



Council

Tuesday 18th March 2025

Subject: Local Government Reorganisation

Report by:

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Purpose / Summary:

To update members on government proposals in respect of Local Government Reorganisation (LGR), as laid out in the English Devolution White Paper 2024

RECOMMENDATION(S):

That Council:

1. Notes the matters set out in this report and agrees to receive further updates in respect of Local Government Reorganisation.
2. Agrees to submit the options included as Appendix A to Government by 21st March 2025 as the Council's interim position on LGR.
3. Notes the requirement by government for councils to work together and agrees to work with other Greater Lincolnshire councils to develop proposals for Local Government Reorganisation.
4. Agrees to support officers and provide further direction for further development of proposals for Local Government Reorganisation, with referral back to Council for any decisions required in accordance with the timeline set out by Government.

IMPLICATIONS

Legal:

On 16th December 2024, the Secretary of State for Housing, Communities and Local Government presented the English Devolution White Paper to Parliament. The overarching intention of the White Paper is for Devolution to become the universal position across England, accompanied by a large-scale, England wide programme of Local Government Reorganisation (LGR).

In respect of LGR, the White Paper sets out the intention to facilitate a programme of reorganisation for two tier areas, and for unitary councils where there is evidence of failure or where the size or boundary may be hindering their ability to deliver sustainable and high-quality public services. The legal framework for unitarisation is provided by the Local Government and Public Involvement in Health Act 2007. Under the legislation, the Secretary of State may invite a principal authority to propose single tier local government arrangements, and then consult upon these proposals before making a decision under this legislation

Following the publication of the White Paper, on 5th February 2025, the Minister for Local Government and English Devolution wrote to Council Leaders in two-tier areas inviting Councils via a Statutory Invitation to develop proposals for reorganisation. The letter includes two key dates for submission of proposals; these being 21st March 2025 for submission of interim proposals and 28th November 2025 for submission of detailed proposals.

It is the Government's intention that both Devolution, and Local Government Reorganisation Proposals will be delivered in two waves, the first being by March 2027 and the second being by March 2028. In respect of Devolution, a Mayoral Combined County Authority (MCCA) has already been established in Greater Lincolnshire, with elections for a Greater Lincolnshire Mayor set to take place on 1st May 2025. The focus of this paper is purely on the Local Government Reorganisation element of the White Paper.

Financial: FIN/166/25/SL

An initial £20k from the County Wide Working Fund has been used to secure support for the Council in developing the options for LGR as presented in the interim proposal. A further paper to consider the resources required will be developed for further consideration by members in due course.

In his letter, the Minister stated his intention to provide funding for Councils to support with the capacity required to develop LGR proposals. The interim proposal (Appendix A) outlines the indicative areas of support that will be required to a) develop proposals for LGR, and b) to stand up an internal LGR implementation team to oversee transition arrangements.

Staffing: HR Ref: HR229-03-12

There are no direct staffing implications as a result of this report. LGR is a new priority workstream for the Council which will, by its nature, put pressure on the capacity and resources of some corporate and other service areas who will be required to respond to the different elements of the LGR process. This includes, but is not limited to, input from the Policy & Strategy Team, Finance Team, People Services, Change, Performance and Programmes Team, Communications Team, and Senior Management Team. As such, future consideration of resources will be necessary to ensure the Council has the right level of capacity and resource in place to continue to progress this work in the best interests of Our People, Our Place, and Our Council.

Council staff are being kept informed of key developments relating to LGR via a dedicated page on the Council's intranet, through weekly staff messages, and all staff corporate updates as required. This will continue throughout the next stages of the indicative LGR timeline.

The interim proposal (Appendix A) outlines the indicative resources and capacity required to a) develop proposals for LGR and b) stand up an internal LGR Implementation Team to oversee transition arrangements. Consideration and action in relation to staffing matters will be taken at the appropriate points along the LGR timeline, with such decisions presented to the appropriate committee for determination where applicable.

Equality and Diversity including Human Rights:

In preparing options A-F set out in this Appendix A, high-level consideration has been given to Equality, Diversity and Human Rights. A full Equality Impact Assessment will be undertaken ahead of submitting a full and final proposal in November 2025.

