



Lancashire Local
Government
Reorganisation
Government's Statutory
Consultation

**Stakeholder Briefing
23rd February 2026**

Welcome and Purpose

- To provide you with an informed, neutral view on local government reorganisation and the proposals that have been put forward in Lancashire.
 - During the consultation period, Councils are required to act in line with the Local Authority Publicity Code.
- To encourage your participation in the Government's Statutory Consultation on the LGR proposals for Lancashire.
- To start a two-way relationship with our key partners and stakeholders across Lancashire as we move forward through the LGR implementation process.



Agenda

 Introduction from County Councillor Stephen Atkinson, Leader of Lancashire County Council

 Local Government Reorganisation – the national picture

 Government's Statutory Consultation

 Overview of LGR Proposals for Lancashire

 Next steps after Statutory Consultation

 How to respond

 Q&A

 Closing Remarks



Introduction from County
Councillor Stephen
Atkinson, Leader of
Lancashire County Council



Local Government Reorganisation

Local government reorganisation is about moving from two-tier local government (with county councils and district councils) to a single-tier of local government with new unitary councils.



Local Government Reorganisation in Lancashire: why now?



Government is pursuing LGR across all two-tier areas in England, aiming to implement during this Parliament.



Local Government is under ever-increasing pressures driven by rising costs, inflation, and increasing demand for statutory services.



Councils are increasingly needing to prioritise statutory services, such as adult and children's social care, and SEND provision, at the expense of local discretionary services.



The current two-tier system is considered to be overly complex and inefficient, with overlapping responsibilities and disconnected service delivery.



Government objectives for LGR



Make councils more efficient and financially stable



Improve service quality and accountability



Support devolution and economic growth



Give more power to local communities



LGR – Timeline and Process



Government Statutory Consultation

As part of the Government's legal process, it is required to undertake a statutory consultation on the proposals it is considering for LGR in Lancashire.

The consultation was launched on 5th February for a period of 7 weeks, ending on 26th March.

The consultation is open to all respondents – stakeholders and residents.

The Government is particularly keen to understand the views of key stakeholders, and has consulted a list of named consultees directly.



Overview of Lancashire LGR Proposals

All proposals are available to view by visiting
LancashireLGR.co.uk/proposals



The Lancashire Context

Lancashire is an area of contrasts and complexity – young and old, affluent and deprived, high value and low productivity sectors, high value employment vs economic activity, rural and urban

Challenges



Ageing population: demand for health and social care is rising faster than the working-age base.



Social care pressures: high costs and complex needs in adults and SEND alongside market cost inflation stretching local budgets.



Inequality: sharp divides in health, housing and opportunity between different parts of Lancashire.



Housing: limited suitable housing restricts adaptations and complex needs provision, hindering prevention, wellbeing, and regeneration efforts for safe, affordable homes.



Workforce gaps: difficulty recruiting and retaining staff across care, education and other key services.



Financial strain: limited headroom and rising demand leave little room to invest for the future.

The Lancashire Context

Opportunities



Identity and pride: Lancashire's culture, heritage and strong sense of place can attract investment and underpin growth.



Growth, innovation and skills: transport infrastructure, universities and enterprise zones can drive high-value jobs and better link education and employers.



Building on collaboration: several examples of joint working and approaches across Lancashire councils that are a platform for change.



Health and care: new approaches to market and provider management and joint work with the NHS can ease pressures and support people at home.



