Our Lancashire, Our Councils

Putting people first – councils that change lives

A proposal for four community-focused local authorities

Blackpool Council

www.blackpool.gov.uk

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Foreword

Nearly thirty years on from the creation of Unitary Councils in Blackpool and Blackburn with Darwen, the case for single-tier local government has never been stronger. It means agility to deliver bold regeneration, the power to convene partners around what people and places need, and the clarity of purpose that comes from one set of elected representatives focused on what matters most: improving lives.

Lancashire deserves joined-up thinking and decisions that put people first. We need efficient services delivered with compassion, and a strong voice to champion what our neighbourhoods need to thrive. Change is never easy, it brings uncertainty for residents and staff, and risks distraction from the day-to-day. But if we want to renew our communities from the ground up, shaped by lived experience and rooted in fairness, then change is essential. This is about building strong communities where everyone has the chance to live well.

Our proposal covers the whole region. From the proud industrial heartlands of Pennine Lancashire, across the rural fells of the Forest of Bowland, down the stunning Fylde Coast to Blackpool, and on to Proud Preston and the market towns of South Lancashire. With small boundary changes, we can create councils that truly reflect how people live and work.

Our four-council model makes sense: Lancaster aligned with the Bay area, looking north to Cumbria; Pennine towns connected through strong transport links; the South, a self-contained collection of market towns; and Blackpool and Preston anchoring the west. This structure gives us the scale to deliver Government priorities - decent homes, quality social care, and inclusive economic growth - at a sub-regional level, with four equal partners driving collaboration through our Combined Authority.

And for Blackpool, this matters most. Our unitary model has delivered a laser-sharp focus on people and place. While we'd love to keep that, we know change is coming. This proposal builds on our strengths and adds financial certainty, more resilient staffing, and better ways to engage with residents. It's about creating councils that work for people - not the other way around.

I look forward to working with Government and colleagues across Lancashire to make this vision real: stronger councils, stronger communities, and a fairer future for everyone.

Cllr Lynn Williams
Leader, Blackpool Council

Asks of Government

Blackpool Council has consistently welcomed the opportunities which devolution offers. To maximise its potential, we have several asks of Government:

- £80m to contribute to transitional costs, to be divided between the four new Local Authorities, supporting the ongoing financial viability of the new organisations. The protection of day-to-day services, particularly to our most vulnerable residents, is crucial. Other areas have benefited from additional funding and capacity to ensure safe and effective transition, and we would ask for similar.

- We ask that full consideration is given to the request to modify the northern boundary of our proposed Authority, including its inclusion as a specific option in the formal government consultation. This will allow residents in those areas where there is no strong LA consensus the opportunity to consider our proposed urban coastal, rural, market town and manufacturing areas on their own merits.

- We welcome the offer of engagement from our nominated MHCLG leads, and ask that they co-ordinate across other Local Authorities across the country to assess the level of support for the following, which would need to be enacted at a programme level:

    A. Government shares details of any modelling undertaken as part of the Fair Funding Review on how it expects changes to council boundaries to affect the distribution of funding in accordance with the principles of the review.

    B. Government extends the principle of a five-year Council Tax harmonisation period to all new Local Authorities in the programme.

    C. Transitional protection to cover any adjustments to the financial context of the new authority, including but not limited to:

        i. Provisions of the Fair Funding Review

        ii. Rates Reset

        iii. Any modifications to the Council Tax system.

D. Technical Finance Directions which provide for a neutral and orderly transfer, to include:

    i. Adjustments to settlements and business rates baselines

    ii. Treatment of reserves and debts

    iii. Clear guidance on collection funds

    iv. Clear guidance on the treatment of asset value in the disaggregation process.

- We ask for more flexibility in how the transition can be financed, to support delivery of an effective and efficient change process, including:

    A. Permission to use all capital receipts for transformation.

    B. The ability to operate temporary hosted or shared arrangements across borders where this protects residents during transition.

    C. Standardisation of pension contributions to occur over a defined period which provides the greatest relief to the new Authority.

Proposal Overview

Introduction

Councils across England are changing. With a simpler unitary structure replacing those areas served by both a District or Borough Council and a County Council, there will be a reduction in duplication, accountability to the public will improve, and services will be easier to access and use. New Strategic Authorities will co-ordinate issues with the new Councils across the sub-region, including transport, skills, economic growth and action on climate change. For Lancashire, this means new, larger Councils. This business case outlines Blackpool Council's preferred option of a new structure and serves as our submission to the Secretary of State for Housing, Communities and Local Government.

Options Considered

This submission assesses five potential options developed in collaboration with the other 14 Lancashire Council for creating unitary authorities serving Lancashire's 1.6 million residents. It considers the government's criteria of creating a single tier of government, population size, financial sustainability, service quality, enabling stronger community engagement and empowerment, and having a clear geographic identity which makes sense to local people. In the face of engagement data which shows a lack of support for reorganisation, but support for the things which it can enable, it establishes that creating councils which can connect to people and deliver better services is the most important factor for reorganisation in Lancashire.

Two-council split

Four-council split (Blackpool option)
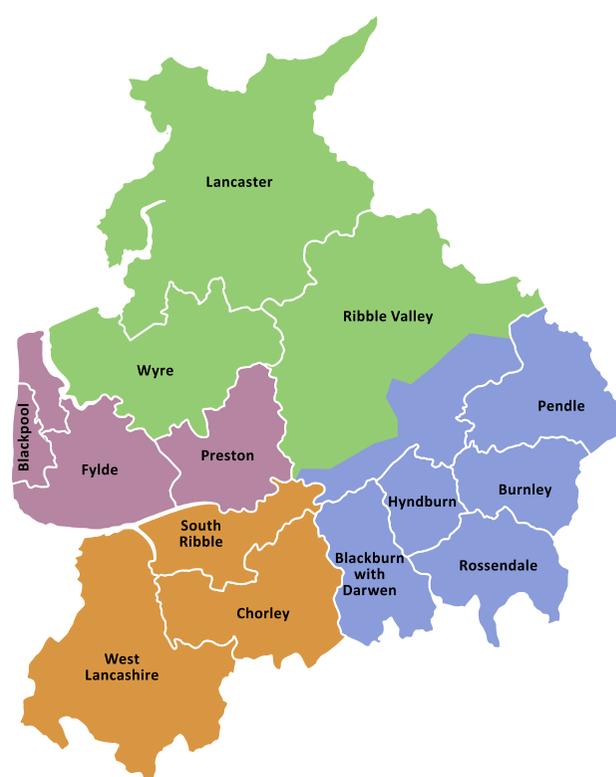
Five-council split

Three-council split

Four-council split

Two-council

We have discounted the two-Council unitary option as being too remote from communities, and too cumbersome to deliver real change and transformation. The county-wide engagement exercise showed a preference for the existing model, in part due to wanting to preserve local identity and accountability. A drive from Fleetwood in the West to Earby in the East takes around 90 minutes, whilst 50% of the population live near the boundary between the proposed two authorities. The two-council proposal would therefore re-create the unwieldy structure of the current county council without a realistic approach to improving the former lower-tier district Council services which residents recognised as valuable in the engagement survey. Any savings on management structure would be outweighed by the bureaucracy of what would become the second and fourth largest Local Authorities by population in the UK. A Council serving such a diverse and large area, from dense urban locations to more remote villages and hamlets, would struggle to represent their interests effectively.

Five-council

The financial analysis is considered in terms of how the monetary benefits of certain options balance with the human factors. As shown in Sections 3 and 8, the financial differences between the options are not material when compared to the projected annual total expenditure of £2.3 billion.

Whilst finance is an important driver in the process, it would fly in the face of the strategic ambitions of the Bill if this were to determine a structure serving communities for years to come. One caveat to this is the five-council option. Two smaller Authorities in East Lancashire would be less able to use the scale of the organisations to manage finances, which the figures suggest will be important. This option would also create imbalance at the LCCA level, with two East Lancashire authorities.

Four-council (Option A)

One of the four-council options creates a Lancaster-Ribble Valley-Preston Council lacking a firm grounding in any locality. Labelled as the "university corridor" due to M6 and West Coast Main Line connecting the two cities, neither of these routes directly serves the Ribble Valley. It draws heavily on travel to work data showing significant numbers of long commutes being undertaken from north and south particularly into Preston. This is contrary to the idea of creating a meaningful geography where Councils can grow places for people to live, work and relax. It also places the whole of Wyre with Blackpool, even though the same travel to work data shows that the bulk of rural Wyre ("Over Wyre") associates northward to Lancaster more than westward to the coast, whilst the area west of the estuary is strongly linked with Blackpool.

Three-council

The three-council proposal generates two recognisable and meaningful if large and remote Council areas, bringing Preston together with its city region, and creating a single Eastern Council, albeit one which would marginalise the northern parts of the Ribble Valley. However, joining the City of Lancaster to Blackpool, Fylde and Wyre is proposed purely for the geographic convenience of the other two areas. The coastal commonalities between Morecambe and parts of the Fylde Coast aside, there is little in common between the densely populated coastal parts of the peninsula and Lancaster, reflected in the lack of a direct rail link and a less dense road infrastructure.

Our Preferred Option: Four Community-focussed councils

Our preferred option seeks to balance these factors by requesting a boundary modification as part of this submission. It uses district council boundaries as building blocks but simultaneously requests that the Secretary of State modifies the boundaries of three of the proposed new authorities to share the existing Wyre and Ribble Valley districts between the Northern, Western and Eastern Authorities to create genuinely meaningful geographies.

This results in an authority with a relatively low population in terms of the other areas. However, it is similar in population terms to the new Cumbrian authorities, particularly Westmorland and Furness, and the growth opportunities which it presents. It meets financial viability objectives despite its size, producing a balance of need. This authority also best reflects the 2020 decision of Lancaster Council to seek a Morecambe Bay Authority with the former Barrow and South Lakeland Councils, enabling it to look northwards to its natural cross-boundary local geography and develop close working relationships. The area will have an equal vote on the Lancashire Combined County Authority, enabling it to represent the rural interests not just of its own areas but those elsewhere in the county which have been so poorly served by the County Council. This then enables the creation of four distinctive but complementary Local Authority areas:

- Northern – mostly within the Bowland Area of Outstanding Natural Beauty. A borough of rural fells and moorlands rooted in agriculture, forestry and fishing
- Eastern – Pennine Lancashire, a manufacturing heartland of heritage mill towns
- Southern – Lancashire's market towns and historic villages, with a diverse spread of specialisms
- Western – coastal living, tourist attractions and Lancashire's biggest university between the estuaries of the Ribble and the Wyre

Note that these names are for convenience only. The view expressed in the engagement was that people did not want to lose their local identity. This may result in places proposing names which do not include "Lancashire", such as Lancaster with Bowland for the proposed new authority.

As a result, this submission presents a single proposal based on compliance with the Local Government in Public Health Act 2007. It:

- Creates unitary government across Lancashire, reducing duplication and bureaucracy
- Resolves geographic anomalies and creates councils which reflect natural community associations rather than a "one size fits all" model
- Creates a continuous area, rectifying the anomaly that Wyre Borough does not have a continuous land boundary, with the Wyre estuary splitting the borough in two

- Offers an opportunity for Fleetwood's significant social issues, historically masked by the affluence of rural Wyre, to be addressed in consort with those of other areas along the coast
- Ensures a strong fit with the parliamentary constituency boundaries:
  - The Blackpool North and Fleetwood, Blackpool South, Fylde, and Preston Borough constituencies all wholly fit within the Western area
  - The Lancaster and Wyre constituency fits within the Northern area
  - The Pendle and Clitheroe constituency better fits within the Eastern area
- Balances the firm financial basis for change with the need to create areas which are meaningful for local people
- Creates agile authorities able to deliver efficiencies with leaner structures able to engage in quality service delivery and transformative change
- Our preferred option will deliver cumulative savings of £147.7m by 2032/33 and recurring annual savings of £66 million
- Allows for the alignment of contracts and estates, as well as the potential to grow shared services and platforms beyond the new authority boundaries across the county
- Delivers efficiencies in the commissioning of public health services on larger footprints for populations with common health issues in densely-populated areas

- Allows for a phased approach to harmonising council tax, policies and priorities

- Enhances community representation at the local level through a mix of member representation, respecting other democratic structures and enhanced and innovative forms of engagement

- Recognises the opportunity of the Lancashire Combined County Authority, ensuring that there are four representative diverse and equal voices to engage the Government and other Strategic Authorities in dialogue on key issues such as transport, investment and skills development

- Results in a model where the working age population balances with the numbers of economic dependents

- Works with the historical pattern of deprivation across the county to counterweight this with opportunities for growth, within the constraints of realistic geographic options

- Provides security and continuity on Day One of the new authorities, whilst anticipating efficiencies and process transformation.

And for the area covered by our proposed Authority:

- Improves service delivery, maximising the potential of existing shared services and local assets

- Aligns with strong local travel to work patterns and transport infrastructure, simplifying governance of the Blackpool-Fleetwood tram network

- Unlocks the potential for co-ordinated and complementary policies, including:

  - Regeneration across Fleetwood, Blackpool, St Annes and Preston

  - Housing growth opportunities around Preston and Kirkham

  - Common housing policies on homelessness and addressing Houses of Multiple Occupation, ensuring that issues are not displaced to neighbouring areas

  - Tackling the significant health challenges of the coastal and urban areas of Fleetwood, Blackpool and Preston through a consistent health inequalities approach to healthcare and public health commissioning

  - A strong approach to sustainable growth through Preston's Community Wealth Building and Blackpool's Municipal Entrepreneurialism models, using the financial power of anchor institutions to grow local businesses.

Our proposed authorities are detailed below. Each has a significant series of assets, including a university and hospital presence in each locality, with transport assets varying but including railway lines and easy motorway access from all Council areas, with the new boundaries opening up further opportunities for place-shaping.
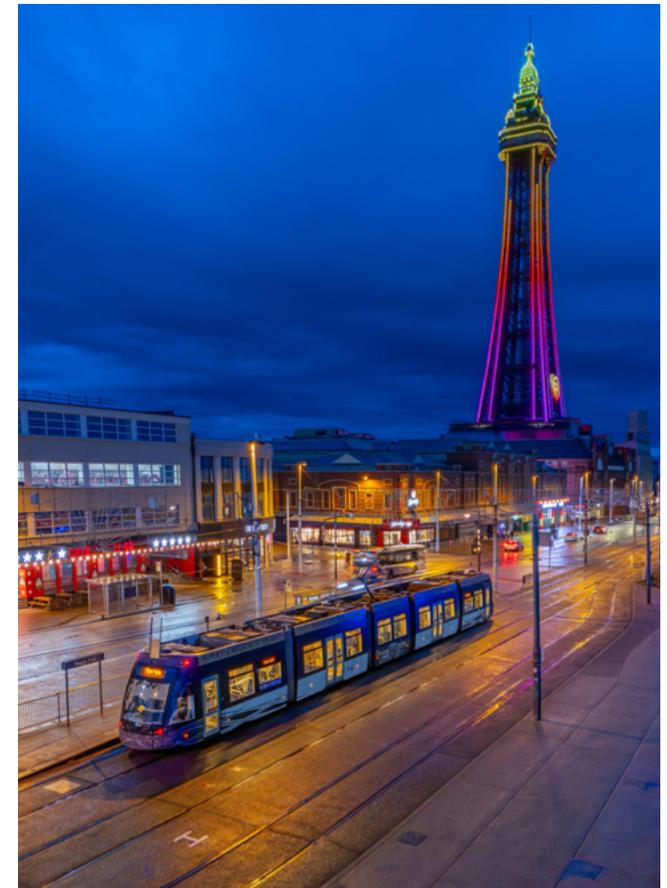
Proposed Council Areas

1. Northern

Place and People

This rural Northern Lancashire authority borders Westmorland and Furness and North Yorkshire, covering the former areas of Lancaster City Council, Wyre Borough Council (east), and Ribble Valley Borough Council (north). Whilst the 2024 population was estimated at 201,979 it has the joint highest average growth rate with South Lancashire, with significant plans for housing growth, and the highest concentration of businesses. It is similar in size and density to the new Cumbrian authorities, one of which it borders. The unemployment rate is below the national average and the economic activity rate the highest, as is the proportion of highly-qualified residents. Economic strengths in the area include agriculture forestry and fishing, followed by mining, quarrying and utilities, and education.

Infrastructure and Anchors

Lancaster University is a major global academic institution, ranked as the best university in the North West and in the top 15 nationally by various guides, with the University of Cumbria also maintaining a campus in the city. Myerscough College is a significant centre for studies relating to agriculture and engineering. Lancaster is on the West Coast Mainline with local services running to Morecambe and Heysham Port, which has a direct link to the M6. The latter is adjacent to Heysham 1 and Heysham 2 nuclear power stations and is Lancashire's gateway to Northern Ireland for freight services, whilst a smaller commercial port operates at Glasson Dock. In terms of health, the Royal Lancaster Infirmary is part of the Morecambe Bay NHS foundation trust also covering south Cumbria. A large portion of the area is covered by the Forest of Bowland Area of Outstanding Natural Beauty, with Silverdale forming part of a National Landscape with Arnside on the northern border. Proposals to develop the Eden Project North in Morecambe are well advanced, with the potential for the project to regenerate poor quality housing stock in the West End area of the town from 2028 onwards.

2. Eastern

Place and People

The manufacturing heartland of the county, Eastern includes part of the South Pennine foothills across Blackburn with Darwen, Hyndburn, Burnley, Pendle, and Rossendale Boroughs, plus the southern part of Ribble Valley. The largest of the authorities at 566,138 but significantly less densely populated than Western, despite low GVA per capita it still contributes around £10.5bn to the Lancashire economy. The area has significant ongoing issues with deprivation, and these are reflected in a higher unemployment rate than the national average and the second lowest life expectancy, but business growth is the highest of the four proposed council areas. The low cost of housing is reflected in the most positive housing affordability ratio of the four-council areas, opening up opportunities for intervention at scale.

Infrastructure and Anchors

The University of Lancashire has a significant campus in Burnley aiming to support 4000 students in Higher Education by 2025. Blackburn College is the largest in the area, with each of the other principal towns also having a significant Further Education presence. There are teaching hospitals in Blackburn and Burnley, and community hospitals in Nelson and Clitheroe. The Burnley Bridge industrial site offers high quality mixed-use industrial accommodation, whilst Rolls Royce and Silentnight in Barnoldswick, Sarfan Nascelles in Burnley, and Crown Paints in Blackburn are key manufacturers. Convenience retailers EG Group are headquartered in Blackburn, with educational technology specialists Promethean are also based in the area.

The area is home to a Premier League football team in Burnley FC, and two Football League teams in Accrington Stanley and Blackburn Rovers. The area is rich in cultural and leisure assets such as Haworth Art Gallery in Accrington, Helmshore Textile Mill in Rossendale, the Weaver's Triangle and Queen Street Mill in Burnley, and King George's Hall in Blackburn, which is also a key venue for the annual National Festival of Making in tribute to the area's manufacturing roots. Wycollar Country Park in Pendle and Witton Country Park in Blackburn showcase Pennine Lancashire's natural environment.

3. Southern

Place and People

The market towns and agricultural lands to the south of the Ribble Estuary, covering West Lancashire Borough Council, Chorley Borough Council, South Ribble Borough Council, are home to a diverse economy. Its 358,597 people deliver the highest GVA per capita at over £31k per capita in 2023 and the highest growth, with its contribution rising as a share from 23% to 26% over the last 25 years. Whilst there has been relatively slow growth in total employment, the unemployment rate is below the national average. Leyland Trucks is arguably the most recognised brand and company from the area, operating one of Europe's most advanced truck facilities with around 1,200 employees, reflecting the above average proportion of jobs in this sector compared to the UK. Other economic strengths include construction, with Eric Wright Group headquartered in the area, and the agriculture forestry and fishing sector.

Infrastructure and Anchors

Edge Hill University is rated as one of the top 5 universities in the North West, and 57th overall nationally in the Complete University Guide rankings, with major colleges including Runshaw and West Lancashire. Chorley and South Ribble hospital offers a range of district general hospital services and an adult-only Accident and Emergency Department. The district is well-covered by rail services with connections from Ormskirk to Liverpool via Merseyrail, and south to Manchester and Manchester Airport via Chorley. The Samlesbury Enterprise Zone covers one of BAe Systems' two sites in Lancashire, and will employ thousands of skilled staff at the National Cyber Force campus once it is fully operational in 2030. There are several nature reserves and Country Parks including Yarrow Valley in Chorley and Martin Mere in Burscough.

4. Western

Place and People

A primarily urban area bounded by the Wyre Estuary to the east and the Ribble Estuary to the south, covering the former Council areas of Blackpool, Fylde, Preston, and Wyre (west). Covering much of the historic Lancashire Hundred of Amounderness, this is a deeply rooted geography. Home to a growing population of 474,581, the proposed area balances local authorities with significant ongoing deprivation with less deprived areas. The employment rate is the fastest growing in Lancashire, rising 1.2% per year, and the unemployment rate is below the national average. The association between deprivation and life expectancy means that the latter is the lowest of the four-council areas. Economic strengths in the area include public administration and defence, and health, with tourism also a strength.

