

Proposals for Local Government Reorganisation in Lancashire, Blackburn with Darwen and Blackpool

Draft Consultation Response

The 2-Unitary (2UA) Council Proposal

The proposal acknowledges that Lancashire has a polycentric and complex economic geography, with several distinct travel-to-work clusters, multiple economic corridors and strong cross-boundary economic linkages. Despite this, the proposed north/south split broadly aligned to what appears to be the River Ribble does not reflect functional economic areas, labour market geographies, appropriate transport corridors or housing market areas

Pendle Borough Council (hereafter referred to as the Council) is concerned that the proposed boundary artificially fragments established economic relationships, risks weakening coordinated growth planning, separates interdependent communities and does not align with how residents live, travel and work. The choice of geography appears to prioritise administrative simplicity rather than economic coherence.

The proposal sets out projected net savings of £391m over five years and recurring annual savings of £140m. It should be noted that these projections rely heavily on transformation assumptions, transition and transformation costs are significant, delivery risk is not fully quantified and service redesign plans are high-level and aspirational. Experience from large-scale restructures elsewhere indicates that workforce uncertainty and organisational disruption can delay transformation, senior leadership capacity is diverted to structural change and there is heightened risk within adult and children's social care services. It is our view that insufficient evidence has been presented to demonstrate that the scale of change proposed can be delivered safely and within projected financial parameters.

The proposed new authorities would serve populations of approximately 700,000–900,000 residents, which is significantly above the Government's stated ambition of having Authorities with populations around 500,000. However, it is not scale alone that guarantees efficiency or resilience. Financial resilience is driven by effective demand management, strong governance, sustainable financial planning and local accountability. Authorities of this scale and size risk increased bureaucratic complexity, slower decision-making, reduced responsiveness to local circumstances and a lack of democratic proximity

Fundamentally, there is limited independent benchmarking evidence presented demonstrating that authorities of this scale consistently outperform mid-sized unitaries in financial or service outcomes.

Lancashire faces several issues: rising adult social care demand, growing SEND pressures, increasing children's social care complexity and significant health and deprivation inequalities to name but a few. Structural change does not in itself improve service quality. The Council is concerned that transition risk may destabilise vulnerable services, transformation plans lack detailed operational modelling, service quality may deteriorate in the short to medium term, and the projected savings may place additional pressure on frontline provision. Given the scale of the proposed change, the risk to continuity and quality of statutory services must be carefully weighed.

Limited consideration is given to the issue of aggregating Councils under this proposal. Bringing together multiple Councils which have incompatible systems, will require the harmonisation of staff pay and other terms and conditions, integrating services with different policy positions, having different Local Planning Policy (and, in some cases, out of date Local Plans) along with the costs of managing different organisational structures and methods of delivery until these can be properly assimilated, will take both time and funding. This will be encumbered by the need to bring together different organisational cultures under a single leadership model in each of the Unitary Councils.

The proposal references 13,000 resident survey responses and 409 stakeholder responses. While engagement activity is acknowledged, there is no clear evidence of majority public support for the 2UA model, residents' priorities focused on service reliability and value for money rather than structural reform of the scale proposed in the model put forward and strong attachment to towns and local identity were consistently expressed. Indeed, very large unitary authorities may weaken local connection and dilute the strong place-based relationships currently delivered through district-level governance. Fundamentally, the evidence does not demonstrate a clear local mandate for this scale of reorganisation.

The proposal asserts that two large unitaries would support the Lancashire Combined County Authority (LCCA). However, the Council considers that two very large authorities may create political and financial imbalance, governance complexity could increase; devolution requires clarity of accountability, not additional structural upheaval. The relationship between the proposed unitaries and the LCCA is not sufficiently defined to demonstrate improved effectiveness.

Finally, the proposal includes a £15m neighbourhood fund per authority and ambitions for a "Community First" model. While welcomed in principle, the Council notes the per capita allocation is modest across very large populations, governance arrangements for neighbourhood decision-making are not fully developed, larger authorities typically centralise strategic decision-making and Councillor-to-resident ratios are likely to increase. The Council considers there is a material risk that democratic proximity and place-based responsiveness would be reduced under the proposed model.