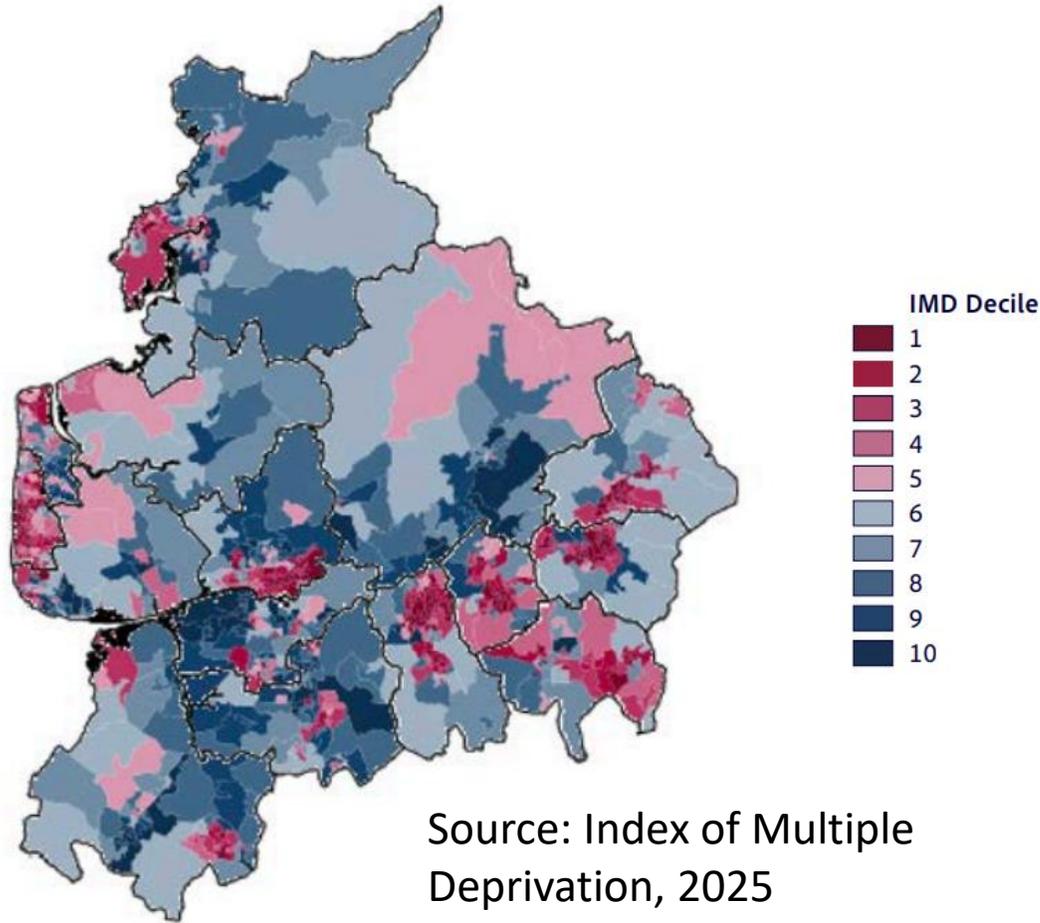
Children and families: more targeted early help for families and SEND support can cut costly placements.



Community assets: parks, libraries, landscapes and leisure and green spaces are major Lancashire assets for health & wellbeing and tourism.



Deprivation – connecting need to opportunity



- Lancashire has sharp inequalities across the county between its different communities.
- 32% of Lancashire neighbourhoods fall within the 20% most deprived nationally.
- Some of our council areas are amongst the most relatively deprived nationally:
 - **Blackpool** – most deprived nationally
 - **Burnley** – 4th most deprived
 - **Blackburn with Darwen** – 11th most deprived
 - **Pendle** – 13th most deprived
 - **Hyndburn** – 16th most deprived
- **There is a real and urgent need to better connect these communities with areas of opportunity, growth and employment to genuinely level up the county.**



LGR – Government Criteria for Proposals

- 1** Single tier of local government over sensible economic areas and appropriate tax base.
- 2** Right size to achieve efficiency and financial resilience – minimum 500k population guiding principle, with no maximum referenced.
- 3** Delivery of high-quality and sustainable services, avoiding unnecessary fragmentation and enabling public service reform.
- 4** Show how Councils have worked collaboratively and considered local needs.
- 5** New unitary councils should support and enable devolution.
- 6** Enable stronger community engagement and neighbourhood empowerment.



