

NOVEMBER 2025

DRAFT

BEST4GreaterLincolnshire



PREPARED BY:



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Proposal for Local Government Reorganisation in Greater Lincolnshire

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SECTION 1



1.1 Foreword

1.2 Executive Summary

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Foreword

from the LEADERS of NORTH KESTEVEN DISTRICT COUNCIL & SOUTH KESTEVEN DISTRICT COUNCIL

“Any proposed model must balance the practical need for effective service delivery with the emotional and cultural importance of local identity and trust, ensuring that reform strengthens rather than distances the connection between councils and the people they serve.”

Not our words, but the summation of the words of the 5,556 residents who took the time to complete our LGR engagement survey.

On behalf of North Kesteven and South Kesteven District Councils, we confidently set out a proposal, focused on people and place and underpinned by firm and sustainable financial foundations, for local government reorganisation within Greater Lincolnshire.

BEST4GreaterLincolnshire

We propose a four unitary model:

- a new unitary will reunify the districts of North and South Kesteven along with South Holland,
- a second new unitary will reunify the districts of East and West Lindsey along with the neighbouring authorities of Boston Borough and City of Lincoln.

We envisage a future merger of the two existing unitary councils on the south bank of the Humber to complete a Greater Lincolnshire of three unitary councils of relatively even population. However, we respect the current intention of North East Lincolnshire and North Lincolnshire councils to remain as separate unitary councils and consequently we make no proposal to change their current status.



Our proposal is both practical and pragmatic. Respecting the geography of this hugely diverse area and bringing local government closer to residents, not further away. Keeping local government – **local**.

Our proposal fully meets the six criteria set by Government. Underpinned by a robust evidence base and rooted in reality; we will not promise undeliverable figures but will deliver financially sustainable unitary councils fit for the future. Focused on the things that our residents have said that matter:

- strong local economies creating meaningful jobs,
- strong, safe and flourishing communities,
- housing to meet the needs of future generations,
- a healthy and sustainable environment,
- locality based service delivery.

All our services, including adult social care, children’s services, housing and homelessness services and waste collection will have a local feel and focus, designed and managed at the right scale to ensure resilience, high quality and value-for-money. Our proposal builds on strong working relationships with police and fire, proposing a combined Police, Fire and Crime Commissioner model for Lincolnshire which keeps current working geographies in place.

Our proposal supports the aspirations for broader devolution for Greater Lincolnshire. It will create evenly-sized new unitaries to deliver balanced representation and ensure a Greater Lincolnshire genuinely “for all”. No other proposal for Greater Lincolnshire balances efficiency, identity, fairness, size, tradition and representation. We avoid the potential fragility of overly small units and prevent the remoteness of larger ones.

Our proposal builds on partnerships, builds on devolution, and aligns with the aspirations of the White Paper. It will deliver a safe and legal transition and prepare the foundations for genuine transformation and wider public sector reform.

We commend this proposal as the BEST4GreaterLincolnshire:

- **B**oosting economic growth and housing delivery
- **E**mpowering local communities
- **S**ecuring a sustainable financial future
- **T**ransforming the way we do business.



Cllr Richard Wright
Leader North Kesteven
District Council

Cllr Ashley Baxter
Leader South Kesteven
District Council

Executive Summary

North Kesteven and South Kesteven District Councils' submission sets out a comprehensive vision to shape Greater Lincolnshire's future through local government reorganisation (LGR) and delivers on the key objectives for the Government's White Paper published last December. Our proposal is a robust and evidence-based case for two new unitary councils within the footprint of the existing district councils and retaining as now the two existing unitaries on the south bank of the Humber. Both new unitaries use existing district boundaries as their building blocks.

Invitation Area

The seven existing Lincolnshire districts:

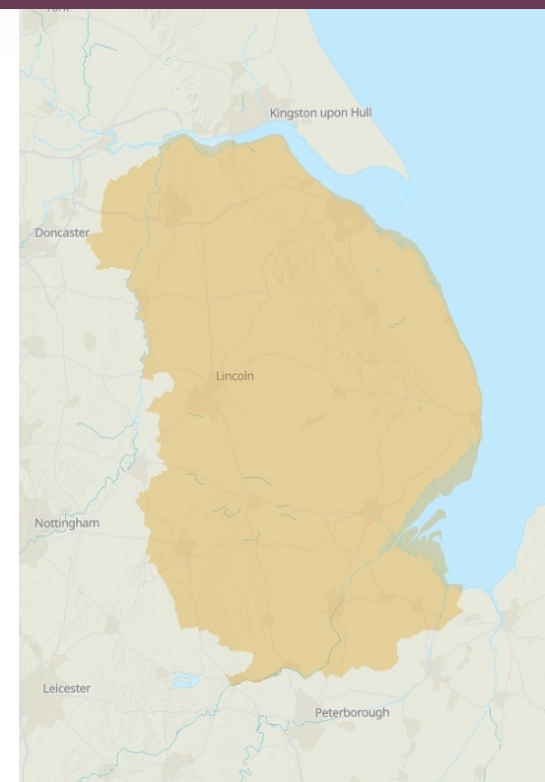
- **Boston Borough Council,**
- **East Lindsey District Council,**
- **City of Lincoln Council,**
- **North Kesteven District Council,**
- **South Holland District Council,**
- **South Kesteven District Council,**
- **West Lindsey District Council.**

Lincolnshire County Council.

The two existing unitary councils of North East Lincolnshire and North Lincolnshire.

We have carefully considered the alignment of North Lincolnshire and North East Lincolnshire councils. We see a strong theoretical logic in those councils, both having populations of less than 175,000, to merge into a larger single unitary authority thus complementing the two new unitaries proposed within Lincolnshire.

However, for two primary reasons this has been discounted. Firstly there is no provision in current legislation that allows the councils to propose this. Secondly in the short to medium term there are economic risks of national significance in distracting from those authorities' strategic role within the Humber region in shaping industrial restructuring and in accelerating growth.



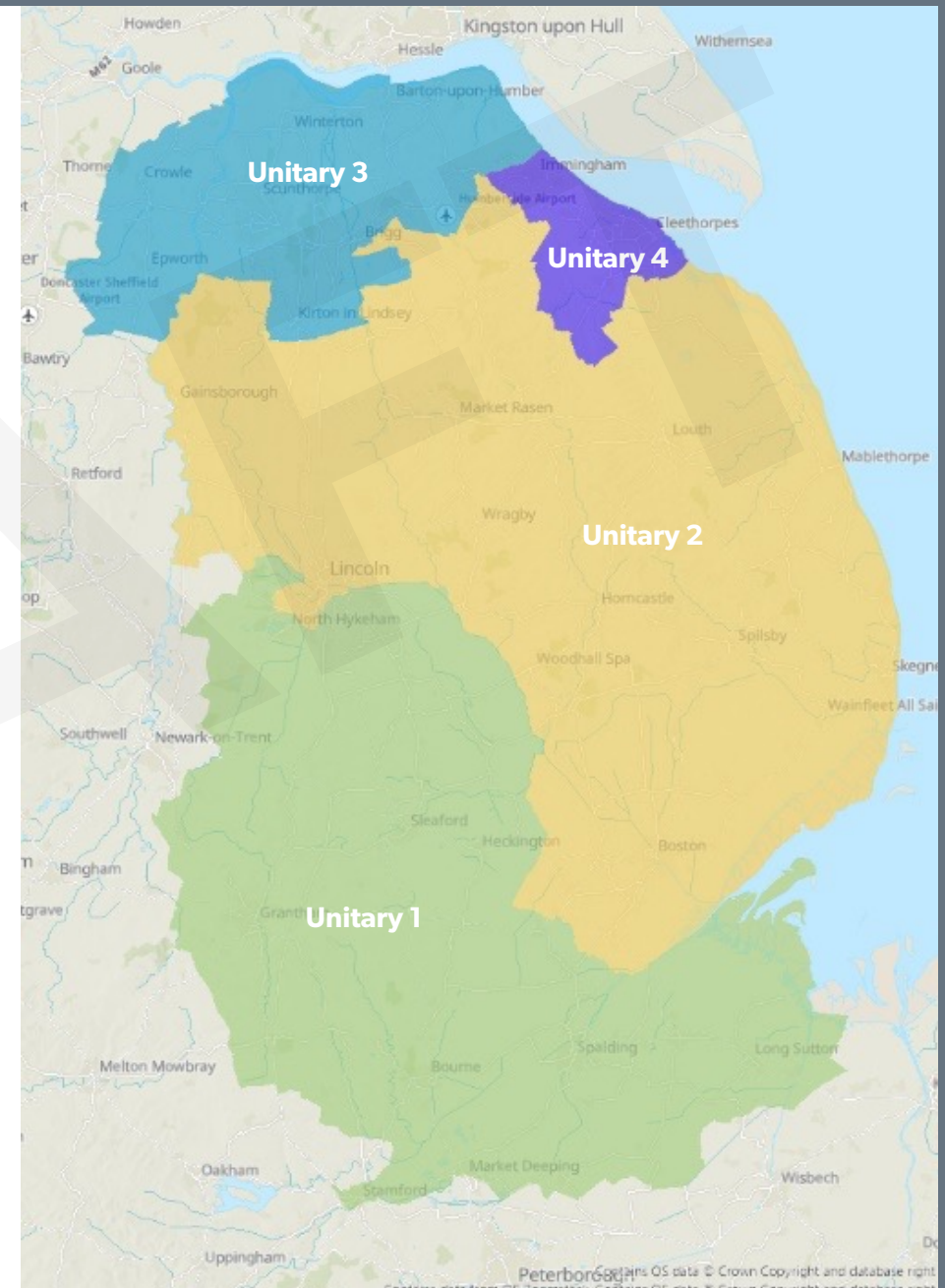
Greater Lincolnshire Invitation Area

Proposal

Greater Lincolnshire is the largest of all the LGR Invitation Areas and in many cases multiple times larger. It covers almost 7,000 sq km – the equivalent of four Surreys – and is home to just over 1.1m people, slightly less than a single Surrey. From the industry on the bank of the Humber, the outstanding natural beauty of the Wolds, the key RAF bases, through to the rich agricultural land covering much of south Lincolnshire, Greater Lincolnshire has a unique place in the future success of our nation as the source of clean energy, carbon capture opportunities and both food and wider national security. Only Devon amongst the other 21 Invitation Areas can match its rurality and size.

Our proposal for two new unitary councils is based on this “local” reality – two right-sized unitary councils with sufficient scale but grounded in local roots, and with a locality-based focus to deliver financially sustainable councils and better outcomes for all.

It is designed both to meet the six criteria set out by Government that proposals must meet, whilst also championing local place and local voice. It supports the aims and ambitions of the White Paper, drives economic growth, supports local prosperity and wellbeing, and aligns with the Government’s Plan for Change.



Proposal Headlines (1)

Proposal	Current Districts / Unitaries	Population	Size sq km	NEW unitary sq km ranking vs existing single tier councils in England
Unitary 1 (UA1)	North Kesteven South Holland South Kesteven	368,917	2,615	11th Largest
Unitary 2 (UA2)	Boston City Of Lincoln East Lindsey West Lindsey	420,585	3,322	7th Largest
Unitary 3 (UA3)	North Lincolnshire	171,336	847	N/A
Unitary 4 (UA4)	North East Lincolnshire	159,911	193	N/A

500,000 Population Exception

MHCLG criteria sets out that:

- As a guiding principle, new councils should aim for a population of 500,000 or more.
- There may be certain scenarios in which this 500,000 figure does not make sense for an area, including on devolution, and this rationale should be set out in a proposal.

Our approach to this recognises that:

- Design should be tailored to each unique Invitation Area.
- LGR is a balancing act.

Exception Criteria

- Geographic vastness
- Competing interests such as identity and belonging
- Delivery of other policy objectives, principally devolution and housing

We consider that Greater Lincolnshire is an Invitation Area where all three grounds for exception should be applied



Headlines (2) Meeting the Six MHCLG Criteria

Sensible Single Tier of Local Government	Right-sized Local Government	High Quality, Sustainable Services
• Proposal aligns with functional economic areas • OECD recommends alignment of governance to economic geography is optimal for growth • Fully aligns with and will support delivery of the Greater Lincolnshire Innovation Strategy	• Detailed financial baselining and modelling undertaken with PwC • Recognition that the scale of impacts from the Fairer Funding Review and Business Rates Reset are not yet known • Pragmatic and conservative approach to projections • Delivers financial sustainability • £24m - £80m range of net annual benefit by year 5	• Detailed consideration of critical county council services with expert external support • Locality based service model for Children's Services and Adult Social Care • Disaggregation risks identified and considered • Greater local insight and improved local outcomes • Focus on early intervention • Fire & Rescue governance to be transferred to the PCC, single county wide footprint retained
Informed by Local Views	Devolution	Local Engagement and Empowerment
• Collaborative working and proactive data sharing with all Invitation Area councils • Proposal informed by engagement, and reflects key messages • 5,556 responses to the engagement survey • Informal engagement with wide range of stakeholders including partners, parish and town councils and employees • Clear resident message – "local not remote"	• Fully supports the devolution agenda • Proposal targets balanced representation • Consolidates devolution in Greater Lincolnshire	• Best foundations to deliver the Government's flagship Plan for Change's ambitions for civic renewal • Enhanced local empowerment through Area Neighbourhood Committees • Minimise any significant impact on local democracy • Scale is a failsafe if area committees fail or local and national priorities change • 68 and 72 councillors proposed for UA1 and UA2 respectively

Detailed arguments for all criteria are fully set out in Section 4 of the submission.

Headline Expansion – Criterion 1: Sensible Single Tier of Local Government

“Everything we hope to achieve as a government is only possible if we get Britain building”

(Rt Hon Steve Reed Secretary of State for Housing, Communities and Local Government)

Our proposed jurisdictions deliver the evidence led ‘best fit’ alignment to the functional economic areas of Greater Lincolnshire. Establishing the optimal foundations for accelerating economic growth.

The OECD recommend for economic and administrative geography to be aligned to ensure that local reorganisation drives economic growth.

Alignment will maximize the impact of the government’s planning reforms. Our proposal delivers this in Greater Lincolnshire.

Evidence from Travel to Work patterns identifies three clear functional economic zones in Greater Lincolnshire: North, Central, South.

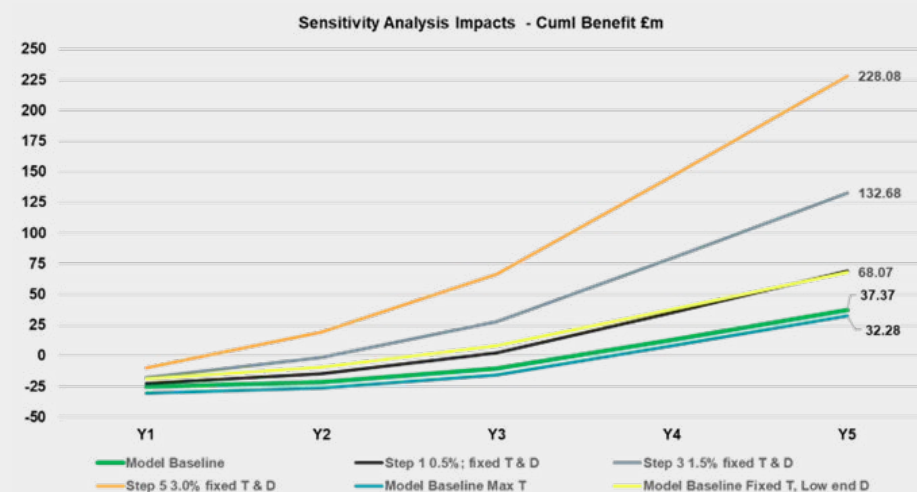
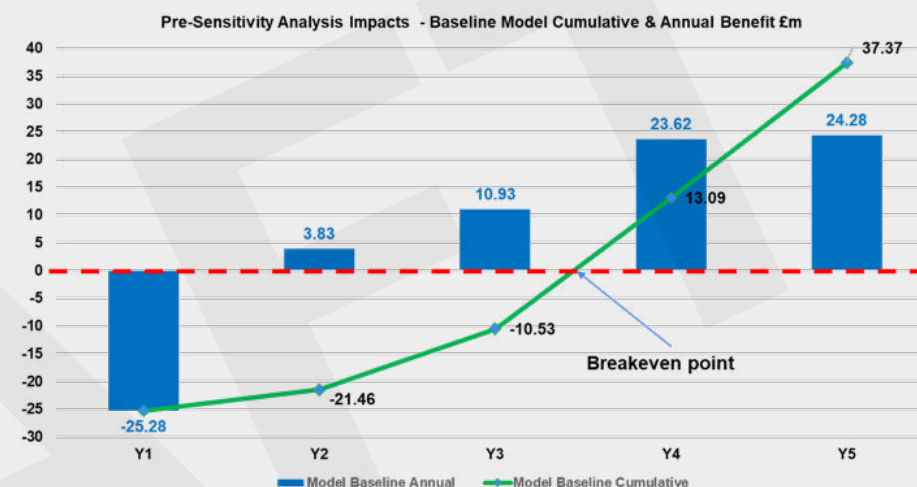
Our proposal is the only economically rational solution that aligns with the underlying data and the LGR criteria.



Headline Expansion – Criterion 2: Right-sized Local Government

Baseline Financial model – conservative and prudent approach with payback coming part way through the fourth year and c£24m annual saving for the two new unitaries.

Sensitivity analysis worked through with PwC highlights that more ambitious assumptions, if delivered, would significantly increase the range – with the mid-point projecting £130m in savings over 5 years, and the upper end over £230m over 5 years – equivalent to annual savings of £80m per year by year 4.



