

REPORT TO:		Cabinet	
DATE:		19 November 2025	
PORTFOLIO:		Councillor Munsif Dad BEM JP - Leader of the Council	
REPORT AUTHOR:		Policy Manager	
TITLE OF REPORT:		Local Government Reorganisation Proposals	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	Yes	If yes, date of publication:	11/11/2025

## 1. Purpose of Report

- 1.1. To update Cabinet on preparations to submit a proposal for Local Government Reorganisation to Government.
- 1.2. To present to Cabinet the business case that has been prepared to support the creation of three unitary authorities in Lancashire (3UA).

## 2. Recommendations

- 2.1. That Cabinet approve the preferred option to establish a three-unitary authority in Lancashire (3UA), and the submission of the preferred option to Government by 28th November.
- 2.2. That Cabinet agree to write to the Secretary of State asking to postpone the local elections due to be held in May 2026 for the following reasons:
  - i) Members being elected for short terms;
  - ii) Additional expense and costs to the taxpayer;
  - iii) Risk of disruption and additional pressure to the council;
  - iv) Impact on transition to the new shadow authority;

## 3. Reasons for Recommendations and Background

- 3.1. The Minister of State for Local Government and English Devolution introduced the [English Devolution and Community Empowerment Bill](#) on 10<sup>th</sup> July 2025, following the publication of the [English Devolution White Paper](#) on 16<sup>th</sup> December 2024.

- 3.2. The new Bill announces how the government will facilitate a programme of local government reorganisation (LGR) for two-tier areas and for those unitary councils where there is evidence of failure or where their size or boundaries may be hindering their ability to deliver sustainable and high-quality services for their residents.
- 3.3. The government has set a timeline for Lancashire councils to produce a preferred option for local government reorganisation by the end of November (28<sup>th</sup>), asking for proposals to move from the current two-tier system of a county council, two smaller unitary councils and 12 districts councils, to a simpler model of fewer councils.
- 3.4. The government's aim with LGR is to improve efficiency savings, service delivery, provide stronger local leadership, economic growth, community identity and foster effective local partnerships, while not hindering the ability to deliver sustainable and high-quality services for residents.