Infrastructure and Anchors

The area benefits from well-established internal work and leisure travel links, with the coastal areas connected to the M6 via M55, whilst Preston acts as a central gateway to Lancashire via motorway and the West Coast Main Line, with the North and South Fylde railway lines running via Kirkham, and a proposed new station at Cottam to improve commuter options to Preston and Blackpool. The authority will be well-placed to build on significant regeneration work across the area including the tramway extension, Blackpool Central site, Multiversity and new office developments at Talbot Gateway in Blackpool, the

Animate Complex in Preston and a new events space in St Annes. There are enterprise zones at Hillhouse (Wyre), Blackpool Airport (Fylde/Blackpool), and Warton (Fylde), the latter home to one of two BAe sites. Other significant employers include Northern supermarket Booths, and multiple large public sector employment sites. The Blackpool tramway runs for 11 miles via a new link to Blackpool North station up the coast to Fleetwood. The recently redeveloped University of Lancashire's main campus is in Preston, whilst Blackpool and The Fylde College has over 13,000 students annually across four campuses. The area includes two major hospitals at Blackpool and Preston, marinas at Fleetwood and

Preston Docks, and several important sites for nature and wildlife including Brockholes, Beacon Fell Country Park, Marton Mere, Wyre Estuary Country Park and the sand dunes at Lytham St Annes Local Nature Reserve.

Major cultural facilities include the Winter Gardens and Grand Theatre in Blackpool, the Grundy and Harris Art Galleries and the Showtown Museum, in addition to Blackpool's world-famous leisure offer which includes the Blackpool Tower, Illuminations and Zoo. All of the joining boroughs have professional football teams, with the keen rivalry between Blackpool FC and Preston North End only serving to emphasise their geographic proximity.

Opportunities and Risks

Together, these proposals would bring the Fylde Coast through to Preston together as a single Council with a common approach to tackling shared housing regeneration and growth, whilst also opening up new regeneration opportunities via transport links between Fleetwood, Blackpool, St Annes, Kirkham and Preston. An analysis of the socio-economic data shows that the new Northern Authority would be of a scale and type comparable to the new Cumbrian authorities, creating a voice for rural communities in the Lancashire Combined County Authority, and enabling an equal partnership with Cumbrian authorities in line with its previous proposals for an authority based around Morecambe Bay. The underlying statistics also highlight that despite the obvious population size and density discrepancy, the proposed Local Authority would be financially-stable, and also has a healthy socio-economic environment which would provide a base for further development and growth. East Lancashire would be brought together with the more populous parts of the Ribble Valley, acting as a small counterweight to extensive deprivation, whilst the market towns of South Lancashire preserve their identity and potential to grow.

The proposal aligns with the need for streamlined but effective engagement and democratic arrangements. The principle of ensuring that communities are recognisable is built on via the use of existing District wards prior to a governance review, with a reduced number of councillors overall across the county. Existing Parish and Town Councils will remain, supporting local engagement. There is a significant opportunity for introducing more forms of digital engagement and agile participative democracy such as Citizens' Assemblies on current issues to replace more bureaucratic forums, but decision-making meetings will continue and are likely to alternate between venues to ensure local visibility and civic pride.

Stable Councils

In section 9, we give an overview of services and how they will be considered as part of the transition. The intention is to take a collaborative approach, which may take the form of a programme delivered at the County level, or a matrix structure with the four new Authorities leading from the outset. Either way will seek to understand the transformative opportunities balanced with the need to deliver a safe transition particularly

when considering the needs of individual service users. We outline key risks, noting that the most significant risks sit in the areas of ICT and finance, but lay out proposals to manage and mitigate these through phased delivery, parallel running and strong programme controls.

Finally, we then consider how Government can further support the process, with a particular focus on ensuring the boundary

modification request is considered fully, along with specific financial requests to ensure transition costs can be met. These include the provision of capacity funding, the extension of the Council Tax harmonisation period to cover five years, transitional protection for future Government financial adjustments, and the maximum flexibility possible in how internal resources can be used to support the process.

1. Reasons to Change

The Government is currently passing legislation to enact a major re-organisation of how councils work. Under the English Devolution and Community Empowerment Bill, the aim is for the country to move to Unitary Authorities represented in Lancashire by Blackpool Council and Blackburn with Darwen Council, and away from County and District/Borough Councils, such as Lancashire County Council and Fylde Borough Council. The Bill also seeks to establish Strategic Authorities as a core part of English governance, taking a strategic role on key issues on behalf of the sub-regions. As part of this process, it has invited Lancashire Councils to submit proposals on the areas to be covered by the new Local Authorities.

The new Councils would become Constituent Members of the Lancashire Combined County Authority (LCCA) to ensure the strategic co-ordination of activity on issues which affect local places, but which are best addressed across larger geographic areas, shaping major infrastructure decisions on Transportation, Innovation, Trade and Investment, and Skills and Adult Education. The Bill would also create several types of Combined Authority, with greater powers available to those which establish a Mayoral Combined Authority. The LCCA is currently undertaking a review to establish its position on the adoption of a Mayoral model, which would unlock further funding and local powers.

Transferring key responsibilities to the Strategic Authority opens up an opportunity to address the inefficiency of two-tier Local Authority delivery. Unitary Councils have proven that the benefits from simpler processes and more focused partnership working do not have to come at the expense of organisations which are in-touch with their communities, providing that there is balance between the size of the area being served and the communities it includes. A central theme of the engagement undertaken across Lancashire was the need for local Councils in touch with their residents, and the onus rests on the new organisations to prove that fears of larger authorities being further removed from communities is unfounded.

Although the forthcoming Fair Funding Review seeks to right imbalances in funding between Local Authority areas with a more needs-based approach, local government is not sustainable in its current form without substantial additional investment or change. The Institute for Local Government suggests funding for local government in 2028/29 will be lower in real terms than in 2010/11 despite increases throughout the 2020s. With Government spending discretion also reduced due to other priorities, reshaping the system can maximise the use of the resources available.

The case for making Blackpool Council a Unitary Authority back in 1998 was based on creating a local Council with extended responsibilities focusing on a small area with extenuating social and economic challenges. By building strong partnerships, being in close contact with our residents, and marshalling the resources at our disposal to deliver our priorities, we have made significant gains for the town, despite the ongoing challenges faced by our communities. This has demonstrated the value of this model of governance to the people of Blackpool. Whilst we continue to believe that our town is best served by a locally based council, we also recognise the advantages of linking more effectively with our neighbours and having a council which serves a wider and more socio-economically diverse area, including the potential financial resilience this brings. Taking this into account, this submission seeks to create an authority which balances a responsive, agile, grounded organisation with an efficient, resilient, innovative one.

2. Our Lancashire, Our Councils: This Proposal

Current Position

At the request of the Secretary of State, Lancashire Councils submitted a joint letter to government in March 2025. This reflected a range of views and did not include specific boundary proposals. It particularly highlighted the challenge of Lancashire's rurality, drawing a comparison between the county and the former Cumbrian authorities amongst others. In their response, Government noted that any request to change boundaries needed to be clear on the areas under consideration. They also recognised a need for flexibility on the potential size of the new Authorities given their ambition to "build out devolution and take account of housing growth".

Since this time, we have made significant progress through positive collaborative working. All 15 Lancashire Councils have jointly developed a shared evidence base of socio-economic and financial data to describe the new areas and their financial sustainability, on which additional analysis has been undertaken depending on individual proposals. Five options are being proposed across the County. Section 3 assesses these in relation to our preferred option.

Timetable

Government has indicated that "vesting day" for the new Local Authorities in Lancashire could be achieved by 1st April 2028. The timeline will be determined once Ministers decide to proceed to consultation and subsequently make a Structural Changes Order. As such, our delivery plans are necessarily draft until dates are confirmed, setting out the steps needed rather than exact timings. Blackpool Council has already considered advice from the Local Government Association and sought first-hand information from other Councils which have undergone structural change, enabling us to take a risk-conscious approach which considers phased implementation and external assurance.

Criteria

This document assesses the options developed and shared through collaborative working across Lancashire, then evidences how our preferred model best addresses these issues. These are related back to the government's stated criteria.

Building Blocks

The expectation is that the submission should usually be based on existing Local Authority geographies, with two potential routes to modify boundary changes. We have discounted the route of a Principal Area Boundary Review as whilst this is technically possible, it would require separate work prior to unitarisation and risk being a distraction from the primary focus of delivering safe, effective and efficient local government in Lancashire. Our preferred route is therefore to use Sections 7 and 11 of the Local Government and Public Involvement in Health Act 2007. The guidance expressly allows for the submission of proposals which suggest boundary changes, particularly where existing boundaries prevent effective service delivery. Government will determine which of the proposals from Lancashire will proceed to statutory consultation based on its assessment of their relative strengths and weaknesses of evidence provided against the six criteria.

Towards A New Lancashire

For too long, most Lancastrians have been excluded from the inherent benefits of a single-tier government system. Confusion over service delivery and responsibilities, duplication of democratic structures, opposing political administrations, opaqueness in priorities and the setting of Council Tax, and a system increasingly pressured by financial restrictions over the last 15 years all mean that change is a necessity, not an option. The sheer scale of Lancashire County Council creates rigid systems less able to flex and collaborate with their more agile unitary and district neighbours both within and outside the county. This can delay service improvements and impede investments, ultimately affecting the quality of outcomes we can achieve for our residents and businesses.

Putting Residents First

Over 13,000 people responded to our engagement exercise across Lancashire, with service delivery and elements of place-shaping emerging as key themes from the responses. Whilst the majority favoured retaining their current councils, a majority equally felt that it was important to have easy access to all council services in one place. Other key priorities more easily achieved through unitary government included the importance of value for money, accountability, and consistent and reliable services (see Section 9). These messages will shape our approach to service design throughout the transition between the current and future governance arrangements, whilst ensuring that the Vesting Day of the new organisation will deliver safe and legally compliant services.

Council boundaries currently exist for administrative convenience. Where these impede rather than expedite quality services, it follows that they should be redesigned to best fit with people's lives. This will also make places ready for further devolution with a manageable number of constituent members of the LCCA, allow for more tailored solutions to service delivery rooted in local need, and enable better collaborative arrangements to achieve more for people and places. It also allows for a stronger collective voice to emerge for Lancashire and be heard on the national stage along with those of the other North West sub-regions.

Reflecting Local Life

By considering key council functions, options begin to emerge for how different geographic configurations can support improvement and change, such as:

Transport: Having structures which reflect how transport connects the county would support the LCCA to improve transport services. In East Lancashire, the M65 runs through to Colne but experiences congestion at both ends, with rail service reliability constrained by local and regional services using the same track. Preston's role as a road and transport hub is crucial, connecting Lancashire to the country and beyond via Heysham port, but also anchoring it to Blackpool through frequent rail services. Lancashire's only tramway runs for just 11 miles to connect Blackpool and Fleetwood, but through an area administered by three councils.

Housing: Several towns in Lancashire have some of the poorest quality housing in the country, with 29.5% of privately rented homes in Lancashire classified as non-decent. The current Cosy Homes project to reduce fuel poverty is an example of a county-wide approach which would function more efficiently with fewer partners focusing on areas with similar housing issues, particularly around the extent of poor quality private rented housing.

Urban Regeneration and Economic Growth: Expanding Local Authority areas can allow for a more joined-up approach on the functions of different localities, developing complementary purposes, and improving co-ordination and reducing competition both for business and funding.

Waste Collection: With the imminent rollout of Simpler Recycling and weekly food waste collections, it is important to configure the delivery of services appropriately based on the available waste facilities. There is a clear and pressing opportunity to reconfigure services in an efficient way to deliver a step-change in recycling and waste management.

Social Care: Whilst we need to build individualised care systems, common issues within urban, rural and coastal areas mean that specialisation across shared needs can build resilience in a sector trying to build staff retention.

Homelessness: Closer working relationships between social care services and housing options teams offer the potential for more joined-up responses to homelessness prevention and support.

Special Educational Needs and Disabilities (SEND): By bringing the finance teams together early in the transition process, authorities can start to mitigate the issue of the structural deficit in SEND finances caused by increasing demand.

Public Health: The new footprints will allow us to provide more sustainable public health services by bringing together larger and more sustainable public health teams and commissioning budgets.

Given the complexity of Local Government, the detail of service aggregation and disaggregation will need to be explored following the Secretary of State's determination. All Lancashire Councils are determined to make the new arrangements work to deliver the best for our communities. Collaborative discussions are already underway on how to achieve this regardless of the configuration of the new Authorities, with a proposed Programme Management approach intending to achieve this in a joined-up and effective way.
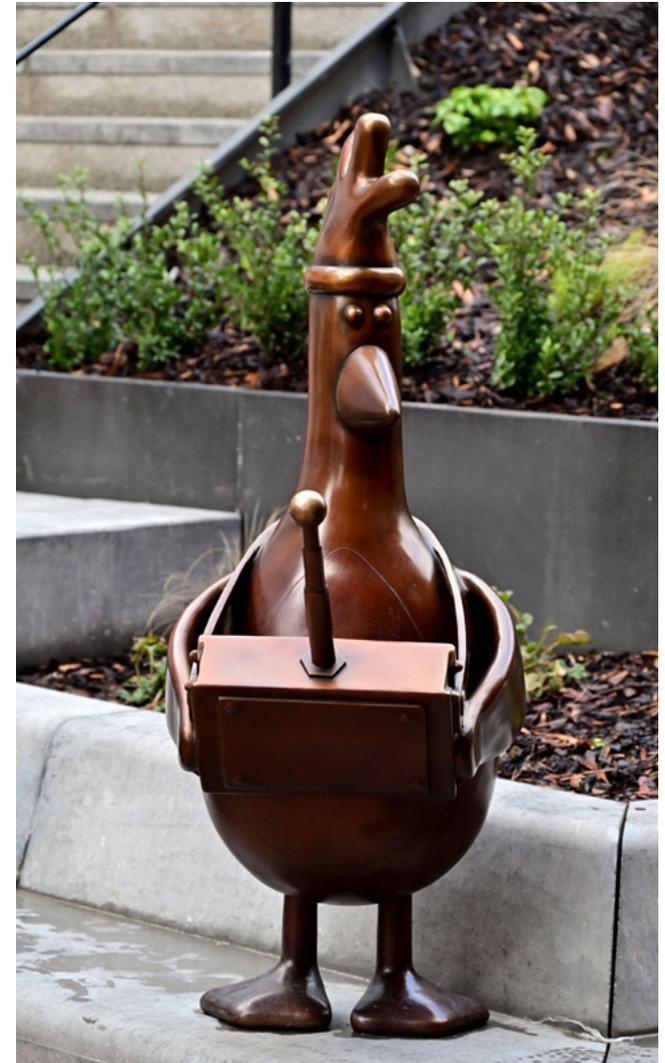
3. Configuration Options

Our assessment of the potential proposals considered the simplicity of using existing boundaries, the potential benefits of adjusting these, and to what extent this would be practical and desirable. Throughout the process, there has been an open conversation with other Lancashire leaders, with relationships being strengthened and an understanding of alternative positions reached, if not agreement.

Lancashire's Interim Plan submitted in March 2025 referred to models ranging from one to five Unitary Councils covering up to a dozen options, which has now been distilled down into 5 preferred options for creating 2, 3, 4 (for which there are two proposals) or 5 new Lancashire councils:

Two-council split

Three-council split

Four-council split (Blackpool option)

Five-council split

Four-council split

Note that Blackpool's base proposal (see Section 4) is not included in these options, as it is primarily intended as establishing a legally compliant route to a single proposal from the Council.

Within these proposals, there are clear areas of consensus, with the following Council areas paired together in all proposals, either as single entities or as part of a wider area:

- Blackpool and Fylde
- Blackburn with Darwen, and Hyndburn
- Burnley, Pendle and Rossendale
- Chorley, South Ribble and West Lancashire

This leaves Preston, Wyre, Ribble Valley and Lancaster as boroughs around which there is no consensus.

Our Starting Point

All Unitary Councils face financial pressures from demographic changes influencing Adult Social Care, the cost of delivering SEND and homelessness amongst others. Financial sustainability is therefore a prerequisite of any proposals, and more complex proposals requiring services to be split and recombined will increase programme cost and risk in the short term. However, with the potential for these new arrangements to last well into the future, it is also crucial to create organisations which enhance democratic accountability and maintain their relevance to people and place. Recognising the tension between these two drivers, innovation and transformation offer a potential bridge between the two. The ideal model would balance these factors.

Our Approach

Our foundational principle is therefore to create Authorities which can deliver high quality, efficient services which meet local needs, across an area which makes sense to the people living there. This latter point involves a recognisable geography which supports the creation of high-quality community engagement structures, leaving open the option of boundary adjustments (see section 10).

Geography

In line with discussions across the county, we have considered proposals across two, three, four and five unitary council options, based on the geographies proposed by Councils working on them. These were refined down through discussion to five candidate options. The majority of these have considerable merit in principle, although the practicalities of Lancashire's geography, historic community ties, and the government criteria around finance are clearer in some than others. Our position is that the two-council north/south split fails the tests on all criteria bar the potential financial benefits (see below), and that the five-council model, whilst positive in most other aspects than finance, would result in a power imbalance at the Lancashire Combined County Authority level, over-representing East Lancashire at a strategic level. A more detailed overview is given in the table on page 22.
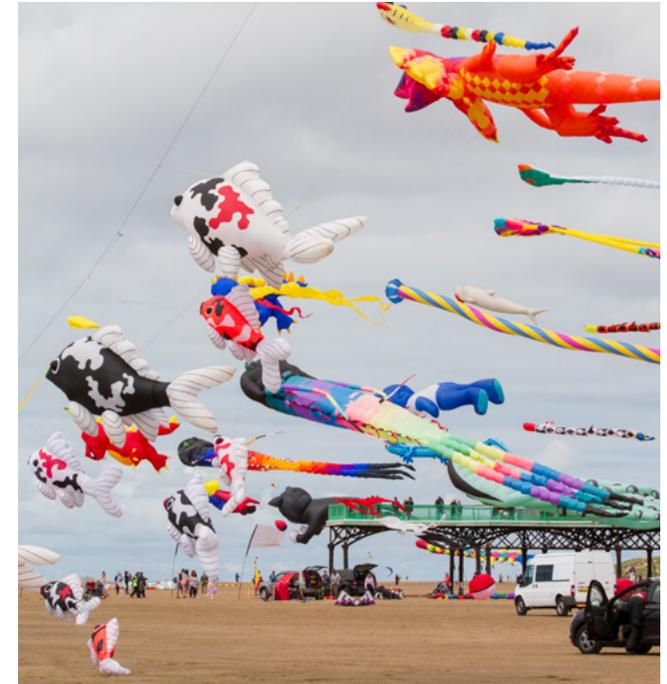
Noting the lack of consensus around the combination of existing council areas towards the north of the county, Blackpool Council has assessed the potential offered by alternative geographies, including boundary splits as part of its considerations. Boundary splits particularly suit the four unitary option, given that one of its primary advantages is its relative closeness to communities.

Financial Appraisal

Overview

This financial appraisal focuses on the viability and sustainability of the proposed options, including potential boundary splits. It evaluates the financial resilience of each option in the context of national pressures and assesses the affordability of the reorganisation programme. A consistent, neutral methodology has been applied across all options to ensure fair comparison. One-off costs would be funded through a combination of reserves, capital receipts, and subject to Government approval, time-limited capacity support.

Financial Sustainability Assessment

The primary test for reorganisation is whether each new unitary authority is financially sustainable. This means the programme must be affordable to implement and the resulting structure must be resilient to ongoing funding pressures. To assess this, baseline budgets have been projected using the Medium-Term Financial Plans of existing authorities. These projections model the savings and costs associated with each reorganisation option.

Baseline Budget Projections

LG Futures has calculated the baseline budget positions to reflect the financial starting point of each new authority on Vesting Day. These forecasts incorporate assumptions around:

- **Expenditure:** Inflation, demand pressures, and legislative changes.
- **Income:** Council Tax increases (within referendum limits), funding reforms, and potential increases in fees and charges.

Assuming councils manage their gross funding gaps in 2026/27 and 2027/28 in line with their statutory duty to balance budgets annually, the projected gap in 2028/29 is £37 million across all authorities. This gap is expected to be addressed through recurrent budget reductions, with any residual pressures considered immaterial to the overall financial case. The detailed methodology underpinning these projections is provided as an appendix. The chart below summarises the data:

Projected Budget Gap in 2028/29 by Authority
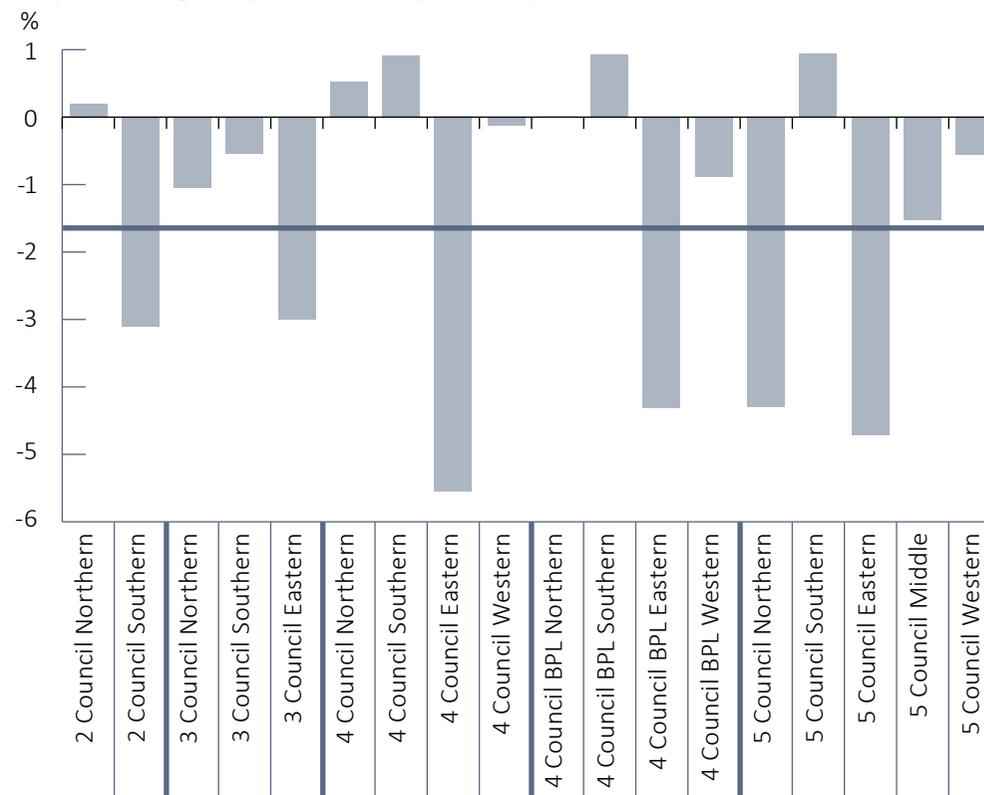
- Across all options, the funding gap at Vesting Day is no more than 1.0% of total expenditure, except for those authorities including East Lancashire districts where the gap ranges from 3% to 5.6%.
- The two-council option creates unitaries with spend of £1,250 million, although the expenditure amounts will be significantly larger as the sums above only include expenditure funded by Core Spending Power and related grants, whilst ring fenced grants are not included. It is difficult to reconcile organisations of such size with the type of efficient locally focused service delivery possible through other options.
- The original four-council split leads to the largest funding gap of any option, at 5.6% of total expenditure in the Eastern Authority.
- The five-Council split is the least financially prudent, as it results in significant funding gaps for both the Northern (3.4%) and Eastern (4.8%) unitaries. Whilst the methodology for apportioning County Council assets between existing council areas appears to have negatively impacted on the case for the authority, the core issue is that the size of the Eastern authority, coupled with its intensive deprivation, limits its ability to withstand financial shocks.