Striking the right balance...



Scale vs agility

Identity vs financial viability

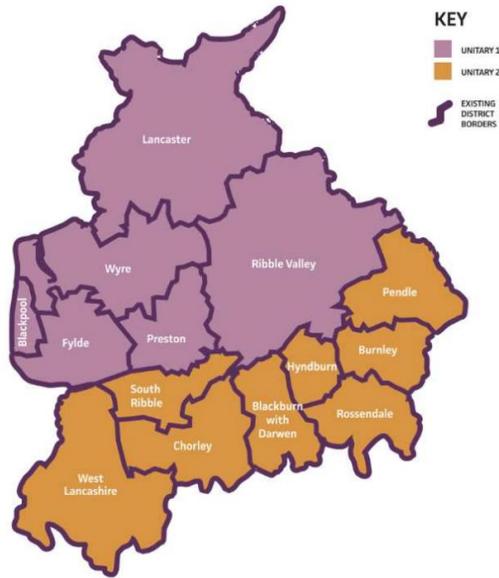
Consistency vs fresh models

Localism and communities vs
strategic coherence



Options under consideration

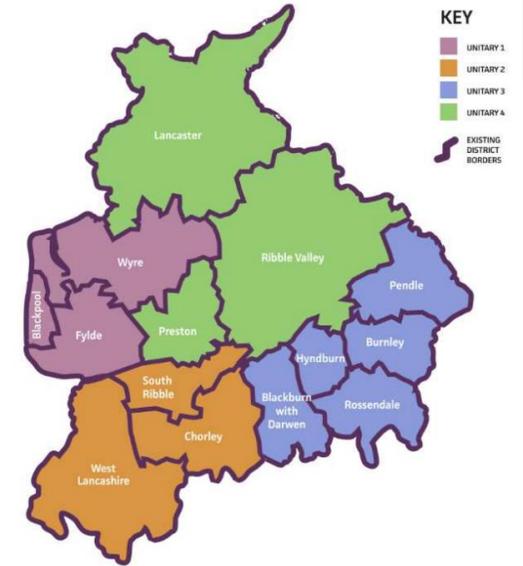
2 Unitary Authorities – N/S



3 Unitary Authorities

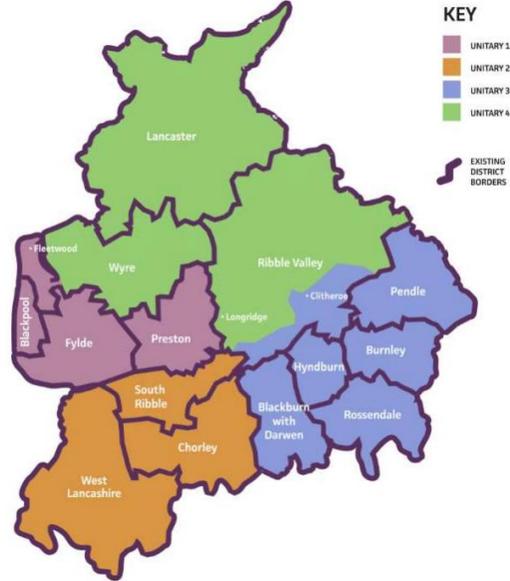


4 Unitary Authorities



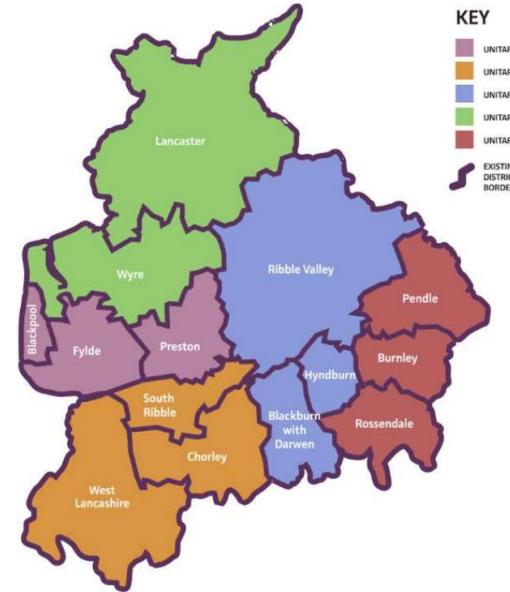
Options under consideration cont.