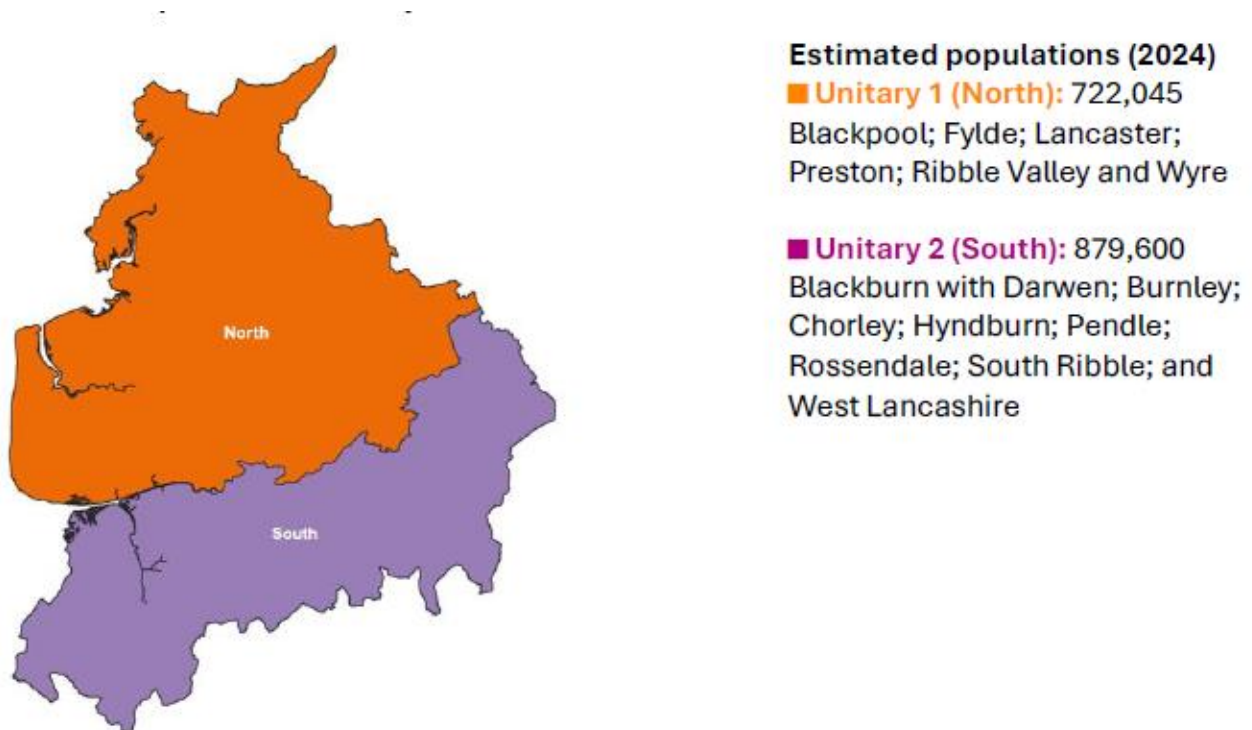
### **Government Guidance**

- 3.5 Government guidance (the Statutory Invitation) sets out the following criteria which will be used to assess proposals for reorganisation:
- A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of Local Government;
  - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial pressures;
  - Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens;
  - Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views;
  - New unitary structures must support devolution arrangements;
  - New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.
- 3.6 The criteria above are not weighted, but the intention is to provide guidance to areas to develop proposals that address the criteria and are supported by data and evidence. Decisions on the most appropriate option for each area will have regard to the guidance and the available evidence.
- 3.7 Under the Local Government and Public Involvement in Health Act 2007, the Council must submit a proposal based on whole Local Authority Districts but can request that the Secretary of State uses their modification power in sections 7 and 11 of the 2007 Act to adjust the boundary subsequently. In the guidance, the Secretary of State has also expressly allowed for the submission of proposals that suggest boundary changes.