Data Protection Implications:

None arising from this report

Climate Related Risks and Opportunities:

None arising from this report

Section 17 Crime and Disorder Considerations:

None arising from this report

Health Implications:

None arising from this report

Title and Location of any Background Papers used in the preparation of this report:

[English Devolution White Paper 2024](#)

[Statutory Invitation from the Minister for Local Government & English Devolution to Greater Lincolnshire Council Leaders 5th February 2025.](#)

The Local Government Boundary Commission for England Council Size Submission: A Short Guide to Making a Good Submission (Appendix C)

Risk Assessment:

The Government has stated its intention to reorganise all two-tier local authority areas within this Parliament. In preparing for this, Councils are expected to work together to develop the best local government structure for the area. It is therefore important that all Councils engage in the process to ensure their area is appropriately represented in discussions and decisions. Not engaging in the discussions creates a risk that any future decisions regarding local government structures in Lincolnshire do not represent the best interests of West Lindsey. Likewise, not submitting an interim proposal on 21st March 2025 risks West Lindsey's priorities and interests not being taken into consideration by MHCLG when undertaking their assessments and making any final decisions. These risks are mitigated by regular and consistent engagement in LGR discussions at the local, regional and national level by both members and senior officers.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

Executive Summary

On 19th December 2024, government announced its intention to reorganise all remaining two-tier local authority areas in England, via the English Devolution White Paper. Subsequent to this, a statutory invitation was issued by the Minister for Local Government and English Devolution to all ten Greater Lincolnshire Leaders inviting proposals for achieving reorganisation in Lincolnshire. Initially, councils are asked to submit their proposals for reorganisation by 21st March 2025. This paper sets out the requirements on the Council, the key milestones for achieving reorganisation, and presents a number of options for consideration (Appendix A). Members are asked to agree for the options set out in this report to be submitted to government as the Council's interim plan which advocates for West Lindsey and seeks to achieve the best outcomes for Our People, Our Place and Our Council.

Introduction

In publishing the English Devolution White Paper 2024 (henceforth referred to as "the White Paper"), the Government set out its intention to redraw the Local Government landscape in England via an enhanced programme of devolution, and the reorganisation of all remaining two-tier local government areas in England. Such change, if delivered, represents the largest reform of the Local Government sector since 1974.

This paper sets out the latest position with regards to Local Government Reorganisation and seeks approval to work with Councils across the Greater Lincolnshire region to meet the requirement to develop a proposal for a single tier of Local Government. In agreeing to submit the options set out in Appendix A, it is important to note that this does not restrict the Council to the options as written, and that there will be further opportunity to amend, develop and expand on these options when forming a full and final proposal over the coming months.

Background

In considering this paper, it is important to distinguish between Devolution, and Local Government Reorganisation, the latter of which is the primary focus of this paper.

Devolution

Devolution is about shifting power, funding and decision-making away from central government and closer to local areas. It is not about altering the structure of local councils. Devolution allows local leaders, through an elected Mayor, to better meet local needs in key policy areas such as economic growth, transport, housing, education and skills, and health. Devolution is not a new concept, having first been introduced in 1998 with the devolution of powers to Scotland, Wales and Northern Ireland, however, the focus for the current government is a so called 'Devolution Revolution' that boosts economic growth and raises living standards across the country.

A key part of the White Paper is to invite those areas in England not already covered by a devolution framework to submit proposals for devolution, which will be adopted as a default position without the need for deals as has previously been the case. Locally, a Devolution Deal for Greater Lincolnshire has already been established covering the County of Lincolnshire and the two unitary

authorities of North Lincolnshire and North-East Lincolnshire. Elections for a new Greater Lincolnshire Mayor are due to be held on 1st May 2025. The new Mayor will lead the Greater Lincolnshire Mayoral Combined County Authority (GLMCCA). As such, the Devolution element of the White Paper is not applicable to Lincolnshire, or relevant to this paper as a deal has already been established.

