



Ministry of Housing,
Communities &
Local Government

15 May 2025

LOCAL GOVERNMENT REORGANISATION

INTERIM PLAN FEEDBACK: LANCASHIRE, BLACKBURN and BLACKPOOL

To the Chief Executives of:

Burnley Borough Council
Chorley Borough Council
Fylde Borough Council
Hyndburn Borough Council
Lancashire County Council
Lancaster City Council
Pendle Borough Council
Preston City Council
Ribble Valley Borough Council
Rossendale Borough Council
South Ribble Borough Council
West Lancashire Borough Council
Wyre Borough Council
Blackburn with Darwen Council
Blackpool Council

Overview:

Thank you for submitting your interim plan. The amount of work from all councils is clear to see across the range of options being considered. For the final proposal(s), each council can submit a single proposal for which there must be a clear single option and geography and as set out in the guidance we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued, not partial coverage.

Our aim for the feedback on interim plans is to support areas to develop final proposals. This stage is not a decision-making point, and our feedback does not seek to approve or reject any option being considered.

The feedback provided relates to the joint interim plan submission regarding local government reorganisation submitted by all 15 Lancashire local authorities. We also

note a letter received from Pendle Borough Council on 20 March, titled 'Interim Plan Submissions – Pendle Borough Council covering letter'.

We have provided feedback on behalf of central government. It takes the form of:

1. A summary of the main feedback points,
2. Our response to the specific barriers and challenges raised in your plans,
3. An annex with more detailed feedback against each of the interim plan asks.

We reference the guidance criteria included in the invitation letter throughout. A copy can be found at [Letter: Lancashire, Blackburn and Blackpool - GOV.UK](#).

Our central message is to build on your initial work and ensure that the final proposal(s) address the criteria and are supported by data and evidence. We recommend that final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.

We welcome the work that has been undertaken to develop your interim local government reorganisation plan for Lancashire, Blackburn and Blackpool. This feedback does not seek to approve or discount any of your options, but provide some feedback designed to assist in the development of your final proposal(s). We will assess final proposal(s) against the guidance criteria provided in the invitation letter, and have tailored this feedback to identify where additional information may be helpful in enabling that assessment. Please note that this feedback is not exhaustive and should not preclude the inclusion of additional materials or evidence in the final proposal(s). In addition, your named area lead, Christian Denison, will be able to provide support and help address any further questions or queries.

Summary of feedback

We have summarised the key elements of the feedback below, with further detail provided in the annex.

1. The criteria ask that a proposal should seek to achieve for the whole area concerned, the establishment of a single tier of local government (see criterion 1). **We recognise that plans are at an early stage and further analysis and consultation is planned in the run up to submitting final proposal(s). Further detail and evidence on the outcomes that are expected to be achieved for the whole area of any preferred model(s), would be welcomed.**
2. The criteria ask that consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety (see criterion 3). **For any options where there is disaggregation, further detail will be helpful on how the different options might impact on these services and how risks can be mitigated.**

3. We welcome the steps you have taken to come together to prepare proposals (as per criterion 4).
 - a. **Effective collaboration between all councils across the invitation area will be crucial; we would encourage you to continue to build strong relationships and agree ways of working, including around effective data sharing. This will support the development of a robust shared evidence base to underpin final proposal(s).**
 - b. **It would be helpful if final proposal(s) use the same assumptions and data sets.**
 - c. **It would be helpful if your final proposal(s) set out how the data and evidence supports all the outcomes you have included, and how well they meet the assessment criteria in the invitation letter.**
 - d. **You may wish to consider an options appraisal that will help demonstrate why your proposed approach in the round best meets the assessment criteria in the invitation letter compared to any alternatives.**
4. In final proposals it would be helpful to outline how each option would interact with a Strategic Authority and best benefit the local community, including meeting devolution statutory tests.

Response to specific barriers and challenges raised

Please see below our response to the specific barriers and challenges that were raised in your interim plan:

1. Weighting of the criteria

Your plan requested our views on the relative importance of each element of the criteria and whether any factors have been given additional weighting. The criteria are not weighted. Our aim for this feedback is to support areas to develop final proposals that address the criteria and are supported by data and evidence. Decisions on the most appropriate option for each area will be judgements in the round, having regard to the guidance and the available evidence.

2. Impact of changes to district boundaries

You asked about the potential impact on the complexity and length of the process if changes are made to district boundaries.

We note your desire to develop unitary councils that reflect the current major economies and communities of Lancashire, Blackburn and Blackpool, and that some of your proposals may lead to boundary changes.

As the Invitation sets out boundary changes are possible, but “existing district areas should be considered the building blocks for proposals, but where there is a strong justification more complex boundary changes will be considered”.

The final proposal(s) must specify the area for any new unitary council(s). If boundary change is part of your final proposal, then you should be clear on the boundary proposed, which could be identified by a parish or ward boundary, or if creating new boundaries by attaching a map.

Proposals should be developed having regard to the statutory guidance which sets out the criteria against which proposals will be assessed (including that listed above).