4 Unitary Authorities – Option B



Blackpool Council

5 Unitary Authorities



Burnley
gov.uk

Pendle
Borough Council



Why not 1 Unitary Council?

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.
- Precludes the opportunity for potentially transformational devolved powers and funding arrangement in the future.
- Not be in line with the Government's intention for deeper devolution.

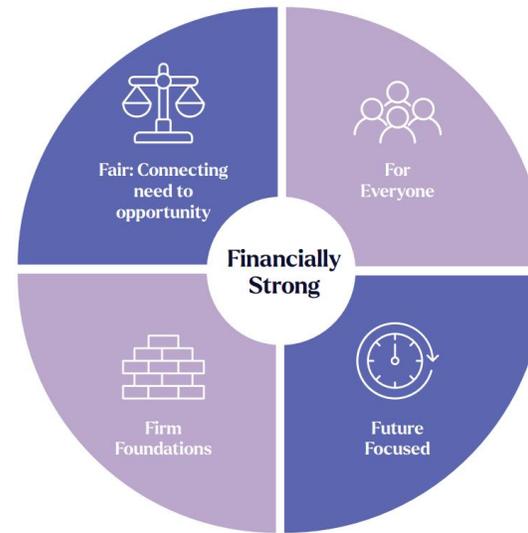
In the County Council's proposal to Government, we requested a further opportunity to consider a single unitary model if government policy was to change.



2 Unitary Authority Proposal

Stated Objectives:

- **Fair:** Balanced resources and service need
- **Financially Strong:** Efficiencies and resilience
- **For Everyone:** Protects local identity
- **Firm Foundations:** Simplifies transition
- **Future-Focused:** Strategic scale for growth & reform



Stated Benefits:

- **A more equitable balance of need and resources** between the two councils compared to alternatives.
- Generates **£391m of cumulative savings** in the 5 years after Vesting Day.
- With scale, greater **financial resilience** and **ability to manage financial risks**.
- Ability to reinvest savings into communities through a **new £15m per authority Neighbourhood Fund**.
- More financial scope to **protect local discretionary services**.
- Geographies to **drive growth and connectivity across the central belt of Lancashire**.
- Resources to fund public service transformation and preventative services, through a **dedicated Public Service Reform Fund**.
- **Simplified partnership dynamics** with fewer unitaries.
- **A less complicated transition process** compared to other options reducing risk on service delivery, particularly for statutory services.



	North	South
Population	722,000	879,000
IMD score	25.89	27.40
Life Expectancy	79	79.3
GVA	£18.4bn	£21.2bn

3 Unitary Authority Proposal

Stated Objectives:

- **Simplify governance** by replacing the current two-tier system (15 councils) with three streamlined, single-tier authorities.
- **Improve service delivery by aligning** council boundaries with NHS, police, and **other public service** geographies.
- Enhance **financial resilience** through economies of scale and balanced tax bases.
- Accelerate **economic growth** by aligning with real economic geographies and unlocking investment.
- Strengthen **community engagement** via co-designed neighbourhood governance structures.