Council Tax Harmonisation

Harmonising Council Tax levels across the new authorities will be a sensitive issue, particularly during a cost-of-living crisis. While this will be a political decision during the transition period, the baseline projections assume councils will seek to maximise income within the 4.99% annual referendum limit, aiming to achieve harmonisation by 2028/29.

Financial Impact Analysis

31Ten Consulting has been retained by all the Lancashire Authorities to model the financial impacts of the various options being proposed. The analysis has been carried out utilising consistent assumptions and data to identify the costs and savings that could be delivered from reorganisation, including costs of transitioning from the current system of local government.

The financial impact analysis identifies potential costs and savings from reorganisation, grouped into four categories:

1. Aggregation Benefits

These medium-term savings begin after the transition phase and include reductions in:

- Senior leadership and back-office staffing
- Service delivery costs
- Third-party spend
- Property and Councillor-related expenses

With gaps ranging from £35.4 million to £25.2 million, the difference in benefits between options is marginal given the local authority projected spend:

Aggregation benefits (£m)	2 Council impact	3 Council impact	4 Council impact	4 Council (Blackpool) impact	5 Council impact
Senior Leadership	-7.6M	-6.4M	-6.0M	-4.7M	-4.3M
Back Office	-3.4M	-3.2M	-3.0M	-3.0M	-2.7M
Service Delivery	-5.2M	-4.9M	-4.6M	-4.6M	-4.2M
Third Party	-10.4M	-9.8M	-9.1M	-9.1M	-8.5M
Property	-0.7M	-0.6M	-0.6M	-0.6M	-0.6M
Councillors	-2.8M	-2.3M	-1.8M	-1.2M	-1.2M
Elections	-0.4M	-0.4M	-0.4M	-0.4M	-0.4M
On costs	-4.9M	-4.3M	-4.1M	-3.7M	-3.4M
Total (£m)	**-35.4M**	**-32.0M**	**-29.5M**	**-27.1M**	**-25.2M**

2. Disaggregation Costs

These are additional costs arising from:

- ICT implementation
- Additional leadership roles in Social Care

The difference in costs between options is again marginal given the local authority projected spend:

Aggregation costs (£m)	2 Council impact	3 Council impact	4 Council impact	4 Council (Blackpool) impact	5 Council impact
Additional Roles	0.0M	0.0M	2.0M	2.0M	3.9M
IT Aggregation Programme	22.8M	22.8M	22.8M	22.8M	22.8M
Total (£m)	**22.8M**	**22.8M**	**24.8M**	**24.8M**	**26.7M**

3. Transition Costs

This category includes one-off costs incurred during the establishment of new authorities, including:

- Redundancy
- Organisational setup and closedown
- Shadow authority operations
- Communications and marketing
- IT implementation
- Programme management

Transition costs (£m)	2 Council impact	3 Council impact	4 Council impact	4 Council (Blackpool) impact	5 Council impact
Redundancy	5.7M	5.1M	4.7M	4.3M	3.9M
Organisational set up	2.2M	2.5M	2.8M	2.8M	3.1M
Closedown cost	2.0M	2.0M	2.0M	2.0M	2.0M
Communications & Marketing	1.5M	1.5M	1.6M	1.6M	1.6M
Shadow Authority Election	1.6M	1.8M	1.9M	1.9M	2.1M
Shadow Authority costs	1.7M	2.2M	2.5M	2.5M	3.2M
Programme Management	7.7M	10.3M	12.2M	12.2M	14.0M
IT Implementation	2.5M	3.0M	3.5M	3.5M	4.0M
Total without contingency	24.8M	28.4M	31.2M	30.7M	33.9M
Total (with contingency) (£m)	**27.3 M**	**31.2 M**	**34.3 M**	**33.8 M**	**37.3 M**

Transition costs are phased over the 2 years of transition prior to Vesting Day and are expected to be funded primarily from usable revenue reserves (excluding schools). However, given current financial pressures, securing circa £27–37 million may be challenging given the pressures faced by Local Government finances, and the likely levels of usable reserves available. We therefore call on the Government to consider other options to address this (see page 2), including a request for discussions with Government on a capitalisation directive.

4. Transformation Benefits and Costs

This category includes one-off costs and clear benefits that will arise over the 5 years following Vesting Day, including:

- Programme Management to deliver newly structured authorities
- Establishment of IT systems
- Benefits flowing from reconfigured back offices
- Service and Property reconfiguration and the savings that will arise

The transformation benefits of the four-council (Blackpool) model are explored throughout the report. They flow from the way in which the areas are fitted effectively to the places they serve, with urban and rural characteristics. This allows for greater leverage of in-house delivery mechanisms such as delivery via Wholly Owned Companies, where profits accrue to the local authorities thus minimising costs, as existing services are extended and new ones developed.

Transformation (£m)	2 Council impact	3 Council impact	4 Council impact	4 Council (Blackpool) impact	5 Council impact
Benefits					
Back Office	-14.2M	-12.6M	-11.1M	-13.3M	-9.5M
Service Delivery	-18.3M	-16.7M	-15.0M	-18.4M	-13.4M
Non-Staff	-15.3M	-14.5M	-10.7M	-14.5M	-7.0M
Total	**-47.8M**	**-43.8M**	**-36.8M**	**-46.2M**	**-29.9M**
Costs					
Redundancy	11.4M	10.3M	9.1M	11.1M	8.0M
Programme Management	3.1M	4.2M	9.1M	5.1M	5.7M
ICT	10.6M	10.6M	13.3M	13.3M	13.3M
Total (£m)	**25.1M**	**25.1M**	**31.6M**	**29.5M**	**27.0M**

Overall Financial Impact (to 2032/33)

The modelling demonstrates that reorganisation will deliver significant financial benefits over five years by eliminating duplicated costs. Key insights include:

- The two-council model delivers the highest net benefit (£209.4m) driven by greater aggregation and transformation savings, but these savings are offset by the sheer size of the Councils created and the practical challenges and risks of aggregating so many authorities.
- The four-council option splitting Wyre and Ribble Valley offers a strong alternative with urban- and rural-focused service design enabling more innovation and transformational benefits (£92m) significantly ahead of all options, except the unwieldly two-council model.
- Although offering significant non-financial benefits, based on the methodology used the five-council model is the weakest financially, delivering significantly fewer transformational benefits and much-reduced organisational robustness for the two councils in East Lancashire.
- The difference between the two, three and four-council options is marginal at just £74.8M over five years, equating to a 0.6% variance against the Unitaries baseline expenditure over a five-year period.

The financial differences between the options are not material when compared to the projected annual expenditure of £2.3 billion. This frees us to move beyond financial considerations when considering the proposed option and consider how it can deliver on geographic, cultural, and democratic factors.

A more detailed analysis of the annual financial position of the Blackpool four-council model is set out in Section 8.

Overall Appraisal

Note that in the table below, the Four Councils (Blackpool) option is based on the proposal to split Wyre and Ribble Valley council areas and not our Base Proposal (see Section 4).

Key Issue	Two Councils	Three Councils	Four Councils (A)	Four Councils (Blackpool)	Five Councils
Sensible Geography and Economic Area	**Northern** *(Blackpool, Fylde, Wyre, Preston, Lancaster and Ribble Valley)*, population 722,048 **Southern** *(West Lancs, Chorley, South Ribble, Blackburn with Darwen, Hyndburn, Burnley, Pendle, Rossendale)* population 879,510 The proposed Councils are larger than the Government guideline figure, with Southern being the second biggest in the country, so do not meet the aim of balancing effectiveness and financial resilience. It does not fit travel to work patterns or functional economic market areas. Around 50% of Lancashire's population would live close to the boundary of both areas, emphasising differences in service delivery.	**Northern** *(Blackpool, Fylde, Wyre, Lancaster)*, population 493,387 **Eastern** *(Blackburn with Darwen, Hyndburn, Rossendale, Burnley, Pendle, Ribble Valley)*, population 586,357 **Southern** *(Preston, South Ribble, Chorley, West Lancs)*, population 521,811. This split is the closest possible to addressing the Government's guideline population figure. The proposed Northern Authority has no firm basis as a social or economic geography, reflecting two functional economic market areas.	**Northern** *(Lancaster, Ribble Valley, Preston)*, population 373,664 **Eastern** *(Blackburn with Darwen, Hyndburn, Burnley, Pendle, Rossendale)* population 520,563 **Southern** *(West Lancs, South Ribble, Chorley)*, population 358,947 **Western** (Blackpool, Fylde, Wyre), population 348,381 Eastern is roughly at the government guideline figure. Others are larger than many other English Unitary Authorities. The area covered by Western does not equate to the Fylde Coast, with large areas of rural Wyre not associated with Blackpool. The Northern Authority partially addresses longer distance commutes which are not relevant to place-shaping and community-building.	**Northern** *(Lancaster, Ribble Valley - North, Wyre - East)*, population 209,820 **Eastern** *(Blackburn with Darwen, Hyndburn, Burnley, Pendle, Rossendale, Ribble Valley - South)*, population 558,297 **Southern** *(West Lancs, South Ribble, Chorley)*, population 358,947 **Western** *(Blackpool, Fylde, Preston, Wyre - West)*, population 474,581 Eastern and Western are in-line with Government expectations. Southern is larger than most current English Unitaries. Northern population is comparable to a Cumbrian-style rural unitary authority. Eastern benefits from the inclusion of smaller urban areas with a strong geographic fit to the area. This proposal best fits with the Fylde Coast travel to work patterns and transport links and ensures that Northern can develop links to Cumbria in line with the Council's previously stated ambitions, fitting with the economy of The Bay.	**Northern** *(Lancaster, Wyre)*, population 263,749 **Eastern** *(Burnley, Pendle, Rossendale)*, population 272,055 **Central** *(Blackburn with Darwen, Hyndburn, Ribble Valley)*, population 314,302 **Southern** *(West Lancs, South Ribble, Chorley)*, population 358,947 **Western** *(Blackpool, Fylde, Preston)*, population348,381 All Councils are in line with the current English Unitary Local Authority population sizes but are significantly smaller than Government expectations. Lancaster/Wyre combination further isolates Fleetwood from regeneration opportunities open to the Fylde Coast, and from its principal travel to work area. There is no land connection across the whole of the new Local Authority. The Preston/Fylde/Blackpool combination reflects transport links and provides housing and economic opportunities.

Key Issue	Two Councils	Three Councils	Four Councils (A)	Four Councils (Blackpool)	Five Councils
Single Tier of Local Government in Lancashire	Removes the two-tier system. Disaggregation and integration of upper tier services required along with delivery and policy of lower tier services. Existing unitaries in separate areas.	Same as for two councils, but the main geographic base of each upper tier authority is in a separate council, easing the transition.	Same as for two councils, but a more complex disaggregation and integration process.	Same as for four councils (A).	Same as for four councils (A), with an additional element of complexity in the disaggregation process.
Financial resilience	Underlying logic is that larger organisations pool risks and have fewer overheads, but this is a supposition and does not account for the bureaucracy of a larger organisation. Savings are estimated at £209.4m.	Shows fewer savings than two-council model with an estimation of £176.9m, but population levels are closer to government expectations.	The case shows lower savings than either of the previous models at £134.6m, but the organisations will have greater agility in delivering transformative services with accompanying savings.	As per Four Council (A) model, with savings estimated at £147.7m, although the mix of costs is subject to district disaggregation but also the greater transformative potential of authorities which are bounded to a meaningful geography.	As per Four Council (A) model, with savings estimated at £80.6m. Boundaries fit some existing partnership working arrangements, which could help to generate upstream efficiencies. Taken with the level of deprivation, the smaller size of the East Lancashire Councils will leave them less financially resilient.
Providing high quality sustainable services	Upper Tier Local Authorities (UTLAs) are in separate boroughs so Lancashire County Council (LCC) services only need to align with two separate processes. This model is the most cost effective, but still incapable of resolving known national cost pressures. Large geography risks losing quality local delivery and lengthening time for service transformation.	UTLAs are all in separate boroughs, potentially making the process of alignment cleaner (i.e. one social care system per Council), although a transition is still needed in Northern and Eastern. Geographies are still relatively large.	Locally based services with greater direct democratic accountability. Will require an extended transition period due to greater service delivery changes but will ultimately result in lean and agile Local Authorities. Broad fit with rural and urban areas but the Northern authority marked by three urban areas at the extremities of the borough, which dilutes the potential for service transformation. Dilutes deprivation in Blackpool and Preston and concentrates it in east Lancashire.	A good mix of authorities offering economies of scale whilst maximising transformative opportunities through community and Local Authority assets. Has the same advantages as Four Councils (A), but the form of built and natural environment encourages tailored service delivery and enhances transformative potential. There is no meaningful connection between communities in Preston, Ribble Valley and Lancaster.	Services will be delivered closer to communities across geographies which mostly fit to localities. Spreads deprivation in East Lancashire across two boroughs rather than concentrating into one. This gives three Councils in Lancashire with a heightened interest in the impact of deprivation on service delivery, based on its extent and intensity.

| Key Issue	Two Councils	Three Councils	Four Councils (A)	Four Councils (Blackpool)	Five Councils
Local collaboration	It is unclear from public engagement who this solution benefits, as it fails to align with local identity. Engagement survey respondents expressed scepticism about larger councils which this model would find difficult to allay. Risks creating a quasi-District model requiring internal devolution to deliver effective community services, which would prevent transformative benefits and lower savings.	Better alignment to identity than the two-council model, but engagement survey respondents' scepticism about larger councils are unlikely to be addressed by this model. Needs to provide assurance that councils can be a "visible and active presence" at this scale.	Potentially the most favourable trade-off between public opinion on larger Councils and the potential for financial efficiencies. Likely to be easier for this model to deliver on the top priorities arising from the engagement survey (accountability, value for money, consistency of services).	Same as Four (A) model. Plus, there is a recognition amongst Lancashire Councils that the Fylde Coast is a recognisable geography, albeit that most of rural Wyre aligns with Lancaster on a socio-economic basis. Elements of the proposal align with elements in other models. The core model is supported by the Five Council model which proposes Preston, Fylde and Blackpool combining.	Potentially the closest model to public opinion given the support for maintaining the current model. Likely to trigger a request from the successor authority for Blackpool for a Direction to include several former Wyre wards in their borough, which would be unlikely to succeed without the changes to Ribble Valley as per the four-council (Blackpool) model.
Supporting devolution arrangements	Unclear how this maximises the opportunity offered by the LCCA given the geographic scale of the proposed solution.	Would require LCCA constitutional change to move to either 3 or 6 seats across the Constituent Authorities.	Fits with existing LCCA constitution with one Council per voting member.	Clear LCCA benefits. Fits the existing governance model, and Authorities can represent both their own areas and different types of community in Lancashire via participation in the Strategic Authority as Constituent Authorities.	Offers greater diversity of voice on the LCCA, but potential for an imbalance in favour of East Lancashire given that two authorities would cover the area.
Enabling stronger community engagement	Incompatible with meaningful geographies, covering large areas and populations. This model would require extensive new engagement arrangements with devolved budget decisions which would risk replicating the existing model.	A stronger link between recognisable geographies and existing community links than the two option, with Preston connected to its wider city region. However, this is not the case for the Western option with few such links between Blackpool and Lancaster.	Closer to addressing concerns about loss of local voice and identity, and unfair resource distribution, raised in the engagement survey. Potential to address Service Quality issues raised in the survey via tailored local solutions. Geography has no meaningful basis in current or historic precedent. Travel to Work data carries less weight as an argument given that commuters are inherently less connected to their places of work than home, and have fewer needs than residents.	The only proposal which considers existing and potential networks and connections within existing areas, correcting the boundaries to better reflect real-life communities to release their potential. Directly addresses fairness for small towns and villages. Resolves the "split borough" of Wyre into one local authority area. Would incorporate existing mechanisms and new innovative and digital participatory arrangements to enhance engagement.	Size potentially reinforces a perception that nothing has changed, inhibiting new engagement arrangements. But positively, areas have more of a geographic resonance than most other models, encouraging buy-in to the new arrangements.

The table below summarises the criteria in the form of a RAG rating:

Key Issue	Two Councils	Three Councils	Four Councils (A)	Four Councils (Blackpool)	Five Councils
Population size	Red	Green	Amber	Amber	Red
Single tier of Local Government	Green	Green	Green	Green	Green
Financial resilience	Amber	Amber	Amber	Amber	Red
Providing high quality and sustainable services	Red	Amber	Amber	Green	Amber
Local collaboration	Red	Amber	Green	Green	Green
Supporting devolution arrangements	Red	Amber	Green	Green	Amber
Enabling stronger community engagement	Red	Amber	Green	Green	Amber

Taking these options against government criteria in the round, the four unitary option is considered to offer the best fit, with two potential proposals based on existing geographies for Blackpool: Blackpool, Fylde and Wyre Boroughs, and Blackpool and Fylde Boroughs with Preston City. Of note is that the proposal for Blackpool in the five option is the same as our core proposal (section 4), but a request for boundary modification by the Western Authority in the five-council option to include west Wyre would leave the Northern Authority with 181,670 residents, 20,000 fewer than our proposed option.

Blackpool, Fylde and Wyre

Several Authorities in Lancashire have collaborated on the development of the first of the two four-council options. Whilst often referred to as the Fylde Coast, use of this term to cover the whole boroughs of Fylde, Wyre and Blackpool is misleading. The specific social and environmental issues along the more urban coastal strip stretching between the Wyre and Ribble Estuaries are considerably different to the rural communities looking towards Lancaster, an area known as Over Wyre. There is a distinct geographic polarity between the two halves of Wyre, which is not a continuous area of land. The mouth of the estuary of the River Wyre effectively makes Fleetwood a peninsula. The cessation of passenger services from the port of Fleetwood, and the absence of a permanent reliable ferry connection to Knott End-on-Sea, means that Fleetwood primarily links southwards through Thornton-Cleveleys to the north of Blackpool. The process of unitarisation makes it opportune to address this anomaly.

Transport connections across the Fylde coast
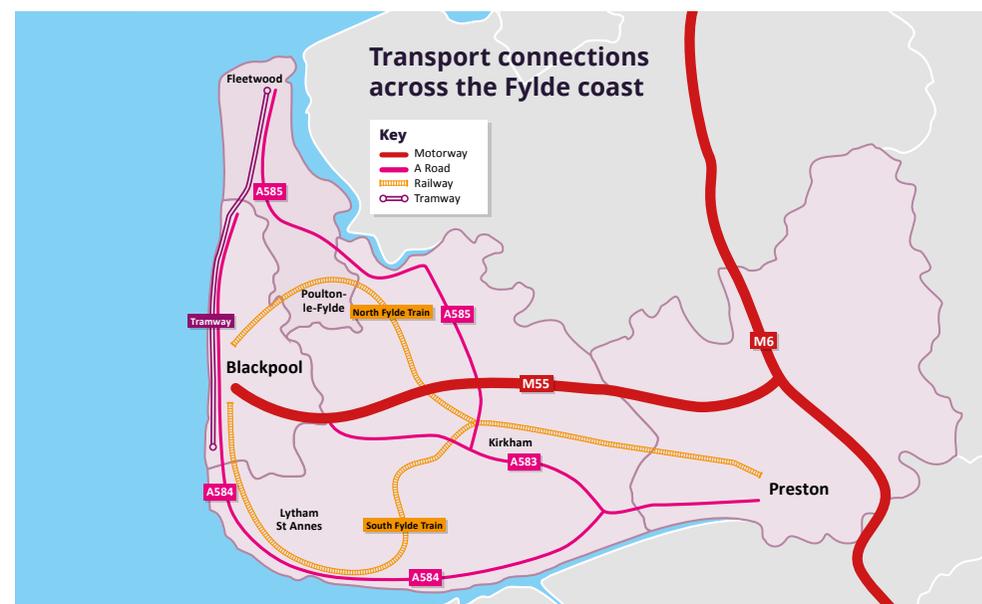
Blackpool, Fylde and Preston

The second option offers a different focus. Blackpool's major transport links are via Preston and the M6 motorway, with an enviable frequency of rail services through Poulton-le-Fylde and Layton to Blackpool North, and alternative services through Fylde and other Blackpool stations to Blackpool South. Blackpool and Fylde both have an interest in an addition crossing for the River Ribble, which completes the peninsula's coastline within Preston's boundary. Both Blackpool and Preston have large-scale regeneration programmes and ambitions, allowing for a clarity of purpose on the programmes to be developed between the two, together with consideration of the complementary roles of west Wyre and Fylde.