If a decision is taken to implement a proposal, boundary change can be achieved alongside structural change. Alternatively, you could make a proposal for unitary local government using existing district building blocks and consider requesting a Principal Area Boundary Review (PABR) later. Such reviews have been used for minor amendments to a boundary where both councils have requested a review – such as the recent Sheffield / Barnsley boundary adjustment for a new housing estate. PABRs are the responsibility of the Local Government Boundary Commission for England who will consider such requests case-by-case.

3. Town and parish councils

You asked for our view on how town and parish councils might change following reorganisation.

We recognise the value that parish councils offer to their local communities and continue to support the work they do; but this is not a replacement for local authorities hardwiring local community engagement into their own structures, preferably through neighbourhood Area Committees. Parish councils are independent institutions and are not a substitute for meaningful community engagement and neighbourhood working by a local authority. Areas considering new parish councils should think carefully about the distinct role they play and how they might be funded, to avoid putting further pressure on local authority finances and/or new burdens on the taxpayer.

In your final proposal(s), we would welcome further information on neighbourhood-based governance, the impact on parish councils, and the role of neighbourhood Area Committees.

4. Ratio of councillors

You asked for guidance on the preferred ratio of councillors to population or electorate size. The Local Government Boundary Commission for England (LGBCE) provides guidance on determining councillor numbers during electoral reviews which can be used to inform your analysis on the appropriate number for your proposal(s).

5. Local government finance reform

You expressed a wish to work closely with us as reforms to local government finance emerge so you can understand the potential impact.

Government recently consulted on funding reforms and confirmed that some transitional protections will be in place to support areas to their new allocations. Further details on funding reform proposal(s) and transition measures will be consulted on after the Spending Review in June. We will not be able to provide further clarification on future allocations in the meantime but are open to discussing assumptions further if we can assist in financial planning.

6. Population criteria

You requested clarity on the population criteria, and whether the Government is willing to accept variations should that be in the best interests of the population and area, and whether there is a minimum population size that would be acceptable. As set out in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more. This is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.

7. Capacity support

You asked about additional capacity required to support local government reorganisation.

We are committed to continuing to work in partnership with the sector to ensure councils receive the necessary support as we work together to deliver this ambitious agenda. £7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.

As we said in the invitation letter, officials are available to discuss how reorganisation proposals can be developed to meet the assessment criteria and what support areas think they might need to proceed. Christian Denison has been appointed as your MHCLG point person and is ready to engage with the whole area on issues you wish to discuss further.

ANNEX: Detailed feedback on criteria for interim plan

Ask – Interim Plan Criteria	Feedback
Identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities.	We welcome the initial thinking on the options for local government reorganisation in Lancashire, Blackburn and Blackpool and recognise that this is subject to further work. We note the local context and challenges outlined in the proposals and the potential benefits that have been identified for the options put forward. Your plans set out your intention to undertake further analysis, and this further detail and evidence, on the outcomes that are expected to be achieved of any preferred model, would be welcomed.
Relevant criteria	
1 c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement	Effective collaboration between all Lancashire councils will be crucial to reaching final proposal(s). We would encourage you to continue to build strong relationships and agree ways of working, including around effective data sharing.
and 2 a-f) - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks	For the final proposal(s), each council can submit a single proposal for which there must be a clear single option and geography and as set out in the guidance we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued, not partial coverage. Where there are proposed boundary changes, the proposal should provide strong public services and financial sustainability related justification for the change.
and 3 a-c) Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens	Proposals should be for a sensible geography which will help to increase housing supply and meet local needs, including future housing growth plans. All proposals should set out the rationale for the proposed approach. We recognise that financial analysis will start as you work through the options. In the final proposal(s) it would be helpful to include a high-level financial assessment which covers transition costs and overall forecast operating costs of the new unitary councils. We will assess final proposals against the criteria set out in the invitation letter. Referencing criteria 1 and 2, you may wish to consider the following bullets: • high level breakdowns for where any efficiency savings will be made, with clarity of assumptions on how estimates have been reached and the data sources used, including differences in assumptions between proposals