Stated Benefits:

- Up to **£188 million in net financial benefits** over 7 years.
- Improved **integration of health, care, housing, and prevention** services.
- Stronger **local democracy** with clearer accountability and empowered neighbourhoods.
- Better alignment with devolution ambitions and **readiness for a Mayoral Combined Authority**



	Coastal	Central	Pennine
Population	493,000	521,000	586,000
IMD score	27.06	20.07	32.33
Life Expectancy	78.8	80.1	78.6
GVA	£11.3bn	£15.6bn	£12.7bn

4 Unitary Authority Proposal

Stated Objectives:

- Replace the current two-tier system with **four new unitary authorities**: North Lancashire, South Lancashire, Pennine Lancashire, and Fylde Coast.
- Establish a **Mayoral Strategic Authority** to coordinate county-wide strategy and devolution
- **Inclusive Economic Growth**: Align councils with Lancashire's economic corridors to drive investment and productivity.
- **Prevention & Early Intervention**: Shift focus from crisis response to proactive, community-based services.
- **Empowering Communities**: Create 42 Neighbourhood Area Committees to embed local decision-making.

Stated Benefits:

- **Better alignment with community identity**: 81% of residents identify with their town/village, not the county.
- **Improved service delivery**: Smaller, locally focused councils can tailor services more effectively.
- **Financial sustainability**: Forecasted **£194.9m net benefit** over 7 years, with **£82.1m recurring annual savings** from 2032/33.
- **Balanced scale**: Councils are large enough for resilience but small enough for local accountability.



	North	South	East	West
Population	373,000	358,000	520,000	348,000
IMD score	22.91	16.30	35.14	29.03
Life Expectancy	79.5	81	78.1	78.4
GVA	£10.4bn	£10.5bn	£10.7bn	£8.0bn

Alternative 4 Unitary Proposal



Stated Objectives:

- **Simplify governance** by replacing the current two-tier system (15 councils) with four single-tier authorities.
- Creates four new councils that **reflect where people live and work**, creating areas of similar culture.
- **Alters some existing administrative boundaries** – the west of Wyre falls in the Western Authority, and the south of Ribble Valley falls into the Eastern Authority.
- Aims to achieve a more **unified approach to housing issues** across the Fylde Coast.

Stated Benefits:

- Forecasted **£147.7m of savings** in the 5 years after Vesting Day.
- **Recurring annual savings of £66m.**
- Councils cover **recognisable geographies**, which enables tailored service delivery and unlocks greater transformation potential.
- Achieves a **stronger alignment with parliamentary boundaries.**

	Population	Life Expectancy	GVA per capita
North	201,000	80.7	£24,851
South	358,000	81	£31,756
East	565,000	79.1	£24,264
West	475,000	78.7	£29,799

5 Unitary Authority Proposal

Stated Objectives:

- **Locally led** proposal, focused on delivery around localities and respecting communities
- **Strengthening voice** at the sub regional level **for the more deprived East** Lancashire, through 2 eastern authorities
- **Closer working with communities** and increased democratic representation for sustainable, responsive, and accurate representation, and embedding local character into governance, with decisions that reflect the people they serve
- **Driving innovation** – arguing that smaller authorities are better able to be responsive and tailored in addressing local needs themselves through innovation and transformation

Stated Benefits:

- Sets out a **net benefit of £230.7m** over 5 years for the Five-Unitary model, more than 4 or 3 unitaries in their modelling.
- Achieve **efficiencies and better outcomes** through service reforms over a smaller, more manageable geography, **through more bespoke approaches tailored to local** markets and conditions.
- The ability to drive **efficiency in service and digital transformation** and achieve comparable results with larger organisations through agility of implementation at a more manageable scale and at a faster pace, without the need for complex service change and contracting over large geographies.



