be used, and the score is used nowhere in version 3. No model figure depended on it.

28. **Data.** Ten derived files and the script that built them are added (Section 4). The contracts register is refreshed to August 2026 (the county council has 169 contracts running beyond vesting with published ceilings of £1,078M); Section 2.5 retains the July 2026 extract's figures, as cited there.

29. **Literature and the precedent test.** Section 3 is restructured into four strands, with a separate strand on people services; the planned difference-in-differences test of the 2019 to 2023 reorganisations could not be done because no pre-vesting Revenue Outturn series is held for any of the nine councils or their predecessors, and Section 3 says so. Sections 7, 9, 11 (the final paragraph) and 12 are restated around version 3. References added: HM Revenue and Customs (2025), Lancashire County Council (2026h), MHCLG (2019), ONS (2025).

30. **Robustness run.** The re-run on the 2026-27 budget returns (Section 6.1) applies to the version 2.2 model only; version 3 cannot be re-run on those returns because they do not contain the RO6 lines.

31. **Version 3.1: why and when the methods were revised.** Version 3.1 was prepared on 27 and 28 September 2026, after the Government's decision of 16 July 2026 and after a fact-check of version 3, carried out by an AI agent and deposited in `review/`, which listed numerical mismatches (M1 to M19), findings on the code (C1 to C13) and proposed improvements (I1 to I11). The author sits on the Cabinet of the county council, which proposed two unitaries. Where a choice between specifications was made, the rule is stated. The rule and stop rule of the ex-post overhead test (item 41) were written into a plan committed before the returns it uses were downloaded; the central overhead specification (item 33) was chosen after its effect was known, and its alternative is reported beside it with equal prominence. Every conclusion that changed is marked.

32. **Administrative elasticities from the national RO6 returns, and one corporate-overhead line.** Version 3's 52-council cross-section, a non-random subset with no county councils and one mislabelled row (C9), is replaced by MHCLG's 2024-25 RO6 return for 317 English councils (Section 5.1). The Corporate and Democratic Core and support-services lines, which double-counted recharges and depended on how councils classified them (C2, C6), are replaced by one corporate-overhead line net of internal re-

charges. Central values are bounded to [0.5, 1] (C3). The RO6 vintage is recorded and the two releases are checked to agree for every Lancashire value used (M12); the counts of councils are given by line (M3, M4); and the description of an elasticity of zero is corrected (M9). Tables 4, 5 and 5a.

33. **Corporate overhead: one upper-tier slope for merging and dividing (decision D10).** Version 3 applied one pooled slope to merging councils that are mostly districts and to successors that are unitaries (C7). Version 3.1 uses the upper-tier slope for both (Option 2), reports the pooled merger slope (Option 1) with equal prominence wherever the central case is quoted, and treats a comparison of levels (Option 3) as an upper bound only (Section 5.1; Tables 5a and 8a). Before the SEN transport term of item 47, four unitaries were at −£2.5M under Option 1 and £12.8M under Option 2 (Table 9a). **[conclusion changed: before item 47, the sign of four unitaries depended on this choice]**

34. **People services estimated from published unit costs, on placement spend.** Version 3 applied Newton's working assumption to all adult and children's social care spending, beyond the placement scope Newton states (C1, M5). Version 3.1 estimates the elasticity of placement unit costs with respect to size from the Adult Social Care Finance Return and S251: +0.015, standard error 0.015, for adults aged 65 and over and −0.022, standard error 0.030, for children, neither distinguishable from zero (Section 5.3; Table 7a), and applies them to placement spend only (I1). Newton's assumption is reported on its own scope and on all spending with equal prominence. The description of Newton's £270M is corrected (M15). A before-and-after test of the two county splits is added (Section 8.3), and home care is a sensitivity (Table V25). The placements term moves from −£12.0M, −£26.9M, −£33.9M and −£38.4M to £1.4M to £1.6M; item 47 adds a term for SEN transport. **[conclusion changed: the people-services term no longer decides the sign of two and three unitaries; the sign of four unitaries still depends on the people-services evidence]**

35. **Monte Carlo.** Elasticities are drawn from normal distributions truncated to [0.5, 1] by redrawing, not clipped at 0 and 1; one overhead slope governs merging and dividing; the 18 to 64 elasticity, the redundancy share and the overrun are added (C3, M10, I4; Section 5.6). The probability of a positive net annual position moves from 86, 24, 2 and 0 per cent to 100, 100, 99 and 74 per cent, and is 99, 87, 65 and 38 per cent under Option 1, with the SEN transport term of item 47 drawn from a third random stream. The probabilities are conditional on the central specification (item 55). **[conclusion changed]**

36. **Procurement.** Public bodies, schools, colleges and universities that the supplier index had left in the base are removed by an explicit list of 32 entries (C13), taking £22.7M out of the two-unitary base; a 1.3 per cent row from the Accounts Commission (2014) is added (Section 5.4).

37. **Transition cost built up by line, and savings phased.** The flat £31.05M per new authority is replaced by the 31ten lines of Blackpool's run, closedown at £100,000 per district and £250,000 per upper-tier council (M18), redundancy at 35 per cent of the staff part of realised savings, a 10 per cent contingency and the IT aggregation programme, with overrun drawn from the precedents; savings are phased at 50, 75 and 100 per cent (I7; Section 5.6; Tables 8b and 8c). The transition cost moves from £62.1M to £155.2M to £54.3M to £62.1M, and payback for two unitaries from 6.0 to 1.7 years. **[conclusion changed: the transition cost no longer rises with the number of authorities, and three and four unitaries pay back within ten years in the central case]**

38. **Council-tax harmonisation paths, and Chorley's Band D.** Chorley's Band D is taken on the basis of MHCLG Table 10, line 9, as every other council's is (decision D8): £215.99 in both years, not a fall of 10.7 per cent. South Lancashire's harmonised Band D in Table 10 becomes £2,036 (was £2,028) and its spread £30 (was £53), and the revenue forgone by harmonising to the lowest bill becomes £38.2M to £20.0M (was £43.1M to £21.7M). Paths over one, three and seven years under the average and per-area tests are added (I8; Section 5.5; Table 9c). **[conclusion changed: Chorley did not cut its Band D; every successor's revenue-neutral path would breach a per-area 4.99 per cent limit, which the average test, open to a reorganised authority, does not impose]**

39. **Disaggregation the model omits.** Kent's per-authority uplifts (applied with the counting rule its options imply), the Hampshire twelve councils' rates (applied as stated, the same for every option) and Hertfordshire's recurring IT and social-care management costs (four unitaries only; not added, because they overlap the division of the overhead) are reported beside the central case (I5; Section 7; Table V18). The comparison with PwC is restated on its own scope (M7), PwC's unnamed areas are no longer said to include Lancashire (M16), and the statement that no business case costs people-services disaggregation is corrected (M19).

40. **County-to-successor apportionment and the £96.5M.** Apportioning the county's placements and overhead by its own per-head indices changes no result by more than £0.2M (I6; Table V21). The £96.5M in LG Futures' baseline is the fifteen councils' combined cumulative funding gap forecast to 2027/28, not county savings, and the quotation attached to it in version 3 belonged to another slide (Section 2.3).