Local Government Reorganisation

Local Government Reorganisation (LGR) differs to devolution. It concerns the restructuring of local councils to improve efficiency and service delivery, as well as ensuring that local government is in the best position to deliver on the strategic priorities of the newly created MCCAs and make the most of the devolved powers and finances. The White Paper and accompanying Policy Paper makes clear the Government's intention that all remaining two-tier council areas will be restructured to create a single tier of local government. Currently, Lincolnshire is governed by the County Council, which has responsibilities including children's services, adult social care, highways and waste disposal, and seven District Councils, which each have responsibilities including waste collection, planning and Council Tax collection. By creating a single tier of local government, County and District Councils will be abolished and replaced with a single unitary council. It is understood that Town and Parish Councils will not be affected by the changes set out in the White Paper. As with Devolution, LGR is not a new concept, with the creation of unitary councils happening incrementally up to this point.

The Requirements on Local Councils in Remaining Two-Tier Areas

On 5th February 2025, the Minister for Local Government and English Devolution (henceforth referred to as "the Minister"), Jim McMahon OBE MP wrote to all council Leaders in remaining two-tier areas formally inviting the submission of proposals for LGR. Locally, this statutory invitation was issued jointly to the Leaders of Lincolnshire County Council, the seven Lincolnshire District Councils, North Lincolnshire Council, and North-East Lincolnshire Council in accordance with the Greater Lincolnshire footprint. A copy of this letter is attached as Appendix B, with the requirements on local councils summarised as follows:

- (i) Local Leaders are expected to work together, including by sharing information, to develop robust and sustainable unitary proposals that are in the best interests of the whole area, rather than developing competing proposals.
- (ii) Councils are expected to make every effort to work together to develop and jointly submit one proposal for unitary government across the whole of the area. The proposal that is developed for the whole of the area may include one or more unitary councils and should be complementary to devolution geographies. On 6th March 2025, the Minister announced that reorganisation of existing smaller unitaries is not currently possible and will be put on hold to focus on the reorganisation of two-tier authorities, citing capacity issues within MHCLG. Locally, it is not currently clear what impact this will have on

any interim reorganisation proposals that include North Lincolnshire, North-East Lincolnshire or Rutland.

- (iii) Where it is not possible for all councils in an area to jointly develop and submit a proposal, this will not be considered a barrier to progress and the government will consider any suitable proposals submitted by the relevant local authorities.
- (iv) Councils are expected to deliver business as usual services and duties, which will remain unchanged until reorganisation is complete. Assets and liabilities will remain locally managed by councils.

Criteria for Developing Reorganisation Proposals

The Ministerial Letter is a statutory invitation, with government declaring that it intends to reorganise all remaining two-tier areas in England within this Parliament. Lincolnshire sits within phase two, meaning that the vesting day for the new unitary authority or authorities is April 2028. It has already been confirmed that Lincolnshire County Council elections will go ahead as planned on 2nd May 2025. West Lindsey Council elections are currently scheduled for 6th May 2027. The current indicative timeline for Lincolnshire as outlined by MHCLG is included below, noting that this may be subject to change.

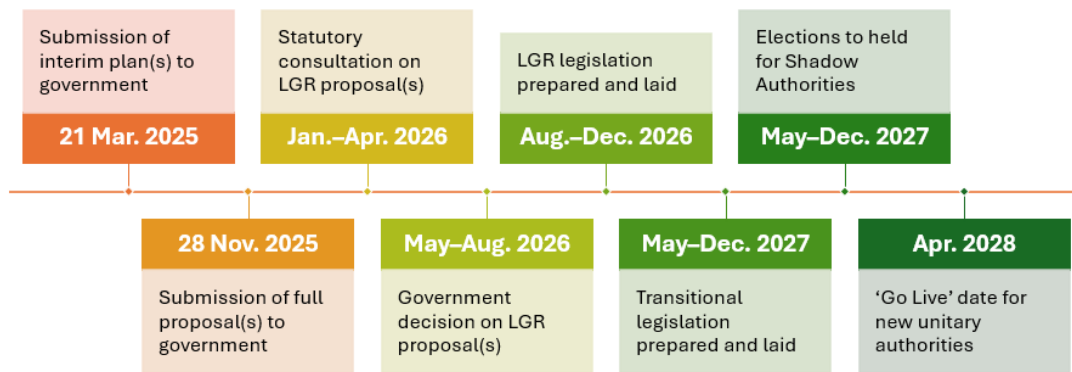


Fig 1. Indicative timeline for local government reorganisation in Lincolnshire

In submitting their proposals, councils are expected to meet specific criteria as set out in the guidance included in Appendix A and summarised thus:

- (i) **A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government** – this includes sensible economic areas with an appropriate tax base, and sensible geographic areas which will help to increase housing supply. It is expected that a proposal will be supported by robust evidence and include an explanation of the intended outcomes and how it is expected that these outcomes will be achieved.