Housing is an important public health priority across the footprint and Housing Policy that delivers a good quality of new housing supply, improve the private rental sector, stabilise lives to prevent and resolve homelessness, and increase delivery capacity internally within the Council will help to address the housing related health inequalities. Blackpool, Preston, Fleetwood and St Annes all have significant private sector HMO-related housing issues to tackle, with the risk of measures displacing the issues further into Fleetwood and St Annes, both of which also have significant numbers of HMOs.

The Preston Model, an approach to delivering Community Wealth Building together with anchor institutions, is similar to Blackpool's own model of Municipal Entrepreneurialism exercised through the Council's seven Wholly Owned Companies. Deprivation is concentrated in key localities, namely Blackpool, Fleetwood and Preston, with these areas subject to systemic inequalities and interlocking disadvantages across health, education, employment, housing, and access to services. Incorporating these into a larger council area allows for innovation. It also enables an approach to deprivation taken in the round, one which considers how targeted, place-based interventions that address these interconnected challenges can be scaled up in a coordinated and impactful way.

It also avoids diluting the deprivation in the new Local Authority so that it is no longer a primary policy focus.

2025 IMD: most deprived

least deprived
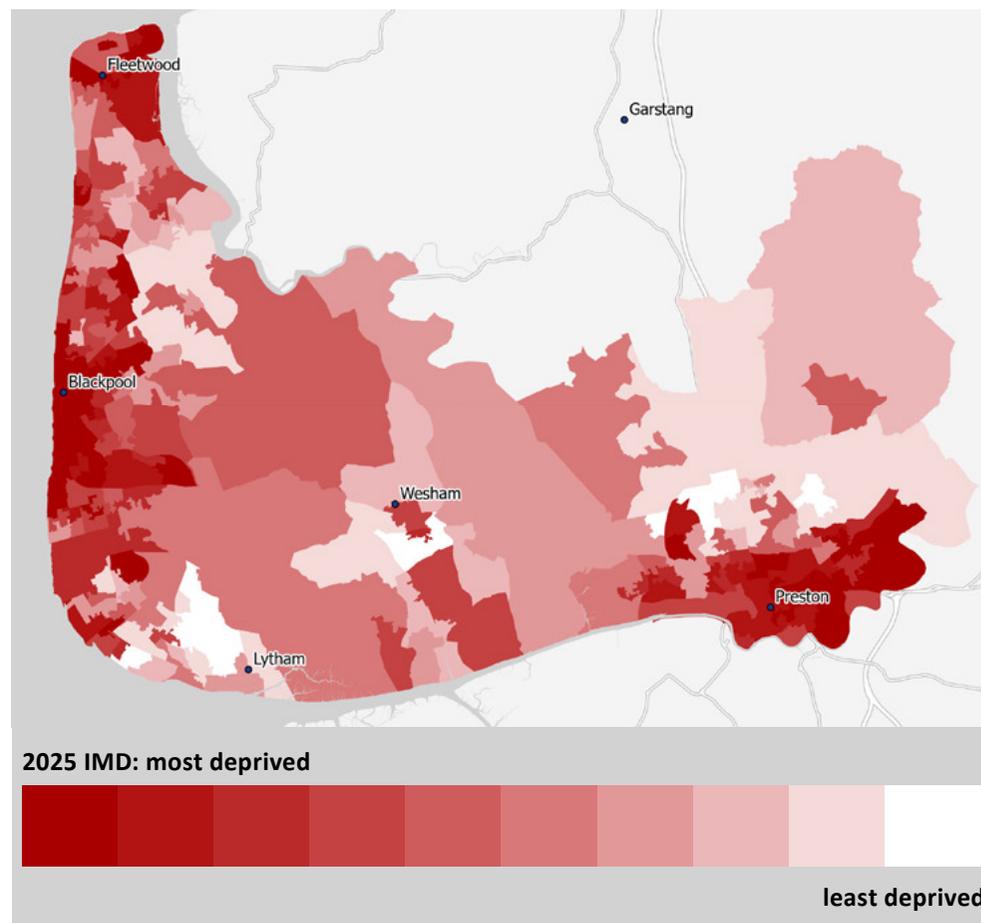
By putting Fylde at the heart of the new borough, the geography recognises the association of parts of St Annes northward to Blackpool, and Lytham, Warton, Kirkham and Freckleton eastward to Preston, and allows for further development of a complimentary economic and tourism offer in a co-ordinated way. It also offers opportunity for both St Annes and Kirkham to benefit from their geographic locations. However, this serves to further emphasise the Wyre anomaly, with both Fleetwood and Poulton-le-Fylde key parts of the travel to work flows southward into Blackpool, and Thornton-Cleveleys inseparable from the urban form of Blackpool. For this reason, this option requires a request to modify the boundary of the proposed new authority.

This core configuration is also favoured by authorities proposing the five-council model for Lancashire. Whilst we consider their overall solution strays too far from Government's guiding principles, their proposal correctly recognises the most relevant subregional links between the boroughs, but further highlights the anomaly of excluding west Wyre given that the statistics show a similarity to Blackpool in population terms, in addition to close economic ties.

Housing regeneration in practice

Blackpool Council has embarked on one of the most ambitious housing-led regeneration programmes in the North West, backed by £90 million from Homes England. This long-term initiative aims to transform inner Blackpool by replacing poor-quality housing with modern, sustainable homes and vibrant neighbourhoods. Blackpool's inner areas face acute deprivation, poor housing quality, and lack of green spaces. These issues are intrinsically linked to social challenges such as health inequalities, homelessness, and crime. Addressing housing market failure is critical to reversing these trends and improving life chances for residents.

Developed in partnership with the Community, MHCLG and local partnerships, the Central Housing Regeneration Programme will:

- Replace outdated, substandard housing with high-quality, mixed-tenure homes.
- Create safe, welcoming neighbourhoods with green spaces, play areas, and community facilities.
- Deliver energy-efficient housing to reduce environmental impact and improve living standards.

Covering 4.3 hectares, phase 1 of the Central Intervention Area involves the acquisition and removal of 350+ properties, replacing these with sustainable community development that includes 280 modern homes plus 5,500 sqm of community and commercial space.

We know that Housing Led regeneration works in Blackpool – and that it is essential to tackle some of the deep and sustained inequalities that our communities experience. Where we have already delivered significant projects, the replacement of high rise social housing flats with a mix of family housing and good quality flats, and new usable community green space, we have seen one of our most deprived areas transformed as evidenced by a change in the IMD ranking. People living in the area will have better health outcomes, increased housing security and live in safer communities. The programme delivered jobs for local people, brings private investment in to Blackpool and delivers long term economic growth.

The regeneration of inner Blackpool is a once-in-a-generation opportunity to tackle entrenched deprivation and create thriving communities. It delivers the vision for inclusive growth, improved housing standards, and sustainable neighbourhoods over a 15–20 year period and shows the opportunities that a Unitary Council can deliver in place based strategic partnerships with national departments like MHCLG and Homes England.

Boundary Adjustment

We adopted the following principles to ensure a proportionate approach to potential boundary adjustments as part of the options under consideration:

- To limit adjustments to areas where they would better deliver one or more of the Government's principles.
- Only to adjust by whole District Wards, minimising disruption to democratic engagement through members and focusing on a more local geography than County Divisions would allow for.
- To adjust only when the new boundary would best reflect coherent communities which could be served by the new Authority.
- To strengthen the internal coherence of a Local Authority.
- To allow for housing growth across all proposed Lancashire Local Authorities.

Following this approach, boundary adjustments were identified across the county considering the potential models being proposed by other Local Authority Boundaries. Adjustments were considered for Wyre, Ribble Valley, Pendle and Preston. In all cases, these were based on right-sizing the boundaries of a potential rural Northern Authority. Given that adjustments in Preston and Pendle would have involved just a handful of wards and minimal population, the potential complication was considered to outweigh the immediate benefits but could be considered by the new Authorities at a later stage.

However, the suggested changes to the Ribble Valley would be important to maintaining a balanced area for the new authority, avoiding an equivalent of the existing Wyre issue with a significant population area isolated from the rest of the Authority.

Details of the adjustment are given in section 5. District Council wards have been used as the basis of the request rather than County Council divisions due to their size, as they offer a better fit with real communities. The size of district wards also enables consistency in area representation with Unitaries from Vesting Day pending a Local Government Boundary Commission review (see Section 10 for further details of proposed arrangements for representation). The boundaries of the district wards have been reviewed against those of Parish Councils to check they are coterminous, and the proposal does not result in Parishes which are split between Local Authority areas.

Without the proposed boundary change, the Northern Authority would have a population of around 247,500 residents, making it even more similar to its Northern neighbour Westmorland and Furness in population terms. It would, however, leave places such as Clitheroe, Mellor and Simonstone distant from the likely seat of the Council in the former Lancaster district, and leave the Eastern Council in a less financially resilient position than if the areas were included, whilst making little difference to the strong financial position of the Northern Authority.

By 2038, housing targets suggest that there will be approximately 10,000 new homes in Preston, 2,000 in the north of Blackburn, and 20,000 in the South of the County, in addition to 1/3rd of the new developments planned for Wyre being in the wards identified for the new Western Council. With large-scale developments planned in or near Lancaster, the divestment of Ribble Valley's preferred growth areas around Clitheroe enhances the opportunities for East Lancashire whilst recognising the direction of travel in more rural areas. Our model therefore gives opportunities for all authorities to benefit from housing growth.

4. Our Base Proposal

Our base proposal is submitted to comply with the requirements of the 2007 Act. It is not the final proposal we are advancing. Our substantive modified proposal, which requests ministerial modification, is set out in Section 5.

It is accompanied by a request for the Minister to modify the boundaries of the authorities of the proposed Council areas (see section 5), adding wards from east Wyre to the new Western Authority, adding wards from west Wyre and north Ribble Valley to the Northern Authority, and adding wards from south Ribble Valley to the Eastern Authority. Prior to making a Structural Changes Order to enact this model, the Government would be obliged to undertake statutory public consultation to inform its final decision.

In the base proposal, Authorities are grouped as follows:

Northern: Lancaster City Council, Wyre Borough Council, Ribble Valley Borough Council

Southern: West Lancashire Borough Council, Chorley Borough Council, South Ribble Borough Council

Eastern: Blackburn with Darwen Borough Council, Hyndburn Borough Council, Burnley Borough Council, Pendle Borough Council, Rossendale Borough Council

Western: Blackpool Council, Fylde Borough Council, Preston City Council

Key
- Unitary 1: Population 392,502
- Unitary 2: Population 358,947
- Unitary 3: Population 520,653
- Unitary 4: Population 392,543
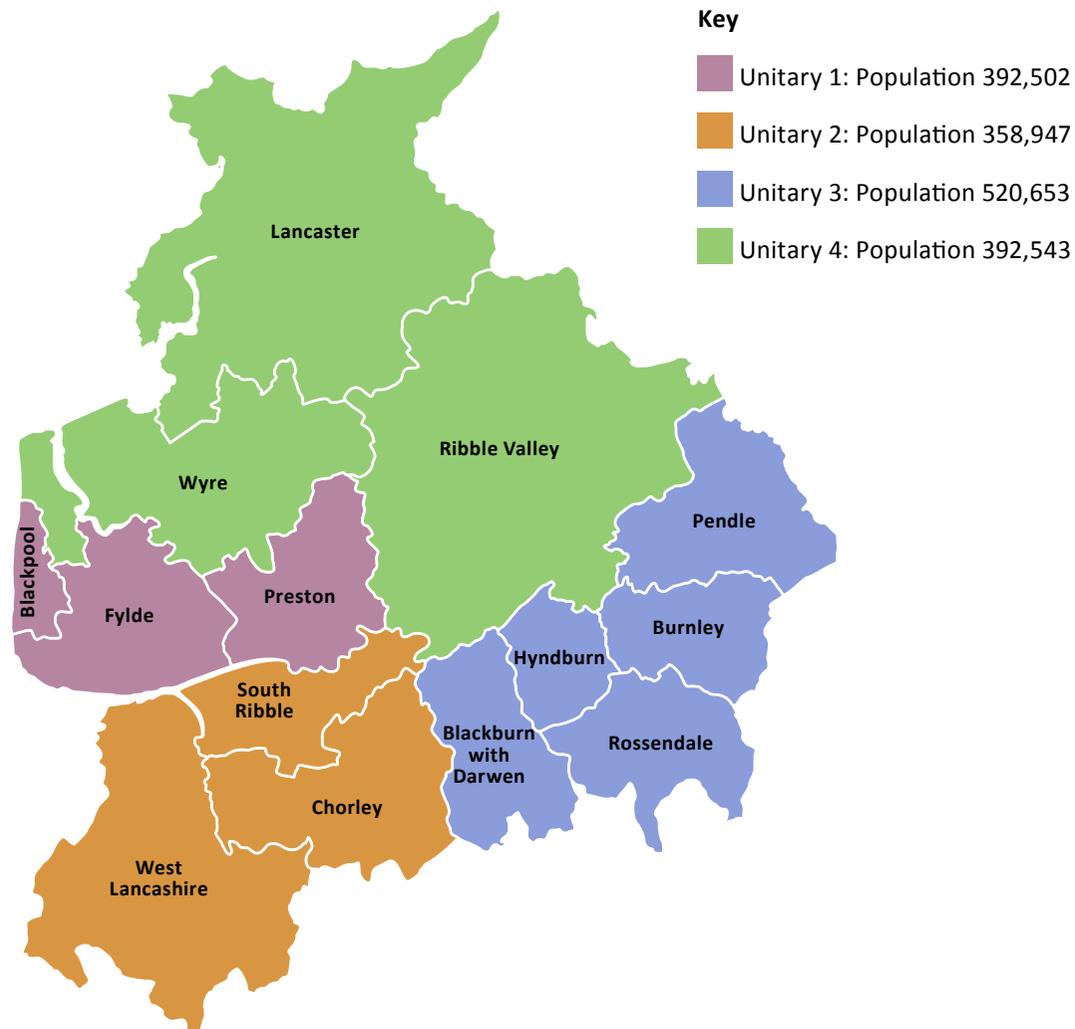
| Government Test	Baseline Assessment
Single Tier of Local Government	Creates four Unitary Councils based on existing Local Authority boundaries.
Right Size and Financial Resilience	Delivers sustainable Local Authorities, with transition costs relatively low as a proportion of the size of the new Council's budgets
High Quality Sustainable Services	Delivers financial and operational efficiencies. Largely split between rural and urban authorities allowing for appropriate service delivery models.
Working together, meeting needs and informed by local views	Informed by a common evidence base. Considers common housing issues across rural, suburban, coastal and urban areas.
Supports Devolution	Creates four constituent councils to fill the four seats on the LCCA. Consideration would need to be given to the relative size of the blocs when developing and implementing strategy, but the East-West axis is balanced by the inclusion of the most urban areas.
Community Engagement and Neighbourhood Empowerment	Opportunities to create effective engagement arrangements in the context of existing town and parish councils.

This model has many aspects to recommend it, meeting the tests whilst offering an enhanced relationship between boundaries and communities compared to other options. However, it leaves further potential for resolving inconsistencies in service delivery and policy. On the Fylde Coast, the continuous urban area stretching to Fleetwood is still split into two separate areas, one of which is peripheral to the new Authority. There is a similar position in East Lancashire, where the road connections from Clitheroe and the other settlements around the A59 across the Forest of Bowland to the other larger urban areas in the new Borough are weak, and rail connections are via Bolton or Blackburn. These issues are addressed directly by our final proposal detailed in the next section.

5. Our Final Proposal
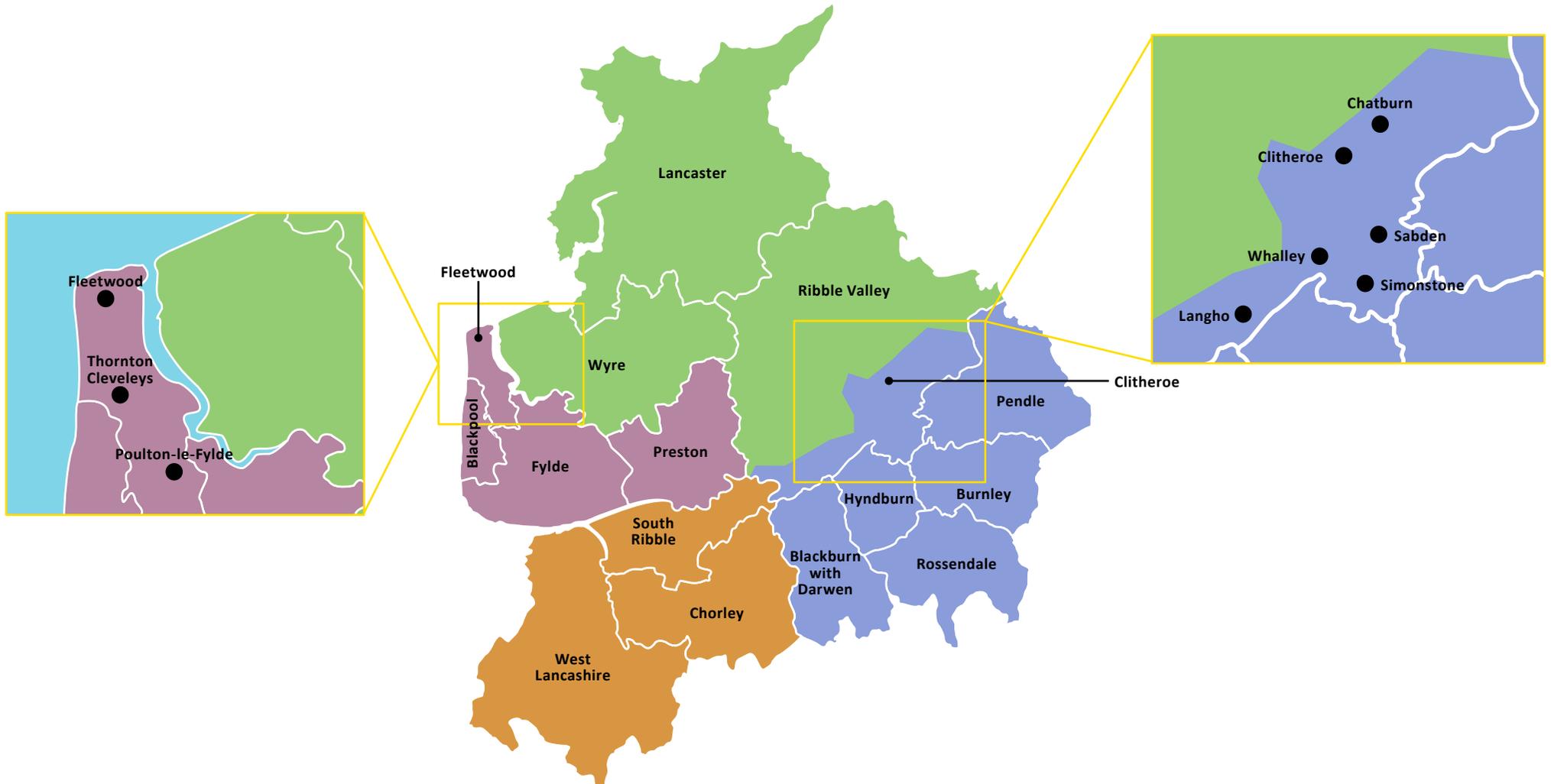
Request for Boundary Modification

This section sets out the proposal we are asking government to consider and consult on. The proposal is a modification of our base case which is based on whole districts in accordance with Section 2 of the Local Government and Public Involvement in Health Act 2007, and laid out in the previous section of this report.

We request the following changes to the boundaries advanced in our proposal in Section 4:

- The inclusion of the following Wyre district wards into the Western Authority: Pharos, Warren, Mount, Rossall, Park, Pheasant's Wood, Cleveleys Park, Jubilee, Bourne, Stanah, Marsh Mill, Victoria & Norcross, Carleton, Breck, Tithebarn, and Hardhorn with High Cross.

- The inclusion of the following Wyre district wards into the Northern Authority: Brock with Catterall, Calder, Garstang, Great Eccleston, Hambleton and Stalmine, Pilling, Preesall, Wyresdale.

- The inclusion of the following Ribble Valley district wards into the Eastern Authority: Billington & Langho; Brockhall and Dinckley; Chatburn; Clayton le Dale and Salesbury; East Whalley, Reed and Simonstone; Edisford and Low Moor; Littlemoor; Mellor; Primrose; Sabden; Salthill; St Mary's; Whalley and Painter Wood; Whalley Nethertown; Wilpshire and Ramsgreave; and Wiswell and Barrow.

- The inclusion of the following Ribble Valley district wards into the Northern Authority: Alston & Hothersall, Bowland, Chipping, Derby & Thornley, Dilworth, Gisburn & Rimington, Hurst Green and Whitewell, Ribchester, West Bradford and Grindleton, Waddington Bashall Eaves & Mitton.

Councils shaped by local life

Our proposal is for a four-Council Lancashire, with boundaries re-drawn to best fit people and place. A primarily rural Northern Council creates an opportunity for a new relationship with the new Cumbrian Authorities, a primarily urban and coastal Council brings a sense of place, policy commonalities and large-scale regeneration opportunities, the manufacturing heartlands of East Lancashire are combined into a single authority, providing scale to counteract the projected financial position of any successor authorities in this area, whilst the market towns in the south of the county maintain their identity.