41. **Ex-post test of the overhead specification (rule fixed in advance).** Run on the 2019 to 2023 reorganisations with RO6 returns from 2018-19 to 2024-25. Option 1 was closer in 2 of 6 cases, so the rule would keep Option 2, but changes in accounting at vesting dominate and the stop rule applies: the test is inconclusive and Option 2 stays central. The criterion used to apply the stop rule was added in version 3.1 and was not specified in advance (Section 8.4; Table 13a).

42. **Fair Funding 2.0 and successor-level results.** LG Futures' successor projections are transcribed and checked against the final settlement, which gave the fifteen councils £50.6M more growth in resources to 2028/29 than LG Futures projected (Table V23). Each successor's starting position is set beside its share of the reorganisation effect (Section 6.4; Table 9d). **[conclusion changed: a configuration can be positive while some of its successors are not; which successors end negative depends on the starting position used (item 55)]**

43. **Text corrections from the fact-check.** The break-even statement for four unitaries is replaced by the frontier of Table 12 (M1; Sections 8.2 and 11). The Table 11 row at £10.35M per authority is relabelled as not on version 2.2's basis (M2). The District Councils' Network finding is described as not statistically strong and as total spending (M6). Transformation's share of the three-unitary benefit is stated on its basis (M8). Contracts are quoted from the deposited August 2026 register (M11, decision D4). The pay-year basis of the chief-officer structure is stated (M13). The decision letter was first published on 16 July 2026 (M14). The pay policy statement and its Annex 1 are cited separately, with the minute of approval (M17). The figures of N1 and N2 are superseded by version 3.1's. The Leader's letter of September 2026 is described in one neutral sentence.

44. **Data and deposit.** Eleven derived files, their builders, the paper-table and prose-figure outputs, the checker and its registry are added (Section 4). The needs-based column is removed from `four_unitary_starting_position_2026_27.csv` (decision D5), the README records that the February export's fraud and risk fields and ethnicity context columns are unused and must not be used to compare councils (decision D7), and README erratum 11 is corrected: `combined_per_capita_gbp` never used the needs score. The public source files downloaded for this version are recorded, with their size and SHA-256, in the author's source register.

45. **Central case, version 3.1.** The steady-state net annual position is £58.1M, £36.9M, £20.7M and £5.2M (version 3: £11.0M, −£18.5M, −£35.5M and −£49.7M); the ten-year NPV is £380.7M, £209.9M, £79.5M and −£46.9M (version 3: £21.7M, −£259.4M, −£433.8M and −£584.5M). The ordering 2UA > 3UA > 4UA > 5UA is unchanged in every table (Tables 9 and 9a). These are the figures after the review of items 46 to 58; before item 47 they were £57.3M, £31.6M, £12.8M and −£5.2M. **[conclusion changed: three, four and five unitaries are net positive in the central case, conditionally on the overhead specification, the county's base, the people-services evidence and the SEN transport term; two unitaries' margin is much larger]** [Superseded by items 60, 61 and 70; the current central case is in item 76.]

46. **Version 3.1 after review (28 September 2026): the review and its records.** A first draft of version 3.1 was read by an AI agent acting as a hostile referee (`review/hostile_read_v3.1.md`). Every finding was checked against the primary source or the model before any change; the rules for the further tests were committed before they were run (`review/phase6b_rules.md`), and the plan recording decision D10 and the ex-post test's rule is deposited (`review/partB_plan_D10.md`). The title block no longer describes the author as an independent researcher; the fact-check and the review are described as carried out by AI agents; Section 9 states the overlap between the author's portfolio and the adult placements and care contract in the model, and no longer says that version 2.2's parameters predate the decision of 16 July 2026, since every version after the first draft was prepared after it.

47. **SEN transport.** Home-to-school and post-16 transport for children and young people with special educational needs, which Newton's assumption does not cover, is added to the people-services term. Its unit cost per EHC plan rises with size (+0.225 (95 per cent interval +0.017 to +0.432); pooled +0.160 (95 per cent interval +0.077 to +0.242); with a density control +0.218 (95 per cent interval −0.001 to +0.437)), and under the rule fixed in advance it enters the central case, adding £0.8M, £5.3M, £7.9M and £10.4M (Section 5.3; Table 7a). The central case without it is reported with equal prominence (Table 8a). Supported living and direct payments remain outside, because no client count by setting can be matched to their spending. **[conclusion changed: five unitaries are net positive in the central case, and four unitaries' ten-year value is positive in every transition variant except the combined high case]** [Direct payments: superseded by items 61 and 70.]

48. **Newton's assumption read two ways, and Newton's specification replicated.** Section 5.3 and the abstract said the adult estimates excluded Newton's assumption in every specification; the interval for adults aged 18 to 64 does not. Newton's regression used the population aged 65 and over, and read that way its assumption implies about −0.017, which A1 excludes but A6 and a replication of Newton's specification from published data (+0.007 (95 per cent interval −0.082 to +0.096)) do not (Section 5.3; Table 7a). The estimates are described as associations that do not identify the effect of dividing a county. **[conclusion changed: the data exclude Newton's assumption only when it is read against total population]**

49. **The corporate-overhead measure.** The review's two variants are reported: leaving out the 16 councils with no recorded support cost, and taking the county's division base before netting its £83.4M of recharges within central services, which the county, like three other counties, moved to general fund services in the 2025-26 outturn (Section 5.1; Table 8d). The central case keeps the definition fixed before the review. With the county's base before netting, the positions are £39.4M, £5.4M, −£20.6M and −£44.4M. **[conclusion changed: the signs of three, four and five unitaries also depend on how the county's recharges are recorded]** [Superseded by item 60: the central case now takes every council's overhead before the deduction.]

50. **Stability of the overhead slopes.** Both slopes are re-estimated on each year from 2017-18 to 2024-25, with 2025-26 as a sensitivity; under the rule fixed in advance both are stable (Section 8.5; Table 13b).

51. **Spending before and after vesting.** The test that version 3.1's first draft named as the most useful future addition is run for all nine unitaries of 2019 to 2023: no detectable difference against areas that were not reorganised, with power to detect an average fall of 2 per cent, smaller than the model's structural saving (Section 8.6; Table 13c). **[conclusion changed: the precedents give no support to structural savings on the model's scale]**

52. **Savings and transition against the precedents.** The model's realised structural savings per resident are set against those reported by Buckinghamshire and the Northamptonshire councils, and rows with the realisation rate scaled to each are added (Section 7; Table 8d). Table 8c adds an overrun of 1.84 (Northamptonshire's cost as reported in 2020), savings built up over five years, and two rows that were in the deposit but not the paper (Hertfordshire's low IT estimate and redundancy on all realised

savings). Payback is stated to be counted from vesting; Table 8b's subtotal is relabelled, since each line includes the contingency; the business cases' transition totals are compared like for like; and the direction of the excluded one-off cost of dividing the county is stated (Section 6).

53. **Staffing below chief officers.** The officers' remuneration notes of the fifteen councils' accounts are transcribed and used for a check with a rule fixed in advance: the model's leadership cost per successor is above the range the two existing unitaries' disclosures support, so a row with it set at their mean is reported (Section 8.7; Table 8d).

54. **The ex-post test described as it was.** "Pre-registered" is replaced by a description of the dated plan, the test's lack of power to discriminate is stated, and Option 2 is said to remain central by decision, not by the test (Section 8.4).