In summary, having carefully reviewed the 2UA Proposal, the Council concludes that it:

- Does not reflect coherent economic geographies
- Relies on ambitious and uncertain financial assumptions
- Introduces significant transition risk
- Risks weakening local democratic accountability
- Does not demonstrate clear local mandate
- Does not conclusively evidence improved service outcomes

The 3-Unitary (3UA) Council Proposal

While the proposal references functional economic areas, the evidence presented is largely descriptive and selective. Lancashire is acknowledged as a polycentric economy, yet the proposal consolidates multiple distinct economic identities into three broad geographies without detailed labour market modelling. Travel-to-work patterns are not confined neatly within the proposed boundaries. Significant flows exist - from Pennine Lancashire into Greater Manchester, from West Lancashire into Liverpool City Region and from North Lancashire into Cumbria.

The proposal relies on high-level alignment to “corridors” rather than robust, data-led functional economic area mapping. The inclusion of Ribble Valley within Pennine Lancashire is justified on tax-base balancing rather than clear economic coherence. Housing market areas and commuting geographies are more complex than presented and often cross proposed boundaries. The Council does not agree that the proposal demonstrates that the three authorities reflect genuinely self-contained economic areas.

The 3UA model proposals states that it will improve services, accelerate economic growth, increase engagement, accelerate devolution, and increase financial resilience. The proposal sets out strategic ambitions but does not provide sufficiently detailed implementation modelling. In particular, assertions of service integration are not supported by detailed redesign plans or workforce modelling, financial modelling assumptions rely on projected efficiencies that are not guaranteed and transition complexity is understated, particularly given the integration of 15 councils’ services, staff, systems, contracts and cultures.

The proposal does recognise rising demand (adult social care, SEND, deprivation) but does not demonstrate how structural change itself resolves these pressures. That said, the scale of organisational transformation risks diverting leadership focus away from frontline performance and so the proposal describes aspirations rather than evidencing deliverable outcomes within realistic risk parameters.

The Proposal claims that Unitary Councils of approximately 490,000–586,000 population represent the “optimal” scale for efficiency and resilience. Our view is that this population range may be considered by the proposers as optimal but does not present comparative benchmarking evidence demonstrating that authorities of this size consistently outperform others, clear analysis of diseconomies of scale that may arise or detailed sensitivity analysis regarding the ability to withstand financial shocks. Additionally, financial resilience depends on governance discipline, demand management and funding reform, not simply population size.

Deprivation is concentrated in certain areas; balancing tax base through boundary design does not remove underlying demand pressures. Larger authorities may reduce democratic accessibility and responsiveness. In all, there is little evidence to support the argument that “three balanced populations” equates to “optimal efficiency”.

The proposals set out that coterminosity with NHS, police and other partners will strengthen prevention and integration. While alignment with partner footprints is desirable in principle, as an example, NHS Integrated Care Board footprints already operate across larger geographies so coterminosity is not absolute. Equally, structural alignment does not automatically produce integrated practice and strong-performing services (e.g. social care in certain authorities) risk destabilisation during transition. SEND, adult social care and homelessness pressures are acknowledged as significant — reorganisation introduces further operational risk at a time of fragility. Fundamentally, there is limited evidence of detailed operational continuity planning beyond high-level commitments and the Council considers that service continuity and quality could be compromised during and after transition.

Limited consideration is given to the issue of aggregating Councils under this proposal. Bringing together multiple Councils which have incompatible systems, will require the harmonisation of staff pay and other terms and conditions, integrating services with different policy positions, having different Local Planning Policy (and, in some cases, out of date Local Plans) along with the costs of managing different organisational structures and methods of delivery until these can be properly assimilated, will take both time and funding. This will be encumbered by the need to bring together different organisational cultures under a single leadership model in each of the Unitary Councils.

According to the submission, the proposal has broad political, civic and business support and reflects established identities. The document references endorsements from selected MPs, business representatives and civic leaders. However, endorsements do not equate to demonstrable public mandate. To emphasise this point, there is no evidence of a formal public referendum or statistically representative consultation demonstrating majority support. Local identity is strongly town- and district-based; larger unitaries may dilute these identities. Assertions of “natural geographies” are contested and subjective and the Council contends that sufficient evidence has been provided to demonstrate widespread, informed public support.

The proposal assumes structural change is a prerequisite for effective devolution; this is not evidenced. Devolution success depends on clarity, stability and collaborative culture — major restructuring risks short-term instability. The relationship between three new unitaries and the Lancashire Combined County Authority is not properly defined and the potential political imbalance between three authorities could complicate governance dynamics. There is insufficient evidence that this configuration uniquely strengthens devolution compared to alternative models.