This proposal includes two stages. The base proposal complies with Section 2 of the Act, but there is a compelling opportunity to deliver greater impact by realigning closely connected local communities into one of the four newly proposed authority areas. These unitaries are designed as a coherent and complementary family of authorities, each deeply rooted in its local context.

Significant consideration has been given to local voices, ensuring democracy is enhanced and that the proposed councils are equipped to meet the distinct needs of their communities. By using district ward boundaries as the foundation for all options appraised, the proposal enhances accountability and enables local government reorganisation that better reflects the unique characteristics of each area.

Collaboration has been central to this process. Through the shared engagement activity undertaken collectively with other Lancashire Councils, it has been clear that residents in Lancashire want their new councils to deliver consistency, efficiency, and accountability in decision-making through processes based on local input and closeness to communities. The four unitary councils will have equal representation on the Lancashire Combined County Authority (LCCA), a governance model which will help ensure no single authority holds disproportionate influence.

Currently, the district councillor-to-electorate ratio stands at 1:2085 and the county councillor- to electorate ratio stands at 1:12304. This includes overlapping representation in two-tier areas where roles on services are split between district and county councillors. The potential of four unitary councils using district ward boundaries would mean an average councillor-to-electorate ratio of 1:4911. This offers a fair balance of empowering neighbourhoods and ensuring elected members can deliver on their substantial responsibilities, whilst providing stable and accountable representation. Ultimately, the final makeup of ward boundaries for the new Authorities will rely on support from the Local Government Boundary Commission for England as part of their planned programme of reviews up to 2030.

Although several of the Council areas have smaller populations than the government's guideline figure, their alignment with key economic growth zones makes them ideally placed to contribute to and benefit from shared prosperity. Staffing arrangements for the new Authorities will draw from existing employees and benefit from their deep institutional and community knowledge and expertise. The varying scales of population across the authorities are appropriate and better reflect the distinct identities and strengths of our communities.

Each new unitary will hold capacity to lead on a diverse range of socio-economic priorities, unlocking innovation and inclusive growth across Lancashire. This approach plays a vital role in reducing structural inequalities by aligning services and leadership with the real needs and identities of local communities. It reduces the risks of financial shocks, enhances resilience, strengthens community identity, and improves service delivery. The four councils will be best positioned to champion community-led innovation, neighbourhood empowerment, drive sustainable growth and ensure the long-term resilience of public services.

Value for money will not solely be achieved through efficiencies from reorganisation, but also by through sustainable investment and service quality improvements. The proposed four unitaries are grounded in sensible economic geographies, each with the capacity to lead on critical priorities such as social care, housing, regeneration, and capitalise on wider devolution opportunities across the country.

This model offers true transformative potential, and this is reflected in the output of the financial models. Embracing a sense of place allows for community-centred service design and delivery; urban councils for urban areas, rural for rural, the specific challenges of coastal communities reflected in tailored approaches to supporting people. Transformation will come from realising the natural end point of existing corporate shared services models such as those implemented by Chorley and South Ribble, incorporating contracted service delivery arrangements such as in Fylde by Blackpool into business as usual, and the delivery and extension of council Wholly Owned Companies such as Blackpool's ENVECO waste collection and open spaces management business to serve more communities across larger areas, and potentially beyond even the new Local Authority boundaries. Blackpool Transport Services Ltd will run virtually all its services within one Local Authority area, with the tramway particularly benefitting, but could choose to grow these beyond its historic boundary. Rolling out models which have already delivered benefits on a larger scale will realise financial efficiencies and savings, whilst recycling profits otherwise lost to the public sector back into council budgets.

Building a new Lancashire

Initial analysis was conducted using district as building blocks, followed by hyperlocal data analysis of socio-economic indicators, health indicators, financial, community assets, environmental, travel, business, and jobs insights to build a rich picture of how residents live and connect.

This granular approach is closely aligned to national government missions as well as with Civil Service, Education, NHS, Police and Fire Service methods. Insights were scaled up towards the lowest layer of single-tier democratic coverage as possible i.e. ward level. From this, time-series analysis of the data was conducted for every ward in Lancashire to inform the benefits and risks that would be gained from configurations surrounding nearby district blocks.

	Western	Southern	Eastern	Northern
Sensible geographies	30% of Lancashire's population, 12% of Lancashire's land. Population size maximises connection to the coastline and this link is reflected in its population density, which reflects the more populated coastal areas and Preston.	22% of Lancashire's population, 22% of Lancashire's land. Population size is complementary to its Merseyside and Greater Manchester neighbours and this link is reflected in its population density.	35% of Lancashire's population, 25% of Lancashire's land. Population size is larger than its individual Greater Manchester neighbours and Calderdale, but similar in terms of population density. Similar to Bradford and North Yorkshire in terms of population size.	13% of Lancashire's population, 41% of Lancashire's land. This is proportionate to the percentage of English residents living in rural areas (16%). Population size is complementary to Westmorland and Furness, with a slightly higher population density.
Operationally efficient and financially resilient	Small surplus turning into a 0.9% gap. Potential for this to be addressed by refining how costs are attributed to districts. An urban council mostly serving a densely populated urban area.	Positive balance declining to a 0.9% gap. Potential for this to be addressed by refining how costs are attributed to districts. A council of average population density compared to the North West average.	Persistent shortfall with the overall trend to reduce over the four years to 4.3%. An alternative method for the attribution of assets and costs may reduce this shortfall. Inclusion of south Ribble Valley impacts positively on this. More densely populated than the North West average.	A balanced position with resources matching expenditure. Viability precedent set by new Cumbrian Authorities. Inclusion of south Ribble Valley wards redresses the balance between this authority and the Eastern area. A rural council serving a mostly rural area from an urban base.
Delivers sustainable and high-quality services	- Housing - Regeneration - Education and Skills - Employment - Health and Care	- Housing - Economic, Social and Environmental Wellbeing - Health and Care	- Housing - Regeneration - Education and Skills - Employment - Health and Care	- Housing - Economic Development - Social and Environmental Wellbeing - Health and Car
Supports devolution	1 city (classed as a "large town" by ONS) and 2 other large towns, indicating the urban nature of the proposed council area. Accounts for 33% of Lancashire productivity (GVA per capita). Second highest overall business count driven by a very strong consumer and hospitality economy. Sector specialisms in public administration and defence and health. Stable long term and reciprocal travel to work relationships across the unitary area.	7 medium towns, reflecting its characterisation as a market town area. Accounts for 23% of Lancashire productivity (GVA per capita). Highest earnings per worker in environment that offers a balanced mix of services and production. Sector specialisms in agriculture, manufacturing, construction, wholesale and retail. New growth of travel to work relationships into Greater Manchester areas.	3 large towns and 5 medium towns, reflecting the urban manufacturing character of the area. Accounts for 32% of Lancashire productivity (GVA per capita). Highest overall business count driven by strong and diverse industrial base. Sector specialisms in manufacturing and wholesale and retail. New growth of travel to work relationships into Greater Manchester areas.	1 city (classed as a "medium town" by ONS), 1 other medium town, with predominantly smaller settlements reflecting the rural nature of the area. Accounts for 12% of Lancashire productivity (GVA per capita). A dynamic business environment with high numbers of businesses per 10,000 population. Strong economic ties to Cumbria. Sector specialisms in agriculture, utilities, construction, accommodation and food services and education. Stable long term and reciprocal travel to work relationships across the unitary area and into Cumbria.

	Western	Southern	Eastern	Northern
Neighbourhood and community empowerment	Responds to resident concerns: "[I have concerns about] accessibility of local councillors to raise issues."	Responds to resident concerns: "I fear loss of local identity."	Responds to resident concerns: "Ensure that local funding isn't used in larger places and the smaller places are left out."	Responds to resident concerns: 1 in 4 respondents described their area as a village. "Include rural areas and not forget our small villages."
	49 Town and parish councils are established and will remain.	48 Town and Parish councils are established and will remain. Some areas overlap with 52 wards and further overlaps occur with County Councillors. LGBCE review post vesting is necessary to better represent neighbourhood voices and strengthen accountability and visibility.	29 Town and Parish Councils are established and will remain. Some areas overlap with 84 wards and further overlaps occur with County Councillors. LGBCE review post vesting is necessary to better represent neighbourhood voices and strengthen accountability and visibility.	79 Town and Parish councils are established and will remain. Some areas overlap with 47 wards and further overlaps occur with County Councillors LGBCE review post vesting is necessary to better represent neighbourhood voices and strengthen accountability and visibility.
	LGBCE review post vesting is necessary to better represent neighbourhood voices and strengthen accountability and visibility.			
	Expectations are a maximum of 70 councillors. This reduces overlap with divisions to create a single tier. Districts boundaries are aligned to the proposed boundary modifications in the business case. No town councils or parishes are split across different unitaries. Most closely aligned to MP boundaries. Local community based. Has continuity that is applicable across all of Lancashire , meaning ward names and the community identity is preserved until LGCBE boundary review.	Expectations are a maximum of 52 councillors. This reduces overlap with divisions to create a single tier. Districts boundaries are aligned to the proposed boundary modifications in the business case. No town councils or parishes are split across different unitaries. Most closely aligned to MP boundaries. Local community based. Has continuity that is applicable across all of Lancashire , meaning ward names and the community identity is preserved until LGCBE boundary review.	Expectations are a maximum of 84 councillors. This reduces overlap with divisions to create a single tier. Districts boundaries are aligned to the proposed boundary modifications in the business case. No town councils or parishes are split across different unitaries. Most closely aligned to MP boundaries. Local community based. Has continuity that is applicable across all of Lancashire, meaning ward names and the community identity is preserved until LGCBE boundary review.	Expectations are a maximum of 47 councillors. This reduces overlap with divisions to create a single tier. Districts boundaries are aligned to the proposed boundary modifications in the business case. No town councils or parishes are split across different unitaries. Most closely aligned to MP boundaries. Local community based. Has continuity that is applicable across all of Lancashire , meaning ward names and the community identity is preserved until LGCBE boundary review.
Shared viewpoints on meeting local needs	A shared evidence base for public engagement, socio-economics and finances has been generated and information from engagement highlighted the main priorities and needs.			
	Health and Social Care: Old Age Dependency Ratio is standardised across Lancashire which means there is the same balance of working aged residents to non-working age residents.			
	Public Services: The proposal helps connect up strengths within areas of high public sector employment and promote better joint working and the infrastructures for community led social support reforms. It also ensures each unitary has a hospital with an A&E department for large scale and integrated discharge into community social care and a mix of school types and early years provision.			
	Economy and Jobs: Four Unitaries provide the scale needed for specialised routes for diverse economic development and ensures each unitary includes at least one medium-sized town. Each Local Authority area has a significant Higher Education presence and a diversity of businesses with some clustering of specialisms.			
	Housing growth: the four unitary with modified boundaries is in strong alignment with existing housing targets and delivery plans that are in progress and whilst maximising new linking areas for future housing growth inside and on the peripheries of the Combined Authority boundary.			

Why split Boroughs? Benefits of the Proposed Model

Better Services

- Enables more responsive and integrated service delivery by aligning council boundaries with real-life communities.
- Reduces duplication and improves clarity in service access, especially in areas currently split across multiple authorities.

Improved Sustainability

- Supports long-term financial resilience through better alignment of services and resources.
- Facilitates strategic planning and investment across coherent geographic areas.

Additional Transformation Opportunities

- Unlocks greater potential for innovation in service design and delivery.
- Encourages the development of agile, community-led models such as Municipal Entrepreneurialism and Community Wealth Building.

Joined-up Policy

- Promotes a unified approach to housing issues across the Fylde Coast, enabling targeted interventions in areas of deprivation and poor housing quality.
- Supports coherent planning for transport, regeneration, and environmental management.

Community Identity and Representation

- Greater sensitivity to councillor numbers in deprived and rural areas ensures fair representation and accountability.
- Aligns with local engagement preferences and strengthens neighbourhood voice through existing town and parish councils.

Economies of Scale

- Urban authorities benefit from concentrated service delivery and policy focus in high-need areas.
- Rural authorities retain flexibility to tailor services to local needs, supported by recognition in the draft Fair Funding 2.0 formula.

Capital Funding Opportunities

- Larger, strategically aligned authorities are better positioned to secure funding for:
  - Coastal defences and climate adaptation infrastructure.
  - Regeneration programmes and place-based investment strategies.
  - Additional Education and Health and Care facilities.
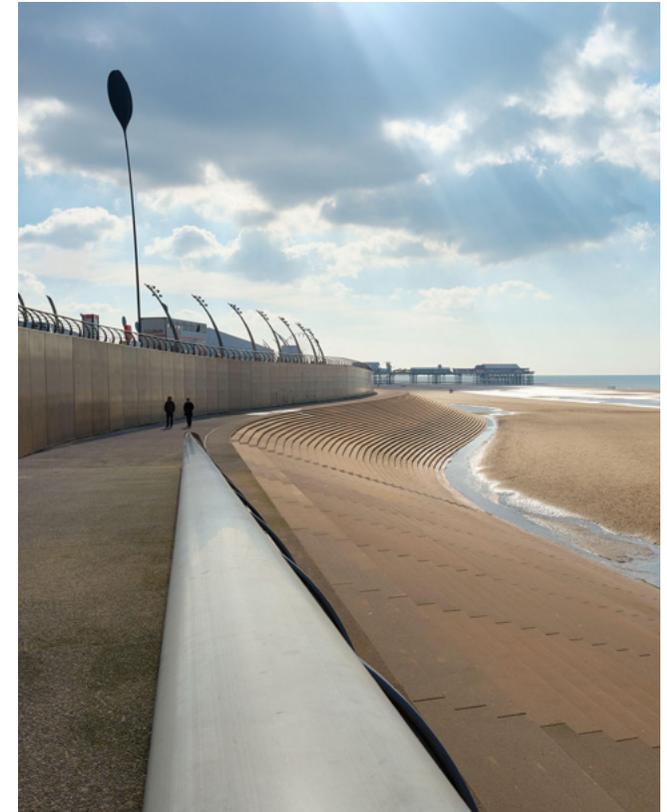
Criteria

Our proposal fits the government criteria as follows:

- **A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.** This is achieved and includes consideration of the unique position of the Lancaster District and Forest of Bowland area, with an economy closely tied to Westmorland and Furness.

- **Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.** Our proposal prioritises the appropriate organisation of local government around meaningful geographic areas, whilst achieving sustainable organisations through streamlined management, economies of scale from procurement, and smarter estate and asset management. Specific issues with the funding model based on LG Futures work apportioning County Council services and assets to Burnley are common to all of the proposals. Two of the organisations will serve around 500,000 people in line with the Government's suggestion, with one at around 350,000. The new rural authority based on Lancaster and parts of Wyre and Ribble Valley has a smaller population but is similar in size to the recently created Cumbrian authorities. The long-term benefits of contract alignment and recurring savings go some way to offsetting the costs of transitions. All models proposed for Lancashire include funding pressures, with national reform needed to address social care, SEND and Homelessness funding.

- **Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.** Any proposal for unitary government removes duplication between counties and districts and improves accountability, making services easier to use, decisions faster, and improving integration with health, education, police and the Voluntary, Community, Faith and Social Enterprise (VCFSE) sector.

- **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**. Our shared evidence base covers public engagement, socio-economic and finance data (see Appendices), generated by working groups drawn from across Lancashire Councils and led jointly by Chief Executive Officers.

- **New unitary structures must support devolution arrangements.** The existing governance arrangements of the LCCA support a seamless integration of four member councils with equal voices, each with primary contexts of rural, coastal urban, manufacturing and market towns respectively giving a particular voice on these topics. The strong basis for collaboration established by the LCCA on transport, economic growth and skills provides a platform for the devolution of further powers.

- **New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.** To build a stronger Lancashire with a national voice, we need to start from confident communities. Our proposal seeks to keep existing district electoral wards as an interim measure, with the number of members tailored to population levels. There are more than 700 councillors in Lancashire. There are 203 Town and Parish Councils. There are 609 District councillors, with an average ratio across Lancashire of 1:2085. However, a proportionate approach that helps to remove duplication between district and county councillors whilst offering some consistency across the constituent members of the Combined Authority would see the ratio change to 1:4911 but will be supported by existing Parish and Town Councils who will continue to deliver as per their current remits and funding. In addition, there will be arrangements designed across the new Councils which encourage co-production of services and decisions with local communities, based on their preferred ways of engagement.

The consensus view that fewer Councils means more savings is based on speculation. The right structures, which account for local needs and opportunities and take a strong transformative approach, are much more likely to deliver savings than arbitrary decisions about the levels of senior management, which the financial analysis shows are a minor part of the savings being generated.

6. New Authority Profiles

Northern Unitary

This authority brings together the City of Lancaster with 85% of the area covered by the Borough of Wyre and 76% of Ribble Valley Borough. This is 13% of the population share of the Combined Authority with a population density of 158 people per km². In addition to Lancashire, the unitary shares boundaries with the York and North Yorkshire Combined Authority and the Cumbria Combined Authority which will launch in 2026. The unitary makes up 41% of Lancashire's total land mass, with 53% of the area designated as area of outstanding natural beauty.

Key Infrastructure

92,500 homes

12,500 commercial properties

1,050 pupils per secondary school on average

150 pupils per primary school on average

2 universities

4 hospitals

1 prison

What it means for residents

The creation of a northern unitary authority presents a unique opportunity to reimagine service delivery through innovation, integration, and responsiveness to local needs. By 2050 the unitary is projected to see economic growth in both scale and proportion within the Combined County Authority area.

This geography provides a more coherent and accountable framework for children's and adults services. It delivers a manageable safeguarding partnership size able to meaningfully engage with local schools and care homes, as well as benefit from a two-way relationship with local universities to translate research into innovative practice. With approximately 1,030 residents in care homes, 13,600 secondary and 12,150 primary school pupils, and 530 children with Education, Health and Care Plans (EHCPs), the scale and diversity of service demand necessitate a more agile and coordinated approach, particularly given the geographic spread of communities. By aligning education, health, and social care under a single governance structure, the unitary can foster more seamless pathways for support, reduce duplication, and improve outcomes for residents.

One of the most pressing areas for innovation is in adult social care, with service demand models identifying a need for around 25 Annual Reviews per day. This volume highlights the importance of streamlining administrative processes, leveraging digital tools, and adopting predictive analytics to prioritize cases and allocate resources more effectively. This is again pertinent in a rural area with dispersed and potentially isolated individuals.

Innovations such as integrated case management systems and digitally assisted triage could significantly reduce delays and improve the timeliness of interventions, particularly for vulnerable groups like children with EHCPs or families in temporary accommodation.

Health and wellbeing are also critical areas for service innovation. 10 Lower Layer Super Output Areas (LSOA's) in the authority are in the top 10% most deprived in England. With 20% of Year 6 children overweight and 35% of adults not meeting recommended physical activity levels, there is a clear need for targeted public health initiatives. A unitary structure enables the development of place-based health strategies that combine education, leisure, and community services to promote healthier lifestyles. For example, schools could partner with local health providers and community groups to deliver integrated nutrition and fitness programmes, while digital platforms could support residents in tracking and improving their activity levels.

Ultimately, the unitaries' ability to foster two-way relationships with local universities, its peer councils to the north in Cumbria, and other anchor institutions will be key to sustaining innovation, with evidence-led decision-making crucial in shaping rural services. By translating academic research into practical service improvements - whether in safeguarding, care delivery, or public health - the authority can remain adaptive and evidence-led. This collaborative ecosystem will not only enhance service quality but also help attract and retain skilled professionals across sectors.

Aligning schools, SEND support, early years provision, public health, and youth services under one authority allows for a seamless approach to planning and delivery. This is a unitary that is built sensibly around commuting patterns and local communities, with consideration of how smaller villages and hamlets can access necessary support, facilitates better co-ordination across education, social care, health, and community services. It will be better placed to attract and retain social and health care workers. Strategic housing planning already underway will further enhance this offer.

This unitary has seen average growth of GVA 3.8% a year over the last 25 years. When measuring how specialised a local area is in a particular sector compared to Great Britain as a whole, it has a score of 2.45 in agriculture, marking it as a nationally significant hub which supports other related specialist sectors such as accommodation and food services. Longridge contributes to the area's economic diversity with a blend of retail and leisure

business properties in the area. Other areas of specialism include mining, construction, and education.

Service innovation within the proposed unitary authority must be closely aligned with its strategic housing and employment priorities. Whilst unemployment of 16 and 17-year-olds are lower than in other areas at 2.8% and 2.9% respectively, there is an opportunity for more integrated pathways into apprenticeships and vocational training, particularly given the needs of businesses in the rural community. A unitary structure enables more coherent coordination between education providers, local employers, and construction sector stakeholders to create targeted programmes that address youth disengagement and support economic inclusion.

Housing development is another critical lever for service innovation. Since 2021, around 1,235 new homes have been completed, yet further development is needed to meet local housing need targets, particularly in an area where affordability and options for first time buyers can be an issue. This presents an opportunity to embed innovation into housing strategy - not only by increasing supply but also by improving the stock condition of existing homes and reducing carbon emissions from domestic sources. A unitary authority can lead on integrated planning that combines housing, health, and sustainability goals, such as retrofitting older homes with energy-efficient technologies and designing new builds that support ageing in place and community wellbeing.

Moreover, aligning housing growth with employment and transport strategies allows for smarter service delivery.

For example, new housing developments can be planned alongside public transport improvements and digital infrastructure, enabling better access to jobs and services. The radical, community-led B4RN (Broadband for the Rural North) model started in this area and its growth proved the importance of collaboration between local people and academia, with the network now serving over 15,000 users. Place-based approaches like this, facilitated by the Local Authority, can support the creation of resilient, low-carbon communities and ensure that service innovation is not siloed but embedded across sectors.

By leveraging its strategic coherence and governance capacity, the unitary authority can drive forward a model of service innovation that is responsive to local needs, environmentally sustainable, and economically inclusive. This will not only improve outcomes for residents but also strengthen the region's ability to attract investment and talent.