55. **Headline statements.** "Every row of every table" is replaced by "every net-position and ten-year-value row", with the note that the ordering is partly built in; the Monte Carlo is described as conditional on the central specification; Option 1's ten-year values are given in the abstract and the conclusion; the reading of the decision letter's payback remark is qualified; Table 9d gives the sums on both starting positions and Section 6.4 describes both and how the effect is attributed; Section 11 no longer states successor signs; the statement that four unitaries break even at a given duplication cost is put on Table 8's basis.

56. **Sources corrected.** The Freedom of Information reply is attributed to a request from the BBC and to PwC's 2020 report (County Councils Network, 2025); Northamptonshire's cost is quoted as the article gives it; a comparison of Cornwall's transition costs attributed to Chisholm and Leach (2008) is removed, because no source could be found for it; the dates of the shadow elections and implementation are taken from the decision letter; page references are added for Grant Thornton (2024), KPMG (2023), CIPFA (2024), PwC (2025), Sandford (2026) and the five-unitary case (s.1.2, p. 19); Shaw and Diamond (2024) are quoted in their own words; the v3-era references are given URLs checked on 28 September 2026; suffixes, abbreviations and the open letter's authorship are corrected; the Local Government Finance Act 1992, s.52ZE, is cited; a party name and several dashes are removed from the text.

57. **Deposit.** Six derived files, four builders and the `review/` folder are added (Section 4). The empty column kept in `successor_demographics.csv` for the withdrawn index, and its note, are removed. The deposit tables' version labels are corrected. The review's suggestion to drop the fraud and ethnicity fields from `data/` is not taken, because `data/` reproduces the February 2026 export unchanged; the README says why they are kept and that they must not be used.

58. **Central case after review.** The steady-state net annual position is £58.1M, £36.9M, £20.7M and £5.2M and the ten-year NPV £380.7M, £209.9M, £79.5M and −£46.9M; the payback for two, three and four unitaries is 1.7, 2.7 and 4.6 years. The alternatives reported beside it are in Tables 8a and 8d. **[conclusion changed: see items 47, 49 and 51]** [Superseded by items 60, 61 and 70; the current central case is in item 76.]

59. **Version 3.1 after a second review (28 September 2026): the review and its records.** The revised draft was reviewed again: a second reading of the code against the rules, a hostile read of the paper, an independent recomputation of every new result, and a check of new citations against the primary sources (`review/review_session6.md`). The rules for the changes in items 60 and 61 were committed before either was computed (`review/rules_session6.md`, commit 46a21b1). Items 1 to 58 are kept as they were printed in the revised draft (commit 94dfcfd).

60. **The recharge basis of the corporate overhead (rule R6).** The overhead measure deducted the support recharges that councils recorded within central services. MHCLG's 2025-26 return asked each council how it records recharges, and the councils recording most of their support recharges that way fell from 48 of 276 to 5 of 271; in 2024-25 Lancashire's billing councils had deducted £103.6M and the

county £83.4M. The review's variant B corrected the county alone. The overhead is now measured before the deduction for every council (basis C), in the regressions, in the merging councils' bases and in the county's base, a change decided, together with the decision that it would become central, before it was computed. The upper-tier slope moves from 0.705 to 0.667, the pooled slope from 0.829 to 0.747, the billing councils' overhead from £176.8M to £280.4M and the county's from £59.7M to £143.1M. The netted definition, variants A and B and the 2025-26 returns (D) are reported beside it (Tables 8a and 8d); the stability test and the ex-post test, re-run on basis C, reach the same verdicts as before (Sections 8.4 and 8.5). **[conclusion changed: in the central case four unitaries move to about break-even and five to negative, and two unitaries' position rises]**

61. **Direct payments (rule R3a).** Rule R3 required a unit cost wherever a count of clients by council and setting is published; the revised draft had not estimated one for direct payments, which are counted. For adults aged 65 and over the unit cost rises with size (+0.281 (95 per cent interval +0.096 to +0.465); pooled +0.110 (95 per cent interval +0.003 to +0.217)), and under the rule the term is central, adding −£0.2M, £2.5M, £4.1M and £5.5M; for adults aged 18 to 64 (+0.126 (95 per cent interval −0.007 to +0.259)) it is a sensitivity row. Supported living, for which no count of clients is published, stays outside (Section 5.3; Tables 7a and V35). **[conclusion changed: magnitudes]**

62. **SEN transport sample and wording.** North Yorkshire and Somerset, and Buckinghamshire in two years, had been dropped by inconsistent council codes in the source files; with them T1 is +0.227 (95 per cent interval +0.023 to +0.431) on 153 councils, and with the density control (T2) the interval now just excludes zero, +0.219 (95 per cent interval +0.003 to +0.435). The description of the evidence is moderated: the single-year interval only just excludes zero, and if the association reflects distance and rurality it would not be realised by dividing the county (Section 5.3).

63. **The detection statement in the test of spending before and after vesting.** Item 51 said the test had power to detect an average fall of 2 per cent. The placebo's 5th percentile is a threshold, not a measure of power, and a fall of that size would often not be flagged; the model's savings also build up over several years. The abstract and Sections 7, 8.6 and 12 now state what the rule asked, whether a change of the model's size would lie outside the placebo interval: on basis C every configuration's saving would, even at the model's own phasing over the cases' windows (Section 8.6).

64. **Headline statements.** The abstract said the data do not exclude Newton's assumption read against the population aged 65 and over; the central estimate A1 does exclude it; A6 does not, and the replication of Newton's specification excludes neither reading (Sections 5.3 and 12; item 48). "Stable" is qualified wherever it appears. The conclusion now gives Option 1's ten-year values beside the central case, as item 55 said it did. Item 45's "unchanged in every table" is superseded by item 55. The note to Table 8d no longer says that the precedent calibration followed a rule fixed in advance, and the staffing row is described as an upper bound for the configurations with more successors.

65. **Stale statements and labels.** Table 7a labelled T1 "sensitivity only", though it is central. Section 7's statement that only the Hampshire rates turn five unitaries positive, the comparison of the duplication cost with PwC's range, the statements that the people-services term is small, and the description of the precedents (three of the six created a single county unitary, not four) are corrected. Kent's people-services rates now replace the placement and direct-payments terms but not the SEN transport term, which they do not cover. The deposit tables' "year 1" labels for steady-state values (Tables V15, V18 and V21) and Table V25's description are corrected.

66. **Sources.** CIPFA (2024) is cited at its printed pages 20 and 50, not PDF pages 22 and 52; Slack and Bird's "solved no problems" at p. 29; the decision letter's "demonstrably higher" is on p. 3; Newton's treatment of home-to-school transport is described from pp. 18, 96, 97 and 99; DHSC's 2024-25 activity data tables are cited (Department of Health and Social Care, 2025c). The correspondence line gives an email address.

67. **Deposit.** One derived file (`asc_direct_payment_clients_2021_2025.csv`) with its builder, the session 6 rules and the record of the second review are added; `build_sen_transport.py` puts the three councils on their current codes (Section 4).