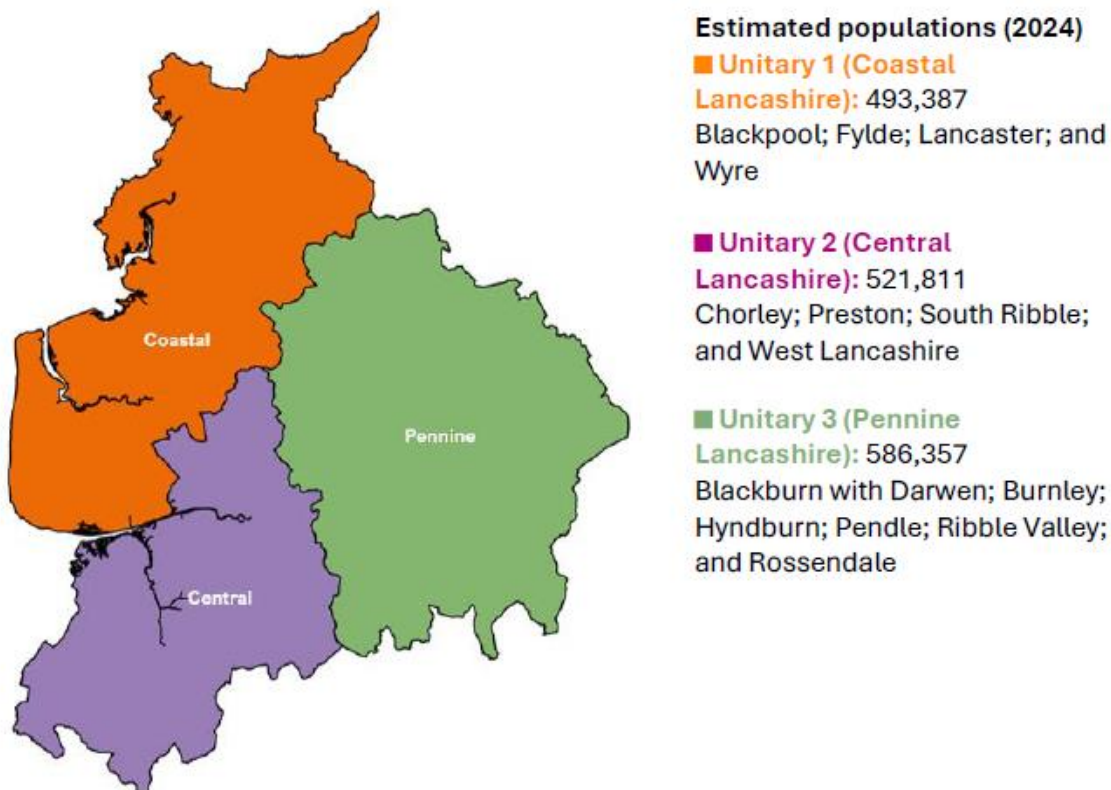
## Proposals

- 3.8. Councils in Lancashire have worked together to identify possible options for reorganisation. The Government has provided funding to develop a shared evidence base across Lancashire councils, including both socio-economic baseline data for the options, a public and stakeholder engagement process and finance data.
- 3.9. It is intended that a joint letter will be sent to the Minister by Lancashire Leaders to accompany the various business cases that are being submitted.
- 3.10. The various cases will be taken to Council's throughout Lancashire ahead of the deadline for submission of proposals on 28<sup>th</sup> November 2025
- 3.11. Currently there are five proposals based on the following models:
- Model 1 consists of Lancashire being split into 2 large unitary councils with a North / South divide
  - Model 2 consists of 3 unitary councils (Coastal / Central / Pennine)
  - Models 3 consist of 4 unitary councils (North / South / East / West)
  - Model 4 consists of 5 smaller unitary councils (North / South / Middle / East / West)
  - Model 5 is the Blackpool proposed four unitary model

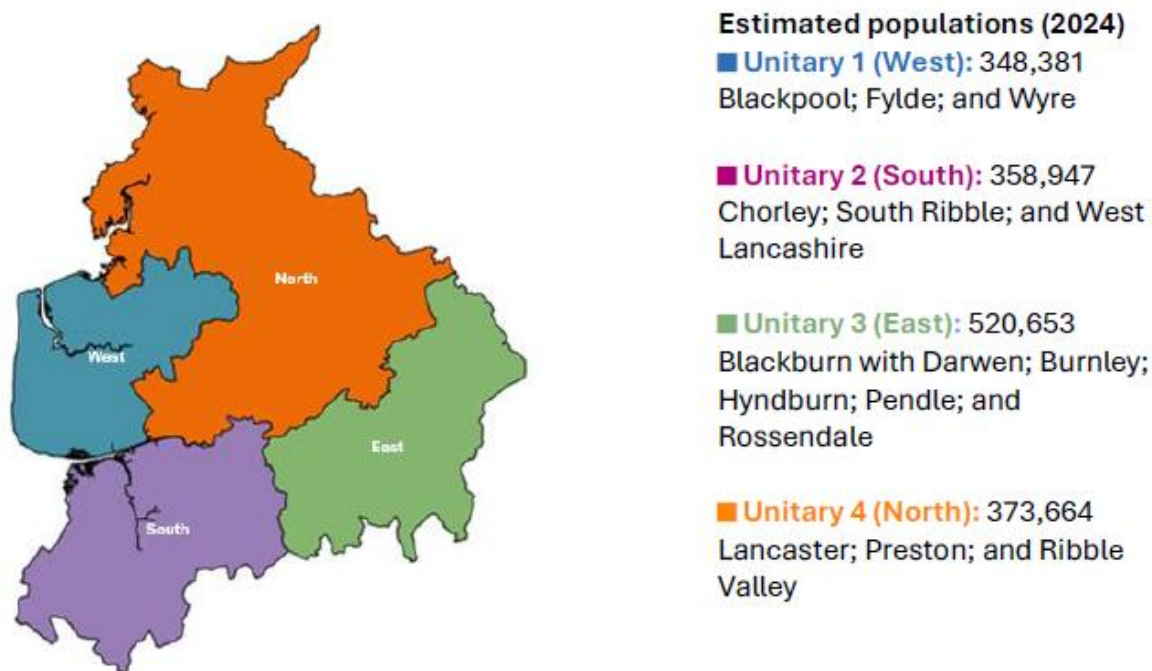
### **Model 1: 2UA Proposed two unitary model**



### Model 2: 3UA Proposed three unitary model (Preferred model)



### Model 3: 4UA Proposed four unitary model



#### **Model 4: 5UA Proposed five unitary model**



##### **Estimated populations (2024)**

- **Unitary 1 (West):** 392,502  
Blackpool; Fylde; and Preston
- **Unitary 2 (South):** 358,947  
Chorley; South Ribble; and West Lancashire
- **Unitary 3 (Middle):** 314,392  
Blackburn with Darwen; Hyndburn; and Ribble Valley
- **Unitary 4 (North):** 263,749  
Lancaster; and Wyre
- **Unitary 5 (East):** 272,055  
Burnley; Pendle; and Rossendale