- (ii) **Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks –**
As a guiding principle, new unitary councils should aim for a population of 500,000 or more, however, government recognises that there may be scenarios where this population figure does not make sense for an area. Where this is the case, the rationale for an alternative population should be set out in a proposal. On 6th March 2025, The Minister stated that proposals for authorities covering smaller populations might be approved based on specific geographic factors, such as sparse population. Efficiencies should be identified to help improve finances and ensure value for money. Proposals should also include management of transition costs, including planning for future service transformation opportunities from existing budgets, including from flexible use of capital receipts in support of forward transformation and invest to save projects. There is no proposal for council debt to be addressed centrally or written through reorganisation.
- (iii) **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 –** it is for councils to decide how best to engage locally in a meaningful and constructive way. Any engagement activity should be evidenced in the proposal, including an explanation of the views that have been put forward and how these should be addressed. Issues of local identity and cultural and historic importance should be evidenced in the proposal.
- (iv) **New unitary structures must support devolution arrangements –** Proposals will need to consider how the MCCA and its governance arrangements will need to change to continue to function effectively and whether the proposal is supported by the Mayor where applicable. There should be sensible population size ratios between local authorities and the MCCA, with timelines that work for both priorities.
- (v) **New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment –** proposals will need to explain plans to make sure that communities are engaged.

Guiding Principles

In formulating a proposal, it is expected that existing district areas should be considered the building blocks, however more complex boundary changes will be considered where there is strong financial or public service justification to do so. Local leaders are expected to work proactively together, including the sharing of information, to develop proposals that are in the interests of the whole area, rather than developing competing proposals. Local leaders are also expected to engage their Members of Parliament, and to ensure wide engagement with local partners and stakeholders, residents, the workforce, and businesses. The views of other public sector providers should also be considered. This includes the relevant Mayor, Integrated Care Board, Police and Crime Commissioner, Fire and Rescue Authority, education providers, and the voluntary sector.

Councils are asked to submit their interim proposals by 21st March 2025. A full proposal must be submitted by 28th November. Following this, it will be for the government to decide on taking a proposal forward and to consult as required by statute. The interim proposal should:

- (i) Identify any barriers or challenges where further clarity or support would be helpful.
- (ii) Identify likely options for size and boundaries of new councils that will offer the best structure for delivery of high-quality, sustainable public services, along with indicative savings opportunities.
- (iii) Include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.
- (iv) Include early views as to councillor numbers that will ensure both effective democratic representation for the area, and also effective governance and decision-making arrangements.
- (v) Include early views on how new structures will support devolution ambitions.
- (vi) Include a summary of local engagement that has been undertaken and any views expressed, along with further plans for wide local engagement to help shape developing proposals.
- (vii) Set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to co-ordinate potential capacity funding across the area.
- (viii) Set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to co-ordinate potential capacity funding across the area.
- (ix) 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 decisions needed now to maintain service delivery and ensure value for money.

Additionally, on 14th March, Councils were issued with guidance from the Local Government Boundary Commission for England on council size submission. A copy of this is attached as Appendix C. Where options contained in the proposal have an impact on existing boundaries, this is highlighted. Implications include changes to existing authority boundaries, for example carving up districts or moving them out of existing county areas, or where there are implications on the boundaries of other public sector bodies, such as Integrated Care Boards.

Engagement Activity to Date

On 24th February 2025, all ten Lincolnshire Leaders met and agreed to work together to explore all options and to form plans that are in the best interests of the people of Lincolnshire. Subsequent discussions about appropriate geographical boundaries are ongoing and will continue beyond the interim submission date of 21st March. Engagement has also taken place between the Leader of the Council, Cllr Trevor Young, and the local MP, Sir Edward Leigh.