68. **Central case after the second review.** The steady-state net annual position is £75.7M, £34.2M, £1.5M and −£27.8M and the ten-year NPV £490.5M, £158.5M, −£103.4M and −£339.6M; two and three unitaries pay back in 1.8 and 3.8 years, and four and five do not within ten years. Under Option 1 the positions are £57.3M, £17.9M, −£12.9M and −£40.3M and the ten-year values £353.7M, £37.5M, −£210.1M and −£432.8M; on the netted definition, £57.9M, £39.5M, £24.9M and £10.8M and £379.6M, £233.4M, £117.3M and £3.4M. **[conclusion changed: see items 60 and 61; the configuration the Government chose is close to break-even in the central case and its sign is not robust]**

69. **Version 3.1 after an independent review (28 September 2026): the review and its records.** An independent review of the second review's changes, carried out by an AI agent working for the author, recomputed every new result in separately written code, found the work reproducible and the rules applied as written, and reported two major findings about the evidence and ten minor ones (`review/independent_review_session6.md`). The rules for the changes in items 70 to 72 were committed before any of them was computed (`review/rules_session7.md`, commit 75d9695). Items 59 to 68 are kept as they were printed in the draft reviewed (commit 438af3f).

70. **Direct payments: the pooled check over five years (rule R3b).** The review found that the direct-payments association is carried by 2024-25, the first year of client-level data: on the same specification the single-year estimates for 2020-21 to 2023-24 are −0.032, −0.051, +0.045 and +0.066, the 2024-25 unit costs run from Reading, £233 per client (£14,000 over 60 clients) to Gloucestershire, £75,680 per client (£3,784,000 over 50 clients), and with the five lowest and five highest removed the estimate is +0.089 (95 per cent interval +0.017 to +0.161). The author decided that the 2021-22 and 2023-24 editions should be fetched and that the term would stay central only if the five-year pooled estimate also excluded zero. It is +0.073 (95 per cent interval −0.019 to +0.165), so the term is a sensitivity row; the case with it at its 2024-25 estimate replaces the case without it in Table 8a, and the single-year, trimmed and five-year estimates are added to Tables 7a and V35. The DHSC methodology is cited for how a client with a part direct payment is counted (Section 5.3). **[conclusion changed: four unitaries are negative in the central case; the direct-payments association rests on the first year of client-level data]**

71. **What basis C can count twice.** Section 5.1 had said that the 2025-26 returns suggest the double count through the Core is now small; the fall in the count of councils recording recharges within central services shows a change in recording, not a small double count. The paper now gives the bound (the Core's gross expenditure less its employee costs and members' allowances, up to the recharges): £20.1M of the county's base and £23.7M of the billing councils'. Row C′, basis C less that bound for every council, is added to Table 8d and Table V28 (£72.1M, £33.7M, £4.0M and −£23.2M under Option 2), and Section 5.1 states that at least £39.4M of the county's recharges within central services could not have landed on any other RO6 line.

72. **Monte Carlo on the netted definition.** The probabilities are added to Table 8a and Table V8: a positive net annual position in 100, 100, 99 and 74 per cent of draws under Option 2 and 99, 87, 65 and 38 per cent under Option 1.

73. **What was known before the recharge rule.** Section 9 now lists the computations made before rule R6 (the four-county slope of 0.721, the fifteen councils' recharges and variant B's direction) and says that the direction of basis C's effect on both sides was foreseeable although its size was not; it also records what was known before rule R3b.

74. **Labels and statements.** Table 8a's row without the SEN transport term is no longer labelled "placements only; the basis before session 5". Table 8c's phasing rows are labelled as holding back the adult placements term, which is what they do; direct payments are not held back, and Section 5.3 says why. The abstract and Section 12 say that five unitaries are positive only on the netted definition under

Option 2. Blackburn with Darwen is named among the billing councils that deducted most. A note under Table 13b explains why its 2024-25 standard errors differ from Table 4's. Table 7a's pooled rows name their years and say why those years.

75. **Deposit.** One derived file (`asc_direct_payments_2021_22_2023_24.csv`) with its builder, the session 7 rules and the independent review are added. The README no longer says that no unit cost is published for direct payments, gives the row count of `asc_direct_payment_clients_2021_2025.csv`, and gives the paper's correspondence address. Items 45, 47, 49 and 58 carry a note naming the later items that supersede them.

76. **Central case after the independent review.** The steady-state net annual position is £75.9M, £31.7M, −£2.6M and −£33.3M and the ten-year NPV £491.6M, £135.4M, −£140.5M and −£389.1M; two and three unitaries pay back in 1.8 and 4.2 years, and four and five do not within ten years. Under Option 1 the positions are £57.5M, £15.4M, −£16.9M and −£45.8M and the ten-year values £354.8M, £14.5M, −£247.3M and −£482.3M; on the netted definition, £58.1M, £37.0M, £20.8M and £5.3M and £380.7M, £210.3M, £80.1M and −£46.1M; with the direct-payments term at its 2024-25 estimate, as in item 68, £75.7M, £34.2M, £1.5M and −£27.8M. **[conclusion changed: see item 70; the configuration the Government chose is negative in the central case, close to break-even, and its sign is not robust]**

77. **Author identifier.** The title block gives the author's ORCID iD (0009-0004-6726-0744), registered on 28 September 2026.

78. **DOI.** The suggested citation gives the DOI reserved for this deposit on Zenodo, 10.5281/zenodo.23016761.

Version 3.2 (13 November 2026)

79. **Two single-council configurations.** 1UA (one new council for the fourteen billing councils and the county) and 1UA (county+12) (the county council continuing with its twelve districts; Blackpool and Blackburn with Darwen unchanged) are added to every table that lists configurations except Tables 9 and 9a, which compare versions, under rules committed before the package computed any result (commit af0408cb), after an exploratory run that the rules file lists (`review/rules_v32.md`). Table 10, which describes the configuration chosen in July, gains a row for each in session 2 (item 101). Neither was proposed by any Lancashire council, and on 29 October 2026 the Minister said that "There is not a window in this process for new proposals". The four published configurations reproduce version 3.1 in every table and prose figure (`tools/check_published_four.py`). Sections 5.7, 6.5 and 8.8 are new, and Section 2.2 gains a paragraph. One departure from rule R1 is recorded: the code's list of the published configurations was widened to six in session 1, which left Tables V4, V7 and V12 of the deposit tables with single-council cells until session 2 restored the list (item 104).

80. **Transition for one council.** For a new council, the 31ten two-unitary lines unscaled, with the county council's £51M beside it; no value for one council is published, so whether they overstate or understate a single council's cost is not known (Table 8g). For the continuing authority, the same build with closedown for twelve districts and no shadow lines, because none of the seven structural changes orders of the 2009 and 2023 precedents creates a shadow authority; its pre-vesting election is costed from session 2 (item 96). The precedents' published transition costs, as read, are in the new Table 8e, in the prices each document states, because the deposit held no deflator when the table was built (a departure from rule R2b, recorded). There is no complete transition outturn in any document read; Shropshire's and Northumberland's 2009/10 accounts give partial outturn lines, mainly exit costs. No Wiltshire figure was read, and Somerset's implementation budget (HTTP 403) and business case (HTTP 404) were not obtained.

81. **Councillors.** 100, 120 and 150 seats at the county and unitary rates (new Table 6a); 120 at the county rate central, with the unitaries' rate as the like-for-like row in Table 8a. The seat and rate cells that rule R3 placed in Tables 6 and 11 are in Table 6a, and the Table 11 note points to it (a departure from R3, recorded).