#### **Model 5: 4UA Blackpool proposed four unitary model**



##### **Estimated populations (2022)**

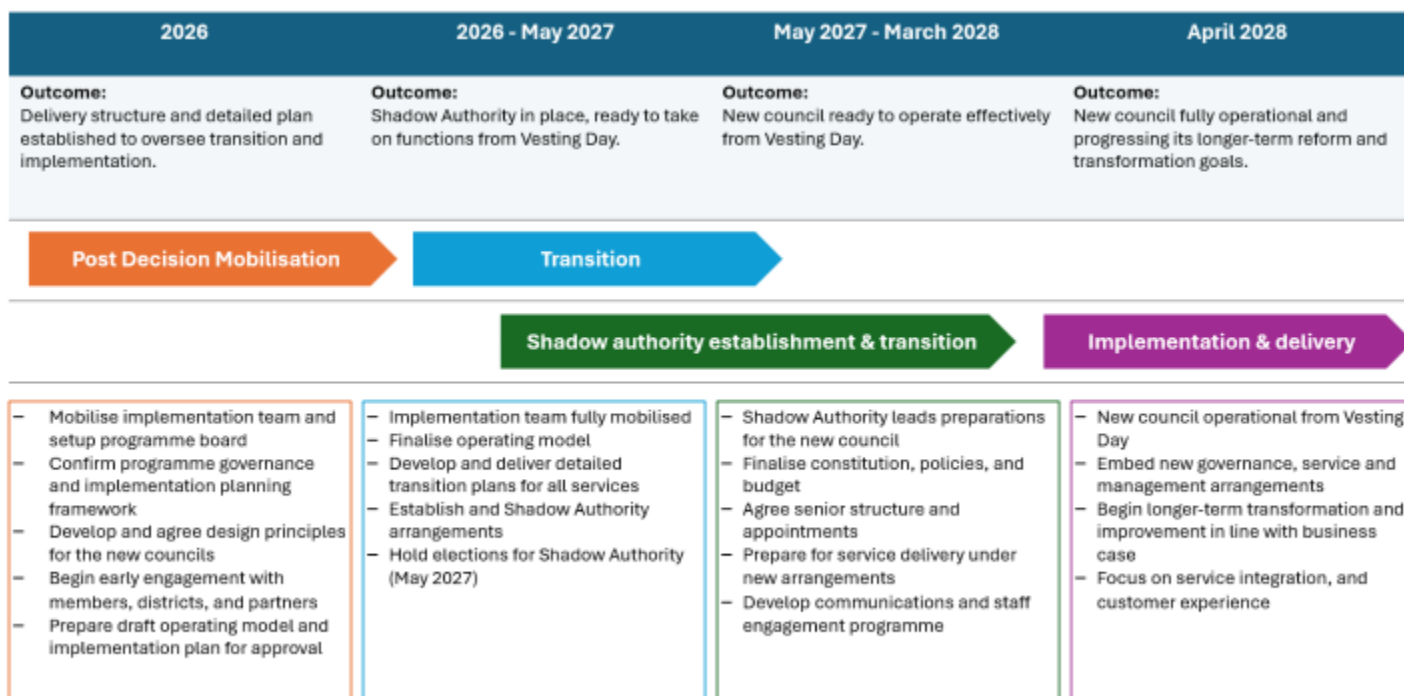
Latest ward level data on population are for 2022, which has been required to construct the UA boundaries for this option. Other options use district boundaries to construct the UAs, where latest available data are for 2024.

- **Unitary 1 (West):** 456,001  
Blackpool; Fylde; Preston; and Urban Wyre
- **Unitary 2 (South):** 350,157  
Chorley; South Ribble; and West Lancashire
- **Unitary 3 (East):** 545,057  
Blackburn with Darwen; Burnley; Hyndburn; Pendle; Rossendale; and South Ribble Valley
- **Unitary 4 (North):** 199,275  
Lancaster; North Ribble Valley; Rural Wyre



## Timeline

- 3.12 Delivering LGR in Lancashire will be a complex and far-reaching programme of change. The proposed timeline is intended to allow sufficient time to plan, implement and embed the new arrangements while maintaining service continuity and public confidence.
- 3.13 The indicative timeline below sets out the key phases and milestones for implementation. It is designed to ensure a smooth transition from the decision to proceed with reorganisation through to the establishment of fully operational new councils.
- 3.14 The decision on the preferred option has been discussed at Resources Overview and Scrutiny Committee on 11<sup>th</sup> of November, Full Council on the 13<sup>th</sup> followed with the decision being made at Cabinet on the 19<sup>th</sup> November.
- 3.15 The timeline for Local Government Reorganisation is currently as follows:
- November 28<sup>th</sup>, 2025: Councils to submit proposals to Government
  - Early 2026: Government-led public consultation on proposals for new unitary councils
  - Summer 2026: Government selects the preferred unitary council option
  - May 2027: Elections take place for a Shadow Authority for each of the new unitary councils
  - April 1<sup>st</sup>, 2028: “Vesting Day”, when new unitary councils start to operate all services and the existing 15 authorities are abolished.