Criteria in 2 Table 17	Y1	Y2	Y3	Y4	Y5	Total 5 year Benefit / (Costs)
Total Aggregation Benefits (£M)	10.83M	14.44M	16.25M	18.05M	18.05M	77.62M
Total Financial Disbenefit Costs (£M)	-12.94M	-12.94M	-12.94M	-12.94M	-12.94M	-64.70M
Total One-Off Transition Costs (£M)	-22.52M	0.00M	0.00M	0.00M	0.00M	-22.52M
Total Transformation Benefits (£M)	0.00M	3.96M	9.91M	19.82M	19.82M	53.51M
Total One-Off Transformation Costs (£M)	-0.65M	-1.64M	-2.29M	-1.31M	-0.65M	-6.54M
In-year Net Benefit / (Costs) (£M)	-25.28M	3.83M	10.93M	23.62M	24.28M	37.38M

Headline Expansion – Criterion 3: High Quality, Sustainable Services – Critical Services

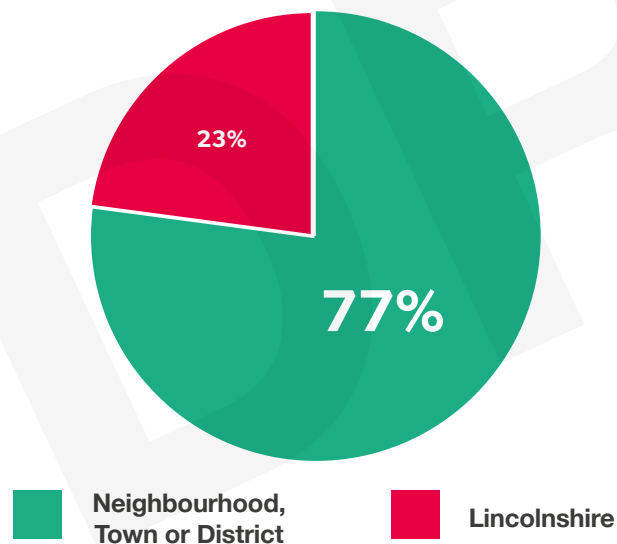
Children's Services	Adult Social Care	Fire and Rescue
Disaggregate to create Children's Services directorate in each new unitary Statutory DCS role in each new unitary Builds on existing county local teams' delivery model Integrated Locality Approach Strong governance with clarity and feasibility of accountability Balanced approach – broader delivery model beyond new unitary footprints where appropriate – eg Adoptions Stand alone senior teams in each new unitary with middle management streamlining opportunities in both	Disaggregate to create Adult Social Care directorate in each new unitary Statutory DASC role in each new unitary Builds on existing county local teams' delivery model Integrated Locality approach Enables place-based delivery tailored to geographic and demographic variation Supports targeted resource deployment in high need areas Integrated approach with external partners and internal Housing, Safeguarding, Homelessness and Wellbeing services Designed to align with the emerging Government 10 Year Plan	Maintains service on county wide footprint Avoids any disaggregation Transfer to sit alongside Police under the Police Crime (and Fire) Commissioner Current PCC open to transition Aligns with evolving best practice seen in other recent LGRs Avoids any conflict with existing Humberside arrangements
		

Headline Expansion – Criterion 4: Informed by Local Views

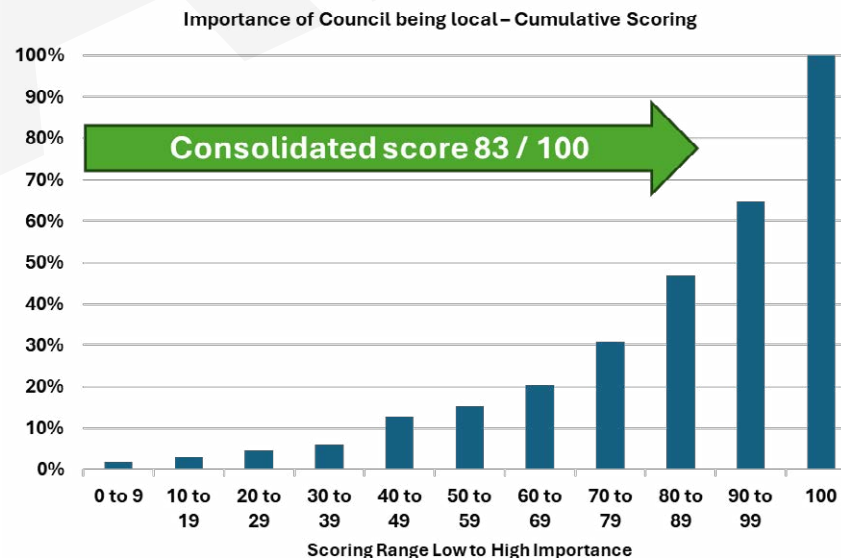
Our widespread engagement with both residents and a wide range of stakeholders focused on explaining what LGR is, understanding what matters to them and then applying these insights to develop our proposal.

The message from residents was clear -
a **local** council delivering **local** services informed by **local** insight

When asked where do you feel most connected to 77% of respondents selected one of the three “local” options rather than the county



When asked how important it is that your council is local to your area on a scale of 0 to 100 respondents returned an average score of 83 / 100, with close to half giving a score of or near to 100 / 100



5,556 residents responded to our online survey, near to four times higher than the response received by the LCC survey

Headline Expansion – Criterion 5: Devolution

Both North Kesteven and South Kesteven are active and engaged in current devolution arrangements, with leading roles supporting strong governance and a commitment to extending this into the future.

The new unitaries will rebalance the Invitation Area, ensuring the consolidation of the mayoral authority and enabling devolution to be deepened in Greater Lincolnshire on the strongest possible foundations.

The rebalanced Greater Lincolnshire CCA will be compliant with MHCLG's required ratios between principal and strategic authorities providing for effective multi-level governance. Our authorities, as leaders of the 'places of places' within Greater Lincolnshire will be the ideal complement to the sub-regional strategic role of the mayoral authority.

Optionality is provided for the future expansion and deepening of devolution to England.



Headline Expansion – Criterion 6: Local Engagement and Empowerment

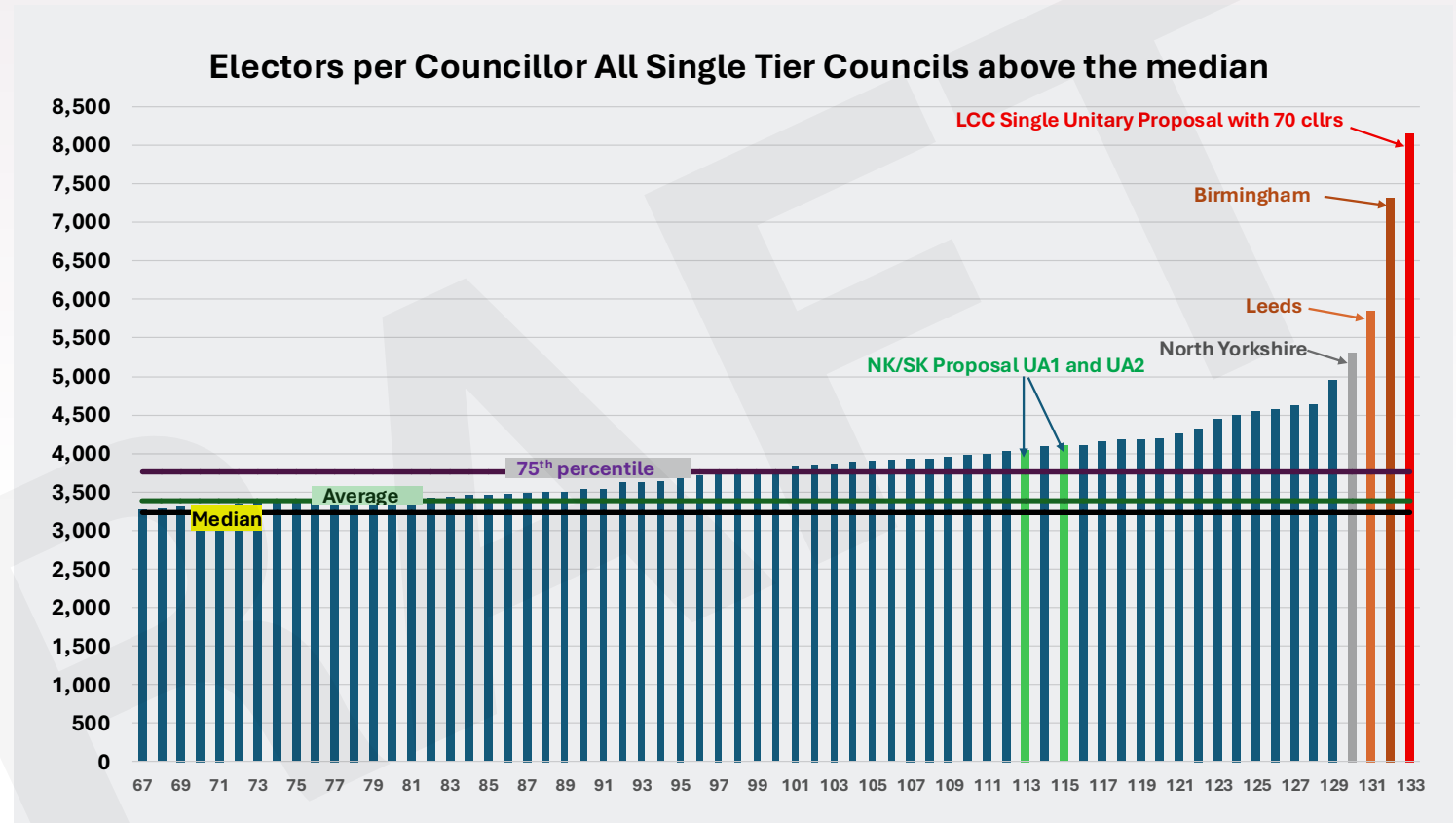
Two new unitaries with governance cultures that aim to *do with* not *do to* communities. We and our residents know that too large scales or incoherent footprints will damage local voice, democracy and trust. Our proposal is designed to minimise that.

The scale means that area decentralisation mechanisms like area committees, will be supplementary, enhancing resident voice and empowerment, not token compensatory mechanisms for an oversized unit.

This provides the best and only viable opportunity to deliver the civic renewal and empowerment of the Government's flagship Plan for Change throughout Greater Lincolnshire.

Though a reduction the overall proposed number of councillors remains within the relative norm of existing unitary councils – the two proposed new unitaries have councillor to electorate ratios of 4,046 and 4,110 respectively. Strongly balanced, and though such a ratio would place each in the top 10% (highest ratios of electorate to councillors) it is not excessively beyond the current median figure of 3,234. Birmingham has the highest current ratio standing at 7,319 based on LGBCE figures. A single county unitary with just 70 councillors as proposed by Lincolnshire County Council would have a wholly unprecedented ratio of 8,158.

Given the expanse of Lincolnshire our proposal would still result in each new unitary councillor, on average, covering 38 and 46 sq km respectively; the Lincolnshire County Council proposal is 85 sq km per councillor.



Options Appraisal

We considered a number of configurations as shown by the maps below:



A two unitary north-south split.



A single unitary for Lincolnshire (as proposed by LCC).



A two unitary north-south split covering the entirety of Greater Lincolnshire (as proposed by the South and East Lincolnshire Councils Partnership).



A two unitary north-south split that includes Rutland.



An enlarged Lincoln unitary model and a second unitary covering the rest of the county (as proposed by City of Lincoln council).



A two unitary east-west split with 4 existing districts in the east and 3 in the west.



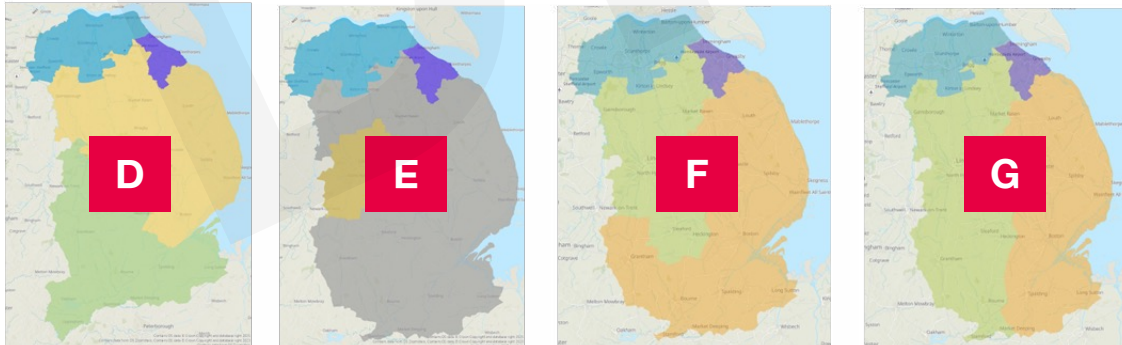
A two unitary east-west split with 3 existing districts in the east and 4 in the west.

With the exception of option C all the alternatives considered maintain the existing structure for North East Lincolnshire and North Lincolnshire.

Our Stage 1 analysis identified three proposals: A, B, and C to progress to the Stage 2 assessment

Application of STAGE1 analysis										
Option	Legal Compliance		Population Size Test		Population Size Exception Test			No Boundary Changes required	Proposal coterminous with Invitation Area	Progression to Stage 2
	Status	North East/ North Lincs. Treatment	500,000+	350,000+	Geographic Vastness	Identity & Belonging	Delivery of other Policy Objectives			
Option A	✓	Separate	✗	✓	✓	✓	✓	✓	✓	✓
Option B	✓	Separate	✓	✓	N/A	N/A	N/A	✓	✓	✓
Option C	✓	Merged with Lincolnshire	✓	✓	N/A	N/A	N/A	✓	✓	✓
Option D	✗	Separate	✗	✓	✓	✓	✓	✓	✗	✗
Option E	✓	Separate	✗	✗	✗	✗	✗	✗	✓	✗
Option F	✓	Separate	✗	✗	✓	✗	✗	✓	✓	✗
Option G	✓	Separate	✗	✗	✓	✗	✗	✓	✓	✗

Ruled out by Stage 1 Assessment



Taken forward to Stage 2 Assessment



Our Stage 2 assessment identified Option A as the clear preference

STAGE 2 ASSESSMENT Alignment with LGR Criteria

LGR Criteria	Criteria Title	MHCLG LGR Criteria	Option A	Option C	Option B
1	Sensible Single Tier of Local Government	A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.	5	2	3
2	'Right-sized' Local Government	Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.	3	3	3
3	High Quality, Sustainable Services	Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.	4	3	4
4	Meets Local Needs	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.	4	2	2
5	Supports Devolution Arrangements	New unitary structures must support devolution arrangements.	5	3	2
6	Local Engagement & Empowerment	New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.	5	3	1
TOTAL			26	16	15



Implementation

Our implementation plan – set out in detail in Section 5 of this submission – builds on our previous evidence led approach. It sets out how these new councils would be delivered, including a programme timeline, governance arrangements, shared principles and robust risk mitigation measures.

We will learn from lessons of past LGRs, particularly around the criticality of people and culture. We will take heed of real-time learning from the Surrey implementation – also implementing two unitaries within an existing county footprint – and work with the wider sector acknowledging that 20 other Invitation Areas will be taking the same journey.

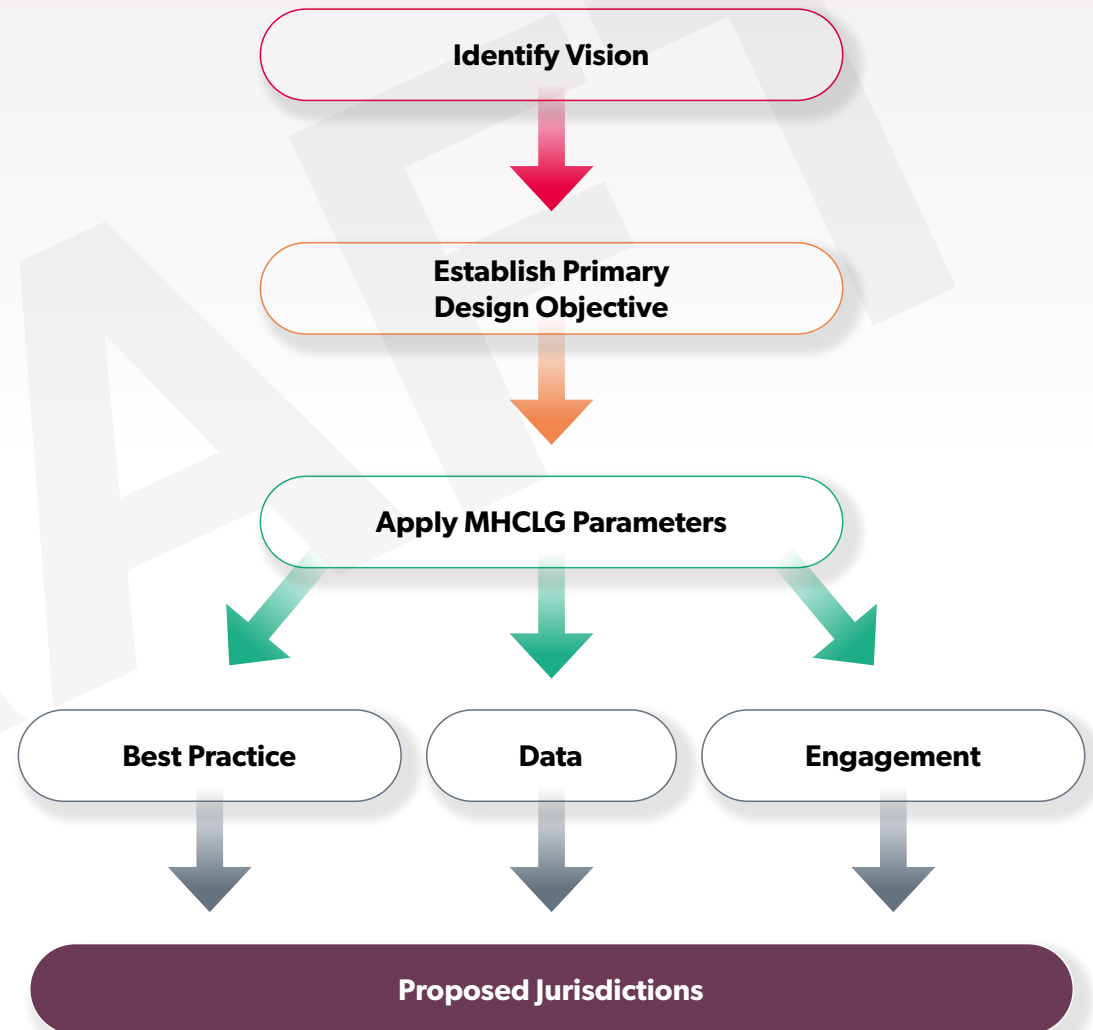
Ahead of Government's decision for Greater Lincolnshire – not currently expected until July 2026 – we will work collaboratively with councils across our Invitation Area on preparatory activities.



**“Culture isn’t
a phase of the
project, it’s the
foundation”**

In Summary Our Proposal:

- Is based on insight and evidence.
- Meets all six MHCLG criteria set for LGR.
- Delivers financial sustainability.
- Deploys a rationale and evidence based assessment for different LGR options.
- Evidences significant stakeholder value placed on better outcomes and value-for-money whilst keeping Local Government local.
- Addresses and meets the challenge of disaggregating critical Children's and Adults' services and takes a locality based approach to drive further improvement and improved outcomes.
- Retains a Lincolnshire footprint for Fire & Rescue.
- Provides rigour and confidence for implementation through to Vesting Day and beyond – both “Safe and Legal” and focused on “transformation”.