82. **Area governance term.** One body for each district footprint, fourteen (one new council) or twelve (the county with its districts), costed in two parts. The chair allowance is at the higher of the two rates question 1b names: Wiltshire Council's Area Board chair rate for 2023/24, £8,927 (Wiltshire Council, 2023b, p. 6), read in session 2 from an archive copy and central by the author's decision (item 89); North Yorkshire's 2025/26 recommended rate, £5,637 (North Yorkshire Council, 2024), is lower and is shown beside it wherever the term is quoted. The officer component is Buckinghamshire's 2020/21 staffing line for its 16 community boards, £1,265,000, divided by the boards it served, £79,062.50 a body in 2020/21 cash (Buckinghamshire Shadow Authority, 2019, p. 10), central by the author's decision on F03; the line less reallocated existing staff, £58,187.50 a body, is shown beside it. The term is £1.2M (one new council) and £1.1M (the county with its districts) a year; it understates, and Table 6b gives its readings and the clauses. Grants are excluded as transfers; Buckinghamshire's per-board budgets, net and gross, are comparators only. Westmorland and Furness's Local Area Planning Committee chair rate, £6,918.75, which the definition of an area body excludes, and the chair allowance caps in Ireland (Moorhead, 2020), in euros and comparator only, are in Table 6b; rule R4 named the Irish caps, which were not held in session 1 and were fetched in session 2.

83. **Overhead check.** New Section 8.8 and Table 8f set each single council's implied overhead per head beside the county unitaries'.

84. **Central case for one council.** The steady-state net annual position is £133.0M (one new council) and £88.4M (the county with its districts), the ten-year value £943.4M (one new council) and £619.1M (the county with its districts), and payback 0.8 years (one new council) and 1.0 years (the county with its districts), with every alternative on the closed list in Table 6c. With realisation at a rate fitted on two unitaries to the savings Buckinghamshire and Northamptonshire reported, the net annual position and ten-year value are £61.3M and £410.3M at Buckinghamshire's rate and £40.0M and £251.3M at Northamptonshire's (one new council) and £42.9M and £280.0M and £29.3M and £178.9M (the county with its districts); calibrated on each single council's own footprint to Buckinghamshire's and West & North Northamptonshire's reported savings, they are £48.9M and £317.6M and £31.6M and £189.3M (one new council) and £43.8M and £287.4M and £29.9M and £183.8M (the county with its districts). Every other alternative on the closed list (Table 6c) gives a net annual position between £125.1M and £142.9M and a ten-year value between £884.8M and £1,024.1M (one new council), and between £81.9M and £89.4M and £570.7M and £627.0M (the county with its districts). On the model's own terms one new council comes first in every row of Tables 8, 8a, 8c, 8d, 11 and 12 except 8 in Table 8a, 2 in Table 8c and 3 in Table 11 (named in Table 12a), and the county with its districts comes before two unitaries in every row except 5 in Table 8a, 4 in Table 11 and 15 in Table 12 (named in Table 12a); rows with an n/a or blank compared cell are left out and named in Table 12a; its lead rests on not dividing the county overhead. **[conclusion not changed for the five proposals: every statement in Sections 6, 10 and 12 about the order of two to five unitaries and about the configuration chosen in July stands]**

85. **Area annex (Appendix C).** Notional area budgets from the county's own disaggregation, notional county spend against age-weighted population, each area's attributed position in 2028/29 plus the reorganisation effect, as part of its four-unitary successor, seats and committee sizes by district, committee composition on the May 2025 county vote by party and seat, and a worked example of area-body workload for Durham (a blank statement from session 2; item 103).

86. **Section 10.** A paragraph on a single council: residents per councillor, the precedents' area bodies (Cornwall and Shropshire reduced or removed theirs, and Durham and Buckinghamshire planned reductions), the Four Lancashire sentence on sub-structures, and section 62 of the 2026 Act.

87. **Postscript to 29 October 2026.** On 29 October 2026 the Government withdrew the July decisions for nine areas, Lancashire among them; all options and proposals remain under consideration, every area is to have an outcome early in 2027, and elections to new councils are to be held in May 2028 with vesting on 1 April 2029 (MHCLG, 2026l, p. 2, paras 7, 8 and 12, and p. 3, para. 13). Gloucestershire's minded-to single unitary is noted. The withdrawal is added to the abstract, Section 1 (with a sentence introducing the single councils), Section 2.4, Section 9's scope paragraph and Section 12, each cited to the Minister's letter with page and paragraph; Section 11 adds that the paper takes no position on whether any proposal should be resubmitted or modified, and that a minded-to decision is followed by at least three weeks for further representations (MHCLG, 2026m, para. 3). The pause paragraph is dated to 27 September 2026, Section 11's subheadings and Section 12 refer to the configuration chosen in July, and of Table 4 only the horizon row's wording changes (the horizon parameter of the published four does not). The earlier Hansard reference becomes Hansard (2026a); the quotations from Hansard (2026b) are marked as not verified against the published column.

88. **Declaration of interests.** As version 3.1, plus a sentence that the author's council would be the continuing authority under one of the two single-council forms, and a correction: the May 2025 county results held by UK Elections are now used, in Appendix C. The title block and suggested citation mark the draft as not deposited; the DOI given is version 3.1's.

89. **The author's answers at Stop 1 (5 November 2026).** The session 2 rules addendum (`review/rules_v32_s2.md`, Section 6) left five questions to the author; each was answered, and each answer is the author's own decision. Question 1, yes: a one-off fetch of published documents from non-council hosts, each document listed with its SHA-256. Question 1b, yes (a): the higher of Wiltshire's and North Yorkshire's chair rates is central and the other is shown beside it. Question 2, yes: the realisation test of item A, run on the three cases that could be computed (item 98). Question 3, yes for F03 (the officer component of the area governance term made central) and yes for F19 (the continuing authority's pre-vesting election costed). Question 3c, yes: one new council keeps the 0.5 to 1.0 replication draw, which favours it. The full texts, with the direction of each choice, are in the declaration and in Section 9.

90. **The author's answers at Stop 2 (7 November 2026).** A Northumberland chair rate read in session 2 is held as a register row only (`derived/precedent_documents_v32.csv`); it enters no table and no term. Five readings of the rules were the author's decisions: the rows of item G are n/a for the four published configurations, so they are left out of the ranking comparisons and named as left out (Table 12a); the range of the successors containing Blackpool against which Section 6.5 sets one new council's balance sheet per resident (£1,669 to £2,314) includes the North successor of two unitaries, and stands beside Section 6.2's range for three to five unitaries; the value of the A11 part of the people-services term is registered; the county-unitary median that Section 8.8 gives without the councils recording no support cost is £148; and the two size comparators, North Yorkshire (623,896) and Kent CC and its districts (1,594,467), are always given together.

91. **Pre-registration and the author's interest.** (`review/rules_v32_s2.md`, Section 2, S1.) Section 2.2, the declaration and item 79 now say that the single-council rules were committed before the package computed any result, after an exploratory run at 100 seats had shown the author its central figures, and Section 9 adds that those rules bind what is reported, not what was known. The declaration also records the six decisions taken during the version 3.2 run, the session 2 addendum, written after an independent review had shown the author illustrative values, the presentation addendum (item 105) and the answers in item 89. Section 9 gains a version 3.2 paragraph gathering the limitations stated in place, and says that version 3.2 was reviewed by AI agents working for the author.