#### 4. Findings and Recommendations

- 4.1 On the 16<sup>th</sup> January, 2025, following the publication of the English Devolution White Paper the Council recommended supporting the creation of a Pennine Lancashire Unitary Authority (which includes (Blackburn with Darwen, Burnley, Hyndburn, Pendle, Ribble Valley & Rossendale).
- 4.2 Currently, the Council's preferred option is the three-unitary model for Lancashire. The business case prepared in respect of the options suggest that this is the only configuration that meets all six of the Government's criteria for local government reorganisation while reflecting the way Lancashire's economy, services and communities already work and providing the best platform for the future.
- 4.3 The three-model business case has been developed following a detailed options appraisal including data analysis and assessments of the evidence base.
- 4.4 It's considered other options all fall short of what Lancashire needs. A two-council model would be too large and remote, misaligned with key service boundaries and financial risk. A four-or five council model would fragment economic corridors, create uneven capacity and weaken the devolution case.
- 4.5 The business case concludes that only the three-council model aligns with real economics and service footprints, balances risk, keeps decision-making local and meets every Government test without compromise.
- 4.6 The benefits of the three-model business case is making services clearer without creating councils that are too large and remote or too small to make a difference. Matching NHS and Police footprints, which none of the other options do, means a much greater ability to work collaboratively with strategic leadership.
- 4.7 The business case indicates that the three unitary model delivers a sustainable future for Lancashire through a stronger, more balanced financial case than any of the other proposed options, combining credible savings with the capacity to invest in services, work with partners, support economic growth, unlock deeper devolution, and connect at a local level to places people live, work and learn in.
- 4.8 Below is a table summarising the different options by government criteria. The findings indicate the three unitary model is the only configuration that meets all six of the Government's criteria for local government reorganisation.

Criteria	2UA ( <i>Model 1</i> )	3UA ( <i>Model 2</i> )	4/5UA ( <i>Model 3,4,5</i> )
<b>Matches economic geography</b>	Too broad; blur coast/central/Pennine corridors	Aligned to coast, central and Pennine growth corridors	Splits corridors and compromises growth potential
<b>Aligned with key partners</b>	Overstretch across footprints; risk of disruption to key partners	Fully coterminous with NHS/ICS, police divisions and fire	Fragmented across systems; risk of disruption to key partners
<b>Balanced tax</b>	Concentrates	Spreads need and revenue;	Narrow bases;

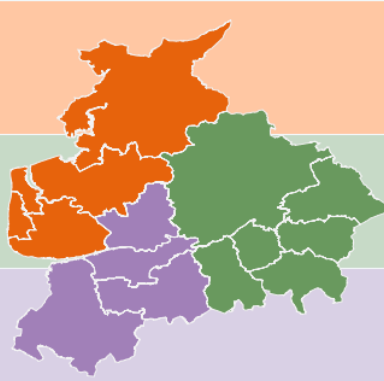
<b>base</b>	deprivation/legacy costs in extremely large authorities	resilient, investable	volatility and uneven resilience
<b>Local identity</b>	Distant; dilutes sense of place and identity	Ability to maintain strong identify of place, supporting focused locality delivery and neighbourhood governance	Built around real places, but smaller authorities may have less capacity to respond to local needs
<b>Transition risk</b>	Larger change programme with significant restructuring into two very large authorities	Most stable and familiar; mirrors the existing number of upper-tier authorities and allows a smoother, more manageable transition	More complex overall change, with several new organisations to stand up and co-ordinate
<b>Devolution case</b>	Too remote/centralised; weak local mandate and plurality	Credible scale and local mandate; three strong and place-aligned voices	Fragmented ask; uneven capacity; harder to present a coherent, investable proposition

4.9 The graphic below shows the vision of the three unitary authorities for Lancashire.

## Local Government Reorganisation in Lancashire

### The case for three unitary authorities for Lancashire

“ Our vision is for three new unitary councils, balanced in scale and rooted in real places, to create the capacity and clarity needed to unlock Lancashire's potential. They will deliver stronger services for geographies that reflect places, communities and key partner footprints, give businesses and government credible partners for growth and devolution, and reconnect decision-making to the places people live, work and learn in. ”



**Coastal Lancashire - Population: 493,387**  
Combines iconic seaside towns of Fylde, Blackpool, Wyre and Lancaster, major energy and defence industries, and world-class research at Lancaster University. From Blackpool's visitor economy to Heysham's energy cluster and the Eden Project, it is a hub for clean growth, innovation, and sustainable tourism, linked by strong transport corridors and shared economic assets.