	• how efficiency savings have been considered alongside a sense of place and local identity • information on the counterfactual against which efficiency savings are estimated, with values provided for current levels of spending • a clear statement of what assumptions have been made, and if the impacts of inflation are taken into account • a summary covering sources of uncertainty or risks with modelling, as well as predicted magnitude and impact of any unquantifiable costs or benefits • quantified impacts, where possible, on service provision as well as wider impacts We recognise that financial assessment will start as you work through the options. The bullets below indicate where further information would be helpful across all options. As per criteria 1 and 2 it would be helpful to see: • data and evidence to set out how your final proposal(s) would enable financially viable councils, including identifying which option best delivers value for money for council taxpayers • detail on potential finances of new unitaries, for example, funding, operational budgets, potential budget surpluses/shortfalls, total borrowing (General Fund), and debt servicing costs (interest and MRP); and what options may be available for rationalisation of potentially saleable assets • clarity on the underlying assumptions underpinning any modelling e.g. assumptions of future funding, demographic growth and pressures, interest costs, Council Tax, savings earmarked in existing councils' MTFs • financial sustainability both through the period to the creation of new unitary councils as well as afterwards For options that have implications for Blackpool, we would welcome your analysis of any impacts for the operation of the tram. For proposals that would involve disaggregation of services, we would welcome further details on how services can be maintained for example, for social care, children's services, SEND, homelessness, and for wider public services including public safety.
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	Under criterion 3c) you may wish to consider: • how each option would deliver high-quality and sustainable public services or efficiency saving opportunities • what are the potential impacts of disaggregating services? • what would the different options mean for local services provision, for example: • do different options have a different impact on SEND services and distribution of funding and sufficiency planning to ensure children can access appropriate support, and how will services be maintained? • what is the impact on adults and children's care services? Is there a differential impact on the number of care users and infrastructure to support them the different options? • what options have you considered for partnership for joint working across the new unitaries for the delivery of social care services? • do different options have variable impacts as you transition to the new unitaries, and how will risks to safeguarding be managed? • do different options have variable impacts on schools, support and funding allocation, and sufficiency of places, and how will impacts on schools be managed? • what impact will there be on highway services, across the area under the different approaches suggested? • what are the implications for public health including consideration of socio-demographic challenges and health inequalities within any new boundaries and their implications for how residents access services and service delivery for populations most at risk? We welcome the desire to maximise the opportunity for public service reform, and it would be helpful for you to provide more details on your plans so we can explore how best to support your efforts.
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Include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities. Relevant criteria: 2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.	We note that detailed analysis will be undertaken during the next phase of the work, and ahead of the deadline for final submissions in November. As per criterion 2, the final proposal(s) should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects: • within this it would be helpful to provide more detailed analysis on expected transition and/or disaggregation costs and potential efficiencies of proposals. This could include clarity on methodology, assumptions, data used, what year these may apply and why these are appropriate • detail on the potential service transformation opportunities and invest-to-save projects from unitarisation across a range of services -e.g. consolidation of waste collection and disposal services, and whether different options provide different opportunities for back-office efficiency savings • where it has not been possible to monetise or quantify impacts, you may wish to provide an estimated magnitude and likelihood of impact • summarise any sources of risks, uncertainty and key dependencies related to the modelling and analysis • detail on the estimated financial sustainability of proposed reorganisation and how debt could be managed locally We welcome the joint work you have done to date and recommend that all options and proposals should use the same assumptions and data sets or be clear where and why there is a difference (linked to criterion 1c).
Include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with the	New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment. Additional details on how the community will be engaged, specifically how the governance, participation and local voice will be addressed to strengthen local engagement and democratic decision-making would be helpful.

Local Government Boundary Commission for England guidance. Relevant criteria: 6) New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.	In final proposal(s) we would welcome further information on neighbourhood-based governance, the impact on parish councils, and the role of neighbourhood Area Committees.
Include early views on how new structures will support devolution ambitions. Relevant Criteria: 5) New unitary structures must support devolution arrangements. a) Proposals will need to consider and set out for areas where there is already a Combined Authority (CA) or a Combined County Authority (CCA) established or a decision has been taken by Government to work with the area to establish one, how that institution and its governance arrangements will need to change to continue to function effectively; and set out clearly (where applicable) whether this proposal is supported by the CA/CCA /Mayor.	We note that the proposal provides clarity among local leaders that the proposed boundaries for a new single tier structure will be coterminous with those of Lancashire CCA. Further information would be helpful on the implications of the proposed local government reorganisation options for the governance arrangements in Lancashire CCA. It would also be beneficial to provide an assessment that outlines if there are benefits and disadvantages in how each option would interact with Lancashire CCA and best benefit the local community. You may also wish to consider the outcome of the governance review currently underway and whether Lancashire CCA adopts a mayor.
Include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals. Relevant criteria: 6a&b) New unitary structures should enable stronger community engagement and deliver genuine opportunity for	We welcome your interim update against criterion 6, and the engagement undertaken so far and your plans for the future. It is for you to decide how best to engage locally in a meaningful and constructive way with residents, the voluntary sector, local community groups, Neighbourhood Boards, parish councils, public sector providers such as health police and fire, and local businesses to inform your proposal(s). For any option for two or more unitary councils, you may wish to engage in particular with those who may be affected by disaggregation of services.

neighbourhood empowerment.	It would be helpful to see detail that demonstrates how local ideas and views have been incorporated into the final proposal(s).
Set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area. Relevant criteria: 2d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.	We would welcome further detail in final proposal(s) over the level of cost and the extent to which the costs are for delivery of the unitary structures or for transformation activity that delivers benefits. £7.6 million will be made available in the form of local government reorganisation proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.
Set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area. Relevant criteria: 4 a-c) 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	We welcome the ways of working together you have outlined in the interim plan (see criterion 4). Effective collaboration between all councils will be crucial; areas will need to build strong relationships and agree ways of working, including around effective data sharing. This will enable you to develop a robust shared evidence base to underpin final proposal(s) (see criterion 1c). We recommend that final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.