92. **Where the single councils rank.** (F12, F27 and F35.) The statement that the single councils come first in every row is withdrawn. Item 84 and Section 12 give the generated row list for Tables 8, 8a, 8c, 8d, 11 and 12 and Section 6.5 the list for Table 8a. Section 9 limits its sentence on the ordering to the four published configurations and adds: "In version 3.2 two single councils, one of which continues the author's council, rank above the four in every row of Tables 8, 8a, 8c, 8d, 11 and 12 except 5 in Table 8a, 4 in Table 11 and 15 in Table 12 (named in Table 12a); rows with an n/a or blank compared cell are left out and named in Table 12a; that ranking is partly built into the model and is not independent evidence either." Every exception and every row left out is named in Table 12a (item 105).

93. **Departures from the committed rules.** (S2.) The departures from rules R1, R2b, R3 and R4 are recorded in items 79 to 82. Every table note with single-council columns, and Section 5.7, carried the R9 sentence until the presentation addendum gathered the notes' copies into one table notes block (item 105). Table 8a repeats Table 8d's two precedent-rate rows beside its central row, as rule R9 requires. The Irish chair allowance caps that rule R4 named are in Table 6b. Table C1's note records that only LG Futures' total index is used, because weighting by several service indices would count the same spending twice.

94. **Version 3.1 sentences against six columns.** (S3.) A sentence at the head of Section 6 says that statements in Sections 6 to 6.4, 7 and 8.1 to 8.7 about every configuration refer to the five proposals and the four published configurations unless they name the single councils, and the sentences that the six-column tables contradicted are reworded (for example, "two unitaries do best of the five proposals"). The abstract's statements on order and on positive rows are limited to the four proposed configurations; the Monte Carlo paragraph gives the single councils' values after the four; the notes to Tables 8 and 11 say that their single-council columns are version 3.2's; and the front matter, the abstract and Section 5.7 take the wording the review proposed.

95. **The area governance term.** (S4; items B and E.) The term described in item 82 replaces chair allowances alone at North Yorkshire's rate, £0.1M (one new council) and £0.1M (the county with its districts), and the figures in item 84 are computed with it. Wiltshire's rate was read and is higher than North Yorkshire's, so it is central, which raises the term more for one new council (14 bodies) than for the county with its districts (12), and so narrows one new council's lead; the officer component, accepted under F03, has the same effect. Three independent readings of Buckinghamshire's image table agreed on both values used. Table 6b gives every reading: chair allowances only; the staffing line less reallocated existing staff; North Yorkshire's rate; Westmorland and Furness's planning committee chair rate; the body counts of the precedents with the fewest and the most residents per body; Buckinghamshire's per-board budgets, relabelled, with a gross row; its superseded 2020/21 chair rate; and the Irish caps. One body per district footprint serves more residents than any precedent's for one new council and more than any precedent's for the county with its districts, so the count makes the term a lower bound (Section 5.7). An area body is defined once, in Section 5.7, and the definition applies to Table 6b and Appendix C.

96. **Transition.** (S5; item F.) The continuing authority's pre-vesting election is costed, by the author's decision on F19, which charges the county with its districts the pre-vesting election line that one new council carries, and so widens one new council's lead; its transition cost rises from £53.1M to £54.9M, and the nil and election-and-running rows are in Tables 8b and 8c. Section 5.7 cites all seven structural changes orders, the four that brought forward or moved a whole-council election, and the joint committees on which every district had members, and no longer calls the two-unitary lines a bound. The new Table 8g sets the published 31ten transition lines from two to five unitaries side by side, line by line, and Table 8g (continued) gives the precedents' published costs per head in cash and in 2024-25 prices (HM Treasury, GDP deflators at market prices, and money GDP, October 2026 (Budget) edition), as comparators only. Hertfordshire's disaggregation cost no longer applies to the single

councils, which divide nothing; this removes a cost from their High case in Table 8c. Table 8e gains a notes column, each document's price basis and PDF page, and caveats on the rows that are not transition costs alone.

97. **Credits and terms that are nil by construction.** (S6.) Tier 3 and 4 replication is held at 1 for the county with its districts, which has no copied leadership tier. One new council keeps the 0.5 to 1.0 draw by the author's decision, which keeps one new council's replication credit and can widen its lead over the county with its districts; its values with replication held at 1 are shown beside them in Tables 8a, 11 and 13. The leadership row of Table 8d is blank for both single councils, Table 13 gains rows with the allowance held at the single councils' central rate, and the break-even duplication per council in Table 8 subtracts the area governance term. Version 3 comparison rows are n/a for the single councils, and the notes to Tables 5a, 6 and 7 say which terms are nil by construction. Section 6.5 explains the councillor and procurement terms, and Section 2.2 the treatment of Blackpool and Blackburn with Darwen.

98. **Realisation, the precedents test and the overhead check.** (S7; item A.) Tables 8a and 8d gain own-calibration rows, with realisation calibrated on each single council's own footprint to Buckinghamshire's and West and North Northamptonshire's reported savings, and Table 8a a row with the collection and electoral line elasticities at 1, the lines on which both single councils lie beyond the data. Tables V30 and V32 of the deposit gain single-council columns. A test of the single county unitaries, run on Buckinghamshire, North Yorkshire and Somerset (Table V36), finds no detectable difference, mean gap +0.018. It is labelled as the rules require: the 2009 cohort could not be computed, because no RS by local authority outturn file for 2006-07, the 2009 cohort's first pre year, was found on any host the fetch protocol allows, and the three cases' version 3.1 gaps had been seen before the test was specified. Section 8.8 leads with the 75 per cent figure, its rank among the county unitaries named in rule R5 and the county-unitary medians, and Table 8f gains the county's own area today. Sections 5.7, 6.5, 8 and 10 set the single councils' sizes against English councils, and Section 12 adds the point to the cost the model cannot price; Section 12 also sets the single councils' implied savings per resident against the published four's and the precedents' (Table V32). Section 6.5 adds the council tax revenue risk and harmonisation, pay and equal pay risk, the balance sheet per resident, LG Futures' projections and the parts of the people-services term, and a difference between the two forms is generated, net and over ten years, for each alternative on the closed list.

99. **The people-services term and its data.** (Item G.) Each of the four estimated relationships in one new council's people-services term was checked against its own estimation sample, and one new council lies inside the data for all four. Tables 6c and 8a give one new council's position and ten-year value with each part excluded and with every negative part excluded together; the county with its districts' term is nil and is not tested.

00. **Representation, Section 10 and Section 11.** (S8; items C and I.) Section 10 gives both single councils' residents per councillor on Census 2021, the county with its districts' within its own area, as Section 12 now also does; gives committee sizes for both forms on the Census 2021 allocation, with the ONS electorate allocation and the allocation rule C3 as committed would give beside it; quotes the Four Lancashire proposal's own words on sub-structures in place of a council's summary of them; says which county unitaries set up area bodies and which reduced or removed them, worded as plans where they were plans; says that the statutory consultation covered only the five proposals; and gives section 62 of the English Devolution and Community Empowerment Act 2026 as checked against the enacted text, with no regulations located by 4 November 2026. Section 5.7 quotes the Boundary Commission's guidance on council size and gives Suffolk's proposed council size from the documents, with their pages. Section 2.2 gives the county with its districts' population as the model's sum of the twelve districts, with the county council's own Census 2021 row beside it. Section 11 cites the five proposals where it says that a single council is not among them.