SECTION 2

2

2.1 Greater Lincolnshire: A Place of Places

2.2 Our Approach to the submission including
Population Exception

SECTION 2.1 Greater Lincolnshire: A Place of Places

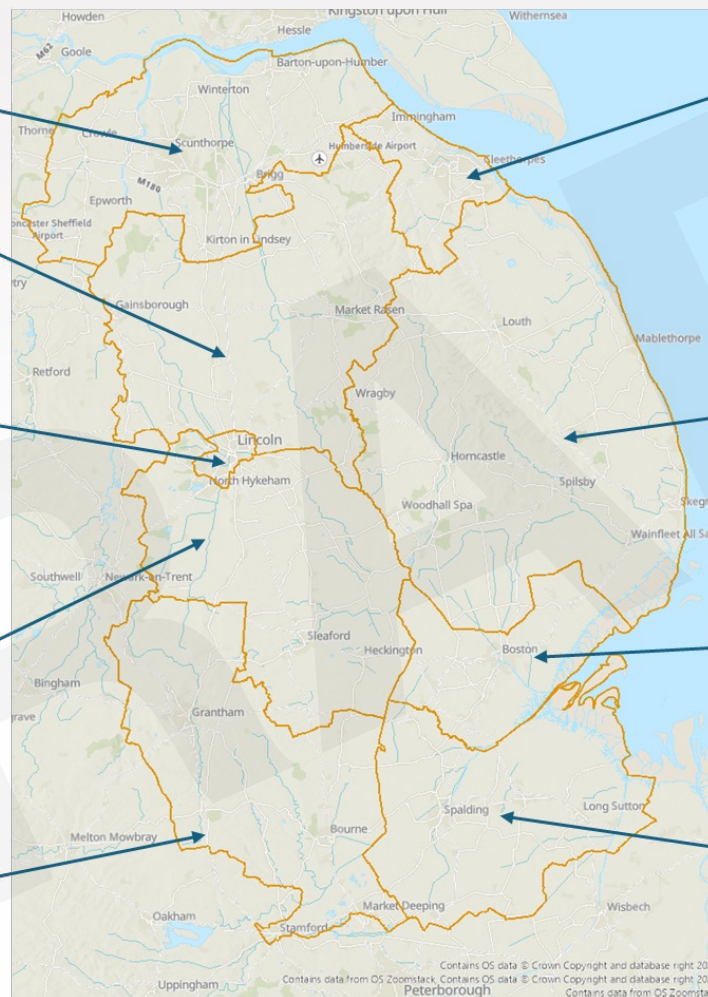
NORTH LINCOLNSHIRE – UNITARY AUTHORITY				
POP	AREA	DENSITY	Cllrs	GVA £m
171,336	847	202	43	6,794

WEST LINDSEY - DISTRICT				
POP	AREA	DENSITY	Cllrs	GVA £m
99,208	1,156	86	36+9	1,960

LINCOLN - DISTRICT				
POP	AREA	DENSITY	Cllrs	GVA £m
105,114	36	2,945	33+8	3,026

NORTH KESTIVEN - DISTRICT				
POP	AREA	DENSITY	Cllrs	GVA £m
122,468	922	133	43+11	3,188

SOUTH KESTIVEN - DISTRICT				
POP	AREA	DENSITY	Cllrs	GVA £m
147,151	943	156	56+14	3,202



NORTH EAST LINCOLNSHIRE - UNITARY AUTHORITY				
POP	AREA	DENSITY	Cllrs	GVA £m
159,911	193	830	42	4,059

EAST LINDSEY - DISTRICT				
POP	AREA	DENSITY	Cllrs	GVA £m
145,183	1,767	82	55+13	2,695

BOSTON - DISTRICT				
POP	AREA	DENSITY	Cllrs	GVA £m
71,080	384	195	30+6	1,591

SOUTH HOLLAND - DISTRICT				
POP	AREA	DENSITY	Cllrs	GVA £m
99,298	750	132	37+9	2,468

Area – sq km; density = population per sq km

Greater Lincolnshire comprises the existing county of Lincolnshire with its seven constituent districts – Boston, East Lindsey, Lincoln, North Kesteven, South Holland, South Kesteven and West Lindsey – plus two existing unitary authorities on the south bank of the Humber, North East Lincolnshire and North Lincolnshire.

From a regional perspective Lincolnshire sits within the East Midlands. North East Lincolnshire and North Lincolnshire are within Yorkshire and the Humber. The two northern unitary areas receive services from different police, fire and NHS organisations to the current county of Lincolnshire. At the mayoral level the whole Invitation Area is a single entity led by the Mayor of Greater Lincolnshire.

Greater Lincolnshire has a population of 1,120,749 people according to the most recent ONS mid-year population estimate, with 789,502 spread across the seven Lincolnshire districts, 159,911 in North East Lincolnshire, and 171,336 in North Lincolnshire. With an area of 6,977 sq km Greater Lincolnshire is the largest of all the LGR invitation areas, in many cases significantly so being four times larger than each of Hertfordshire, Surrey, East Sussex and Worcestershire; and three times bigger than each of Warwickshire, West Sussex, Leicestershire and Nottinghamshire. The seven Lincolnshire districts cover 5,937 sq km, only Devon at 6,564 sq km covers a larger countywide area.

As the area and population indicate population density across Greater Lincolnshire at 161 people per square kilometre is the lowest of all 21 current LGR Invitation Areas. Lincolnshire at 133 people per sq km is lower again and only marginally higher than the 128 per sq km figure for the Devon county area. The City of Lincoln is the only settlement with a population in excess of 100,000 (and only marginally so) but lacks the size and economic importance to be featured in the Centre for Cities listing of primary urban areas (PUA).¹ South bank of the Humber aside the area is a large and rural geographic expanse.

Governing such an expansive and diverse area has been a practical challenge for generations of local policymakers. At some time before the Norman Conquest, the geography was subdivided into three upper administrative zones - the Parts of Lincolnshire (equivalent to the Yorkshire Ridings). The three Parts were composed of Kesteven and Holland in the south and Lindsey in the centre and north. So naturally aligned to the physical and social geography of Lincolnshire were the Parts – highly coherent places of places in modern governing parlance - the jurisdictions served as the upper administrative zones for over a millennium.

1974 saw the temporary sequestration of the heavily industrialised northern coastal strip (in which Great Grimsby was a county borough) into Humberside County Council and the establishment of the present configuration in Lincolnshire. The enduring influence of the Parts can be clearly seen in the modern functional economic geography, which is composed of three distinct and largely self-contained zones: north, central and south.

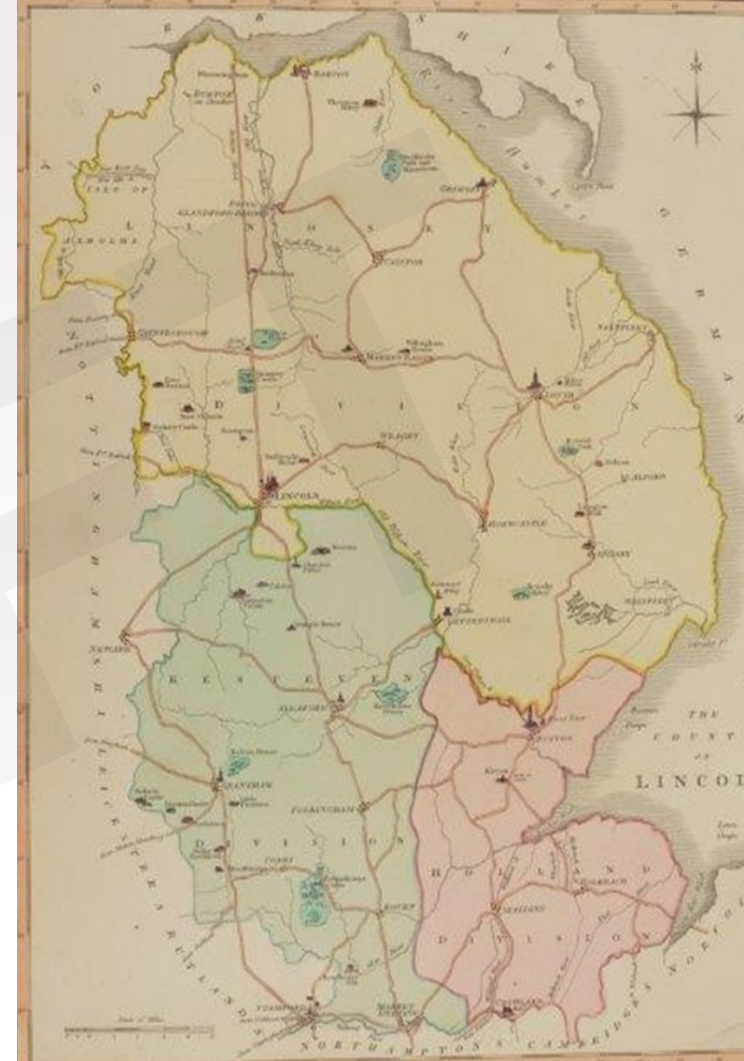
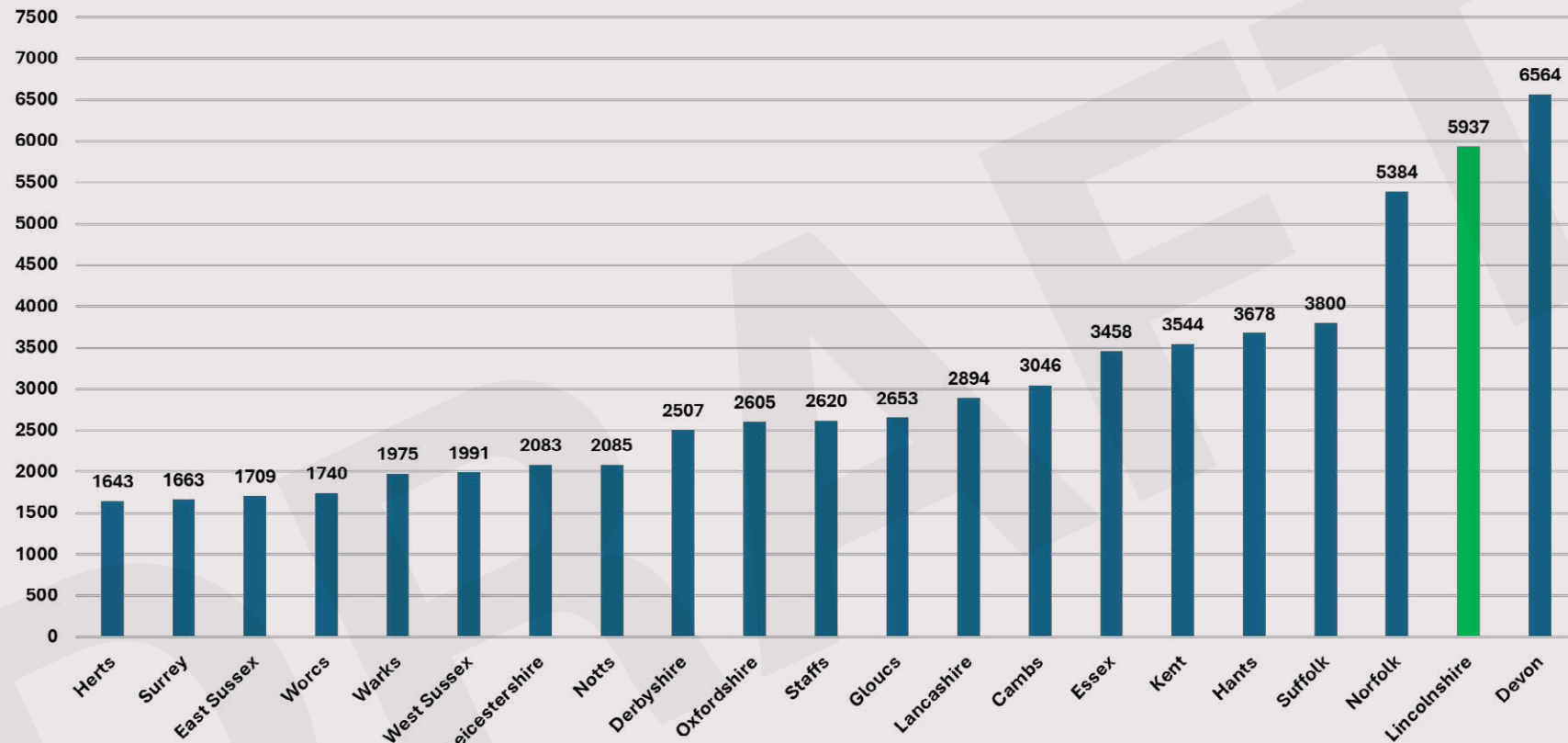


Figure 1 - The Parts of Lincolnshire by Bartholomew Howlett (1805)

1. Centre for Cities, City by City, [Online]. Available at: <https://www.centreforcities.org/city-by-city/> [Accessed 4 November 2025].

Invitation Areas ranked by Size			
Invitation Area	Area (sq km)	Population MY2024	2024 people per sq. km
Lincolnshire, North Lincolnshire and North East Lincolnshire	6,977	1,120,749	161
Devon, Plymouth and Torbay	6,707	1,254,506	187
Norfolk	5,384	940,359	175
Hampshire, Isle of Wight, Portsmouth and Southampton	4,148	2,062,619	497
Suffolk	3,800	786,231	207
Kent and Medway	3,738	1,931,684	517
Essex, Southend-on-Sea and Thurrock	3,664	1,929,610	527
Cambridgeshire and Peterborough	3,390	933,972	276
Lancashire, Blackburn and Blackpool	3,066	1,601,645	522
Staffordshire and Stoke-on-Trent	2,714	1,177,578	434
Gloucestershire	2,653	669,380	252
Derbyshire and Derby	2,625	1,096,526	418
Oxfordshire	2,605	763,218	293
Leicestershire, Leicester and Rutland	2,538	1,175,364	463
Nottinghamshire and Nottingham	2,159	1,188,090	550
West Sussex	1,991	915,037	460
Warwickshire	1,975	632,207	320
East Sussex and Brighton	1,791	844,752	472
Worcestershire	1,741	621,360	357
Surrey	1,663	1,248,649	751
Hertfordshire	1,643	1,236,191	752

Relative Size (sq km) of Lincolnshire vs All Other LGR Counties



The Greater Lincolnshire Vision 2050, adopted in the early 2020s, identifies the overall invitation area as a unique place for the future success of our nation; the source of clean energy, carbon capture opportunities, and food security. Vision 2050 identified that Greater Lincolnshire is a diverse place of places powering and feeding the nation. It has highly rated education, a visitor economy worth over £2 billion per annum, and is a leader in ports, logistics, defence, engineering, food production, and energy production. Many residents enjoy easy access to its beautiful countryside, miles of coast and wide beaches.

However, Vision 2050 also recognised that the economy doesn't work for everyone and the potential of Greater Lincolnshire is more significant than what is currently realised. As of the early 2020s, around 150,000 residents were economically inactive with lower opportunities to come back into the workforce. 7.4% of Greater Lincolnshire residents have no qualifications (compared to 6.2% nationally). Latest available data indicates a slight deterioration in those numbers to 155,000, 7.8% and 6.8% respectively. All in Greater Lincolnshire are ambitious to support all working age adults to have opportunities to enhance their skill levels.

Based on the latest data six out of nine authorities rank in the worst 25% in England for mortality from cardiovascular disease and 15.4% of households in Greater Lincolnshire are fuel poor – an increase of two percentage points since the Vision 2050 document was published. The lack of public transport connectivity and infrastructure holds back the economy, contributes far too much air pollution and compounds isolation and loneliness for some of the area's more vulnerable residents. Services are expensive to deliver and Greater Lincolnshire does not get its fair share of government funding to deliver services across a large area, which creates a risk that too many people are dependent upon the state or charitable donations. Thousands of our homes and businesses, and hectares of productive land are at risk of coastal erosion, rising sea levels and flooding.

Lincolnshire has a rich history of innovation and independence of mind. Isaac Newton's family home is famously situated near Grantham and was the location for many of his truly groundbreaking experiments. The story of the pilgrim separatist movement that founded the United States started in Gainsborough and Boston. The county was at the forefront of mechanising agriculture through the invention of the tractor, and later revolutionised our national security with the adaptation of tractors to tanks.

Greater Lincolnshire has been the home of many reformers from political leaders such as John Wesley to Edith Smith, the UK's first female Police Constable. Our towns feature in British literary classics by world renowned authors including D. H. Lawrence and George Elliot. Stamford's Georgian architecture is so outstanding that it was designated the UK's first conservation town. Greater Lincolnshire can even claim the world's first rock festival, with Jimmy Hendrix headlining Spalding's Barbeque 67, two years before Woodstock.



In the early 2020s our economy was worth more than £20bn per annum. The strengths and opportunities in specific sectors were agri-foods, energy and water, ports & logistics, the digital economy, visitor economy, and health & care. In all these sectors, Greater Lincolnshire was experiencing positive jobs growth and business birth rates. We were increasingly recognised as an agri-food centre of excellence and our ports and logistics hubs already acted as gateway to other regions including the Northern Powerhouse.

Our history has shaped the communities that have settled here and our local economy. Many areas in Greater Lincolnshire, such as Sleaford, Grantham and Lincoln, have a rich military history, and continue to be home to an extensive defence network that includes army and RAF bases. These sector-specific opportunities, together with relatively low house prices and an outstanding natural environment make Greater Lincolnshire a very attractive place to call home.

Appendix 1 sets out further detail and context for the area.



Case Study: Uniting Lincolnshire to Honour and Support Our Armed Forces

Lincolnshire has a countywide commitment to the Armed Forces Covenant, uniting all district councils, Lincolnshire County Council, NHS bodies, charities, and voluntary organisations under a shared pledge. With 5.6% of Greater Lincolnshire's population, and 9% of residents in North Kesteven being veterans, this collaboration ensures that serving personnel, veterans, and their families are treated fairly and supported in accessing housing, health, education and welfare services. South Kesteven District Council is a proud holder of the prestigious Defence Employer Recognition Scheme Gold Award, an accolade awarded by the Ministry of Defence to less than 900 organisations within the UK. The Council employs a dedicated Armed Forces Officer, supported by an elected member Armed Forces Champion, and has designated officers delivering specialist support within the revenues and benefits, cost of living and housing teams. An Armed Forces Covenant Officer for the county, funded by contributions from local authorities and the Integrated Care Board oversees the work of the Lincolnshire Armed Forces Community Covenant Partnership (LAFCCP), chaired by the South Kesteven elected member Armed Forces Champion. These important roles help to ensure that all statutory duties placed on the funding partners are met. The LAFCCP coordinates joint initiatives, shares best practice, and promotes community integration through events and projects. Councils work together to maintain resources such as the Lincolnshire Armed Forces Community Directory, and the Armed Forces Community Directory on Connect to Support and embed national services into local strategies. Regular forums and joint projects such as the Armed Forces Community Handbook strengthen this network and create a consistent local approach. Our new unitary authorities will further build on the strong foundations we have already established.