While the proposal references neighbourhood governance and co-production, governance mechanisms are described at a principle level rather than through defined statutory structures. No detailed subsidiarity framework is presented and, intuitively, larger authorities inevitably increase Councillor-to-resident ratios. Financial resources allocated to neighbourhood-level activity are not quantified in detail and so the Council is concerned that democratic proximity may weaken rather than strengthen under larger consolidated authorities.

In summary, however, having carefully reviewed the 3UA Proposal, the Council concludes that it while the proposal is ambitious and well-presented, it:

- Relies on aspirational delivery assumptions
- Does not conclusively evidence optimal scale
- Underestimates transition and service risk
- Does not demonstrate a clear public mandate
- Does not prove that structural change is required for devolution
- Risks reducing local democratic proximity

The 4-Unitary (4UA) Council Proposal

While the 4UA proposal emphasises continuity of boundaries, existing district boundaries were not originally designed around modern functional economic areas, travel-to-work patterns, or strategic growth corridors. Lancashire's economy is polycentric and interconnected, with strong cross-boundary labour markets (including links to Greater Manchester, Liverpool City Region and Cumbria).

Developing Unitary Councils on the proposed boundaries risks entrenching fragmentation rather than reflecting contemporary economic geography and there is limited evidence in the proposal of detailed economic modelling demonstrating that each proposed unitary would constitute a coherent and self-contained economic area. Fundamentally, identity alone does not equate to functional economic coherence, and the Council is concerned these are not sensible or economically aligned geographies.

The proposal claims that the 4UA model will deliver improved services, financial sustainability, stronger growth, and better local responsiveness. However, the proposal outlines aspirations rather than detailed implementation frameworks. There is limited operational modelling demonstrating how service redesign would occur across multiple newly created unitaries. Transition risks (HR, ICT, contracts, governance harmonisation) are significant and not fully costed.

The cumulative scale of transformation across numerous new authorities potentially introduces material risk to service stability and there is insufficient evidence that structural continuity alone (i.e., no boundary change) will generate transformational improvement. As well, the proposal relies on optimistic assumptions regarding capacity, delivery speed and cost avoidance.

Whilst we acknowledge that smaller, locally rooted unitaries will maintain agility while achieving efficiencies, the Council has concerns about this in the context of the 4UA proposal. In relation to delivering high-quality, sustainable public services, the proposal claims that locally focused unitaries will deliver improved service quality and closer accountability. We acknowledge and agree that local accountability is important but service sustainability in areas such as adult social care, children's services and SEND is driven by funding sufficiency and workforce capacity, not simply governance proximity. Again, fundamentally, the proposal does not demonstrate how financial pressures currently affecting Councils would be alleviated by structural change alone.

Limited consideration is given to the issue of aggregating Councils under this proposal. Bringing together multiple Councils which have incompatible systems, will require the harmonisation of staff pay and other terms and conditions, integrating services with different policy positions, having different Local Planning Policy (and, in some cases, out of date Local Plans) along with the costs of managing different organisational structures and methods of delivery until these can be properly assimilated, will take both time and funding. This will be encumbered by the need to bring together different organisational cultures under a single leadership model in each of the Unitary Councils.

Proposals should be informed by local views and should meet local needs. Whilst the proposed 4UA model does reflect local identity and community preference for existing boundaries, there is no clear evidence of statistically representative public consultation demonstrating majority support for this specific model. Again, stakeholder endorsement does not equate to broad resident mandate. Indeed, the proposal relies heavily on arguments about identity, but less on evidence of service performance improvement. Maintaining existing structures may protect identity but does not necessarily improve responsiveness to evolving local needs.

In respecting of supporting devolution arrangements, it is agreed that multiple locally accountable unitaries would strengthen the Combined County Authority and support devolution. However, in this proposal, the relationship between new unitaries and the Combined County Authority is not fully articulated.

As with the 5UA proposal, local continuity and smaller scale will enhance democratic engagement and neighbourhood empowerment. But the 4UA proposal does not set out detailed subsidiarity frameworks or devolved budget mechanisms. There is limited evidence of strengthened parish, town or neighbourhood governance structures. Financial constraints may restrict meaningful neighbourhood-level decision-making. The Council does not consider that neighbourhood empowerment is sufficiently defined or guaranteed by this model.