01. **Table 10 for the single councils.** (Item D.) Table 10 gains a row for each single council, placed first and labelled "for comparison; neither was proposed", built from the constituents' own 2026/27 net budgets summed, the county budget taken whole, and their reserves and borrowing summed; nothing is apportioned. LG Futures publishes no projection for the county with its districts, so its Table 9d cells are blank with that reason.

02. **References.** (S9.) Entries that sat outside the alphabetical list are moved into it, the structural changes orders and the 2026 Act are in the Legislation subsection, the version 3.2 entries write ranges with "to", and the entries for the UK Elections results, the North Yorkshire panel notice and North Yorkshire's undated implementation plan are corrected. New entries include the Minister's letter withdrawing the July decisions (MHCLG, 2026l), the press release of the same day (MHCLG, 2026m), Wiltshire's allowances scheme (Wiltshire Council, 2023b) and Moorhead (2020).

03. **Appendix C.** (S10; items C and H.) Table C1 gains each district's own 2026/27 net budget and notes on what LG Futures reviewed and on its stated average. Table C2 is retitled "Notional county spend against age-weighted population", uses the age-banded 2028 projection as the nearest held year, with Census 2021 beside it, and says that deprivation is not in the weights. Table C3 is retitled as in item 85. Table C4 gives the ONS electorate allocation and the allocation rule C3 as committed would give beside the Census 2021 allocation, and a new Table C4 (continued) sets the precedents' council sizes, read from the Boundary Commission's final recommendations, beside the single councils. Table C5 gives every party's share of votes cast, parties and Independents only. Table C6 is a blank statement, because the held Durham data contain no area body under the definition in Section 5.7. A new Table C7 gives each area's 2026/27 Band D and its change to the harmonised Band D under each single council.

04. **Code and checkers.** (S11.) The deposit tables V4, V7 and V12 are restored to the four published configurations and reproduce version 3.1's text; `tools/check_published_four.py` is pinned to a commit whose derived files are version 3.1's and also covers `tables.md` and `model_results.json`; every version 3.2 prose figure is registered with its key; and `tools/check_paper.py` compares Appendix C cell by cell with the annex outputs. A note under Table 4 points to the version 3.2 parameters (Section 5.7 and Appendix B). Section 4 and the data availability statement name the precedents register, the three rules files, the two checkers, the annex and the inputs held outside the deposit.

05. **Presentation of the single councils (8 November 2026).** A second addendum (`review/rules_v32_s2b.md`, PA1 to PA8), written after the author had seen every version 3.2 figure and committed before the text it governs, changes how the single councils' results are presented; it changes no figure, rule, branch or central value. The values for the alternatives on the closed list of `review/rules_v32_s2.md` (G2) move from running prose into tables: Table 6b keeps every reading of the area governance term; the new Table 6c gives the central case, every alternative with a net annual or ten-year value, and the difference between the two forms; and Table 8a gains the two precedent-rate rows of Table 8d. The prose keeps the central values, the values at the fitted rates (the precedent-rate and own-calibration rows) and one generated sentence giving the range over every other alternative on the closed list (Table 6c), and names the table that holds the rest. The new Table 12a names, table by table, each row in which one new council is not first, each row in which the county with its districts does not come before two unitaries (behind or level; only the rows where it is behind are exceptions under Section 6.5's "level with or ahead of"), and each row left out because a compared cell is n/a or blank, so that the sentences on rank (Sections 6.5, 9 and 12 and item 84) give counts by table. The R9 sentence appears once in the abstract, once in each numbered section and in Appendix C before its first single-council figure, and once in the table notes block (the note to Table 5) with the list of tables it covers; the other table notes no longer repeat it.

06. **Author's answers at Stop 3 (9 November 2026).** No figure, rule, branch or central value changes. (a) The Table 9c values quoted in Section 6.5 are now generated as keys and registered with the other prose figures. (b) Generated wording: Section 6.5 says "borrowing and PFI per resident"; Table 12a cites F12 alone on the rows where the county with its districts is level with two unitaries; generated citations of the rules files carry the package path `review/`; Table 6c's labels lose a doubled bracket; Table 12a's note no longer prints a key name. (c) The abstract's version 3.2 part is shortened: the version 3.1 alternatives for the single councils are given as their lowest and highest values (Table 8a), the people-services term and the implied saving per resident are left to Section 6.5, and Section 12 keeps every value in full; the central, precedent-rate and own-calibration values and the area governance clause stay. (d) Section 2 carries the sentence on the model's ordering and the precedents once, at its head, before 2.2's first single-council figure. (e) Section 11: the two Hansard quotations are checked against the published text and given columns (Hansard, 2026b, cols 462 and 471); the timetable quotation, which is the letter's, is cited to it (MHCLG, 2026l, p. 3, para. 13); Gloucestershire's minded-to unitary is described by its proposers, as the statement names them, without an uncited district count or footprint, as in Section 2.2. Table 11's single-council values stay in the table.

07. **Combination grid (11 November 2026).** No figure, rule, branch or central value changes. `reproduce.py` writes `derived/combination_grid.csv` and `derived/combination_grid.json` under rules committed before any cell was computed (`review/rules_grid.md`, GR1 to GR6): for each of the six configurations, every combination of four overhead treatments (basis C and the netted definition, each under Options 2 and 1), three people-services treatments (estimated, Newton on placements, Newton on all spend), SEN transport included or excluded, the direct-payments term for adults aged 65 and over excluded (central) or included at its 2024-25 estimate, and three realisation rates (75 per cent and the two precedent rates of Table 8d), 144 cells per configuration and 864 in all, each from the same two model calls as every other row. The build asserts that the central cell, the ten closed-list rows of Table 8a and the two Table 8d rows reproduce for every configuration. The grid is a lookup for readers and the site, not a result: the text does not quote it. The alternative four-unitary proposal, which divides two districts at ward level, has no row, as in every version 3 table.

08. **Presentation rules and readability (11 November 2026).** No figure, modelling rule, branch or central value changes; `derived/tables.md`, `paper_tables.md` and `model_results.json` are byte identical to the previous build. A presentation rule (`review/rules_presentation.md`, PP1 to PP9) was committed before any text or code change and replaces, for the abstract, Section 12 and the declaration only, the presentation addendum's requirements for those places; no figure leaves the paper, and each figure moved out of the abstract or Section 12 stays in the table or section that already held it. (a) The abstract is cut from 1,462 words to 350 in two paragraphs: the central net annual position for all six forms, the sentence on the model's ordering, the values with realisation at the precedents' reported rates (the lowest Table 8a prints for both single councils and for two unitaries; lower values are in Table 11), which rows stay positive, and one range over every other alternative for the single councils, generated from existing keys. (b) Section 12 is cut from 1,433 words to about 1,000 and split into shorter paragraphs; it gives the central values and the precedent-rate values once each and names the remaining treatments without listing them, which are in Tables 6c and 8a. (c) The declaration of interests states the interests and one statement of process with its three exceptions; the process text it held is moved word for word to a new Appendix D, "Record of process", which also gives each rules file's commit and time, what had been seen, the author's answers at each decision point and an explanation of the working labels kept in generated tables. (d) Finding, rule, item and session labels and rules file names are removed from the prose and hand-written table notes of Sections 1 to 12; generated table rows keep theirs so that the tables reproduce exactly. (e) The title names what is modelled (four of the five proposals and two single-council forms); the header date and the front matter's version history are shortened, the history staying in this change log. (f) `reproduce.py` changes text

keys only: two new keys for the abstract (`v32.s4.calib_span`, `v32.s4.range_abstract`), and plain wording in `v32.area.f63_text`, `v32.f33_text`, `v32.t10.note`, `v32.s2b.t6c.note` and `v32.f07_text` (the populations it compares are now dated mid-2022).