Rutland has close economic ties with south Lincolnshire, and South Kesteven in particular. Prior to the establishment of the mayoral authority for Greater Lincolnshire Rutland was part of the Greater Lincolnshire Local Enterprise Partnership (GLLEP). As set out in the Options Appraisal section of this document, given its strong economic links, the inclusion of Rutland was considered as a realistic evidence-based proposal for consideration.

Rutland, whilst part of the Leicester and Leicestershire LGR Invitation Area, is one the smallest councils in England in population terms. Whilst already a unitary council, its population of 41,443 places it as the third smallest in England – only the City of London Corporation and the Council of the Isles of Scilly have a smaller population. Every existing district council in England has a bigger population than Rutland. Rutland covers 382 square kilometres, thus very close in area to that covered by Boston Borough Council.

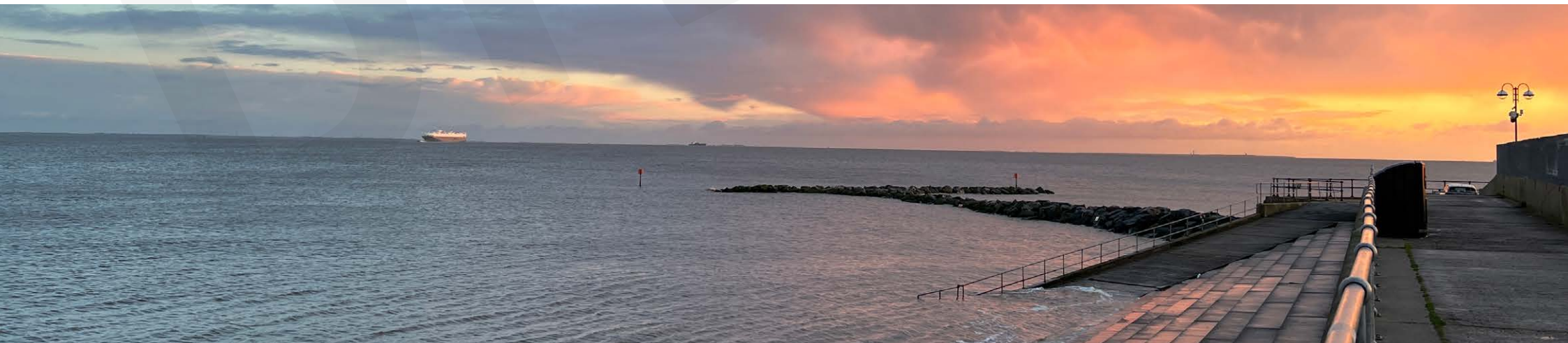


Case Study: Supporting British Steel

Greater Lincolnshire councils collectively played a strong role in supporting British Steel in Scunthorpe during a period of significant uncertainty. The steelworks is one of the UK's last integrated plants and employs thousands of people, making its survival crucial for the regional economy and national infrastructure. Local authorities across Lincolnshire signed the UK Steel Charter to prioritise domestic steel in procurement and backed British Steel's £1.25 billion decarbonisation plan, which includes installing an electric arc furnace to reduce emissions. Councils also lobbied the government for intervention, resulting in emergency legislation to keep blast furnaces operational and safeguard jobs. In addition, they collaborated on plans for an advanced manufacturing park to attract green technology firms and create future employment opportunities. These actions demonstrate how regional leadership, strategic planning, and advocacy can protect critical industries while supporting long-term sustainability and economic resilience for communities dependent on heavy manufacturing.

Public Service Geography of the Greater Lincolnshire Invitation Area

Authority	Strategic Authority	Integrated Care Board (ICB) Cluster	Integrated Care Board (ICB)	Sub Integrated Care Board Location (SICBL)	Police Force Area	Community Safety Partnership	Fire & Rescue Authority	Local Resilience Forum
Boston	Greater Lincolnshire CCA	Derbyshire, Nottinghamshire & Lincolnshire	NHS Lincolnshire Integrated Care Board	NHS Lincolnshire ICB - 71E	Lincolnshire	Boston	Lincolnshire	Lincolnshire
City of Lincoln	Greater Lincolnshire CCA	Derbyshire, Nottinghamshire & Lincolnshire	NHS Lincolnshire Integrated Care Board	NHS Lincolnshire ICB - 71E	Lincolnshire	Lincoln	Lincolnshire	Lincolnshire
East Lindsey	Greater Lincolnshire CCA	Derbyshire, Nottinghamshire & Lincolnshire	NHS Lincolnshire Integrated Care Board	NHS Lincolnshire ICB - 71E	Lincolnshire	East Lindsey	Lincolnshire	Lincolnshire
North Kesteven	Greater Lincolnshire CCA	Derbyshire, Nottinghamshire & Lincolnshire	NHS Lincolnshire Integrated Care Board	NHS Lincolnshire ICB - 71E	Lincolnshire	North Kesteven	Lincolnshire	Lincolnshire
South Holland	Greater Lincolnshire CCA	Derbyshire, Nottinghamshire & Lincolnshire	NHS Lincolnshire Integrated Care Board	NHS Lincolnshire ICB - 71E	Lincolnshire	South Holland	Lincolnshire	Lincolnshire
South Kesteven	Greater Lincolnshire CCA	Derbyshire, Nottinghamshire & Lincolnshire	NHS Lincolnshire Integrated Care Board	NHS Lincolnshire ICB - 71E	Lincolnshire	South Kesteven	Lincolnshire	Lincolnshire
West Lindsey	Greater Lincolnshire CCA	Derbyshire, Nottinghamshire & Lincolnshire	NHS Lincolnshire Integrated Care Board	NHS Lincolnshire ICB - 71E	Lincolnshire	West Lindsey	Lincolnshire	Lincolnshire
North East Lincolnshire	Greater Lincolnshire CCA	Humber & North Yorkshire	NHS Humber and North Yorkshire Integrated Care Board	NHS Humber and North Yorkshire ICB - 03H	Humberside	North East Lincolnshire	Humberside	Humber
North Lincolnshire	Greater Lincolnshire CCA	Humber & North Yorkshire	NHS Humber and North Yorkshire Integrated Care Board	NHS Humber and North Yorkshire ICB - 03K	Humberside	North Lincolnshire	Humberside	Humber



SECTION 2.2 Our Approach Taken for the Submission & Population Exception

Local government reorganisation (LGR) is a once in a generation opportunity for Greater Lincolnshire. The successful proposal will define the local sub-national institutional architecture for possibly the rest of the 21st century. However, an ill-thought through proposal rooted in expediency, not attuned to place and prioritising anticipated paper efficiencies and the preservation of current arrangements to the exclusion of the government's wider strategic goals will risk dysfunction and fail to fully realise the opportunities reorganisation offers. It is crucial that we get reorganisation right.

Consideration of how to deliver the English Devolution White Paper's objectives has shaped the development of our proposals. Our fundamental ambition, shared with the government, is that, at the end of this project, people in every part of Greater Lincolnshire should feel that they have more control over their area and more responsive, better provided local public services.

LGR forces us to engage with the fundamental questions of what local government is for and seeks to achieve. Once that is established, a jurisdiction can be designed, in line with MHCLG criteria, to best deliver those aims.

It is thus necessary to systematically set out our approach to jurisdiction design. Our approach is post-functionalist: local government units must effectively deliver services, but also effectively represent and align with the diverse communities they exist to serve. Ultimately, a local council in a democratic society is a vehicle for community self-governance of place.

Our approach to reorganisation is underpinned by two core principles:

1. **Design should be tailored to each unique Invitation Area.** We do not consider there is a single optimal LGR configuration that should be applied universally. For some areas, a single unitary may be the best solution for local conditions and the LGR criteria, in others two, three or more.
2. **LGR is a balancing act.** The MHCLG size requirements have to be sensibly and responsibly balanced with the other LGR criteria, the disbenefits and risks of scale and the unique challenges of Greater Lincolnshire's geography. MHCLG has built flexibility into the LGR criteria in order to deliver the appropriate balance.

We are conscious that Greater Lincolnshire is not being reorganised in isolation. This is not a voluntary sector-led initiative, but a national programme with national objectives. The right LGR solution for Greater Lincolnshire will be the one that is not only best for our residents but also enables the most effective fulfilment of the government's strategic objectives. These objectives are separate to the LGR criteria, and as set out in the White Paper are to:

- Rewire the relationship between the centre and the localities to restore financial stability and public trust.
- Renew local democracy and empower local residents, so that policies are done with and for communities rather than done to them.
- Deliver devolution across England by providing the foundations for optimal working between strategic (focused on regional strategic leadership) and principal authorities (focused on core service delivery).
- Deliver the government's key missions for economic growth and house building through greater devolution and aligning economic and administrative geography.

We have designed our jurisdictions to answer the question of how can we best deliver the government's ambitions locally in the context of the Greater Lincolnshire Invitation Area and the parameters of the LGR Criteria. We did this by applying expert best practice on jurisdiction design and local government amalgamation, principally the OECD Handbook for Policymakers: Making Decentralisation Work², to a data driven assessment of the operating context of Greater Lincolnshire.

2. OECD (2019), Making Decentralisation Work: A Handbook for Policy-Makers, OECD Multi-level Governance Studies, OECD Publishing, Paris. Available at: <https://doi.org/10.1787/g2g9faa7-en> [Accessed 4 November 2025].



Statement of MHCLG Population Size Policy

The 500,000 population figure has caused significant public debate and confusion. It has been variously described as a ‘target’, ‘benchmark’, ‘guiding principle’ and ‘aspiration’. Various sector interests have advanced competing interpretations – mandatory threshold by county councils, flexible aspiration by districts. The government’s rhetoric has significantly softened since February 2025, resulting in further uncertainty.

Thus it is essential to clarify our understanding as determined by the White Paper, Statutory Invitation and Interim Plan Feedback letters, and clarifying oral evidence made by the then Minister for Local Government and English Devolution Jim McMahon M.P. and the Director General of Local Government, Growth and Communities to the House of Commons Housing, Communities and Local Government Committee. **MHCLG have stressed that there has been no change of policy in respect to LGR following the September 2025 reshuffle.** Further confirmed by the evidence of the Minister for Devolution Miatta Fahnbulleh M.P. to the parliamentary committee scrutinising the English Devolution and Community Empowerment Bill.

500,000 is the minimum population target, unless an exception can be applied.³ MHCLG policy from the Statutory Invitation onwards has been consistent that the proposals can claim the exception and for that to be accepted, rather than being purely theoretical. On 25 February 2025, senior MHCLG officials stated to local government senior officers that jurisdictions with populations under 500,000 were appropriate for areas with ‘vast’ or ‘extensive’ geographies. If the exception is claimed, then the proposal must detail the rationale. The exception is intended for areas where the population target would be inappropriate, due to the particular context and challenges of the geography or if it would impede the delivery of other policy objectives. Three grounds for an exception are specified (own explanatory commentary):

- **Geographic vastness⁴** - in these geographies, the desired scale would necessitate effectively sub-regional not local governments, creating basic problems for governance, delivery of some services, coherence, democratic legitimacy and relations with the actual sub-regional governance tier (strategic authorities).
- **Competing interests such as identity and belonging⁵** - an overriding pursuit of scale may create authorities unmoored from and at odds with how residents identify and local pride in place.
- **Delivery of other policy objectives, principally devolution and housing⁶** – for example the delivery of devolution in Surrey will require a minimum of two authorities to form the combined authority, ruling out a single unitary solution.

3. As clarified by Will Garton, Director General of Local Government, Growth and Communities in response to questioning by the Housing, Communities and Local Government Committee on the whether the 500,000 figure constituted a minimum target with exceptions. (HoC, Housing, Communities and Local Government Committee, Oral evidence: English Devolution, HC 600, Tuesday 25 February 2025, Q41, page 22.)

4. As described by Jim McMahon MP, then Minister for Local Government and English Devolution in response to questioning by the Housing, Communities and Local Government Committee on how competing LGR priorities would be balanced. (HoC, Housing, Communities and Local Government Committee, Oral evidence: English Devolution, HC 600, Tuesday 25 February 2025, Q36, page 21.)

5. Ibid.

6. As described by Jim McMahon MP, then Minister for Local Government and English Devolution in response to questioning by the Housing, Communities and Local Government Committee on clarifying the grounds for exceptions (HoC, Housing, Communities and Local Government Committee, Oral evidence: English Devolution, HC 600, Tuesday 25 February 2025, Q41, page 23).

Minister for Devolution Miatta Fahnbulleh M.P. stated that places have been empowered to use their judgement (within the parameters of the LGR criteria) to come forward with a scale and geography that makes sense to deliver outcomes for communities. Ultimately the solution (within the parameters of the LGR criteria) ‘has to be aligned with what local communities believe is the right geography to deliver the outcomes they want’.⁷

The contestation dynamic of LGR has resulted in authorities in every Invitation Area claiming the exception. **Logically the grounds for claiming the exception will be significantly stronger and more appropriate in some Invitation Areas over others.** MHCLG is anticipating that this programme will result in the establishment of authorities with populations of 500,000 or greater in the vast majority of areas undergoing reorganisation.⁸ **MHCLG have not provided a lower acceptable population threshold in cases where the exception is applied, however populations in the 300,000 to 350,000 range⁹ or to the ‘mid 200,000s’¹⁰ have been expressly ruled out.**

7. As described by Miatta Fahnbulleh MP, Minister for Devolution in response to questioning by the HoC General Committee scrutinising the English Devolution & Community Empowerment Bill on the population size policy post the September 2025 ministerial changes (English Devolution and Community Empowerment Bill (Second Sitting). House of Commons Public Bill Committee – Hansard, 16 Sept. 2025, Q87, page 87).

8. MHCLG, White Paper: English Devolution, 2024, page 108.

9. As described by Angela Rayner MP, then Secretary of State, Ministry of Housing, Communities and Local Government in response to questioning by the Housing, Communities and Local Government Committee on the lower acceptable population figure. (HoC, Housing, Communities and Local Government Committee, Oral evidence: The Work of the Ministry of Housing, Communities and Local Government, HC 409, Tuesday 07 January 2025, Q47, page 30).

10. As described by Jim McMahon MP, then Minister for Local Government and English Devolution in response to questioning by the Housing, Communities and Local Government Committee on the lower acceptable population threshold. (HoC, Housing, Communities and Local Government Committee, Oral evidence: English Devolution, HC 600, Tuesday 25 February 2025, Q45, page 24).





It must be emphasised that distance from residents, or a generalised and asserted risk of remoteness, and subsequent community disconnection and adverse impact to local democracy, is not in itself sufficient grounds to claim the exception under this framework. That argument has been made (primarily) by district councils in every reorganisation round. **Larger authorities are necessarily more remote with the consequent disbenefits, there is an expert and common sense consensus on that fact, MHCLG recognises and accepts this as a trade off in delivering system consolidation and simplification.**¹¹ We note that this sits in tension with the core diagnosis and policy prescription of the English Devolution White Paper to enhance community empowerment and restore trust in the local state. The uncritical creation of unitaries of the strict required scale within some geographies would be actively counterproductive to the White Paper's goals, due to the well evidenced academic and expert consensus for the negative impact of larger units on political trust, influence and participation, and the complex relationship between size and service efficiency and performance.

Local policy makers have been tasked with developing innovative mechanisms to maintain and enhance community connection and mitigate the disbenefits of scale. It is clear that the judgement has been made that the tensions can be managed through compensatory democratic mechanisms like area committees within the relatively compact geographies of the majority of invitation areas. Therefore, we recognise that the remoteness argument only carries significant weight, when made in geographically expansive areas, where greater stress will be placed on compensatory community engagement mechanisms with a higher risk of failure. **It is invitation areas with geographies like Greater Lincolnshire, where the tension becomes too acute and further intensified by an oversized unitary that the differentiated exception has been designed for.**

Our approach then recognises that government policy is LGR proposals must prioritise scale, only deviating if absolutely necessary where the **local context presents significant practical challenges to good governance that would outweigh the potential consolidation savings.**

We consider that Greater Lincolnshire is an Invitation Area where this is the case and the exception should be applied.

11. As described by Will Garton, Director General of Local Government, Growth and Communities in response to questioning by the Housing, Communities and Local Government Committee on the evidence base and rationale for the 500,000 population figure. (HoC, Housing, Communities and Local Government Committee, Oral evidence: English Devolution, HC 600, Tuesday 25 February 2025, Q48, page 25).

Rationale for the Exception in Greater Lincolnshire

The Exception is claimed on the grounds that the vast scale and unique geographic context of Greater Lincolnshire poses significant challenges in designing authorities that deliver good governance, align with local identity and fulfil the government's strategic objectives. Further this scale and context intensifies the disbenefits from a sub-optimal LGR solution. The physical, social and economic geography of the Invitation Area suggests that multiple unitaries are the most appropriate solution.

If MHCLG wishes for the aspirations of the White Paper to be fulfilled and reorganisation to be a positive reform, then the future unitaries in invitation areas with vast geographies must have sensible footprints to facilitate rather than hinder good governance, efficient service delivery and community empowerment.

Current Unitary Authorities serving areas greater than 2,000 square km (with proposed options for Greater Lincolnshire)				
*indicates potential new unitary authorities based on Greater Lincolnshire LGR proposals				
Authority	Rank by Area Size	Population (mid-year 2024)	Area (sq. km)	2023 people per sq. km
North Yorkshire	1	635,270	8037	79
Lincolnshire (single unitary)	2*	789,502	5937	133
Lincolnshire Rural*	3*	589,000	5250	112
Northumberland	4	331,420	5020	66
South Lincolnshire*	5*	585,180	4746	123
Westmorland and Furness	6	230,185	3756	61
Cornwall	7	583,289	3545	165
Somerset	8	588,328	3450	171
Lindsey, Lincoln, Boston*	9*	420,585	3322	127
Wiltshire	10	523,700	3252	161
Shropshire	11	332,455	3197	104
Cumberland	12	280,495	3012	93
Kesteven & Holland*	13*	368,917	2615	141
Dorset	14	389,947	2491	157
East Riding of Yorkshire	15	355,844	2404	148
North Lincolnshire (new)	16	535,569	2231	240
County Durham	17	538,011	2226	242
Herefordshire, County of	18	191,047	2180	88

NB size ranking includes all theoretical new unitaries in Greater Lincolnshire based on the varying proposals

Comparison to North Yorkshire

Comparison to other areas is illustrative. A superficial analysis may draw an equivalence between Greater Lincolnshire and North Yorkshire, based on the observation that both areas are very large. A single unitary solution was enacted there in 2023 and so could theoretically provide a model for a successful unitary covering a vast expanse. It is important to note that North Yorkshire was reorganised under the 2019-2024 Conservative government and a different policy context. The then LGR criteria and White Paper *Levelling Up* (2022) placed a significantly lower emphasis on neighbourhood empowerment than the White Paper *English Devolution* (2024) and subsequent LGR criteria and English Devolution & Community Empowerment Bill.