In summary, having reviewed the 4UA proposal, the Council concludes that it whilst it preserves administrative geography without proving functional economic coherence it:-

- Provides insufficient detailed delivery modelling
- Does not demonstrate improved long-term service sustainability
- Lacks robust evidence of widespread public mandate
- May weaken rather than strengthen devolution
- Does not clearly define strengthened neighbourhood empowerment

The 4-Unitary (4UA) Council Proposal – Alternative Option

The proposal set out that the proposed boundary changes create coherent authorities aligned to functional economic areas, growth corridors and local identities. However, the economic case is largely narrative rather than supported by detailed functional economic area modelling which is difficult to achieve given the limited data exists on the boundaries of the proposed Unitary Councils.

Lancashire's economy is acknowledged as complex and interconnected, yet the proposed configuration consolidates multiple travel-to-work areas without demonstrating economic self-containment. It is also the Councils view that the strong cross-boundary commuting patterns (including flows into Greater Manchester, Liverpool City Region and Cumbria) are not fully reflected in the boundary design and that some boundary choices appear driven by balancing council tax base and financial viability rather than functional economic alignment. Equally, housing market areas and labour markets overlap proposed boundaries, weakening claims of coherence. The Council does not accept that the proposal conclusively demonstrates economically rational geographies.

As with the 4UA model, financial projections rely on assumptions regarding harmonisation, management savings and transformation efficiencies that are not guaranteed and there is limited operational modelling showing how frontline service redesign would be delivered. It is also the case that transformation costs and service disruption risks may be understated. The Proposal asserts that the proposed authorities are of an optimal size to combine strategic capacity with local responsiveness. In the Council's view the proposal does not present independent benchmarking evidence that authorities of the proposed size consistently outperform others. Financial resilience depends on demand pressures, deprivation levels and revenue-raising capacity — not simply population size. The Council is not satisfied that the proposed configuration guarantees improved resilience or capacity.

According to the proposal, boundary change will enable better integrated services, improved prevention and more sustainable service delivery. But, coterminosity with partners is partial and not absolute as a result and, therefore, service sustainability in adult social care and children's services is primarily driven by funding sufficiency and workforce capacity.

Limited consideration is given to the issue of aggregating Councils under this proposal. Bringing together multiple Councils which have incompatible systems, will require the harmonisation of staff pay and other terms and conditions, integrating services with different policy positions, having different Local Planning Policy (and, in some cases, out of date Local Plans) along with the costs of managing different organisational structures and methods of delivery until these can be properly assimilated, will take both time and funding. This will be encumbered by the need to bring together different organisational cultures under a single leadership model in each of the Unitary Councils.

Contrary to being informed by local views and meeting local needs, the evidence of engagement appears largely stakeholder-based rather than derived from statistically representative public consultation. Again, endorsements from selected MPs, business representatives or civic leaders do not constitute demonstrable majority resident support. Equally, assertions of “natural” or “historic” identity are subjective and contested. Fundamentally, there is limited evidence that residents prioritise structural reform over service quality and cost-of-living concerns so the Council does not consider that the proposal demonstrates a clear and informed public mandate.

In relation to stronger community engagement and neighbourhood empowerment, the proposal claims that the proposed model enhances neighbourhood governance and democratic connection. In the Council’s view, the proposal describes principles of subsidiarity but does not define statutory neighbourhood governance frameworks. There is limited clarity regarding devolved budgets or formalised neighbourhood decision-making powers and financial constraints may limit meaningful empowerment in practice.

In summary, having reviewed the 4UA alternative proposal, the Council concludes that it:

- Does not conclusively evidence coherent functional economic geographies
- Does not demonstrate proven optimal scale
- Introduces material transition and service risk
- Lacks robust evidence of broad public mandate
- Provides insufficiently defined mechanisms for neighbourhood empowerment

Response to Consultation Questions

Consultation Question	2UA Model	3UA Model	4UA Model	4UA Model (Alternative)	5UA Model
Q1 Sensible Geographies and Economic Areas	SD	A	SD	SD	SA
Q2 Ability to deliver outcomes described	D	D	D	D	SA
Q3 Right size, capacity and resilience	D	D	D	D	SA
Q4 High Quality, sustainable services	SD	D	D	D	SA
Q5 Informed by local views and needs	SD	D	D	D	SA
Q6 Support for devolution	D	A	D	D	SA
Q7 Community engagement and neighbourhood working	SD	D	D	D	SA

Key: SA = Strongly Agree, A = Agree, D = Disagree, SD = Strongly Disagree