The unitary offers a better strategic fit with the Lancashire Combined County Authority objective on strategic public transport developments. 75% of commuters travel by car. Analysis of longitudinal travel-to-work patterns over the past 4 years based on mobile phone tracking data, highlights that most residents work locally, within and across the proposed boundary, whilst a notable proportion commute northwards into Cumbria, and others southward. Only a relatively small proportion of residents' commute westwards toward the coast and this is further demonstrated by a declining trend in commuting to Preston.

Governance

District councillors will represent community and neighbourhood voices, and be supported by existing civil and parish councils. Local Government Boundary Commission for England evidence and findings have been used as an independent source to understand connected communities across Lancashire and mitigate the likelihood of creating electoral inequality. LGCBE boundary reviews since 2017 have identified electoral inequalities in the current local authority boundary. Consultation responses identified that the wards in the southern part of Ribble Valley feel connected in their daily life to places in Hyndburn and Blackburn. The suggested boundary modification helps resolve some of the electoral inequalities and brings closer the communities that feel connected to each-other. It also better aligns voting communities with their member of parliament voting boundaries.

Post-modification, in order to remove duplication, minimise transition complexities, ensure continuity of community representation, and realise efficiencies of £2.31 million across Lancashire, we propose a reduction of 46 district councillors and 15 County Councillors across this authority, with the first intake of Councillors to the Shadow Authority being for 47 councillors across the 47 wards until a full boundary review can take place.

Tax

The requested boundary change maximises benefits to the Lancashire region as well as to the unitary. The modification would increase the proportion of higher-value properties (band E and above) four percentage points more than the 3 unitary proposal and 3 percentage points higher than the four-unitary proposal. This modification strengthens the council tax base and improves revenue potential for Unitary one, creating a stronger tax base which is more appropriate and stable for the smaller population of the semi-rural area.

The modification maximises business rate income through a higher concentration of high-rate commercial properties, including significant agricultural workshops. The area has consistently low commercial vacancy rates. Post-modification, the variety and scale of business premises remain well-suited to the needs of the local community.

Western Unitary

This authority brings together the City of Preston and the coastal settlements in Blackpool, Fylde and Fleetwood. This is 30% of the population share of the Combined Authority with a population density of 1,211 people per km². The unitary is 12% of Lancashire's total land mass and is bounded by 70km of coastline and waterways, with significant built coastal defences on westernmost land.

Fleetwood •
Thornton-Cleveleys •
Poulton-le-Fylde •
Blackpool •
Barton •
Weeton •
Broughton •
Kirkham •
St Annes-on-the Sea •
Freckleton •
Warton •
Preston •
Lytham •
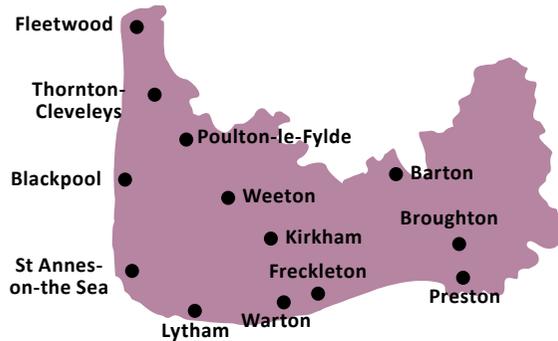
Key Infrastructure

222,000 homes

24,000 commercial properties

1,250 pupils per secondary school on average

240 pupils on average per primary school

1 university

7 hospitals

2 Prisons

What it means for residents

By 2050, the Unitary Authority is projected to experience sustained economic growth, building on a strong historical performance with an average Gross Value Added (GVA) increase of 3.4% over the past 25 years.

The area's economic strengths lie in public administration, health, and defence, supported by key infrastructure including hospitals, a university, and in the future "ethically powered" data centres using energy twice to deliver both processing power and heat. These institutions are well-positioned to increase employment levels and maximise social benefit.

The unitary offers a good strategic fit with the Lancashire Combined County Authority objective on strategic Transport developments. The core travel to work flow is between the urban Fylde Coast, whilst there is also a significant flow through Fylde into Preston, with 6% of residents consistently commuting across this corridor. This stability has supported the designation of North West Preston as a site for 9,000 new homes. Enhancing connectivity with coastal neighbours is a priority, and there is a clear opportunity to improve interconnectivity by extending tramlines to Kirkham and doubling the frequency of trains on the South Fylde Line to improving regional mobility and access to employment. Investment in an additional primary school would ensure average ratios of pupils per school is more aligned to other areas of the combined Authority area.

The concentration of deprivation in specific areas of the authority offers an opportunity for targeted housing and regeneration zones. 23% of its Lower Super Output Areas (LSOAs) rank among the top 10% most deprived in England and there are 165 families currently in temporary accommodation. These figures highlight the need for targeted interventions to address entrenched inequalities, particularly in Blackpool, Fleetwood, and Preston, However, similarities in typologies and tenures across the unitary, specifically in privately rented houses of multiple occupation from single adults, will allow the unitary to specialise and innovate services which improve the standards of homes.

A pressing area for service transformation is with keeping residents safe. 19,000 incidents of anti-social behaviour and 410 children subject to protection plans. Adult social care services conduct 10,500 care assessments in addition to an average of 43 reviews per day. Therefore, modernising and co-locating services can deliver efficiencies whilst at the same time improving resident safety and health outcomes.

Governance

District councillors will represent community and neighbourhood voices and be supported by existing civil and parish councils. Local Government Boundary Commission for England evidence and findings have been used as an independent source to understand connected communities across Lancashire and mitigate the likelihood of creating electoral inequality.

The natural geography splits communities either side of the estuary. Recent parliamentary review of boundaries identified that Fleetwood should be included in the Blackpool North constituency, which also contains the settlements of Cleveleys and Thornton, and that Poulton-le-Fylde should be included within Fylde. This geography is better aligned to those independent reviews and demonstrate that the areas are established and connected communities. In addition, LGBCE reviews in the areas since 2014 have identified that decisions made on number of councillors and ward boundaries in Poulton, Thornton-Cleveleys and Fleetwood and Blackpool and Fylde boroughs that border with Wyre have been made because of the constraints of the estuary. This unitary resolves the constraints.

The requested boundary modification better aligns voting communities with their member of parliament voting boundaries. Better alignment of boundaries and electoral cycles may help to increase voter turnout a better representation of all members of the unitaries communities.

Post-modification, in order to remove duplication, minimise transition complexities, ensure continuity of community representation, as well as realise efficiencies of £2.31 million across Lancashire, we propose a reduction of 92 district councillors and 25 County Councillors across this authority, with the first intake of Councillors to the Shadow Authority being for 70 councillors across the 70 wards until a full boundary review can take place.

Tax

The requested boundary change maximises benefits to the Lancashire region as well as to the unitary. The modification maintains the proportion of higher rate paying properties (Council Tax bands E to H) whilst at the same time diversifying the business rate income base. This modification offers a better balance of industrial and retail commercial properties in the unitary which are better suited to the needs of the local community.

Eastern Unitary

This authority brings together towns with strong industrial heritage. This is 35% of the population share of the Combined Authority with a population density of 711 people per km². The unitary is 25% of Lancashire total land mass and shares borders with Greater Manchester, West Yorkshire and York & North Yorkshire Combined Authorities.

Key Infrastructure

240,000 homes

31,000 commercial properties

900 pupils per secondary school on average

140 pupils per primary school on average

1 university

5 hospitals

What it means for residents

The creation of this eastern unitary authority will allow for new models of service delivery that account for the unique needs of the area, which has extensive areas of deprivation. By 2050 the unitary is projected to see economic growth.

This unitary has seen average growth of GVA 3.5% a year over the last 25 years. When measuring how specialised a local area is in a particular sector compared to Great Britain as a whole, this unitary area has a score of 2.69 in manufacturing marking it as a nationally significant hub for that sector which supports related sectors such as motor trade repair where the area is also a national specialist.

Compared to the other proposed unitaries, Eastern dedicates more of its available spending power towards education and skills, shown by the proportion of young people aged 16 and 17 who are out of work or college being lower than unemployment rates in the area. Therefore, opportunities for lifelong learning and retraining in key sectors such as digital skills, manufacturing and technologies are key. Local VCFSE groups are already using arts to foster inclusion and community cohesion, therefore the unitary is well placed to start to join and scale up Community Arts Programmes which are better able to maximise partnerships with anchor institutions such as the universities and museums to be eligible for bigger grant funding from arts and heritage funds. This funding can be used to co-create programmes which target outcomes within the most deprived areas.

One of the most pressing areas for innovation is in regeneration. The modified boundary presents a better opportunity for the unitary to align economic development ambitions with spatial planning ambition. With 320 families in temporary accommodation, there is a need to deliver housing at scale and ensure families have stable healthy communities. Equally, there is a pressing need for quality housing. The area has the highest proportion of non-decent owner occupied and private rented homes of the four unitaries, despite extensive regeneration efforts in the early 2000's and beyond. Key regeneration priorities across leisure and business facilities, including skateparks and football pitches in areas which have high levels of deprivation have already been identified and these investments can help support the 40% of adults who are inactive using a hyper local place-based approach that reflects the local needs and geography and improve health outcomes for residents living in the most deprived LSOAs.

30% of LSOAs are in the top 10% most deprived in England. The unitary has more than 14,000 Anti-Social Behaviour incidents reported annually and is the only unitary in the Combined Authority without a prison within the boundary. However, the high prevalence of more deprived communities within the unitary provides a valuable opportunity to better understand complex social challenges and develop targeted, evidence-led interventions. By working closely with communities experiencing higher levels of deprivation, the council can co-design solutions that are more responsive, inclusive, and scalable.

Services will be able to specialise in approaches such as trauma informed care. This environment can foster a richer evidence base for policy development and enable the authority to pilot interventions that can later be adapted across broader geographies. With 1,550 children with EHCPs, 640 children with Child Protection Plans, and a high number of unpaid carers supporting their friends' families and neighbours, there are clear opportunities for joint working under a single governance structure to deliver clear and effective pathways for support, reduce duplication, and improve outcomes for residents.

The unitary offers a better strategic fit with the Lancashire Combined County Authority objective on strategic Transport developments. 82% of commuters travel by car. Analysis of longitudinal travel-to-work patterns over the last four years at LSOA level shows that most residents work locally, within and across the unitary boundary, with a notable proportion commuting into Greater Manchester. This presents a significant opportunity for collaboration with the LCCA to plan transport infrastructure holistically, aligning rail with housing and employment zones and integrating rail with active travel and bus networks to improve accessibility and reduce car dependency.

Governance

District councillors will represent community and neighbourhood voices and be supported by existing civil and parish councils. Local Government Boundary Commission for England evidence and findings have been used as an independent source to understand connected communities across Lancashire and mitigate the likelihood of creating electoral inequality. LGCBE boundary reviews since 2017 have identified electoral inequalities in the current local authority boundary. Consultation responses identified that the wards in the southern part of Ribble Valley feel connected in their daily life with parts of Hyndburn. Travel to work mobile phone data between 2021 and 2024 also demonstrated this pattern; residents living in Hyndburn do not tend to travel to work in the northern areas of the Ribble Valley.

The suggested boundary modification helps resolve some of the electoral inequalities and brings the communities that feel connected to each other closer together. It also better aligns voting communities with their member of parliament voting boundaries. Better alignment of boundaries may help to increase voter turnout a better representation of all members of the unitaries communities.

Post-modification, in order to remove duplication, minimise transition complexities, ensure continuity of community representation, as well as realise efficiencies of £2.31 million across Lancashire, we propose a reduction of 133 district councillors and 25 County Councillors across this authority, with the first intake of Councillors to the Shadow Authority being for 84 councillors across the 84 wards until a full boundary review can take place.

Tax

The boundary change would maximise benefits to the Lancashire region as well as to the unitary. The modification would increase the proportion of higher-value properties (Band E to H) by two percentage points more than the alternative four unitary proposal. This modification strengthens the council tax base and improves revenue potential, creating a stronger tax base which is more appropriate and stable for the highly populated area.

The modification also boosts business rate income by approximately 4% and reduces the projected deficit by £8million. It also reduces the commercial vacancy proportions because of the increased number of lower rate-paying commercial properties in the new area; including 50 units at Mitton Business Park. Post-modification, the variety and scale of business premises remain well-suited to the needs of the local community and increases manufacturing and energy distribution sector growth.

Southern Unitary

This authority brings together several market towns and their surrounding villages. Making up 22% of the population of the Combined Authority area, it has a population density of 529 people per km². The unitary is 22% of Lancashire's total land mass and shares boundaries with Liverpool City Region and Greater Manchester.

Key Infrastructure

157,000 homes

14,500 commercial properties

1,000 pupils per secondary School on average

150 pupils per primary school on average

1 university

4 hospitals

2 prison

What it means for residents

The creation of the southern unitary authority enhances the many joint services that have already started integrating. By 2050 the unitary is projected to see economic growth in both scale but also proportion within the Combined County Authority area. This unitary has seen the fastest growth of GVA across Lancashire 4.1% a year over the last 25 years.

It also provides a more coherent and accountable framework for children's and adults services. With a manageable safeguarding partnership size that is able to meaningfully engage with the local schools, hospitals and care homes.

With approximately 5,000 residents receiving long-term support packages, increasing use of digital care planning tools to streamline review processes and reduce administrative overheads are a key area of service transformation. The area has a high ratio of adults in residential care settings compared to the rest of the Lancashire Combined Authority area, so expanding community-based care models would also help reduce reliance on residential care settings, improving outcomes for residents and supporting them to maintain independence.

There is a clear opportunity to better support 1,000 young people with Education, Health and Care Plans (EHCPs) and 250 children under Child Protection Plans through multi-agency hubs that bring together education, health, and social care professionals. These hubs would enable more strategic collaboration, reduce duplication, and improve the quality and timeliness of support for vulnerable children and families.

One of the most pressing areas for service transformation is for stabilising homes for families. With 160 families currently in temporary accommodation, the council could integrate housing, transport and health strategies to support ageing in place and reduce homelessness.

A relatively low 4% of LSOAs in the authority are in the top 10% most deprived in England, and the unemployment rate is the lowest in Lancashire. When measuring how specialised a local area is in a particular sector compared to Great Britain as a whole, this unitary area has a score of 1.9 in agricultural food production, marking it as a nationally significant hub for that sector alongside manufacturing and construction. However, 3.4% of 16-and-17-year-olds are not in education or employment. This implies there are key opportunities for alignment across these areas which would boost the local economy, encourage young people into sector leading career paths as well as reducing the numbers of families in temporary accommodation. Leveraging links with the local university, the council could co-design programmes focused on food production and green technologies, aligning with the area's sector specialisms and future growth potential.

Governance

District councillors will represent community and neighbourhood voices and be supported by existing civil and parish councils. Local Government Boundary Commission for England evidence and findings have been used as an independent source to understand connected communities across Lancashire and mitigate the likelihood of creating electoral inequality.

There are strong connections and community identities in the unitary, which is visible in mobile phone travel data since 2019. The proposed unitary better aligns voting communities with their member of parliament voting boundaries. Better alignment of boundaries and electoral cycles may help to increase voter turnout and give a better representation of all members of the unitaries communities.

Post-modification, in order to remove duplication, minimise transition complexities, ensure continuity of community representation, as well as realise efficiencies of £2.31 million across Lancashire, we propose a reduction of 85 district councillors and 19 County Councillors across this authority, with the first intake of Councillors to the Shadow Authority being for 52 councillors across the 52 wards until a full boundary review can take place.

Tax

There is a fair and balanced tax base. 16% of homes are Bands D-H. The unitary would collect around 17% of the total business Lancashire total business rates income.
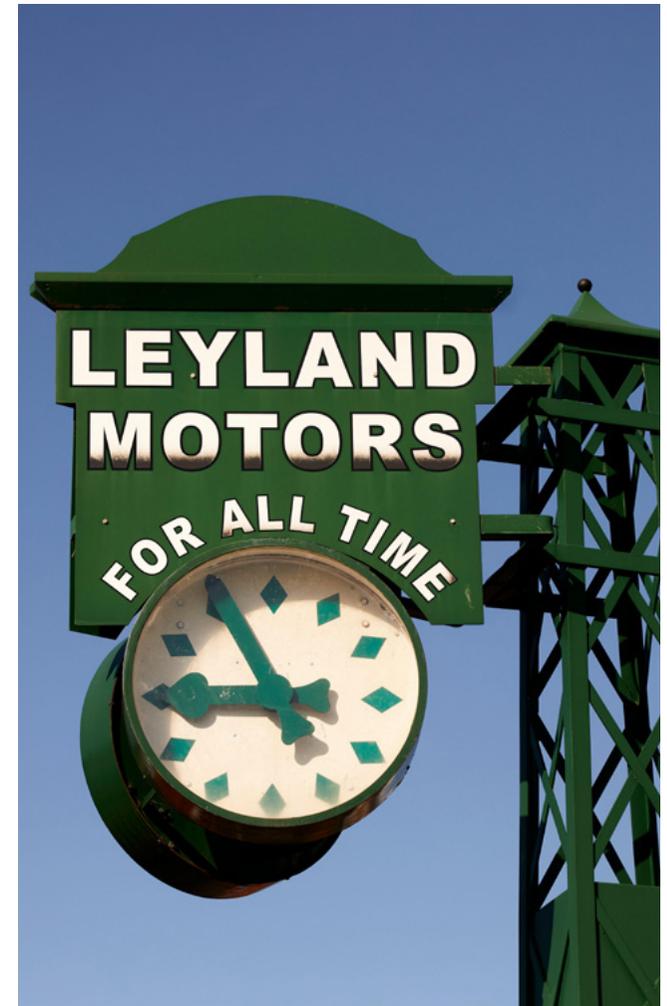
7. Summary of Engagement

Listening and Reflecting

Cratus Consulting ran a county-wide engagement exercise on behalf of councils in September 2025. The aim was to develop a shared, legitimate evidence base for the county via two surveys of stakeholders and residents, although a handful of authorities ran local surveys in addition to this. This information has aided the formation of local proposals allowing for a variety of inputs across Lancashire highlighting key priorities, commonalities and the distinctiveness of the county. It did not seek views on specific proposals. This analysis therefore focuses on the area covered by the proposed Western council.

Having Your Say

A total of 409 stakeholder responses were received from a variety of 237 organisations and individuals including businesses, NHS Trusts, universities and local councils as well as several Voluntary, Community, Faith and Social Enterprises (VCFSEs). The resident survey achieved 13,414 responses. Whilst data gathered did not allow for analysis at a Local Authority level, 677 responses came from the FY1 to FY5 postcode districts which are either wholly or partially within the current Blackpool borough boundary, 6% of the total. The total was boosted by Fylde Council's mailout to all households promoting the exercise, resulting in FY8 and PR4 postcode districts achieving 2,361 and 1,312 responses respectively, 27% of the total. Analysis of the data has accounted for the potential for this data to skew the findings by undertaking comparisons of the findings with and without these responses. Statistical data reported below focuses on the areas included in our proposal, whilst the anonymous comments cannot be localised.

What We Learned

Residents in PR1 were the most in favour for a new larger council with 44%, the only postcode district where this was a higher proportion than those against. Only 9% were in favour in FY8, and whilst the extent of this scepticism was not as deep outside Fylde Council postcode districts, the general mood would prefer no change. Outside FY8 and PR4 a significant proportion of respondents (15%-24%) reported being unsure, offering hope that clear communication about local opportunities during the transition and set up phase can encourage buy-in to the reasons for change.

Common themes raised by the exercise included the importance of economic prosperity, transparency, accountability and service access, as well as roads and public transport. Community identity, representation and rural perspectives also emerged from stakeholder and resident feedback.

Business, Economy & Jobs

Economic vitality, business rates and support for sustainable business were all highlighted from stakeholder responses. Equally, job opportunities were highlighted as a key priority from resident responses. High streets and town centres were also repeatedly mentioned with typical comments including "Help the High Street (...) provides economy and employment for the Fylde".

Transparency, Accountability and Access

Responses for both the stakeholder and resident survey reflected tension with perceived levels of bureaucracy and service access. Many stakeholders and residents sought "clarity of service delivery – who does what". Transparency and accountability were other key themes, "be more accountable and more accessible", "improved accountability". Residents felt they deserved more transparency around where finances are spent, importantly however 312 residents felt their councils are already being cost effective, offering "great value for money".

Quality Services

Overall, resident sentiment towards their Councils was positive, averaging 63% based on experiences with current council services, and varying between 53% in FY2 to 73% in FY8. Over 1,500 resident responses gave praise for council services, highlighting the importance of maintaining quality in service delivery.

Roads and Public Transport

Residents and stakeholders both expressed clear views on this topic, with over 1,000 comments on the resident survey noting either public transport and or road quality and highlighting their desire for practical, visible improvements, with comments such as "better roads, the roads are riddled in potholes", and "Transport – better and cheaper public transport – connected across the whole county footprint and linked to nearby larger cities". Residents also highlighted the crucial benefits of public transport, with one saying, "you actually look after me, saving me severe pain and having local buses when I need them".

Community Identity, Representation & Rural Perspectives

Stakeholders and residents highlighted community identity and local representation as a key theme and inversely how centralisation may affect this, highlighting their pride in where they live with comments that distinct communities and traditions may be lost to reorganisation. Residents commented that "the Lancashire identity will override local identity", and "We will lose the individuality of the area we live", whilst one stakeholder said, "when you strive to streamline local government and introduce improvements and efficiency, there is a significant risk that you lose sight of what local people want and need". Local councillors were praised for "know(ing) their locality and do(ing) their best to ensure a good quality of living", highlighting their centrality to a workable solution.