Deeper engagement with the geographic context and challenges of Greater Lincolnshire and North Yorkshire, however, makes clear that North Yorkshire found a solution that does not work for Greater Lincolnshire.

The salient features of North Yorkshire's geography are:

- Two concentrated population cores centred on Harrogate/Selby in the south and Scarborough on the east coast. A further smaller core is present in the A1 corridor through former Hambleton DC.
- Extremely rural sparsity in the areas covered by the two National Park Authorities (technically North Yorkshire has an additional layer of government not present in Greater Lincolnshire). Districts in those areas had total populations only marginally bigger than mid-sized towns (e.g. Grantham) in Greater Lincolnshire.
- Absence of mid-sized towns in the 20,000 to 50,000 population bracket.
- Exclusion of the York metropolitan area, which has a separate identity and governance structure.
- Exclusion of Tees Valley, which has separate identities and governance structures.

Without York, it is impossible to create multiple authorities of sufficient size to have the critical mass to deliver services over such a large area. With York, significant questions on the coherence and alignment to local identity of the proposed authorities are raised. The foundation of mid-sized towns to grant the demographic and economic heft to practically tie distinct local identities to governance was lacking outside of Harrogate and Scarborough. Identity was recognised as being county wide rather than with particular towns, with particular emphasis placed by the government on the North Yorkshire brand. The reorganisation was a local voluntary initiative rather than being a wholesale review of the region, so preventing solutions involving Tees Valley to the north and the East Riding of Yorkshire or West Yorkshire in the south. The then government was clear in its decision that the City of York would not be involved in the reorganisation.

LGR Options in North Yorkshire

Successful Proposal			Unsuccessful Proposal		
Unitary	Composition	Population MY 2022	Unitary	Composition	Population MY 2022
North Yorkshire	All districts within the former county	623,896	Eastern Unitary (with York)	Ryedale, Scarborough, Selby, York	465,375
			Eastern Unitary (without York)	Ryedale, Scarborough, Selby	256,457
York	Existing Unitary	208,918	Western Unitary	Craven, Hambleton, Harrogate, Richmondshire	363,297

A differentiated approach to jurisdiction design would note that none of those general conditions are replicated in Greater Lincolnshire. Unlike York, Lincoln lacks either the existing autonomy or necessary scale to be workably detached from the wider county. The differences can be seen from a glance at a population density map.

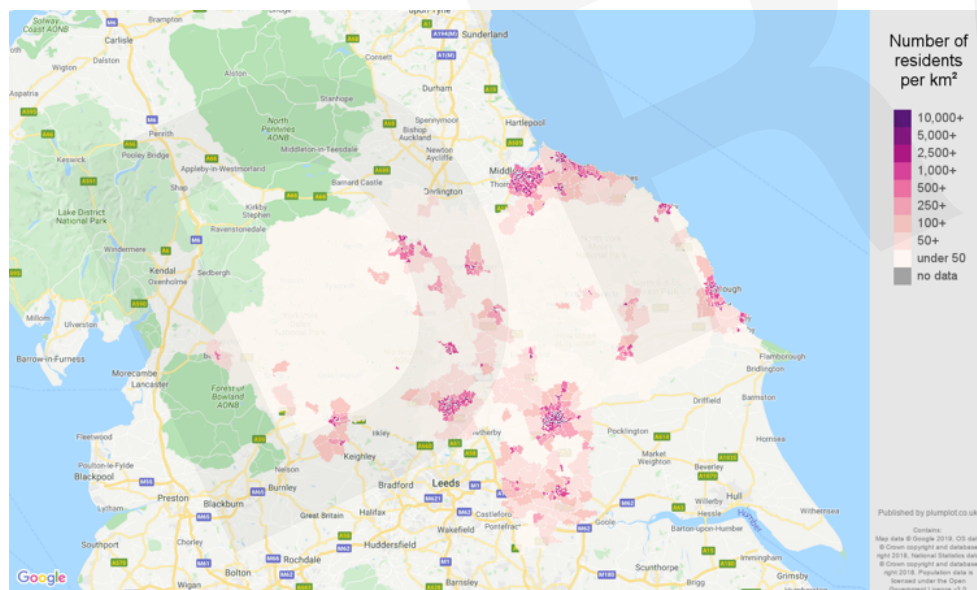


Figure 2 - Population Density Map of North Yorkshire

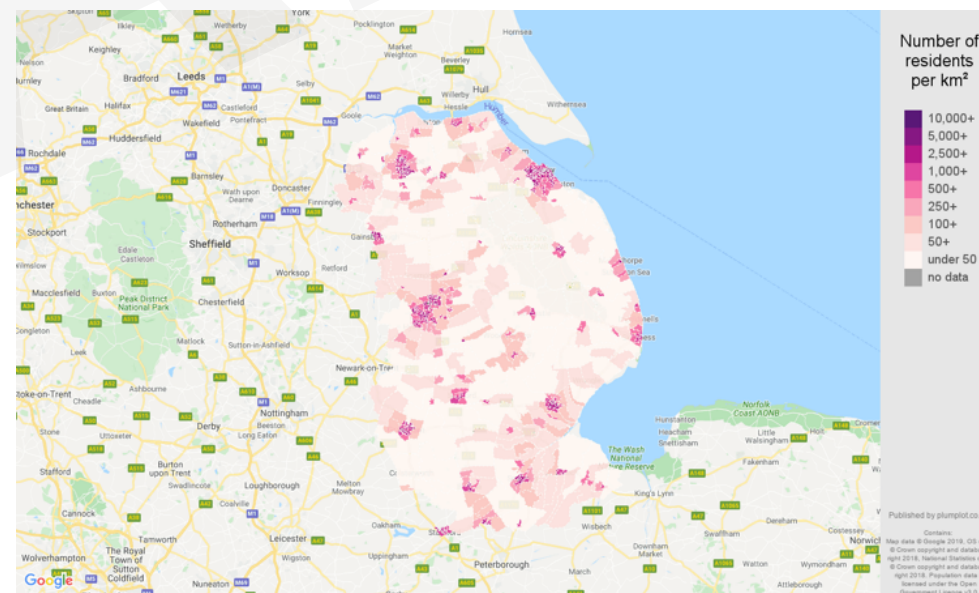


Figure 3 - Population Density Map of Greater Lincolnshire

Approach to Jurisdiction Design

To engage with LGR is to do jurisdiction design. Jurisdictional design is a comprehensive plan for the construction of a system of governance. Comprehensive in that it encompasses a tier of governance, rather than a single jurisdiction and systemic in that individual jurisdictions are conceived as part of an interrelated whole.¹²

There are two basic approaches to jurisdictional design:

- Scale design – local government as an instrument for the efficient provision of public goods. The individual is the unit of jurisdictional design, the inhabitants of the country are interchangeable, except for preferences over different baskets of public goods. Design is undertaken rationally by the centre to maximise administrative efficiency, suppressing local particularities if necessary.
- Community design – local government as an expression of local self-rule. The community is the unit of jurisdictional design, existing as historical facts that determine and constrain design. Central design will acknowledge or empower local identity to minimise resistance to central rule.

A hybrid or post-functionalist approach seeks to balance the two. The post-war history of Rutland provides a case study for both approaches: aborted 1962 Leicestershire amalgamation due to local resistance, 1974-1997 Leicestershire amalgamation, 1997 to present unitary independence.

The recent history of the North East and North Lincolnshire unitary authorities within the Greater Lincolnshire Invitation Area offers another warning. Humberside County Council was created in 1974 based on functionalist economic and service rationality. The present service configuration for health, police and fire remain cross-Humber highlighting the underlying alignment. Despite the apparent natural economic alignment and public service logic, more so than with agrarian Lincolnshire, the authority faced widespread and protracted local resistance. The identity of Humberside was considered to be an artificial imposition from residents on both banks, and the authority was assessed as lacking a coherent identity leading to its premature dissolution in 1996. **The lesson is the ultimate test for the success of a new authority is resident affinity, not service efficiency, savings or economic growth.**¹³ **A functionalist case may be sound, but if that proposed geography is incoherent to the patterns of residents' real lives and identities, then dysfunction will follow. Post-functionalist design seeks to solve this problem and has been applied in developing our proposal.**

12. Hooghe, Liesbet and Gary Marks, Community, Scale, and Regional Governance: A Postfunctionalist Theory of Governance, Volume II, Transformations in Governance, [Online]. Oxford Academic. Available at: <https://doi.org/10.1093/acprof:oso/9780198766971.001.0001> [Accessed 4 November 2025].

13. Hickson, J. and Newman, J. (2025), Localism, Levelling Up and Taking Back Control: Tensions in the Ambiguous Justification of English Devolution. The Political Quarterly. Available at: <https://doi.org/10.1111/1467-923X.13570> [Accessed 4 November 2025].

Jurisdiction design is fundamentally a political choice, not a technical problem. Local authorities are simultaneously institutions for political representation and service delivery. It is clear that a meaningful democratic institution must be of a size and sophistication to effectively deliver local priorities, however, logically there is a size where the institution ceases to be an effective vehicle for local community self-governance of place or a 'place of places' and becomes a sub-regional government of undifferentiated places.¹⁴ In that scenario, the authority becomes primarily an enabling and delivery agency for the central state.

Greater Lincolnshire is very large and diverse, the needs and aspirations of residents of one part of the Invitation Area may not coincide with those of another. An oversized governance structure may dilute the political and administrative articulation of the existing geographic differentiation. The benefits to strategic and delivery capacity would be offset by the loss of representation for minority interests, the diminution of democratic accountability and the failure to empower communities.

A vision for what local government is for, is needed to define the geography to be governed. To say there is an optimal size for local government and an objective way to determine that necessitates engaging with this fundamental question.

To answer, we have applied the vision of the White Paper. The White Paper sets the clear objective of the rewiring centre and local relations, in order to renew the local state and restore public trust. This is central to the government's Plan for Change and sense of mission as consistently communicated by the Prime Minister.

The core problem that devolution and reorganisation seeks to solve is powerfully expressed (own emphasis):

*'England is made up of thousands of communities – towns, cities and villages – where people look out for one another and feel proud of where they live. But a national politics that hoards power means their interests and values have too often been treated as an afterthought. **Policies have been done to communities, rather than for and with them**, with one-size fits all approaches and complicated funding processes that reflect the silos of Whitehall rather than the needs of communities. This has left people feeling as if their lives, and the places they call home, have slipped out of their control. Communities need power returned back to them. We want to support local people – those with skin in the game – so that they can better affect the decisions impacting their areas.'*¹⁵

14. The two conceptions of local government are well known. The specific phrase 'self-governance of place' is adopted from Pike's (2025) commentary on the National Audit Office (NAO) report Local Government Financial Sustainability (2025).

15. MHCLG, White Paper: English Devolution, 2024, Page 93

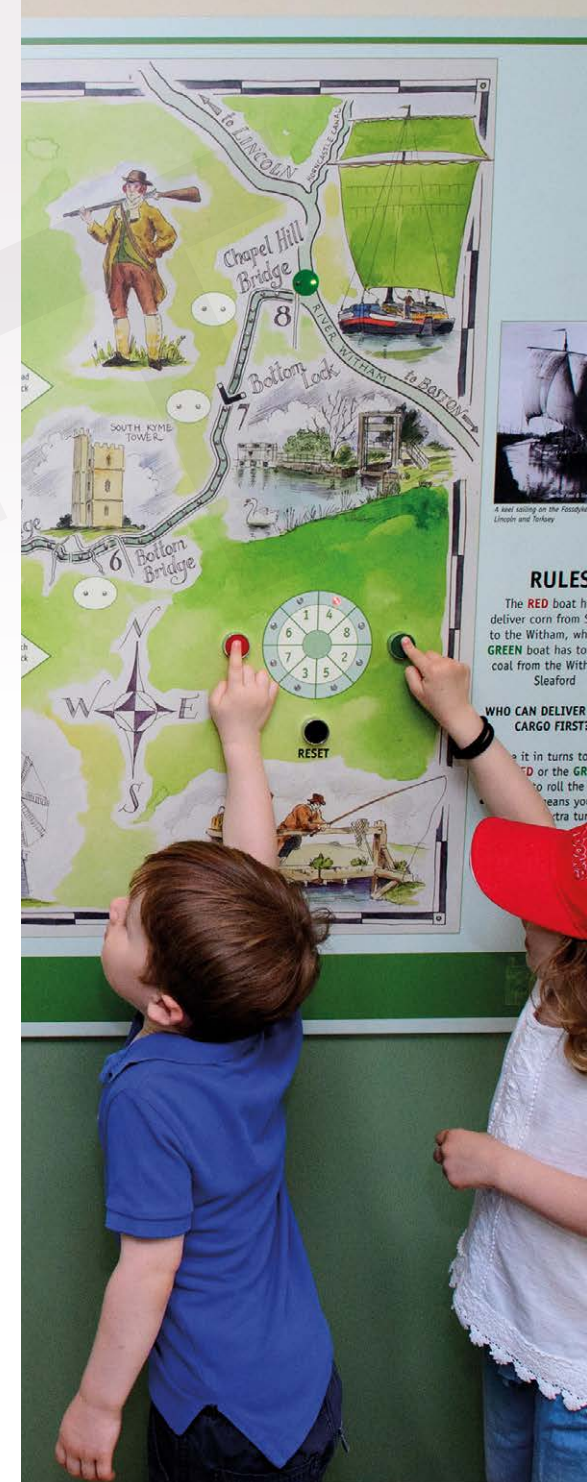
The assessment that local renewal is inextricable from residents taking back control and having greater influence on decision-making or input legitimacy, indicates that MHCLG sees local government as facilitating community self-governance first, service delivery second. A service delivery first organisation (an agency), whilst incorporating elements of co-production and having a degree of democratic oversight would primarily derive legitimacy from outputs as assessed by the central state.¹⁶

This understanding allows us to refocus on the core question of purpose and subsequent jurisdiction design.

We are designing the jurisdictions of democratic institutions first, not agencies or field offices.

The White Paper identifies councils as the foundation of the state, essential vehicles for community self-governance of place.¹⁷ In England, local authorities are the only substantial elected bodies below Parliament, able to represent the wishes of residents and shape the circumstances of their lives. Renewing the democratic local state is the core objective of the White Paper. This is to be delivered through enhanced resident control, voice and influence. Therefore the institution design must prioritise a scale and jurisdiction that residents can meaningfully relate to and so actively participate in governance, rather than be governed service consumers. The White Paper recognises this, describing local authorities as ‘leaders of place’. Place leading and shaping through the convening and marshalling of local partners is seen as the key to delivering preventative services, civic renewal and public service reform.¹⁸ **Both an oversized subregional unit that necessarily prioritises output legitimacy at the expense of input legitimacy (resident voice), or incoherent units misaligned to the economic, social, and service features of the Invitation Area will struggle to deliver the vision of the White Paper. The White Paper can only be practically delivered in sensibly scaled units that are coherent ‘Places of Places’ in the expansive Greater Lincolnshire context.** This may come into tension with the optimal scales of some policy areas and current delivery configurations, if so then we consider the democratic requirements must come first.

Some may seek to speciously equate the current service configuration with Lincolnshire itself, as if alteration to the present administrative arrangements is breaking up Lincolnshire, and any division of the county area will necessarily create artificial units. Plainly this is incorrect.



16. Skelcher, Chris, 'Jurisdictional Integrity, Polycentrism, and the Design of Democratic Governance', *Governance*, 18: 89–110, [Online]. Available at: <https://doi.org/10.1111/j.1468-0491.2004.00267.x> [Accessed 4 November 2025].

17. MHCLG, White Paper: English Devolution, 2024, Page 95.

18. MHCLG, White Paper: English Devolution, 2024, Page 97.



Lincolnshire will still exist. The current arrangements are administrative creations of the 1970s. We are concerned with the optimal arrangement of governance structures. The current moment demands imagination and boldness in reform.

The wicked problem is local authorities, if assessed by share of spending, would be more accurately called social care agencies. The local representative body label risks becoming a misnomer, as costs levied on residents continue to spiral to be funnelled into an increasingly narrow number of statutory services used by a very small proportion of the population, whilst the visible services used by all and widely perceived by the public to be the core functions degrade. The logic of consolidations to stabilise social care will simply continue to degrade that local aspect, and resident empowerment and meaningful choice further. The White Paper highlights this vicious cycle as a risk to the viability of local government and the democratic link between residents and their council.¹⁹ Reorganisation alone will not solve this problem, however sensible jurisdiction design can provide the foundations for resolution. Poor jurisdiction design in regards to size and coherence will exacerbate the tension.

Our task is to design jurisdictions that function as both sensible and coherent local democratic units and have the critical capacity for service delivery. These will be the local partners for central government, whose task it is to undertake the reform of local funding, division of responsibility and scope of the local state over the coming years.

A prudent policy of multi-level governance would suggest that those functions should then be re-allocated to a more suitable tier of government, for example the new sub-regional tier that devolution has established, or the optimal scale created through shared services, partnerships or alternative delivery models. It is unfortunate that MHCLG's territorial strategy and design of the LGR criteria has created the scenario when applied to the Greater Lincolnshire geography, that sensible jurisdiction design in line with expert best practice and delivery of the White Paper's ambitions has been set in opposition to the preservation of some high-performing county services.

To be distilled further, LGR in Greater Lincolnshire is a trade-off between preserving the current configuration in conditions of system disruption with the necessary cost of disempowering residents further versus positively implementing the English Devolution White Paper and rewiring the local state.

19. MHCLG, White Paper: English Devolution, 2024, Page 95.

Our proposed jurisdictions have been designed to deliver the vision of the White Paper.

Uniting the two visions is the recognition that there are two overarching strategic objectives of the government's territorial strategy:

- Decentralisation will empower local people who know their area best. Scope is created for greater policy experimentation and tailoring to reflect the diverse needs of the localities, rather than a one size fits all policy from Whitehall.
- Decentralisation through local government consolidation will create larger units and so boost subnational capacity and simplify the local landscape from a central strategic view. Whitehall gains more effective local lieutenants that are easier to coordinate, enhancing central control of the localities.

The two objectives are not necessarily in tension.

Our solution maximises the achievement of both.