09. **Minor findings and older leftovers (11 November 2026).** No figure changes. From the referee panel of 9 November 2026: item 90's cross-reference now reads Section 6.2, where the range for three to five unitaries is; Section 6.5's "With that said" reads "Even so"; the sentence on the single councils' duplication cost names the £2.6M it refers to; Section 9 says the version 3.1 gaps of the 2020 and 2023 cases were seen before the test was specified; the header date is current; the abstract, Section 12 and the declaration are shorter and working labels are gone from the prose. From the version 3.1 sessions: a reference entry for PwC (2020), cited where the Department's reply is reported; the Norfolk County Council (2025) entry gives the published address and the held copy's hash, because the archived copy formerly cited returns 404; Section 9 adds three limitations from the fact-check of version 3 (realisation applies only to the line-level and procurement savings; the lease car is left out of the leadership on-costs; a possible overlap between the procurement saving and the people-services term for Blackpool and Blackburn with Darwen). Not changed, with reasons, in the version 3.2 working log of 11 November 2026: the remaining minor findings that need a new value or a document not re-read.

10. **The 2009 single county unitaries and the measure less public health (12 November 2026).** No figure of the six configurations changes, and no existing table, registered figure or derived file changes: the derived outputs only gain content. Under rules committed before any outturn value for 2007-08 to 2015-16 was read (`review/rules_2009.md`), the realisation test of Section 8.6 is run on the five single county unitaries of 1 April 2009 with two pre years, 2007-08 and 2008-09. This departs from the test as first specified, which required three pre years and allowed no shorter window; no Revenue Outturn Summary by authority is published for 2006-07 (looked for again on 11 November 2026). The test first specified therefore stays not computable, the new one carries its own label wherever it appears, and the sentence on the model's ordering is not amended. Result (new Table 13d; Table V36, continued, in the deposit): lower, mean gap −0.093, placebo interval −0.025 to +0.023; eight of the nine alternatives fixed in advance give the same verdict; the pre-trend check failed, and the sentences in Sections 8.6 and 12 say in which direction and give the result on the pre year 2007-08 alone. Of the four lines the first specification excluded, only public health lies inside total service expenditure; the measure less public health is run for the 2020 and 2023 cases (no detectable difference, mean gap +0.020) and for the eight units pooled (lower, mean gap −0.050). One sentence each is added to Sections 8.6, 9 and 12, and Section 12's sentence on the precedents now names the 2019 to 2023 reorganisations. New files: `derived/rs_history_2007_2016.csv`, `derived/rs_excluded_lines_2016_2026.csv`, `derived/ons_mye_2007_2015.csv` and `tools/build_rs_history.py`. New references: DCLG (2016), ONS (2023) and ONS (2024). The author approved the rules, with the departure, on 12 November 2026. One phrase in the note to Table 13d was reworded on 13 November 2026 ("and of the size it implies for the county with its districts"); no figure changed.

11. **Vesting on 1 April 2029, a displayed variant (13 November 2026).** No figure of the central case changes, and no existing table or derived file changes: the derived outputs only gain content. Under rules committed before any value of the variant was computed (`review/rules_2029.md`), the ten-year flows of all six forms are counted from vesting on 1 April 2029, the timetable the Government stated on 29 October 2026, beside the central case, which keeps 1 April 2028 so that version 3.1's figures reproduce. New Table 8h (Table V37 in the deposit) gives both timetables, the variant's ten-year value on two reference years, the run with demand re-anchored at mid-2029, and the contracts running beyond each date. One sentence each in Sections 5.6, 6.3 and 9 replaces the statement that the timeline is illustrative; the Horizon row of Table 4 points to the new table; the sentence listing the tables that carry single-council values now names Table 8h, the one registered text that changes. The abstract and Section 12 are unchanged: the steady-state net annual position has no date in it, and the

order of the six forms by ten-year value is the same on both timetables. Not rerun on the variant, as the rules fixed in advance: the Monte Carlo, the council-tax paths and the people-services phasing sensitivity. The combination grid is unchanged. New registry keys are `v32.s6.*`.

12. **The closed-list treatments in combination (13 November 2026).** No figure, table cell, grid cell or derived value changes: the derived outputs only gain content. Under rules committed before any count was recomputed on the final grid (`review/rules_grid_statement.md`, which amends rule GR6 of `review/rules_grid.md`), the paper quotes counts from the combination grid in Section 8.2 and once in Section 12, with new Table 12b (Table V38 in the deposit): over the 120 distinct combinations of the closed-list treatments, the six forms stand in their central order by net annual position in 117, and each count is given beside the count over all 144 cells. The counts on the net annual position over the 144 cells had been seen on 11 November 2026 and the rules say so. The combinations are not equally likely and a count is not a probability. Two phrases calling the timeline illustrative (the note to Table V19, and the source line of Table 9c with the note to Tables V11 and V20) now state the timetable assumed and the timetable stated; no value changes. The grid's rows and its CSV file are byte identical; the header statement of `derived/combination_grid.json` and the README row are reworded to say what the paper quotes. After three AI referees read the text on 13 November 2026 (their findings and outcomes are in `review/v32/referee_panel_predeposit.md`): the ten-year counts were added to the Section 8.2 sentence on the author's answer; the declaration counts four exceptions and names the departure of the 2009 test; Section 9 and Section 8.6 no longer say without qualification that the 2009 cohort was not run, and the sentences that count the runs agreeing with it say that one of them reproduces the central run; Table 13d's note carries the test's label; the abstract's sentence on the model's ordering moves ahead of the first single-council figures, with no word changed; Section 12 points to Table 11 for the single councils' lowest values; Appendix D gathers the departures from earlier rules; Table 8h's two rows of contract counts move to its note and the table follows Table 8c's own source note; one sentence of Section 11 on the judicial reviews of other areas' decisions is cut to the bare record; and the data availability statement is corrected. The version 3.2 review records, the six decisions taken after the first rules, and the area annex with its two registers are added to the package (`review/v32/`, `annex/`); one finding of the review is withheld and marked. No figure changes.

13. **Deposit.** Deposited on 13 November 2026 as a new version of the Zenodo record, DOI 10.5281/zenodo.24208546; version 3.1 (10.5281/zenodo.23016761) is unchanged. The package's README, CITATION and version files are at 3.2, the paper is copied into the package, and the area annex is deposited in `annex/` with its outputs and the two registers it reads.