Importantly, some rural perspectives feared decision-making may become too remote potentially leaving communities over-looked, whilst others stressed the importance in including Parish councils in the process. Typical comments included "Those on the margins will get less investment and attention", "include rural areas and not forget our small villages". This is reflected in our proposal.

Summary

Local government reorganisation presents a transformative opportunity for to build a more efficient, transparent, and responsive system that better serves its diverse communities. While concerns around identity and representation are valid and must be addressed with sensitivity, they can be addressed by strengthening community engagement mechanisms. Regardless, the evidence from both stakeholder and resident feedback highlights a shared desire for clearer service delivery, improved infrastructure, and stronger economic prospects.

8. Financial Resilience

Financial Resilience of Proposed Unitary Authorities

Government guidance highlights financial resilience as a key criterion in assessing unitary authority proposals. Analysis by LG Futures indicates that three of the proposed configurations have resource levels broadly aligned with projected expenditure. However, any model incorporating East Lancashire authorities faces immediate budgetary pressures.

The Northern unitary has a comparatively smaller budget, which reflects its predominantly rural character and lower demand for high-cost, intensive services typical of urban areas. Its structure and scale give it resources comparable to the recently formed Cumberland (£300m) and Westmorland & Furness (£268m) authorities, providing a precedent for viability.

Projected Budget Positions by 2028/29

- Northern: Balanced position with resources matching expenditure.
- Southern: Positive balance declining to a 0.9% gap.
- Eastern: Persistent shortfall with the overall trend to reduce over the four years to 4.3%.
- Western: Small surplus turning into a 0.9% gap.

These figures are based on LG Futures' baseline budget modelling for Vesting Day.

Table - LG Futures calculation of the baseline budget positions of the financial starting point of each new authority in our proposed model on Vesting Day.

		2025/26	2026/27	2027/28	2028/29	% of Expenditure
		£m	£m	£m	£m	
Northern	Resources	288.4	298.1	307.6	318.1	
Northern	Expenditure	273.1	285.1	297.2	318.0	
Net	**Net**	**15.3**	**13.0**	**10.5**	**0.1**	**0.0%**
Southern	Resources	432.4	447.2	461.5	477.2	
Southern	Expenditure	408.4	426.1	443.2	472.8	
Net	**Net**	**24.0**	**21.0**	**18.3**	**4.3**	**0.9%**
Eastern	Resources	678.4	708.8	740.5	776.4	
Eastern	Expenditure	722.6	745.4	769.3	811.4	
Net	**Net**	**-44.3**	**-36.7**	**-28.9**	**-35.1**	**-4.3%**
Western	Resources	627.7	652.9	678.6	707.5	
Western	Expenditure	622.7	650.1	678.4	713.9	
Net	**Net**	**5.0**	**2.7**	**0.1**	**-6.4**	**-0.9%**
Total	**Resources**	**2026.9**	**2106.9**	**2188.1**	**2279.2**	
Total	**Expenditure**	**2026.9**	**2106.8**	**2188.1**	**2316.2**	
Net	**Net**	**0.0**	**0.1**	**0.0**	**-37.0**	**-1.6%**

The cause of the funding gap for the Eastern Authority is the basis of apportionment made to spread Lancashire County Council's costs. This involved attributing cost to districts on the basis of the location of service provision, such as adult social care residential homes or in-house children's homes, which means that costs aggregate in certain locations and appear uneven. Whilst this approach is reasonable for apportioning current costs, it highlights the need for detailed consideration of financial issues at the disaggregation stage to decide whether new unitaries will incur costs this way in practice, or whether there need to be a recharging mechanism. This could involve, for example, the Council responsible for the adult in a care home paying for an 'out of area placement' to the Council in whose area the home is situated, which would in turn affect the financial analysis.

LG Futures' analysis of the distributional impact of LCC's methodology at a high level is shown below clearly demonstrating the uneven distribution. Dealing with 'lumpy costs' via authority recharges would make the profile much smoother and lead to far more balanced budget position, which would help the case for the Eastern Authorit(ies) in particular.

Apportioned v Average Unit Cost per person - total

£ per person
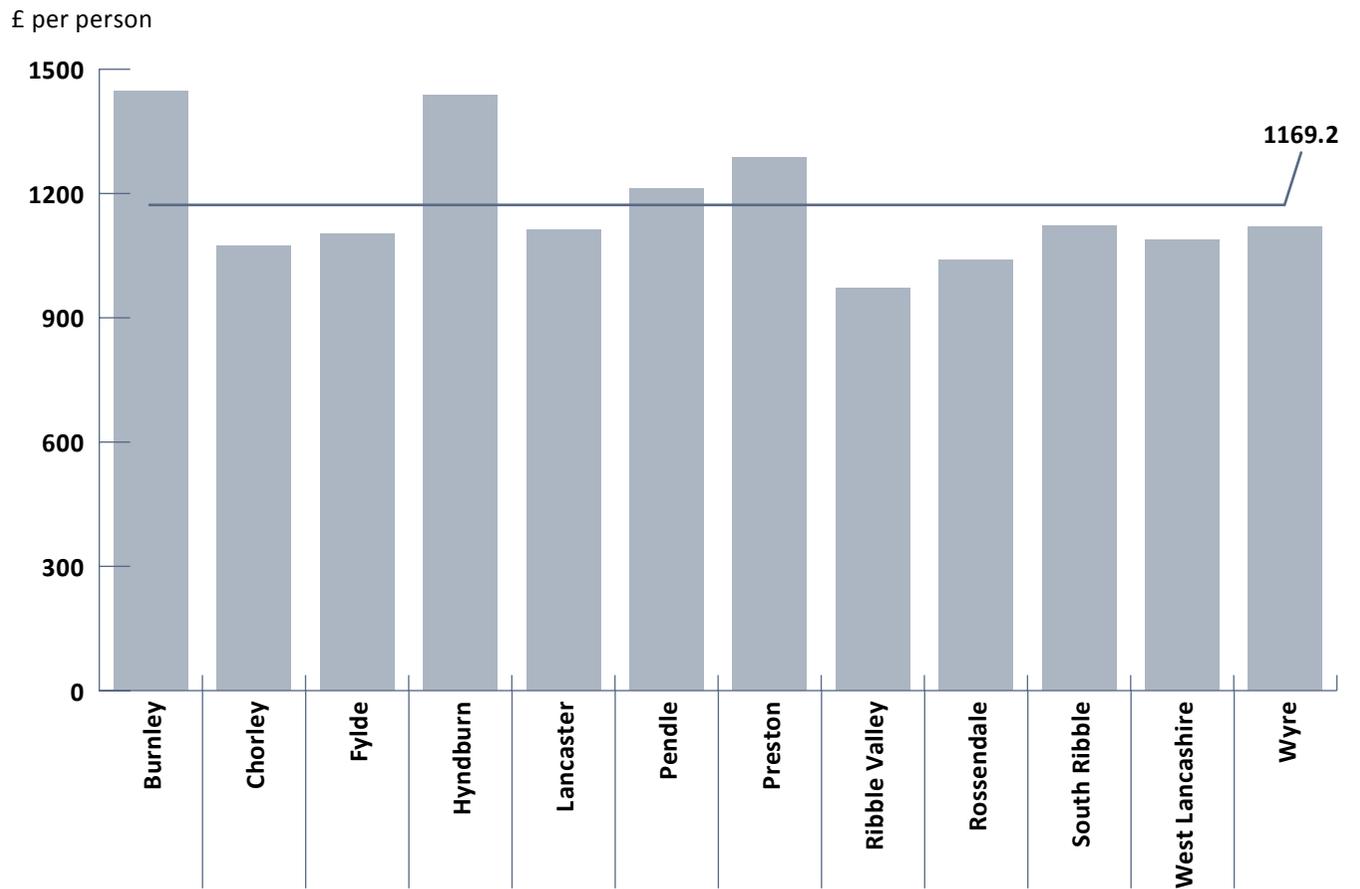
Council Tax Harmonisation

The harmonisation of Council Tax across the new unitary authorities will result in varying impacts across former districts. As with any harmonisation exercise, there will be both gains and losses, making this a politically sensitive issue requiring careful management. The projections below assume councils will seek to maximise income within the 4.99% annual referendum limit and achieve harmonisation within one year.

Projected Council Tax Levels (2027/28 to 2028/29)

Unitary	District	2027/28 (£)	2028/29 (£)	% Change
Northern	Lancaster	2,193.69	2,173.21	−0.9%
	Wyre (east)	2,170.27	2,173.21	+0.1%
	Ribble Valley (north)	2,101.49	2,173.21	+3.4%
Eastern	Pendle	2,239.53	2,207.23	−1.4%
	Burnley	2,278.84	2,207.23	−3.1%
	Rossendale	2,250.28	2,207.23	−1.9%
	Hyndburn	2,206.58	2,207.23	+0.0%
	Blackburn with Darwen	2,165.92	2,207.23	+1.9%
	Ribble Valley (south)	2,101.49	2,207.23	+5.0%
Southern	West Lancashire	2,166.40	2,157.77	−0.4%
	South Ribble	2,164.50	2,157.77	−0.3%
	Chorley	2,142.44	2,157.77	+0.7%
Western	Blackpool	2,232.23	2,224.76	−0.3%
	Fylde	2,159.61	2,224.76	+3.0%
	Preston	2,299.91	2,224.76	−3.3%
	Wyre (west)	2,170.27	2,224.76	+2.5%

Opportunities

Modelling by 31Ten Consulting shows the financial impact and clear opportunities associated with our preferred option. These benefits and costs are assigned to 4 categories:

1. Aggregation Benefits

Key financial benefits stem from reducing duplication of senior management roles across 15 councils, consolidating into 4 unitary authorities. This change is projected to save £4.7m annually. Additional savings include:

- £4.6m per year from reconfigured service delivery
- £9.1m per year from consolidated procurement contracts
- £1.6m per year from reduced councillor numbers and election costs

Aggregation benefits (£m)	Phased Impact, four-council Blackpool model						
	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Leadership	0.0M	0.0M	-2.3M	-4.7M	-4.7M	-4.7M	-4.7M
Back Office Staff	0.0M	0.0M	-1.5M	-3.0M	-3.0M	-3.0M	-3.0M
Service Delivery Staff (non-social care)	0.0M	0.0M	-2.3M	-4.6M	-4.6M	-4.6M	-4.6M
Councillors	0.0M	0.0M	-0.6M	-1.2M	-1.2M	-1.2M	-1.2M
Elections	0.0M	0.0M	-0.2M	-0.4M	-0.4M	-0.4M	-0.4M
3rd Party	0.0M	0.0M	-4.6M	-9.1M	-9.1M	-9.1M	-9.1M
Property	0.0M	0.0M	-0.3M	-0.6M	-0.6M	-0.6M	-0.6M
IT	0.0M	0.0M	0.0M	0.0M	0.0M	0.0M	0.0M
On costs addition (to staff saving)	0.0M	0.0M	-1.8M	-3.7M	-3.7M	-3.7M	-3.7M
Total aggregation benefit	**0.0M**	**0.0M**	**-13.6M**	**-27.1M**	**-27.1M**	**-27.1M**	**-27.1M**
Aggregation costs (£m)							
Social Care	0.0M	0.0M	2.0M	2.0M	2.0M	2.0M	2.0M
IT	0.0M	0.0M	11.4M	11.4M	0.0M	0.0M	0.0M
Total aggregation cost	**0.0M**	**0.0M**	**13.4M**	**13.4M**	**2.0M**	**2.0M**	**2.0M**
Net aggregation impact (£m)	**0.0M**	**0.0M**	**-0.2M**	**-13.8M**	**-25.2M**	**-25.2M**	**-25.2M**

2. Aggregation Costs

Additional costs include £2m annually for social care management roles, and a total of £22.8m total for IT integration, including licensing, data migration, and project management.

3. Aggregation Benefits

31Ten have taken a prudent approach to both savings and costings, and net aggregation is a benefit of £25.2m from the consolidation of 15 councils into 4.

Transition costs

	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Redundancy	2.1M	2.1M	0.0M	0.0M	0.0M	0.0M	0.0M
Organisational Set Up	1.4M	1.4M	0.0M	0.0M	0.0M	0.0M	0.0M
Organisational Close Down	1.0M	1.0M	0.0M	0.0M	0.0M	0.0M	0.0M
Communications & Marketing	0.8M	0.8M	0.0M	0.0M	0.0M	0.0M	0.0M
Shadow UA Elections	1.0M	1.0M	0.0M	0.0M	0.0M	0.0M	0.0M
Shadow UA	1.3M	1.3M	0.0M	0.0M	0.0M	0.0M	0.0M
Programme Management	6.1M	6.1M	0.0M	0.0M	0.0M	0.0M	0.0M
IT Implementation	1.8M	1.8M	0.0M	0.0M	0.0M	0.0M	0.0M
Contingency	1.5M	1.5M	0.0M	0.0M	0.0M	0.0M	0.0M
Total transition cost (£m)	**16.9M**	**16.9M**	**0.0M**	**0.0M**	**0.0M**	**0.0M**	**0.0M**

4. Transition costs

These reflect the establishment of 4 new unitaries, and the closure of 15 Councils. These include:

- Redundancy costs of £4.2m, benchmarked against previous reorganisations to give reassurance as to their validity.
- Organisation setup (£2.8m) and closedown (£2m).
- Communication and Democratic transition costs (£6.2m), which have been calculated on a consistent basis across all the proposals submitted in Lancashire.
- The Programme Management costs (£12.1m) reflect the need to establish cross disciplinary team of service and back-office staff for each new unitary.

IT implementation costs (£3.6m) are for the "safe and Legal" transition of current systems.

Transformation impacts

	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Service Delivery	0.0M	0.0M	-1.8M	-4.6M	-9.2M	-18.4M	-18.4M
Back Office	0.0M	0.0M	-1.3M	-3.3M	-6.7M	-13.3M	-13.3M
Non staff	0.0M	0.0M	-1.4M	-3.6M	-7.2M	-14.5M	-14.5M
Non-Staff Transformation Cost	0.0M	0.0M	0.0M	6.1M	12.2M	6.1M	0.0M
Staff Transformation Costs	0.0M	0.0M	0.0M	1.3M	3.8M	5.1M	5.1M
Total transformation impacts (£m)	**0.0M**	**0.0M**	**-4.6M**	**-4.2M**	**-7.1M**	**-35.0M**	**-41.1M**

5. Transformation

The new unitaries will enable more highly tailored service delivery leveraging existing assets such
as Council owned transport and waste companies. Projected annual savings include:

- £18.4m from improved service delivery.
- £13.3m from enhanced back-office integration building on established Revenue and IT sharing.
- £14.5m from property rationalisation, procurement efficiencies.

Projected costs include £24.4m for consolidation and reorganisation of services and their associated property.

Total impact (£m)	16.9M	16.9M	-4.8M	-18.0M	-32.3M	-60.2M	-66.3M
Cumulative impact (£m)	16.9M	33.8M	29.0M	11.0M	-21.2M	-81.4M	-147.7M

There are clear financial benefits that flow from LGR under our preferred option which are phased in over the period.

Transition costs are largely incurred in the early years (2026/27–2027/28), reflecting the implementation of new structures and processes. Aggregation of staff is phased from 28/29 onwards, reaching full realisation by 2030/31, while disaggregation occurs partially in 28/29–29/30 before tapering off. Transformation savings are introduced gradually from 29/30, increasing to full realisation by 32/33, with transformation costs following a similar but slightly staggered pattern. This phased approach reflects the practical timing of implementation, integration, and the progressive delivery of long-term efficiencies.

Overall annual savings of £18m in 2029/30 rise to £66.3m by 2032/33. This proposal delivers net cumulative savings over the period of 2026/27 to 2032/33 of £147.7m to the constituent authorities, thereby supporting long-term financial resilience through aligning services and resources.

Summary

- The preferred option creates three financially resilient unitaries. The Eastern funding gap will be addressed by a combination of the reprofiling of the costs based on actual service provision rather than current provision. With the savings opportunities that arise also helping the funding gap faced by the Eastern unitary in all options under consideration.

- Our preferred option will deliver cumulative savings of £147.7m by 2032/33 with ongoing annual savings of £66.3m a year going forward.

- The financial analysis confirms that prioritising local place-based service is not only viable but also financially advantageous.

Four Council (Blackpool) Model Financial Impacts Summary

Financial Impacts	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Aggregation Benefit	0.0 M	0.0 M	-13.6M	-27.1M	-27.1M	-27.1M	-27.1M
Aggregation Cost	0.0 M	0.0 M	13.4 M	13.4 M	2.0 M	2.0 M	2.0 M
Transition Costs	16.9 M	16.9 M	0.0 M	0.0 M	0.0 M	0.0 M	0.0 M
Annual benefit before Transformation	16.9M	16.9M	-0.2M	-13.8M	-25.2M	-25.2M	-25.2M
Cumulative benefit before Transformation	16.9M	33.8M	33.6M	19.8M	-5.4M	-30.6M	-55.8M
Transformation Impacts (net)	0.0 M	0.0 M	-4.6M	-4.2M	-7.1M	-35.0M	-41.1M
Total annual benefits after Transformation	16.9M	16.9M	-4.8M	-18.0M	-32.3M	-60.2M	-66.3M
Total Cumulative Benefit after transition and transformation	**16.9M**	**33.8M**	**29.0M**	**11.0M**	**-21.2M**	**-81.4M**	**-147.7M**

9. Towards Transformation

This section sets out the broader context within which the new organisations will operate. With alternative proposals from other Lancashire Councils, these arrangements are subject to discussion and modification as discussions progress. A single Programme Management approach with Lancashire-wide workstreams will be in place from November 2025 to design the new arrangements in detail. The primary aim will be to deliver "safe and legal" services from day one with wider change happening through a subsequent transformation programme, although opportunities for change will also be sought during the transition.

Unitaries' relationship with the Lancashire Combined Authority

Our approach has three key principles:

- All Councils will be responsible for the full range of Local Authority services, improving accountability and efficiency.
- Strong and innovative engagement mechanisms will ensure services continue to be based in local communities. This will include digital methods alongside traditional arrangements, and an appropriate level of member representation to meet local circumstances (see Section 10).

- Multi-Council and pan-Lancashire shared platforms and services will be considered where there is value in delivering at scale, but only if local accountability and flexibility can be retained. These could include areas such as commissioning, market development, workforce recruitment and ICT infrastructure. Existing collaborative arrangements, such as foster care, would continue as now.

We support the principle of the Lancashire Combined County Authority taking further strategic responsibilities as outlined in the English Devolution and Community Empowerment Bill, with the four Local Councils as constituent and equal partners considering the relationship between the strategic role of the LCCA and their own priorities. Local Transport Planning is now well advanced, with the LCCA consulting on a draft plan, and arrangements in place to take over other functions. Economic Growth will continue to remain a Local Authority function but enabled at a strategic level by the LCCA, which will increasingly take oversight of strategic planning, but not the delivery of local plans and application determinations. These will continue to be made on a local basis.

Social Care Partnerships

Government guidance encourages the consideration of Social Care Partnerships. Recognising the recent CQC judgements in the county, the initial focus in Lancashire will be on delivering improvement planning. Joint working arrangements will include collaboration with NHS bodies on discharge, reablement and seasonal planning, with a potential role for a Lancashire Mayor if adopted by the LCCA.

Alignment with Integrated Care Board (ICB), Integrated Care Partnership (ICP) and Place-Based Partnership (PBP) boundaries is not proposed by any Lancashire Authority, given the geographies involved, particularly as the ICB area includes part of the two Cumbrian authorities. The proposed Northern Authority would create a more effective voice for rural healthcare issues at the ICB level.

Discharge and reablement pathways will be part of the organisational design. Initially based on existing processes, these will be adapted to form a single pathway for each Authority. All other working arrangements would remain in place until reviewed as part of the transition process.

One option for joint working is around shaping the social care marketplace at a county level, enabling a more strategic approach to developing suitable provision. Workforce planning is an issue common to many aspects of Local Authority work, but specific social care plans would enable recruitment, training and retention of staff, including an approach to agency workers. This could also link to existing regional working.

Joint Safeguarding arrangements at a county level have recently reverted to area-based arrangements. As such, on Vesting Day responsibility for inspection preparation across all aspects of social care including SEND and Youth Justice will pass to their successor organisations, with a shared approach being developed in line with the expectations of the Inspecting Bodies.

Children's Services including Education

Continuity in service delivery will help schools adjust and is vital for young people and families. We would expect the new Authorities to draw on the best of this practice to refine approaches that work and replicate them where local circumstances allow.

Blackpool Council is rightly proud of its Family Hubs, and Start for Life approach, and these would be promoted as best practice for Lancashire. Services will be kept close to people though teams based in our neighbourhoods, with any changes being subject to full appraisal and consultation.

Councils will co-ordinate school place planning, admission and improvement, with alignment of the Education Strategies for the new boroughs undertaken in collaboration with extended and new Education Improvement Boards as needed. Existing special and virtual schools will continue to operate, with arrangements focused on continuity of provision for those attending.

School Transport arrangements will roll forward until changes are agreed by the new Authorities, with policies subject to harmonisation across localities.

Adult Services

New Authorities will focus on reablement and urgent community response, with work continuing throughout the transition with NHS partners to reduce hand-offs and improve outcomes. These will be mindful of the need for future alignment, with this taking place on Vesting Day. Advice and brokerage for self-funders will be strengthened so people can access support more easily. Market management will focus on stabilising home care capacity and supporting quality, with Local Authority delivery a matter for individual councils. Assessment and support of carers' needs will happen locally in partnership with the VCFS sector.