The strategic authority is consolidated, and the principal authorities of sufficient scale are created that are the objective best fit to the economic, social and physical geography of the Invitation Area. **These are the ideal units for both local governance and leadership of place and to act as local agencies of the central state.**



Evidence Led Design Process

At its core, evidence led jurisdiction design is straightforward.

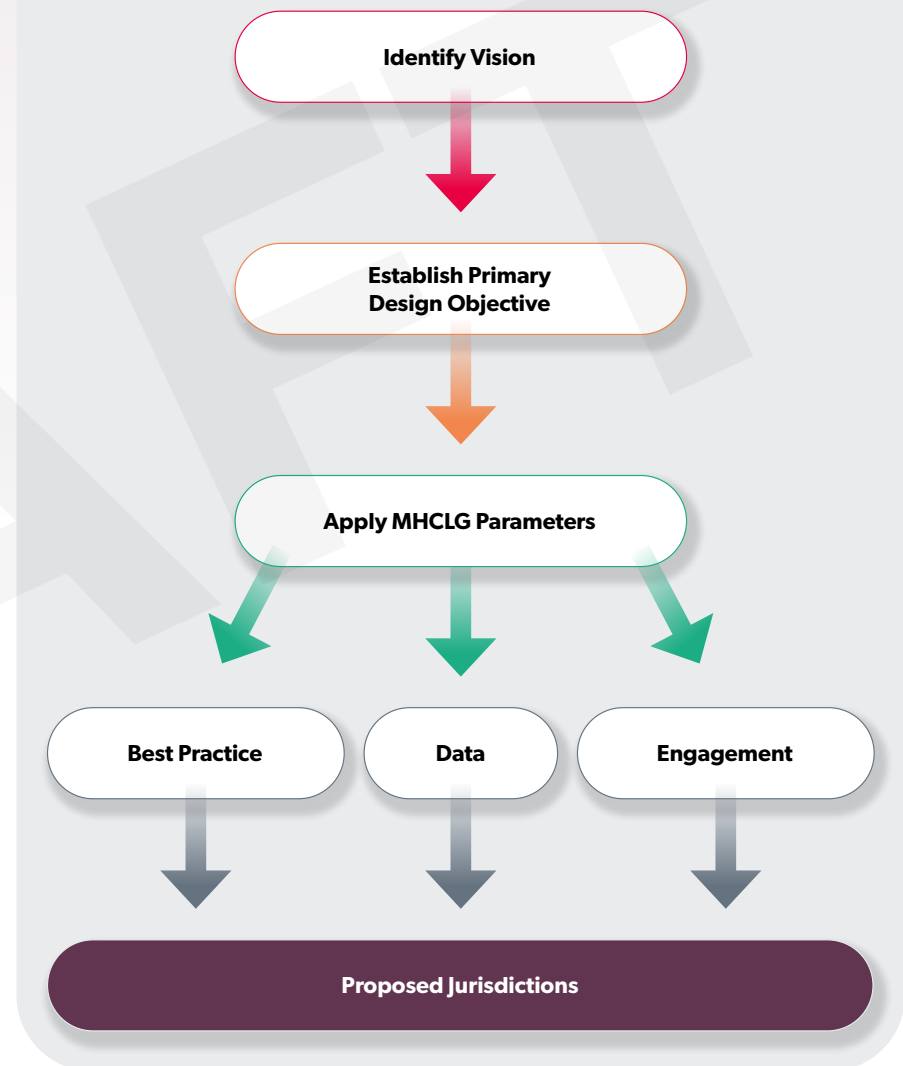
The first step is to identify your vision of what the reform is intended to achieve and your conception of what local government is for. This is essential to successfully navigate the inherent trade-offs of jurisdiction design, balance multiple interests and consistently apply a national whole-of-system reform programme to diverse geographies.

Our vision is that of MHCLG, as expressed in the White Paper, and detailed over the previous pages. LGR is a transformative opportunity to renew the local state – restoring local control of their area to residents and delivering more responsive and sustainable public services that meet the needs of the 21st century. Crucially the new unitaries will be part of multi-level system, empowering and supporting the hyperlocal and the sub-regional strategic authorities to embed devolution and unlock growth.

That established we applied the central lesson of the OECD policymakers handbook on how to do jurisdiction design and local government amalgamation.²⁰ Ensure the proposed jurisdictions are a coherent best fit with the Places of Places of your Invitation Area within the parameters of the LGR criteria. This was our primary design objective.

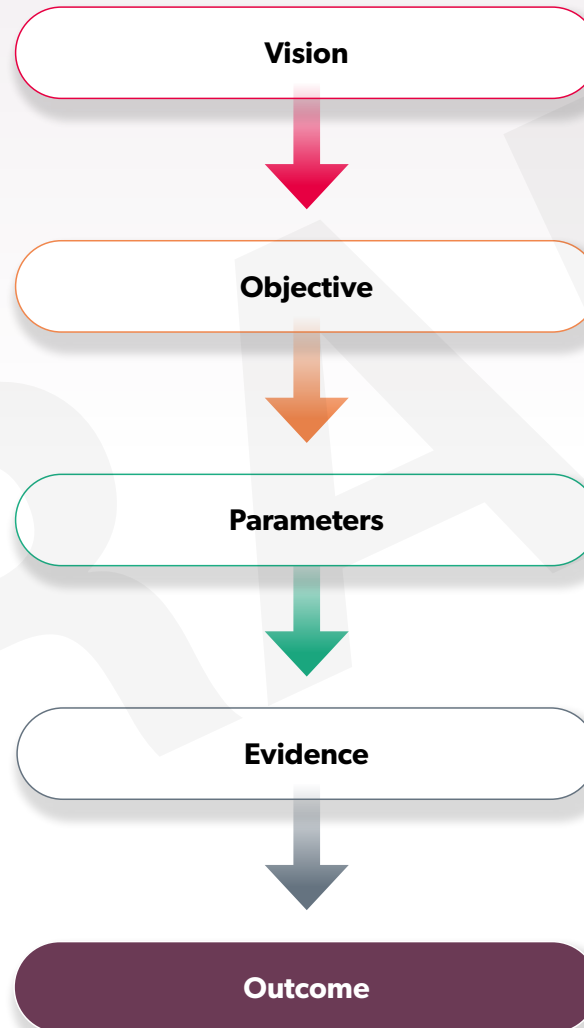
The process is then a matter of applying best practice in a data driven exercise to objectively identify coherent Places of Places in the unique context of each Invitation Area. This is combined with a holistic understanding gleaned from engagement of what our residents value, to ensure that the jurisdictions are not artificial constructs, but have affinity with how residents live their lives.

The result is our proposed unitaries.



20. OECD (2019), Making Decentralisation Work: A Handbook for Policy-Makers, OECD Multi-level Governance Studies, OECD Publishing, Paris. Available at: <https://doi.org/10.1787/g2g9faa7-en> [Accessed 4 November 2025].

Design Steps



Use of External Support

We have endeavoured to deliver our proposal in house as far as practical. External support was utilised sparingly and only where true value add alongside independent and expert knowledge was identified.

Financial Analysis

PwC were engaged (by both Lincolnshire County Council and North Kesteven and South Kesteven) to undertake financial baselining and modelling. It is expected that the methodology, assumptions and outputs of the Lincolnshire County Council and Kesteven proposals will be directly comparable.

PeopleToo were engaged jointly with City of Lincoln and the South & East Lincolnshire Councils Partnership (SELCP) to undertake financial baselining and core assumptions.

Engagement

Cratus Group were engaged to provide independent public engagement through both an online survey and focus groups.

Critical Upper Tier Services

Treatment of these critical services is a traditional weakness of district led proposals - the complexity of and risk to the services are underestimated, and overly optimistic improvement schemes or alternative delivery models are proposed which do not stand up to scrutiny. We would be the first to acknowledge that as districts, we lack direct experience and expertise in those services. Therefore:

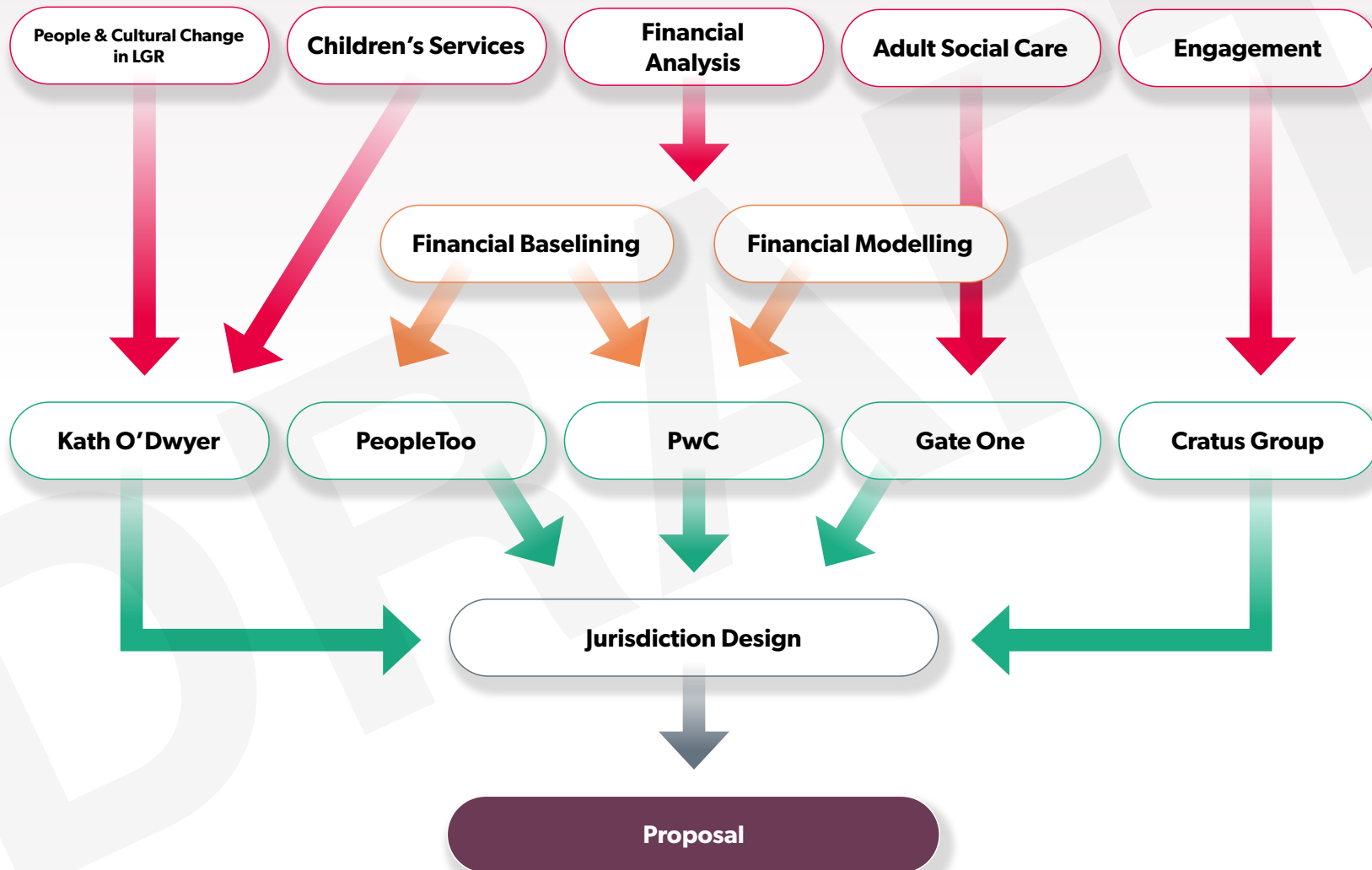
Gate One were commissioned to develop an approach for Adult Social Care using our proposed southern unitary as a deep dive case study.

Kath O'Dwyer was commissioned to develop an approach for Children's Services. Kath O'Dwyer is the former chief executive of St Helens BC and Cheshire East Council. As a senior children's services leader and former Director of Children's Services, Kath O'Dwyer has led or supported the improvement of multiple local authority children's services, including work in authorities previously under government scrutiny or intervention. She also served as a National Director for Ofsted.

Culture & People

Kath O'Dwyer undertook a separate piece of work on the role of culture and people in reorganisations – critical for success, but often neglected in the focus on structures, resources, assets and systems – drawing on her experience as a senior leader in Cheshire post reorganisation. The failure for culture to be prioritised during the LGR process led to significant later challenges for Cheshire East.

Use of External Support



SECTION 3

Options Appraisal

3

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SECTION 3: Options Appraisal

Reorganisation Options for Review

Justification for Evaluation of Actual Competing Proposals

The appraisal will include an evaluation of the actual proposed jurisdictions by various submissions in Greater Lincolnshire. We believe that strategic clarity is enhanced by engaging substantively and critically with the proposed options on the table. This approach has been taken for four reasons:

1. LGR proposal development is a three stage process. Interim proposals were submitted in March 2025, MHCLG feedback was received in July 2025, final proposals will be submitted in November 2025. The outputs of each stage have been considered in the public sphere.
2. The geographic size and diversity of the Greater Lincolnshire Invitation Area has resulted in a higher number of proposals than many other Invitation Areas. The interim proposals have rightly attracted significant public interest and have driven the Greater Lincolnshire debate since March 2025.
3. LGR is an exercise in jurisdictional design. This is inextricably tied to geography. There is greater value in substantively engaging with proposed geographies than more abstract theoreticals.
4. There is limit to the total practical partitions of Greater Lincolnshire within the MHCLG LGR criteria. This appraisal captures and engages with seven of the primary variations:

- **Option A** - A partition on north/south lines with status quo North East Lincolnshire and North Lincolnshire
- **Option B** - A single county unitary with the status quo North East Lincolnshire and North Lincolnshire
- **Option C** - A partition on east/west lines including a merger with North East Lincolnshire and North Lincolnshire
- **Option D** - A partition on north/south lines including a merger with Rutland and the status quo North East Lincolnshire and North Lincolnshire
- **Option E** - An expanded Lincoln city
- **Option F** - An asymmetric partition on east/west lines with status quo North East Lincolnshire and North Lincolnshire
- **Option G** - A straight partition on east/west lines with status quo North East Lincolnshire and North Lincolnshire



Approach to the Options Appraisal

Jurisdictional design is not a purely objective exercise of technical rationality. If it was, MHCLG would have simply drawn the lines on the map with the approval of the localities. Instead recognising this, MHCLG drew up the rules of the exercise and invited local authorities, who know their areas best, to apply those rules to best meet the LGR criteria and government objectives with sensitivity to the unique context and needs of each Invitation Area.

Local application of the LGR criteria is inherently a question of trade-offs. The trade-off challenge is intensified in a very expansive Invitation Area like Greater Lincolnshire, where core critical questions of local democratic governance and jurisdiction coherence assume a greater salience than in more compact IAs, where the risk to local connection from larger units is significantly lower. How one navigates those trade-offs is informed by one's LGR vision and conceptualisation of local government, which can result in divergent policy responses and design outputs.

For example, a proposal that approaches LGR as a positive opportunity for reform and renewal and sees local government as primarily a mechanism for community self-government of place and so seeks to emphasise local voice and governing coherence, will logically design jurisdictions of multiple units of sufficient scale with an according considered openness to service disaggregation.

A proposal that sees local government as primarily a service delivery agency and so takes a negative and defensive posture to the disruption of LGR, seeking to preserve the current service configuration, and maximise convenience and paper savings will logically seek to consolidate the IA into a single larger unit, with an according acceptance that a degree of local disempowerment is a necessary cost to prevent service disaggregation and minimise instability. A sub-regional not local governance unit will be created. This is in tension with the White Paper and the government's overarching objective to renew the local state and enhance community empowerment.

The fundamental underlying visions are different, but each is eminently reasonable. There is no objective right answer. The judgement of the diverging proposed jurisdictions cannot be reduced to an objective cost benefit analysis, until the assessor makes clear their conceptualisation of local government.

To proceed and present an options appraisal that is a meaningful decision-making tool, a proposal must present clearly and honestly their underlying vision for local government, so demonstrating how the inherent trade-offs of LGR were navigated. We have set this out at length in preceding sections.

To restate, we have followed the MHCLG vision for local government as presented in the English Devolution White Paper: Local authorities are first and foremost institutions for self-community governance of place.

This sophisticated approach to an options appraisal is further imperative due to the tensions between the individual LGR criteria. It is impossible to maximise all the criteria simultaneously without an explicit vision for local government, because they are reciprocally constrained.

For example, the establishment of a large authority designed to achieve Criteria 2 will prevent the maximisation of Criteria 6 and vice versa. As Greater Lincolnshire is very large and diverse, the particular local needs and aspirations of residents of one part of the Invitation Area will not coincide with those of another. An oversized governance structure will dilute the political and administrative articulation of the existing geographic differentiation. The benefits to strategic and delivery capacity would be offset by the loss of representation for minority interests, the diminution of democratic accountability and the failure to empower local communities. However, a structure designed to maximise local empowerment would limit the desired system consolidation with enhanced capacity, and rather than delivering simplification, the governance apparatus of area committees, boards and partnerships may be more opaque and less accountable to residents.

One could resolve this issue by noting that the strict language of the Statutory Invitation is Criteria 2, 3 & 5 ‘must’ be delivered, whilst Criteria 1, 4 & 6 ‘should’ be delivered. However, latest and consistent MHCLG policy does not acknowledge the ‘must/should’ distinction, clearly stating in the Interim Plan Feedback letter that:

‘The criteria are not weighted...Decisions on the most appropriate option for each area will be judgements in the round, having regard to the guidance and the available evidence.’

This position was reiterated in verbal feedback from senior MHCLG officials and subsequent communications. Further the government’s Plan for Change and accompanying policy in the Pride of Place Strategy and the English Devolution & Community Empowerment Bill clearly demonstrates that local civic renewal and community empowerment are not secondary or merely rhetorical objectives.

We have pragmatically approached this problem, through application of our self-community governance first vision of local government. Therefore if the strict delivery of the ‘must’ Criteria 2 is counterproductive to the delivery of the ‘should’ Criteria 6, for example the delivery of ‘genuine opportunity for neighbourhood empowerment’, then the proposal on size for the ‘must’ Criteria 2 should be moderated to enable the base achievement of Criteria 6. Options are then scored accordingly.

Commentary on Specific Issues and Assumptions

Baseline

MHCLG have made clear that the status quo is not an option. Therefore we do not consider there to be a natural baseline option to evaluate other options against. Options appraisals in other Invitation Areas, for example Kent County Council's (KCC), have presented a single county unitary as a neutral baseline.²¹ We consider that this understates the degree of radical change to local governance inherent in such proposals, and so is inappropriate for a baseline.