At officer level, collaboration is happening through existing networks such as Chief Executive meetings, and meetings of Finance, Communications, and

Policy Leads. The purpose of these is to share information and intelligence in support of the political steer provided by Leaders. A data hub has been established for officers to share key financial and service data, although this is currently limited to councils within the Lincolnshire County boundary. Officers are also regularly attending online briefings delivered by bodies such as the Local Government Association (LGA), and District Councils' Network (DCN).

In developing proposals, Councils are expected to consult with residents, local businesses, partner organisations and other key stakeholders. A Stakeholder Engagement Plan will be developed as part of preparing the final LGR proposal. This will align with the principles set out in the Council's recently adopted Consultation and Community Engagement Strategy.

Options for Consideration

A number of options for LGR in Greater Lincolnshire have been developed for consideration, as set out in Appendix A. These options are based on emerging discussions, including a West Lindsey all-member briefing held on 10th March 2025.

In developing these options, consideration has been given to a range of data categories including population and demographics, health and wellbeing, the local economy, deprivation, and employment and skills. In the absence of local consensus around a single proposal for Lincolnshire, these metrics have been chosen to reflect the challenges and opportunities identified in the Council's adopted Corporate Plan 2023-2027. This serves to demonstrate West Lindsey's position within each of the options presented, using a 'RAG' rating – red indicating that West Lindsey would be in a worse position, green indicating that West Lindsey would be in a better position, and amber indicating no change.

It should be noted that the options presented are high-level at this stage. Further, detailed analysis will be undertaken in developing a full proposal and following initial government feedback post-March 2025. Further papers will be brought before Council for decision as appropriate in the lead up to the final November 2025 submission date.

In addition to the six options presented, a further option was considered, that being not to present an interim proposal to government. Not submitting an interim proposal would mean that the Council misses the opportunity to advocate for West Lindsey and loses the opportunity to receive government feedback on possible options for LGR in Lincolnshire. It also carries the risk that the Council could be subject to reorganisation based on a proposal submitted by another Council that does not represent the best interests of West Lindsey, Our People, and Our Place. For these reasons, not submitting an interim proposal has been discounted as a viable option. The six options contained within Appendix A are summarised thus (names are for illustrative purposes only):

Option	Geography	Boundary Commission Implications?
A - three unitaries)	Northern Lincolnshire – North Lincolnshire (NL) and North-East Lincolnshire (NELC)	No
	Central Lincolnshire – West Lindsey (WLDC), North Kesteven (NKDC) and City of Lincoln (CoL)	
	Southern Lincolnshire – Boston (BBC), East Lindsey (ELDC), South Holland (SHDC) and South Kesteven (SKDC)	
B – three unitaries	Northern Lincolnshire – NL, NEL	No
	Central Lincolnshire – WL, CoL, ELDC, NKDC	
	Southern Lincolnshire – BBC, SH, SKDC	
C – two unitaries	Northern Lincolnshire – NL, NEL	No
	Lincolnshire County – WL, BBC, CoL, ELDC, NKDC, SH, SKDC	
D – two unitaries	Northern Lincolnshire – WL, NL, NEL, ELDC	Yes
	Southern Lincolnshire – BBC, CoL, NKDC, SH, SKDC	
Option E – two unitaries	Northern Lincolnshire – WL, NL, NEL, CoL	Yes
	Southern Lincolnshire – BBC, ELDC, NKDC, SH, SKDC	
Option F – three unitaries	Northern Lincolnshire – NL, NEL	No
	Eastern Lincolnshire – BBC, ELDC, SH	
	Western Lincolnshire – WL, CoL, NKDC, SKDC	

Summary

In considering the contents of the statutory invitation, Council is asked to note the government's intention to reorganise all remaining two-tier local authority areas in England, and the key milestones for delivering this. In respect of Greater Lincolnshire, Leaders have committed to work together to develop a proposal that best serves the interests of the people of Lincolnshire. There is much work to be done both by the Council, and across Greater Lincolnshire to prepare a full and final submission by November 2025. The first stage is to identify and explore a number of options for initial consideration, as presented in Appendix A. In considering these options, Council is asked to agree for these to be submitted to government as an interim position, noting that doing so does not restrict the Council to any one option at this stage. Following initial government feedback and further direction from members detailed work and analysis will commence to refine and develop a full proposal to be submitted by 28th November 2025 as required. Council is asked to support the recommendations laid out in this report to allow this work to progress.