**Pennine Lancashire - Population: 586,357**  
Unites Burnley, Blackburn with Darwen, Hyndburn, Pendle, Rossendale and Ribble Valley as a nationally significant hub for advanced manufacturing, aerospace and materials innovation. It blends industrial expertise with emerging digital and green industries, entrepreneurial SMEs, strong university links, cultural regeneration and outstanding natural landscapes.

**Central Lancashire - Population: 521,811**  
Brings together Preston, Chorley, South Ribble and West Lancashire, combining strengths in advanced manufacturing, aerospace, digital and agri-tech industries. Key assets include the University of Lancashire's Engineering and Innovation Centre, Samlesbury Enterprise Zone and Strawberry Fields Digital Hub, supported by strong transport links, City Deal investment and cross-regional economic connections.

Optimal balance to deliver new relationship with residents and modern, outcome focused services

- ✓ Meets all six Government's tests
- ✓ Closely aligns with the footprint of key partners
- ✓ It balances identity with strategic capacity

Our place.  
Our future.  
Our Lancashire.  
*Putting people at the heart of change.*



## 5. Alternative Options considered and Reasons for Rejection



- 5.1 Models 1, 3, 4 and 5 have been considered but are not recommended for the reasons set out in section 4.8 above and in the 3UA business case which will be circulated to members.

## **6. Consultations**

- 6.1 Communities and stakeholders across the county have been invited to have their say on local government reorganisation in Lancashire. Two surveys have been conducted across September 2025 to understand which council services Lancashire residents see as most important, priorities for local government to focus on in the future and initial thoughts on moving to larger unitary councils.
- 6.2 The community survey was promoted across the county to ensure a broad range of voices contributed to the discussion. 13,414 respondents filled out the survey, including 67,784 individual written comments in answer to the open text questions, showing a genuine interest and high level of engagement from Lancashire.
- 6.3 A total of 409 responses were received for the stakeholder survey, representing over 200 unique organisations and individuals. Respondents included parish and town councils, businesses, voluntary and community groups and public sector organisations.
- 6.4 Two reports have been produced, summarising the results of the surveys which were undertaken by Cratus Group, an independent agency on behalf of Lancashire's local authorities. This information will now be used to inform the developing proposals for submission to government in November 2025.
- 6.5 What people told us across the engagement is that services that matter most to local people are those that touch daily life and wellbeing, such as good health and care services, reliable and accessible transport, affordable housing and good schools and opportunities for children. Community identity and connection remain strong. Clarity and simplicity were recurring themes in written feedback. Residents and businesses want less duplication, clearer responsibility for services that are more consistent and reliable, and a stronger link between local decisions and visible outcomes. Partnership working and fairness were also emphasised, with many respondents highlighting the importance of tackling inequalities across Lancashire and ensuring all areas have equal access to good quality local job opportunities, services and investment.

## **7. Implications**

<b>Financial implications (including any future financial commitments for the Council)</b>	None immediately arising from this report. Transition costs and long term savings are being estimated and included within the business cases.
<b>Legal and human rights implications</b>	None immediately arising from this report.

<b>Assessment of risk</b>	N/A at this time. Once the Government has determined future direction, the Council will establish work streams dealing with transitional arrangements to the new organisation.
<b>Equality and diversity implications</b> <i>A <a href="#">Customer First Analysis</a> should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	No equality and diversity implications arise from the recommendations of this report.

## 8. Local Government (Access to Information) Act 1985: List of Background Papers

- [Council Report – 16<sup>th</sup> January 2025 English Devolution White Paper Update and Indicative Council Position](#)
- [English Devolution and Community Empowerment Bill](#)
- [English Devolution White Paper](#)
- [Letter to Leaders of two tier Council's and unitary authorities in Lancashire \(5<sup>th</sup> February 2025\)](#)
- [LGA Devolution & LGA FAQs](#)

## 9. Freedom of Information

- 9.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.