Scale

Our comprehensive review of the literature on local government scale and performance found there is insufficient evidence to support conclusions of bigger is better or that there is an optimal unit size. The academic evidence suggests that multi-level governance is the optimal configuration for service efficiency, delivery and democratic voice. In the context of English unitary government this would imply greater exploration of the potentiality for sub-regional Strategic authorities to deliver services that are optimally delivered on a sub-regional scale²² and careful consideration of the size ratio between principal and strategic authorities. There is further very strong evidence on the negative impacts of democratic health and political trust from greater scale. We consider this to be of critical importance to jurisdiction design to support the successful implementation of the government's Plan for Change. Our full Literature Review is set out in Appendix 2.

Therefore we do not consider that there is strong rationale to seek to maximise population numbers within the context of the Greater Lincolnshire IA.

No premium will be placed on options that achieve or exceed 500,000 population.

We consider that within the specific geography of Greater Lincolnshire there is heightened risk that strict adherence to the letter of the population requirements will create jurisdictions whose primary raison d'être is achieving the threshold. If insufficient consideration is given to coherence, there is risk that a technically compliant jurisdiction will be an incoherent combination of interests, incentivising political dysfunction and local resistance with a heightened risk of early dissolution. MHCLG have provided an exception mechanism for sub-500,000 populations to ensure this scenario is specifically avoided in IA's such as Greater Lincolnshire.

21. Kent County Council (2025), Appendix 2: Rationale for Options Appraisal Scoring. Available at: <https://democracy.kent.gov.uk/mgConvert2PDF.aspx?ID=131449> [Accessed on 4 November 2025]

22. For example, Labour Together's 2025, Pride and Prosperity: A Decade to Restore Civic Power. Available at: https://static1.squarespace.com/static/64f707cf512076037f612f60/t/68d03df81d732947598dfe7a/1758477816067/Pride+and+Prosperity_+a+decade+to+restore+civic+power+%5BLabour+Together%5D.docx.pdf [Accessed on 4 November 2025]

Service Disaggregation and Fragmentation

Criteria 3 states that proposals ‘*should avoid unnecessary (own emphasis) fragmentation of services*’. The circumstances that would justify a **necessary** fragmentation of services are not specified. **We have interpreted necessary circumstances, as being the circumstances in which the population exception can be reasonably claimed and to enable the delivery of the critical policy goals of the White Paper.**

Therefore, no premium is placed on avoiding service disaggregation in itself.

We consider that service disaggregation is fundamentally an operational matter, which although not without significant challenge and risk can be delivered safely and effectively by skilled managerial leadership and practice.

Further it is understood that the balance of expert opinion from Lincolnshire CC service leads and our specialist consultants is that it would be more technically difficult and costly to merge disaggregated county council services with a merged North East and North Lincolnshire, than undertake a strict disaggregation within the current LCC footprint. Estimates from consultants commissioned by North East Lincolnshire range from £35-47 million for a merger of the two northern unitaries, with additional costs for a merger with parts of the Lincolnshire county area.

Asymmetric Jurisdictions and Sub Invitation Area Exceptionalism

MHCLG are clear that proposals must be for the whole of the Invitation Area and cannot give undue advantage to any one part. Undue advantage is strictly considered by the LGR Criteria in terms of resources: tax bases, pattern of spatial deprivation, the partition of assets and liabilities etc. In addition, we consider this principle should be extended to jurisdictional coherence and democratic voice. **All unitaries in the IA must be big enough to develop quality services but also close enough to understand and respond to local needs and ambitions.** An asymmetric proposal that carves out a small portion/s of the IA to be combined with a significantly larger authority would be inadvisable due to the inequitable difference in electoral representation and greater opportunity for place based policy within the smaller and so more coherent unit. That coherence would have been achieved at the expense of residents in other parts of the IA. Residents would see neighbours across the border receiving governance better attuned to local place and need and rightly question why they have been deemed underserving of similar. This would be unhelpful to legitimacy. Further there would be a divergence in service outcomes, to whose advantage, depends on one’s views of the optimal scale for service delivery and value in local policy variation.

Assumptions

The qualitative options appraisal is primarily focused on the suitability of the proposed jurisdictions as foundations for local governance and as platforms to deliver public service reform and the government's Plan for Change. Successful delivery and realisation of benefits will ultimately be the result of the choices of the future political and managerial leadership. Therefore a number of assumptions are made to ensure that the 'best version' of each option is presented. For example, while it is possible, and indeed likely given the past forty years of practice, for a future government or local administration to deprioritise or cut area decentralisation mechanisms, with the resulting negative impact heightened depending on the scale and geography of the jurisdiction, it would not be fair to assume that this will happen. However an option where this risk is controlled will score higher.

Assumed that all options will attempt to maintain local connection through locality models etc. The test is the conduciveness of the jurisdiction for these measures. For example locality working will likely have better operating conditions for success with less stress on the mechanism in a more compact and coherent jurisdiction, than a larger and less coherent jurisdiction.

Assumed that all options will attempt to empower the hyperlocal through area committees etc. These will be delivered in accordance with all best practice, be suitably resourced and have supportive locally orientated political and managerial leadership and organisational culture to give the mechanisms the best chance of success. The test is whether the scale of the jurisdiction means these mechanisms are compensatory or supplementary in the case of smaller and better designed jurisdictions. In either case it will be very difficult managerial challenge, due to the experimental nature of the governance form and pressure placed on the mechanism to perform to deliver MHCLG's empowerment agenda. It is anticipated that the operation of area decentralisation mechanisms will require a significant allocation of governance and financial resource.

Assumed that double devolution programmes will be delivered with due regard for the capacity challenges of town and parish councils. Capacity varies significantly across the Invitation Area. Assets cannot be simply transferred without careful consideration and support to build hyperlocal capacity.

Assumed that all options will undertake any necessary mergers or disaggregations in accordance with best practice and with care to minimise negative impacts. Fundamentally this is an operational matter that can be delivered safely and effectively through managerial skill.

Assumed that all options will seek to deliver efficiency and transformation programmes.

Assumed that all multi-level working between the principal and strategic authorities will be undertaken in the spirit of collaborative partnership. The contended risk is structural not of personalities, under the view that the dynamic of and rationale for e.g. Greater Manchester Combined Authority (GMCA) would be very different if the Greater Manchester County Council (GMCC) was in existence and the combined authority was the GMCC and Blackburn with Darwen. That counterfactual is more appropriate to the current situation in Greater Lincolnshire than the GMCA reality. Hence the MHCLG requirement for appropriate ratios between principal and strategic authorities.

Options Appraisal Process and Methodology

To ensure a robust, objective and evidence-based evaluation of the proposed options, a three-part appraisal methodology has been completed. This approach combines qualitative insights, and balance analysis to assess each option's viability, resilience, and alignment with the MHCLG criteria.

Step	Methodology
Pre-Assessment Analysis	Evaluation of options against minimum MHCLG population thresholds and likelihood of legal compliance i.e. proposals including significant boundary changes or cross-Invitation Area. A Population Size Exception Test has been developed to consistently and objectively assess whether sub-500,000 population proposals are admissible under stated MHCLG policy. The Test is applied on an Invitation Area basis. Options will be scored on a pass/fail basis. Those that are assessed as below the minimum population thresholds without justifiable exception and/or have significant risk of legal non-compliance under the governing legislation are discounted.
Qualitative Analysis	Evaluation of options against the MHCLG criteria. The qualitative options appraisal is primarily focused on the suitability of the proposed jurisdictions as foundations for local governance long term and as platforms to deliver public service reform and the government's Plan for Change. The most aligned option is one that can deliver the foundations for successful local government in the coming years and decades.
Balance Analysis	Reviewing the "balance" of each proposed unitary authority against a basket of indicators ranging from economic strength through to rates of deprivation to support and understanding of the regional context with relation to factors external to councils. This is intended to help paint a richer picture of the existing strengths and challenges of each option's constituent footprints as an insight into potential future service priorities. Balance in and of itself is not intended to be a goal in itself. Instead it is used as one of many data inputs to understand the wider context for LGR and provide insight to help make the most informed and reasonable decision possible on the preferred option.

Stage One: Pre-Assessment Analysis – Detailed Methodology

Test	Requirement	Requirement Contents	Impact for Viability
Legal Compliance	Treatment of the existing North East and North Lincolnshire UAs	Legal advice received by all authorities in the IA has indicated that the government currently lacks the legal power to forcibly merge two unitaries directly. Therefore there is risk that a proposal to merge the two unitaries without any Lincolnshire authorities would not be legally compliant. There is extremely limited economic rationale and significant complexity and transition costs in merging northern Lincolnshire with elements of the current Lincolnshire county council area.	Options that propose to merge North East and North Lincolnshire UA with Lincolnshire will immediately proceed to the Population Size Test. For options that propose to keep North East and North Lincolnshire UA's separate to Lincolnshire, then the Population Size Test will be applied within the Lincolnshire CC boundary plus any cross-IA options.
Population Size Test	All proposed jurisdictions have populations of 500,000+	MHCLG policy is clear that 500,000 is the minimum population target, unless an exception can be applied.	If successful the option will immediately proceed to Stage 2, unless it is a cross-IA proposal.
	All proposed jurisdictions have populations of 350,000+	MHCLG have not provided a lower acceptable population threshold, however populations in the 300,000 to 350,000 range or to the 'mid 200,000s' were expressly ruled out by the former Ministerial team to the Housing, Communities and Local Government Committee. The new Ministerial team have not indicated any deviation from this position.	If the option is sub 500,000, then the Size Exception Test will be applied. If unsuccessful then the option will be discounted. If the option is sub 350,000 within the Lincolnshire CC area then it will be discounted.
Population Size Exception Test	Grounds 1: Geographic Vastness	Successfully met if the IA is a very expansive geography. MHCLG recognise that in these geographies, the desired scale would necessitate effectively sub-regional not local governments, creating basic problems for governance, delivery of some services, coherence, democratic legitimacy and multi-level governance with the designated sub-regional governance unit (strategic authorities).	It is considered that the expansive geography of the Greater Lincolnshire IA justifies successful application of the Population Size Exception Test.
	Grounds 2: Identity & Belonging	Successfully met if the IA is a very expansive geography. MHCLG recognise that an overriding pursuit of scale risks the creation of authorities unmoored from and at odds with how residents identify and local pride in place.	
	Grounds 3: Delivery of other Policy Objectives	Successfully met if the particular context (geography and challenges) of the IA suggests the need for multiple authorities below the population threshold. For example, the delivery of devolution in the Surrey IA will require a minimum of two authorities to form the combined authority.	
Boundary Changes	Requirement for Local Government Boundary Changes	MHCLG have indicated a consistent preference for avoidance of boundary changes, directing that existing districts should be used as building blocks. Boundary changes are possible with strong rationale.	An option that successfully meets the Population Size Test, despite boundary changes will proceed to Stage 2.
Cross Invitation Area Proposals	Accounting for impacts on neighbouring IA	MHCLG have indicated that cross IA proposals are possible, however there must be a strong rationale and impacts on the neighbouring IA must be accounted for. There is significant uncertainty on the degree of modelling needed to fulfil this requirement. MHCLG have not provided sufficient clarity for assurance. Legal compliance will be matter of MHCLG discretion in that scenario.	An option that proposes a cross-IA solution will be discounted, due to the risk of legal non-compliance.

Stage Two: Qualitative Analysis – Detailed Methodology

LGR Criteria	Criteria Title	MHCLG LGR Criteria	Core Jurisdiction Design Objectives	Key Factors
1	Sensible Single Tier of Local Government	A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government	The proposed jurisdictions are sensible geographies aligned to economic geography, do not provide undue advantage or disadvantage and facilitate the delivery of public policy goals (e.g. housing).	Sensible economic breakdown: with a tax base which does not create undue inequalities
				Sensible geographic breakdown: which will help increase housing supply and meet local needs
2	'Right-sized' Local Government	Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks	The proposed jurisdictions either meet the minimum 500,000 threshold OR reasonably claim the sub-500,000 exception with appropriate justification (assessed in Stage 1) to achieve efficiencies, improve capacity and withstand financial shocks.	Supports efficiencies and value for money for council taxpayers
				Improves capacity and supports the council to withstand financial shocks
				Manageable transition costs
3	High Quality, Sustainable Services	Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens	The proposed jurisdictions are appropriate and conducive footprints to sustainably deliver the full range of high quality local government services and facilitate public service reform.	Improves local government & service delivery, avoiding unnecessary service fragmentation
				Opportunity for public service reform including where this will lead to improved value for money
				Improves delivery of, or mitigates risk to negative impact on crucial services
4	Meets Local Needs	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.	The proposed jurisdictions take into account local identity, cultural factors, needs and historic communities to achieve coherent units for effective community self-governance of place.	Meets local needs and is informed by local views
				Improves / mitigates risk to issues of local identity, cultural and historic importance
				Addresses local concerns
5	Supports Devolution Arrangements	New unitary structures must support devolution arrangements	The proposed jurisdictions are sensible footprints and size ratios for principal authorities to enable effective multi-level governance with the strategic authority and for the consolidation and deepening of devolution in Greater Lincolnshire.	Helps to support devolution arrangements
				Sensible population size ratios between local authorities and any strategic authority
6	Local Engagement & Empowerment	New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment	The proposed jurisdictions will enable communities to be empowered, improving resident and neighbourhood voice and decision-making in line with the ambitions of the White Paper and the Government's Plan for Change.	Enables stronger community engagement
				Delivers genuine opportunities for neighbourhood empowerment

Application of Stage 1 Analysis to Greater Lincolnshire Invitation Area and Leicester, Leicestershire & Rutland Invitation Area

Application of STAGE1 analysis										
Option	Legal Compliance		Population Size Test		Population Size Exception Test			No Boundary Changes required	Proposal coterminous with Invitation Area	Progression to Stage 2
	Status	North East/ North Lincs. Treatment	500,000+	350,000+	Geographic Vastness	Identity & Belonging	Delivery of other Policy Objectives			
Option A	✓	Separate	✗	✓	✓	✓	✓	✓	✓	✓
Option B	✓	Separate	✓	✓	N/A	N/A	N/A	✓	✓	✓
Option C	✓	Merged with Lincolnshire	✓	✓	N/A	N/A	N/A	✓	✓	✓
Option D	✗	Separate	✗	✓	✓	✓	✓	✓	✗	✗
Option E	✓	Separate	✗	✗	✗	✗	✗	✗	✓	✗
Option F	✓	Separate	✗	✗	✓	✗	✗	✓	✓	✗
Option G	✓	Separate	✗	✗	✓	✗	✗	✓	✓	✗

The following proposals successfully pass Stage 1 and proceed to Stage 2 of the Options Appraisal:

- Option A
- Option B
- Option C

The following proposals either fail to meet the MHCLG basic population requirements or have significant legal risk and so are discounted:

- Option D
- Option E
- Option F
- Option G



The following proposals either fail to meet the MHCLG basic population requirements or have significant legal risk and so are discounted:



Treatment of Option D – Rutland with South Lincolnshire

The Kesteven Interim Proposal included the Rutland County Council area. This was done primarily for economic alignment. The core benefit for local government amalgamation is bringing administrative boundaries in line with the underlying economic geography. This is optimal for economic growth as recommended by the OECD amongst other experts.²³ Using Travel to Work Areas (TTWAs) as proxies for functional economic areas as recommended by the Centre for Cities, the alignment of Rutland is with South Lincolnshire and Peterborough. This is also reflected in the Housing Market Areas (HMAs). This reality was acknowledged by all partners as recently as 2023, in the production of the Greater Lincolnshire & Rutland's Strategic Infrastructure Delivery Framework (SIDF) by a joint infrastructure group and the former Local Enterprise Partnership which included Rutland.²⁴ If designing LGR to maximise local growth, then placing Rutland with south Lincolnshire is the objectively correct solution.

The current misalignment of governance and economic geography is most sharply seen in the complexity of spatial planning in Stamford – a town that is effectively a peninsular into Rutland and acts as an economic and service centre for many Rutland residents. The sustainable future development of the settlement is adversely affected. This is suboptimal for the delivery of the government's growth agenda, and deeply concerning for local residents, who perceive an absence of effective control over how their community will develop.

The option was also advanced in respect to Rutland's unique identity. Success of the new unitary is ultimately dependent on resident affinity. Rutlanders are fiercely proud of their identity, which for obvious historic reasons has greater potential for antagonism with Leicestershire than south Lincolnshire. Alignment with South Lincolnshire would ensure that Rutland positively affirms their independent identity. Alignment with Leicestershire ensures that the period 1997-2028 will be historically presented as a curious anomaly, an interregnum before the inevitable subsuming of the area into Leicestershire.

23. OECD (2019), Making Decentralisation Work: A Handbook for Policy-Makers, OECD Multi-level Governance Studies, OECD Publishing, Paris. Available at: <https://doi.org/10.1787/g2g9faa7-en> [Accessed 4 November 2025]

24. Greater Lincolnshire Infrastructure Group (all Greater Lincolnshire local authorities with the then Local Enterprise Partnership, Rutland CC and the Environment Agency) (2023), Greater Lincolnshire and Rutland's Strategic Infrastructure Delivery Framework. Available at: <https://lincolnshire.moderngov.co.uk/documents/s67961/Greater%20Lincolnshire%20and%20Rutlands%20Strategic%20Infrastructure%20Delivery%20Framework%202023.pdf> [Accessed 4 November 2025]

The respective population distributions will shape the political economy of the future unitaries. The case for multiple unitaries is significantly weaker in compact Leicestershire than expansive Greater Lincolnshire. Greater Lincolnshire's LGR challenge is the expansive polycentric geography, in hub-and-spoke Leicestershire, the core challenge is Leicester. The extrication of Rutland would not negatively impact this challenge, nor impede reorganisation or devolution. In a single Leicestershire solution, Rutland will be peripheral. In a northern Leicestershire solution, Rutland would be perhaps even more peripheral to the overwhelming concentration of population and economic power in Charnwood and North West Leicestershire. Interaction as assessed by internal commuter flows is minimal. The urbanised and younger northern Leicestershire has different interests and priorities to rural Rutland. Rutland's voice and articulation of distinct local priorities will be diminished. That is not the case with the significantly more distributed population of southern Lincolnshire. There is no single settlement or concentrated population core that would naturally dominate. Rutland has natural economic and cultural alignment with Stamford, and if extended to southern Kesteven within the Peterborough TTWA, then Rutland could effectively triple its population. It would not be a periphery in a southern Lincolnshire unitary. There would be greater opportunity to develop a rural focused service model, reflecting the shared geographies, demographics, priorities and challenges of all partners.