Housing and Homelessness

Councils will continue with existing assessment pathways and defining a response to, and activating, the Severe Weather Protocol. Any policy shifts will take place over time to ensure access to housing and safety is maintained. Housing Options services will continue to be rooted in communities and based on meeting needs, with a preventative approach to homelessness, and a strategic housing approach which maximises delivery of new units meeting local housing needs. Commissioning of supported housing will be evidence-based to ensure provision of extra care and supported living, sheltered housing, refuges and housing adaptations.

Public Health

Mandated services, such as sexual health, substance misuse, NHS Health Checks and health protection will continue as currently, with local enhancements reviewed and considered over the new geographic areas. The county-level Joint Strategic Needs Assessment would be disaggregated to the new areas and integrated with those of the two current Unitary Authorities to meet their legal duties. This evidence base will inform future decisions about service delivery of obesity, drug and alcohol, smoking cessation and other services.

Community Safety

Some bespoke arrangements would be required with Lancashire Police to account for the current boundaries of the constabulary's three divisions, but co-ordination would involve fewer Council officers than the current arrangements. Specific arrangements may also change depending on whether the role of the Police and Crime Commissioner transfers to a new elected Mayor for Lancashire, dependent on the outcome of the LCCA's governance review. However, the new Councils will continue to have a role as Category 1 responders, with local Community Safety Partnerships adapting but also making arrangements to ensure a neighbourhood focus on tackling Anti-Social Behaviour and other priorities.

Regeneration

With the LCCA providing a strategic context for Lancashire's economic growth opportunities, larger unitary Councils will be able to work on a sub-regional basis to co-ordinate an approach to place-shaping on their patch, designing complementary and not competitive schemes which take a holistic approach to the needs of their area. Larger authorities will also be better positioned to take advantage of simplified funding streams from Government, and able to retain corporate capacity to plan, deliver and evaluate projects effectively.

Highways

Existing delivery contracts will novate to the relevant Authority, with some disaggregation of existing County Council contracts required. The LCCA will maintain a strategic overview aligned to the Local Transport Plan with the Local Highways Authorities delivering maintenance, traffic management, street lighting and other operational delivery responsibilities. Existing policies around policies such as permits and on-street parking will remain in place on a locality basis and be aligned across the joining areas in future.

Natural Environment

The new authorities have the potential to act more effectively at a landscape level of environmental management, working in consort with the LCCA which will retain responsibility for the Local Nature Recovery Strategy. With most Lancashire authorities adopting a strong position on climate mitigation, and increasingly on climate adaptation, there is better potential to collaborate on local decarbonisation projects including Heat Network Zoning.

Most Local Authorities in Lancashire have declared a Climate Emergency, with varying dates by which they intend to reduce carbon emissions across their organisations and local authority areas. However, all new authorities proposed under any of the options will have a mix of authorities with a declaration and without, with Lancashire County Council recently having passed a motion to remove non-statutory Net Zero commitments from policies, strategies and planning documents. As with policy positions on other subject matters, the new Authorities will need to go through a process of reconciling or developing new positions on these issues which could change how they deliver on this agenda.

Coastal flood protection is particularly important on the Fylde Coast, with significant sea defences constructed to protect the urban strip vulnerable to sea level rises and storm events causing over-topping, and further measures being delivered to prevent beach erosion. The proposals would enable a simpler approach to managing the coastline, give Lancashire to have a stronger voice in regional partnerships such as Turning Tides, and allow for more effective collaboration on other flooding and water management strategies across Lancashire.

Revenues and Benefits

Policy on Local Council Tax Reduction Schemes would form part of the Council Tax Harmonisation discussions, with benefits processing continuing area-by-area in the meantime. Local customer access arrangements and working relationships with key parties such as DWP and local landlords would continue in the meantime.

Digital

The speed of change in the digital sector, and the potential to offer gains in efficiency and customer satisfaction, requires transitional Councils to balance transformation and maintaining service delivery. The programme team will consider how the opportunities of greater integration of systems and the enhanced use of Artificial Intelligence fit with the continuation of existing contracts. Whilst the focus will be on safe and legal systems on day 1, authorities may look to enhance their capacity to deliver transformation as part of the transition process, whilst continuing to move services online.

Shared Services in Practice

Blackpool Council and Fylde Borough Council have successfully implemented a Shared Revenues and Benefits Service to manage the delivery of Housing Benefit and Council Tax and Business Rates collection across both authorities since 2008. This collaboration demonstrates the benefits of joint working in providing effective and efficient services to residents. Despite economic challenges, the service achieves high collection rates for both Council Tax and Business rates, allowing the Council's to use this income to deliver and improve services and Housing Benefit performance remains well within published average processing times. Joint working has enabled the use of innovative Recovery Strategies, including the introduction of a text messaging reminder service with cost savings being achieved from joint procurement exercises and a reduction in printing and postage.

This way of working offers significant efficiencies – with joint analysis identifying fraud and error in discount schemes, safeguarding public funds and harmonised processes and consistent communication improving accessibility for residents and businesses.

This partnership is a blueprint for collaborative working on the new footprints for LGR—delivering cost savings, improved customer experience, and robust financial governance. It aligns perfectly with LGR objectives and demonstrates that integration can achieve tangible benefits.

Waste

With major changes in the waste sector, including the recent introduction of the Simpler Recycling strategy to improve business recycling rates and introduce weekly household food waste collections by April 2026, and Extended Producer Responsibility for packaging after disposal, it is important to configure the delivery of services appropriately. These changes will continue as planned with a review of their implementation timely for the transition to the new councils, allowing lessons to be learned. Membership of the Lancashire Waste Partnership will pass to the new Councils, allowing oversight of the Municipal Waste Management Strategy, and consideration of the need for future joint disposal arrangements.

Public Protection

All public projection arrangements such as environmental health, trading standards and licencing will continue. Established Selective Landlord Licensing schemes will continue to exist, with consideration given to how these impact on the wider housing market in new areas included within the boundary of the new authority. Other local public protection policies and services, including licensing, will be subject to review and alignment based on the different requirements of localities within the new Council area.

Culture, Leisure and Tourism

Existing galleries, museums, events programmes and other attractions would continue to operate, with those owned by the County Council passing to the new Local Authority in which they are sited. Their collections form part of the assets of the organisation which would also pass to the new Council. Blackpool Council's Wholly Owned Companies operating in the leisure sector will continue to be municipally owned on day 1 of the new organisation, with the controlling interest passing to the successor authority.

Libraries and Archives

There are long-term opportunities for partnership working on operational delivery such as library catalogues, but on Vesting Day all libraries would operate as now, subject to any budget decisions by the Upper Tier authorities. Over time, libraries have a crucial role to play in maintaining high levels of community engagement and contact with the new authorities, with their core responsibilities building trust which allows for effective provision of an increasing diversity of services.

There are existing partnership arrangements in place at a county level covering Lancashire Archives, which would transfer to a nominated successor authority.

10. Democracy and Local Voice

Electoral Arrangements

Under the terms of the Secretary of State's invitation, our proposal is classed as a "combined proposal" which includes:

- 1 x Type B proposal. Southern (West Lancashire, Chorley and South Ribble), where all three Authorities are existing Council areas being combined, and no boundary modification is requested.
- 3 x Type C proposals. Northern, Eastern and Western, where existing districts border with Unitary Authorities. All three Type C proposals include a request to modify boundaries.

All Lancashire Districts and Unitaries have either had an electoral review and implemented changes within the last ten years, or are undergoing one currently. This provides a reasonable basis on which to base proposed councillor numbers prior to a structural review by the Local Government Boundary Commission for England (LGBCE), which would be scheduled in accordance with their programme sometime prior to 2030.

The LGBCE provides guidance on determining councillor numbers during electoral reviews which can be used to inform analysis on an appropriate number for an area. The expectation is that reorganisation would achieve minor financial savings from a reduced number of Councillors, but that the diversity of councillor workloads needs to be considered. As a result, the following principles have informed the proposal:

- Ensure community voices are heard and represented in decision-making as part of the everyday business of the unitary authority.
- Each councillor should represent approximately the same number of voters across the authority.
- Ward areas should be an identifiable area that reflects the neighbourhood identity.

Lancashire-wide approach

Our proposal retains district council wards, to ensure continuity and quality of service in neighbourhoods which are broadly recognisable to residents. The ratio of councillors to electorate based on county council electoral districts is currently around 1:12304, with the proposed ratio of councillor to electorate in this proposal being around 1:4911 across the county. The proposal would result in a reduction in the overall number of councillors with a consistent methodology proposed for all Lancashire Authorities.

Until a full boundary review can be undertaken for the new unitaries, we propose a simple arrangement where the number of elected members are reduced to one per existing district council ward. By using district wards as building blocks we can achieve geographic consistency across the new authorities.

This model also has the benefit of simplicity, with the lowest level of geography under existing arrangements remaining constant, alongside an expected saving of £2.31 million based on a total reduction of 448 Councillors:

	Councillors	Number of wards	Average councillor-to electorate ratio across the unitary
West	70	70	1:5542
North	47	47	1:3371
South	52	52	1:5569
East	84	84	1:5161
Total	**253**	**253**	**Av = 1:4911**

The governance arrangements offer different potential roles for councillors, with a range of internal and external committees and bodies to serve on in addition to their core ward Councillor duties, including involvement in strategic LCCA boards and working groups to deliver strategic gains in trade, culture, skills, economy and transport plans. These will help build awareness of the strategic landscape within which their local duties are discharged and build a common purpose and direction of travel across Lancashire.

Engagement with Local Communities

Given the government's assumption that Local Authorities will operate on a larger footprint, this option would enable our existing engagement activity to continue to follow best practice over the new footprint, involving residents in decision-making including through use of co-production techniques, and undertaking project-specific engagement on overarching themes.

There is potential to enhance capacity for on-the-ground delivery to ensure a continuity of approach in the areas becoming part of the new authority.

Town Halls

One consequence of reorganisation is the need to consider arrangements for Council meetings. Authorities will have to consider the balance between maintaining operational buildings as a seat of local government to ensure democratic visibility and maintain local civic pride, against the opportunity of efficiency savings. Some Authorities choose to rotate between locations for meetings to ensure democratic visibility and accountability, an option which will both support local accountability and enable members to access meetings.

Alignment with other Electoral boundaries and partnership working

The proposal aligns with the boundaries of the Blackpool North and Cleveleys and Blackpool South constituencies, bringing these together under a single Council area for the first time. Of note is the recent adjustment to the former by the LGBCE, based on evidence which demonstrated this as a more coherent area than the former Lancaster and Fleetwood Constituency. The adjusted Ribble Valley boundary is a best fit between the Eastern Authority and the Pendle and Clitheroe constituency. Alignment between council and parliamentary boundaries will help support the Local Authority Government-funded activity in which MPs are directly involved, such as the new Pride in Place initiative, as well as in partnership working more generally. It also has a co-benefit that MPs will be able to work closely and meaningfully alongside fewer Authorities, improving working relationships and achieving better outcomes for residents.

Whilst not all areas in Lancashire have a Parish Council, the proposed boundaries align with those places that do. A further benefit of the arrangements will be for members of Parish and Town Councils to be able to connect with Councillors covering the full suite of local government operational delivery, enabling simpler partnership working.

In terms of partnership working and boundaries, there is not an exact fit between any of the five proposals and the ICB and hospital trust boundaries, the North West Ambulance Services' delivery arrangements, or the Fire and Rescue Service's Area Fire Safety Hubs. Community Safety Partnerships have historically formed based on district council boundaries, and these would merge and flex to fit the new arrangements. The Police and Crime Commissioner has requested that boundaries fit with the police's divisional arrangements.

VCFSE stakeholders

An approach to strategically leading and influencing the sector would be developed across the new geography, building on existing relationships and working with the networks of the VCFSE sector on existing footprints, whilst encouraging collaboration for a consistent approach across new ones, where the sector felt it was appropriate to do so. With many strong local organisations, arrangements would reflect local variation and strengths, whilst working through sector leadership groups to co-produce an approach to growing further organisations to address local need. Best practice examples, such as the Pride of Place initiative in Blackpool, would be used as models for development across the wider area.

Digital Innovation

Residents across Lancashire in the joint engagement activity reported that visibility of their council is important, but that it did not always need to be in person or in a community setting.

A larger population offers several advantages for digital engagement and information sharing. Diversity enhances community engagement, allowing for more meaningful interactions through digital platforms like forums and feedback tools. A bigger population brings a broader range of perspectives, helping ensure inclusivity and relevance in digital strategies. With more people online, messages and campaigns can reach a wider audience, increasing their overall impact and ability to promote behaviour changes and health improvements.

Digital engagement with a wider population would provide richer insights for trend analysis, predictive modelling, and help new unitaries identify opportunities for community-led targeted support. Services can be better designed and tailored, and economies of scale would be realised because digital infrastructure and tools are known to become more cost-effective when serving a larger user base.

Participative Democracy

Rather than re-creating mini bureaucracies around former engagement arrangements such as Area Forums, the new authorities could look to embrace more ad hoc and agile arrangements. This could consist both of representative forms of engagement, such as the Citizen's Assembly model used with such success in Blackpool on the topic of Climate Change, but also open access participative surveys and tools on topics identified at the stage where decisions can truly be influenced. Building this model into the corporate machinery of the new organisation would improve the quality of community engagement in the decision-making process around key issues. Further consideration would also be given, depending on service design, to participatory budget-setting, enabling direction of local resources to local issues in a highly targeted way.

Engagement in Practice

Following Blackpool Council's Climate Emergency Declaration in June 2019, the Council engaged external expert facilitators TPXimpact to run a climate assembly in 2021. The assembly brought together 40 residents reflective of Blackpool's population to meet online over 4 sessions. They heard from a range of experts before discussing how Blackpool as a town should address the challenge of climate change.

The assembly agreed upon a list of principles to guide the response to climate change, identified eight priority issues, and made a set of recommendations. The Council formally accepted the vast majority of the recommendations via the Climate Change and Environment Scrutiny Committee, incorporating them into the authority's Climate Action Plan.

This was followed in 2024 by a Climate Conversation. Facilitated by engagement specialists Involve, this focused on Climate Adaptation and allowed participants space to build their knowledge and reflect on the potential impact on their lives and the town as a whole. Recommendations were reported to the Scrutiny Committee and have informed the Council's response and risk assessment.

Together, these processes highlight the opportunity to introduce greater public participation and deliberation into decision-making, and would be rolled out further as part of the new authorities' approach

11. Our Delivery Plan

Approach

To deliver change on this scale needs clarity of vision and a realistic approach. The key outcome is to deliver four safe and legally compliant organisations on Vesting Day. Following this, the transformation and merging of systems, policies and processes will shape the culture of the new organisations, followed by visible improvement to service delivery. A key assumption is that the potential for a positive Ministerial decision on boundary changes would be flagged alongside confirmation of the Base Option, allowing for a full approach to planning from day one.

Programme Management

The approach will be managed at a Programme level, as the most efficient way of disaggregating county-wide systems. Whilst preparations are at an early stage, the Programme Officer Group drawn from several Lancashire Councils will develop workstreams and key deliverables. Core workstreams will include Governance, and all the following either as standalone streams or cross-topic project teams: Finance, Risk, ICT Infrastructure, Legal, Assets, Human Resources, Transformation, Communications and Strategy. Participants will be selected to ensure that institutional knowledge is carried into the new organisations.

Ensuring Service Continuity

There would be no changes to statutory eligibility and entitlements arising from the transition. All current care packages and placements would transfer by default unless agreed with families and providers. On Vesting Day, all the same service delivery pathways and "front doors" would remain in place, covering safeguarding and urgent help. Services would be delivered from the same premises, with changes to council branding being communicated in advance and only changed when needed. Any future service changes would be subject to engagement and tailored communication. This is particularly important in the short term for transitions between institutions, such as hospital care discharge procedures. The default position would be for contracts with existing suppliers would novate to the new organisation, with further discussions on how an existing county council contract would be split to serve two or more new organisations if needed. However, all existing legal agreements would be reviewed as part of assessing whether a break and relet option would be more appropriate.

On day 1, the priority is continuity and stability, with services delivered as normal. The transformation plan would then start to reconfigure services and transform delivery, releasing savings and providing direct benefit to residents. This will include process engineering and redesign to deliver more effective processes and clearer accountability. These will be tracked as part of the continued Programme Management arrangements until mobilisation of the new Authorities has concluded.

Staffing

TUPE rights are in place to allow staff to transfer on their current terms and conditions, with only new appointments being subject to the agreed contractual arrangements for the new organisation, once in place. Joint consultative arrangements will ensure consideration of key issues throughout the transition, with ongoing liaison over compulsory training, creating the staffing establishment and service structures, policy review and development, and HR service design. Crucial to this is quickly forming and spreading a culture around the new authority, linked into its priorities and values, supported by an agile decision-making process. Local Government Pension Scheme membership would continue as the new council would be a scheduled body or (if the new Councils are not covered) as an Admitted Body. The member councils would work with the Pension Fund and the Scheme Actuary throughout the process, including any decisions around future employer contribution rates.

Digital

Existing digital infrastructure and cyber security will be assessed to understand the potential opportunities, risks and development needs, prior to assessing potential systems and applications for the best fit between specification and functionality. Devices and accounts would be set up ahead of vesting with secure connectivity and single sign-on, with data migrated in work packages on a risk-assessed basis, including safety mechanisms such as parallel running if needed. Mandatory Data Protection Impact Assessments will be undertaken and considered by the Programme governance arrangements, with separate arrangements for clinical and safeguarding transfers. From a user perspective, all existing arrangements will continue on Day 1 of the new organisation.

Communications

A Communications and Marketing Plan covering both internal and external communications will be developed on confirmation of the Secretary of State's decision. Significant communications work will be required leading up to the vesting date, affecting all services but most notably frontline customer service teams. This will also involve significant work around awareness of the new authority, including a new brand and identity which will need to be created and communicated. Internal communications will also be required to reassure staff and to help set a new organisational culture.

Finance

The ongoing financial sustainability of the Authority is paramount. A robust position at Vesting Day would include opening balance sheets signed off to International Financial Reporting Standards with approval from External Audit, agreed collection fund adjustments, the new LA bank accounts creditor and payroll systems being live, and clear treatment of reserves and debt.

The process for harmonising Council Tax bills would be set out over a period agreed by Members, with mechanisms in place to protect residents during transition.

Transitional Funding

Government expects the transition process to be delivered by using capital receipts drawn from the disposal of current assets held by the Local Authorities in the area covered. This adds complexity, as the disaggregation of County Council assets will need to be negotiated to account for different patterns of geographic service delivery and land value across Lancashire. For example, Lancashire's two Waste Transfer Sites represent a key aspect of local waste disposal infrastructure for the whole county and should be treated on a different basis from assets serving individual localities. The current estimated transition cost for the Blackpool model is £33.8m. These estimated costs include things such as programme delivery expenditure plus ICT infrastructure changes and consolidation, licences for parallel running of systems, marketing and communication exercises, and additional staffing and consultancy support to manage the transition.

Using capital receipts to fund the transition minimises the potential to use these to reduce capital debt, spend on other priorities including capital investment, and cover overspends. This will significantly impact on the new authorities' financial agility and constrain the potential of the Fair Funding review to mitigate the worst effects of financial austerity experienced since 2010. It is also likely to require the use of financial reserves, compromising the stability of the new organisation at birth.

Transition requires caution in expenditure on priorities whilst these are aligned under the direction of the Shadow Administration. Programme management will be prioritised based on outgoing expenditure being scheduled to minimise financial risk. This could delay the delivery of transformational savings but is a prudent approach given the context.

Key tools to mitigate financial risk include:

- The development of a capital receipt disposal pipeline which highlights how receipts will be used. Regular monitoring will ensure that alternative options, such as prudential borrowing, staging payments or programme reprofiling can be activated to address any shortfalls.

- Clear principles for the use of finances which would protect reserves, ensure a minimum level of frontline and statutory service delivery throughout transition, and only deliver funded redundancy programmes.

- A collaborative approach across the current councils to procurement required during the set-up phase, which considers the cost and benefits of new suppliers versus termination of existing contracts.

- Strong programme governance overseen by the Authorities' section 151 officers, with regular reporting to Members and arrangements for independent external assurance.

Risks and Dependencies

Local Government is complex, and the timescale for delivering re-organisation challenging. An added dimension is the mix of a County Council with Unitaries and Districts, meaning that service design in Lancashire is not simply about bolting on upper tier services to a collection of lower tier authorities. This requires a robust but practical approach to risk management and mitigation, with our priority being the safety of people in our care through the least disruptive transition possible. The Programme structure will develop a risk register including the following key considerations:

Risk	Likelihood	Impact	Risk Rating	Mitigation Actions
Loss of local identity and community trust	Medium	High	High	New public and stakeholder engagement processes Marketing Plan
Disruption to service delivery during transition	High	High	Very High	Programme Management approach Establish Continuity Protocols on key issues (e.g. SEND, Waste, depot use)
Staffing morale and potential departures	High	Medium	High	HR and Employee Assistance support Communication Plan Retention incentives TUPE protections Parallel payroll Union engagement Secondments
ICT infrastructure challenges	Medium	High	High	Early technical assessment
ICT system challenges	Medium	High	High	Parallel running System provider engagement Contract novation
Legal challenges including Judicial Review	Low	High	Medium	Government consultation Service planning and review
Budget overruns and financial inefficiencies	Medium	High	High	Financial modelling Programme Management design
Data protection and GDPR breaches	Low	High	Medium	Information Governance staff involvement Use of UPRNs Mandatory DPIAs Staff training Secure migration protocols
Public confusion over new structures	High	Medium	High	Communication and Marketing Plan
Failure to realise expected benefits	Medium	High	High	Benefits tracking Post-implementation reviews Transformation approach from Vesting Day

As noted earlier, exact timescales for transition will be established on confirmation of the decision of the Secretary of State on the preferred option for consultation.

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