	Population	GVA	IMD	Life Expectancy
North	263,000	£5.89bn	21.72	80.2
South	358,000	£10.3bn	16.30	81.2
East	272,000	£5.63bn	34.00	79.2
West	348,000	£11.3bn	31.42	78.6
Middle	314,000	£7.5bn	30.87	79.3



Financial Analysis Across All Proposals

Proposal	Supported By	Unitary Configuration (5-year cumulative net benefit)					
		Single Unitary	2 Unitaries	3 Unitaries	4 Unitaries	Alternative 4 Unitaries	5 Unitaries
2UA Proposal	Lancashire County Council	£677m	£391m	£218m	£0m	£0m	-£162m
3UA Proposal	Blackburn with Darwen, Fylde, Hyndburn, Rossendale, Wyre	Not modelled	Not modelled	£188.4m	£107.4m	Not modelled	Not modelled
4UA Proposal	Chorley, Lancaster, Preston, Ribble Valley, South Ribble, West Lancs	Not modelled	Not modelled	£202.4m	£194.9m	Not modelled	Not modelled
Alternative 4UA Proposal	Blackpool	Not modelled	£209.4m	£176.9m	£134.6m	£147.7m	£80.6m
5UA Proposal	Burnley, Pendle	Not modelled	Not modelled	£207.4m	£227.7m	Not modelled	£230.7m

- Table shows the estimated cumulative net benefit in the 5 years after Vesting Day for the different unitary configurations modelled in the various proposals.

Commonality Across All Proposals

- All proposals are built on similar objectives and aim to achieve common improvements in Lancashire, including:
 - All proposals aim to reduce duplication and fragmentation by integrating services, staff, and budgets into single organisations.
 - Identifying improved coordination of services – particularly in areas such as social care, housing, planning, transport, and public health – as a key outcome of reorganisation.
 - An increased focus on preventative services.
 - A strong focus on place-based working, community engagement, and neighbourhood governance & service delivery. Key partners will have a critical role in ensuring the successful rollout of increased neighbourhood service delivery.



Statutory Consultation - Format

- The consultation requires you to provide a response to each of the 5 proposals.
- There are 7 standard questions for each proposal, largely aligned to the Government's criteria for proposals (see slide 11). There will be an additional question for the Alternative 4 Unitary Proposal asking about the justification for a boundary change.
- Each question will ask whether you 'Strongly Agree', 'Agree', 'Neither', 'Disagree' or 'Strongly Disagree'.
- There is a further option to provide a free text response explaining the rationale for your answers.

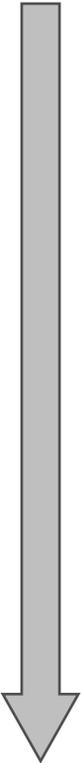


Statutory Consultation – How to Respond

- The consultation is primarily online and can be accessed via this link:
<https://consult.communities.gov.uk/local-government-reorganisation/lancashire-blackburn-with-darwen-blackpool/>
- Responses can also be made in writing, but it should be clear which proposal you are responding to. Responses can be emailed to lgrconsultationresponse@communities.gov.uk
- Alternatively written responses should be sent to:
 - LGR Consultation
 - Fry Building 2NE
 - Ministry of Housing, Communities and Local Government
 - 2 Marsham Street
 - London
 - SW1P 4DF
- When replying by email or post, please include your name and indicate in which council area your organisation address is located.
- You should also confirm whether you are replying as a named consultee, submitting an official response on behalf of an organisation that is not on the list of named consultees, or replying as an individual.



LGR - Next Steps



The 15 Councils are working to establish a Lancashire-wide LGR programme for transition and implementation. This will start with a comprehensive baselining exercise across the Councils.

Government has launched a statutory consultation to understand the views of stakeholders and residents for all 5 LGR proposals.

Government decision on the preferred model for Lancashire is expected in Summer 2026.

Following the Government decision, the Councils will enter into Voluntary Joint Committee working arrangements, aligned with the geographies of the new authorities.

Shadow Elections would then take place in May 2027 and new Authorities will come in place in 2028.



Q&A Session



Closing Remarks

- Thank you for attending.
- Our partners will play a key role in shaping the future of the new unitary councils in Lancashire. Get in touch if you would like to be part of the process.
- **Please scan the QR code to provide feedback on this session and to shape future engagement with stakeholders.**