Local government reorganisation has been the cause of significant debate and political turbulence within Rutland. It is understood that resident opinion is split depending on proximity to the Leicestershire or Lincolnshire border. Two separate engagement exercises have been undertaken; the Leicestershire districts with Rutland County Council (North/City/South proposal) and by Alicia Kearns MP, whose constituency straddles South Kesteven, Rutland and Harborough. Each exercise has found, if the status quo is impossible, a preference towards a solution with Southern Lincolnshire. This preference was as high as 75% in Alicia Kearns MP's engagement, which despite a small sample size, the MP considered to be reflective of the opinion of her constituents. Our independent engagement programme delivered by Cratus was extended into Rutland. In accordance with agreed practice in Greater Lincolnshire and the government's consultation role versus our engagement role, we did not directly ask residents for their views on the various options. Residents who presented their views on this matter in free text questions, engagement event conversations and open focus group discussion indicated an overall preference towards the inclusion of Rutland with South Lincolnshire.





Analysis by PwC for the Kesteven councils has found that the option would be financially viable, albeit with complex council tax harmonisation.

The latter is true for all of Rutland's options. Rutland CC has the highest council tax in England. The option would entail disruption to Rutland's current public service configuration. Health, police, fire and the vast majority of current partnerships are orientated to Leicestershire, hence Rutland's allocated Invitation Area by MHCLG. In the circumstances of whole-of-system reform, where it is accepted that aligning public service boundaries to the functional economic areas is optimal for growth, and coherent jurisdictions are optimal for resident affinity and public service reform, then a degree of enabling disruption can be tolerated to achieve alignment and so deliver positive reform. However that is not to understate the challenge. An example risk would be fire and rescue. By default new authorities will become Fire & Rescue authorities unless an alternative is found. The multiple Police & Crime Commissioner footprints would complicate a transfer of governance to the PCC. Similar challenges of varying degrees of complexity would be replicated across other services.

The Rutland political and managerial leadership have rightly been acutely conscious of this challenge, informing their strategic position of close collaboration with Leicestershire districts in accordance with the Statutory Invitation, whilst remaining open to the south Lincolnshire option. There is no objective answer as to how the varying requirements of the LGR criteria should be balanced and the trade-offs navigated. An authority's strategic approach to LGR and the consequent best option for Rutland is a matter of leadership.

There is a very significant risk of non-compliance with the statutory requirements. The ambiguity of Rutland is unhelpful for the viability of the option. For a cross-Invitation Area proposal to be accepted it must have the clear commitment of all parties. That is not the case here. There is further risk from uncertainty on the degree of modelling required by MHCLG on impacts to the neighbouring Invitation Area. Compliance would be a matter of MHCLG discretion. This is an unacceptable risk. Therefore the Rutland option is not taken forward. North Kesteven and South Kesteven District Councils remain willing to include Rutland in a unitary council should Rutland County Council and the government agree that it is the optimal solution and should be taken forward.

MHCLG Policy on Cross-Invitation Area Proposals

The 5 February 2025 Statutory Invitation was clear that authorities are open to explore options with neighbouring councils not within their allocated Invitation Area. This position was confirmed by senior MHCLG officials on 25 February 2025, who described the option of Rutland's inclusion with South Lincolnshire authorities as 'absolutely a possibility'. This position was maintained in the Interim Plan Feedback letter received 3 June 2025 and reiterated in verbal feedback from senior MHCLG officials on 2 and 4 July 2025. On 10 September 2025, senior MHCLG officials inferred that an option of including Rutland might be presented as a variation to a core proposal, but this would need to be checked. On 25 September 2025, MHCLG communicated that this route was not possible. If Rutland was to be included it would have to be as the core proposal, not as a variation.

The single precedent in this LGR round so far for a cross-IA proposal was Reigate & Banstead BC with Crawley BC in the Surrey IA.²⁵ This proposal was assessed as not meeting the statutory requirements by MHCLG and so was not taken forward for consultation. Non-compliance was identified on four grounds:

1. Reigate and Banstead BC was already a signatory to another proposal. Authorities cannot submit multiple proposals.
2. The proposal did not specify the area it was covering.
3. The proposal was merely concerned with Reigate & Banstead and Crawley. How the rest of Surrey and West Sussex would be reorganised was not detailed.
4. There was no financial assessment for the proposed merger nor consideration of the impacts on devolution in Surrey and West Sussex.

Throughout the process, the precise terms in which a cross-IA border proposal could be presented remained uncertain. The consistent position of MHCLG from June onwards is that cross-border proposals must address impacts for the neighbouring Invitation Area. There is a lack of clarity and consequent assurance of the degree to which impacts on the neighbouring IA must be considered and detailed. Is a high level assessment and view of how the neighbouring IA could be reorganised, so demonstrating that the removal of the selected area would not impede reorganisation in the neighbouring IA sufficient? This would fulfil the requirements that Reigate & Banstead BC with Crawley BC failed. Or is modelling of a sophistication equal to the core IA required. An authority could develop and submit a cross-IA proposal in good faith and still be rendered non-compliant on at least two potential grounds:

1. The included neighbouring authority decides to support another proposal within their core IA.
2. The consideration of impacts on the neighbouring IA is deemed insufficient. This would be a matter of MHCLG discretion.

Given the ambiguous political position of Rutland and lack of assurance from MHCLG, it is considered that the risk of noncompliance is too high for a cross-IA proposal with Rutland to be submitted.

25. MHCLG, Letter to the leaders of the borough councils of Reigate and Banstead and Crawley, 17 June 2025 on decision on interim LGR submissions for public consultation in Surrey IA. Available at: Letter - Borough Councils of Reigate and Banstead; Crawley [Accessed on 4 November 2025]

Treatment of Option E - An Expanded City of Lincoln

The expanded Lincoln option has been proposed by City of Lincoln Council and endorsed by Hamish Falconer M.P. It merits substantive explanation for why we consider that the minimum population threshold exception cannot be reasonably applied beyond a failure to reach 350,000. Although that alone within the LGR criteria disqualifies it, wider MHCLG policy is clear and incompatible with the exceptionalism of an expanded City of Lincoln. A depoliticised application of the LGR criteria with due regard for expert best practice will conclude that the case is very weak.

In short:

- Urban exceptionalism through differentiation is incompatible with MHCLG's territorial strategy.
- The city, even expanded, lacks the critical mass to be extricated from the surrounding county. Statistically by size and population density West Berkshire is a closer peer than York or Bath & North East Somerset.
- The exceptionalism of an asymmetric proposal risks unacceptable inequity within the Invitation Area. It is unclear why residents of Lincoln should have proportionally greater representation and voice than residents elsewhere in the IA, whose voice and focus on their places will have been diluted and reduced through consolidation into larger units. The economic performance of the city does not merit this.

The proposed urban expansion will annex North Kesteven and West Lindsey wards within the Lincoln Strategic Planning Area to increase the authority population to approximately 208,000. The remaining Lincolnshire districts will be reorganised into a single Rural Lincolnshire unitary. North East and North Lincolnshire will be kept separated with a view to merge in future.

Summary of City of Lincoln LGR Proposal					
Unitary	Composition	Population (MY 2023)	GVA (£ millions 2022)	Land Area (sq km)	Density
Expanded Lincoln	Base Lincoln, Lincoln annexed North Kesteven, Lincoln annexed West Lindsey	208,496	5,269	816.17	255.46
Rural Lincolnshire	Existing Lincolnshire CC area minus expanded Lincoln area	573,543	12,861	5121.14	111.99
Expanded Lincoln Composition (Annexed NKDC & WLDC Wards)					
Base Lincoln	City of Lincoln	102,545	2899	35.69	2873.20
Annexed North Kesteven Wards	Bassingham Rural, Bracebridge Heath, Branston, Heighington & Washingborough, Hykeham Central, Hykeham Fosse, Hykeham Memorial, Metherringham Rural, Navenby & Brant Broughton, Skellingthorpe & Eagle, Waddington Rural, Witham St Hughs & Swinderby	69,885	1683	432.31	161.65
Annexed West Lindsey Wards	Bardney, Cherry Willingham, Dunholme & Welton, Nettleham, Saxilby, Scampton, Sudbrooke	36,066	687	348.16	103.59

Three core arguments are advanced to justify the city expansion:

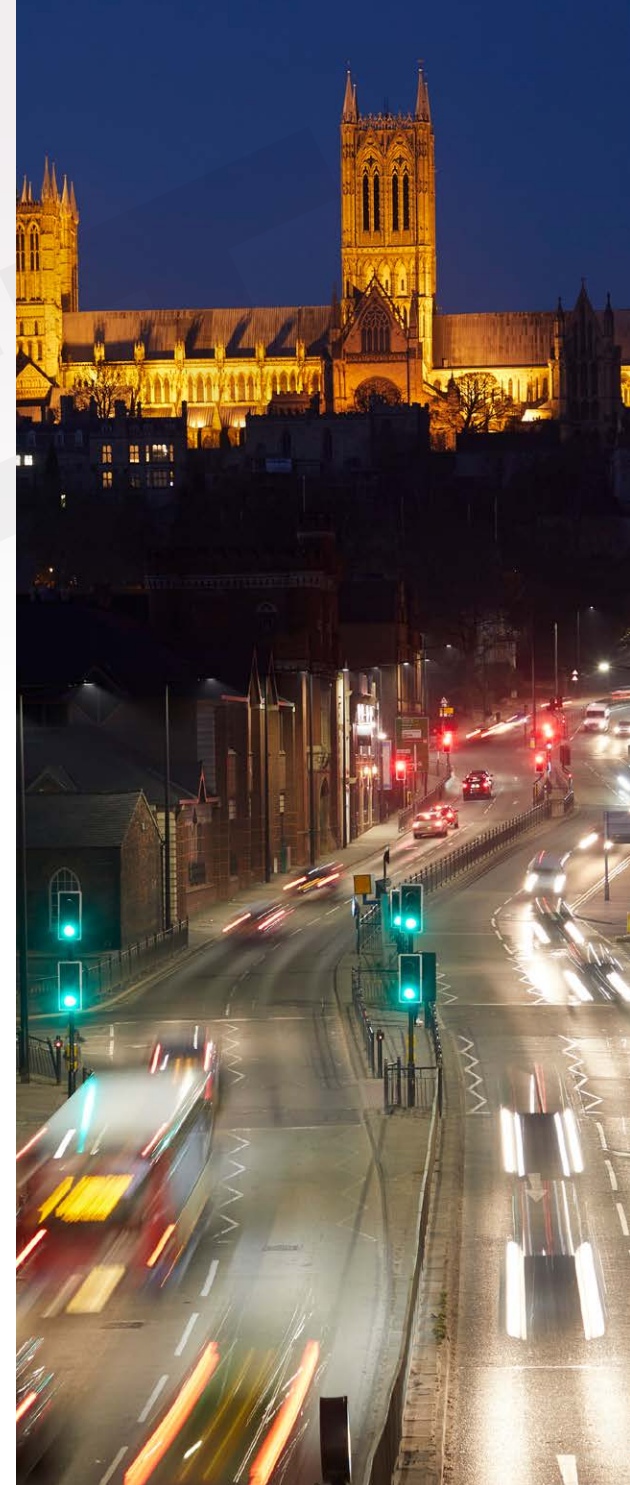
- Urban Governance – An urban area has unique challenges and demographics, and so differentiated governance structures and practices should be deployed for effective governance.
- Identity – Lincoln has a unique identity and long tradition of self-governance which should be preserved.
- Economic – An expanded city allows for a focus on growth areas for both the economy and housing.

In abstract, the core arguments are strong and have been eloquently expressed by Inner Circle Consulting's 2025 report 'A Case for Cities' for a consortium of ten self-identified 'smaller cities of national significance', including Lincoln. However, under the LGR criteria as designed by MHCLG each is unapplicable.

Theoretically, a multi-level approach to jurisdictional design recognises that the practice and demands of governance in an urban area are distinct from that of predominantly rural areas i.e. Lincolnshire. Therefore, a differentiating territorial strategy that sought to preserve smaller cities as self-governing units with expansion to align governance with the built up area to unlock growth, whilst enabling for the sensible rationalisation of the other authorities into coherent units that could combine the advantages of scale, whilst being meaningfully local for place based operating models would be a potential outcome. The embryonic sub-regional government of the strategic authority could be utilised to deliver the services that operate best over a sub-regional scale.

This is not a novel argument or approach to jurisdictional design, but it is not the view of MHCLG. In developing the LGR policy and subsequently designing the criteria, MHCLG will have fully assessed the arguments and evidence for differentiated urban and more general multi-level governance and the logical policy response for smaller (sub 350,000 population) governance units. MHCLG could have designed the LGR policy as sketched above to facilitate the expansion of smaller cities as an outcome, however this route was not taken. A decision was made for larger minimum populations and a preference against complex boundary changes. The expansion of smaller cities is fundamentally inconsistent with the territorial strategy of MHCLG, which identifies the function of devolved authorities as providing a strategic overlay, rather than a regional government delivering core services. Principal authorities are tasked with delivering core services and must be of sufficient scale and capacity to do so, hence the minimum population requirements.

26. Inner Circle Consulting (September 2025), A Case for Cities: In Local Government Reorganisation and English Devolution. Available at: <https://static1.squarespace.com/static/68c291a8456ed05aa1276bec/t/68e923e5667c846c6453ab77/1760109541164/Case+for+Cities+Report+--+Inner+Circle+Consulting.pdf> [Accessed on 4 November 2025].



This is aligned with consistent MHCLG policy. Urban differentiation has not been accepted in prior reorganisations. Bournemouth, and Poole are each larger settlements and economies than Lincoln, whilst Carlisle and Chester can each claim comparable antiquity, importance and history of self-government. Nevertheless, all four urban areas lost self-governing status through reorganisation. Successive governments since 1996 have made the same decision for Barrow, Crewe, Durham, Grimsby, Harrogate, High Wycombe, Scarborough, Scunthorpe and Taunton. There is limited rationale and no precedent to justify a different outcome for Lincoln.

Former Self-Governing Built Up Areas within Reorganised Unitary Authorities						
Built Up Area (BUA)	Population (Census 2021)	Gross Value Added (£ million 2022)	Unitary Authority	Reorganised	Current Self-Governing Status	Charter Trustee
Lincoln	104,555	3026.387	TBC	2028	YES	TBC
Barrow	55,255	1744.799	Westmorland & Furness	2023	NO	YES
Bournemouth	196,455	5473.272	Bournemouth, Christchurch & Poole	2019	NO	YES
Carlisle	77,730	2120.695	Cumberland	2023	NO	YES
Chester	92,760	2865.565	Cheshire West & Chester	2009	NO	YES
Crewe	74,120	3400.044	Cheshire East	2009	NO	NO (Parished)
Durham	50,510	2154.479	County Durham	2009	NO	YES
Grimsby	85,925	2327.793	North East Lincolnshire	1996	NO	YES
Harrogate	75,515	2565.161	North Yorkshire	2023	NO	NO (Parished)
High Wycombe	83,535	2873.924	Buckinghamshire	2020	NO	YES
Poole	141,005	5540.453	Bournemouth, Christchurch & Poole	2019	NO	YES
Scarborough	59,505	1405.196	North Yorkshire	2023	NO	NO (Parished)
Scunthorpe	81,265	2499.502	North Lincolnshire	1996	NO	YES
Taunton	61,665	1882.620	Somerset	2019	NO	NO (Parished)

Fundamentally Lincoln lacks the critical mass to be differentiated. The city's economic relationship with Lincolnshire is not hub and spoke, for example Leicester, where the entirety of the Invitation Area bar Rutland is within the city's economic orbit (as assessed by TTWA and Housing Market Areas).

Rather Lincoln is the largest node within the polycentric Lincolnshire economy.

This can be seen immediately through basic comparison with the other nine members of the Inner Circle commissioning consortium. Lincoln has the smallest GVA and population, excluding the three unitaries, by on average 61% and 32% lower respectively. The report's authors implicitly recognise this reality. The city is absent from the tables displaying the economic dynamism of regional cities and is lacking in the presence of the UK Modern Industrial Strategy 2025's ten high potential sectors. The report's narrative leads with Oxford and Cambridge. The dedicated Lincoln section focuses on health outcomes and place based services (applicable to all of Lincolnshire), rather than specific arguments of constrained economic vitality. The Centre for Cities do not categorise the settlement as a Primary Urban Area – spatial concentrations of large amount of economic activity, which the think tank uses to identify places for their annual Cities Outlook and for the implementation of their policy prescriptions.²⁷

Commissioning Consortium of the Inner Circle Consulting 'The Case for Cities' Report						
Authority	Type	Primary Urban Area	Gross Value Added (£ million 2023)	Population (mid-year 2024)	Area (sq. km)	2024 people per sq. km
Lincoln	Non-metropolitan District	NO	3215	105114	35.69	2945.19
Cambridge	Non-metropolitan District	YES	8900	149352	40.70	3669.68
Exeter	Non-metropolitan District	YES	6798	138399	47.03	2942.59
Gloucester	Non-metropolitan District	YES	3941	138598	40.55	3417.70
Ipswich	Non-metropolitan District	YES	5423	140274	39.51	3550.37
Norwich	Non-metropolitan District	YES	4808	147182	39.02	3771.75
Oxford	Non-metropolitan District	YES	8600	166034	45.60	3640.88
Peterborough	Unitary Authority	YES	7957	223655	343.38	651.34
Reading	Unitary Authority	YES	11008	182907	40.40	4527.64
Swindon	Unitary Authority	YES	12707	243875	230.09	1059.90

This is reinforced by comparison to the potentially expanded Lincoln's peers. Notwithstanding that the proposed population is inadmissible under the LGR criteria, the population density demonstrates that Lincoln is in a qualitatively different category to other smaller historic cities like Bath and York. Further, unlike those metropolitan unitaries, Lincoln does not currently deliver critical services like Children's and Adult Social Care. Excluding Portsmouth, the proposed area is 93% bigger than the average to achieve a comparative population with a population density 90% lower, pointing to the annexation of rural hinterland not urban sprawl.

27. City Definition | Centre for Cities

Current metropolitan unitaries with a similar population to the proposed expanded City of Lincoln authority (with West Berkshire for comparison)				
Authority	Gross Value Added (£ million 2022)	Population (mid-year 2023)	Area (sq. km)	2023 people per sq. km
Proposed Expanded Lincoln	5,269	208,496	816.17	255.46
West Berkshire	8,357	163,367	704.18	232
Bedford	4,807	189,891	476.41	399
Bath & North East Somerset	5,075	199,818	345.88	578
Peterborough	7,098	219,509	343.38	639
Telford & Wrekin	5,793	191,915	290.32	661
York	7,705	206,780	271.93	760
Stockton-on-Tees	5,941	202,415	204.93	988
Warrington	9,364	212,389	180.63	1,176
Portsmouth	6,962	210,297	40.38	5,208

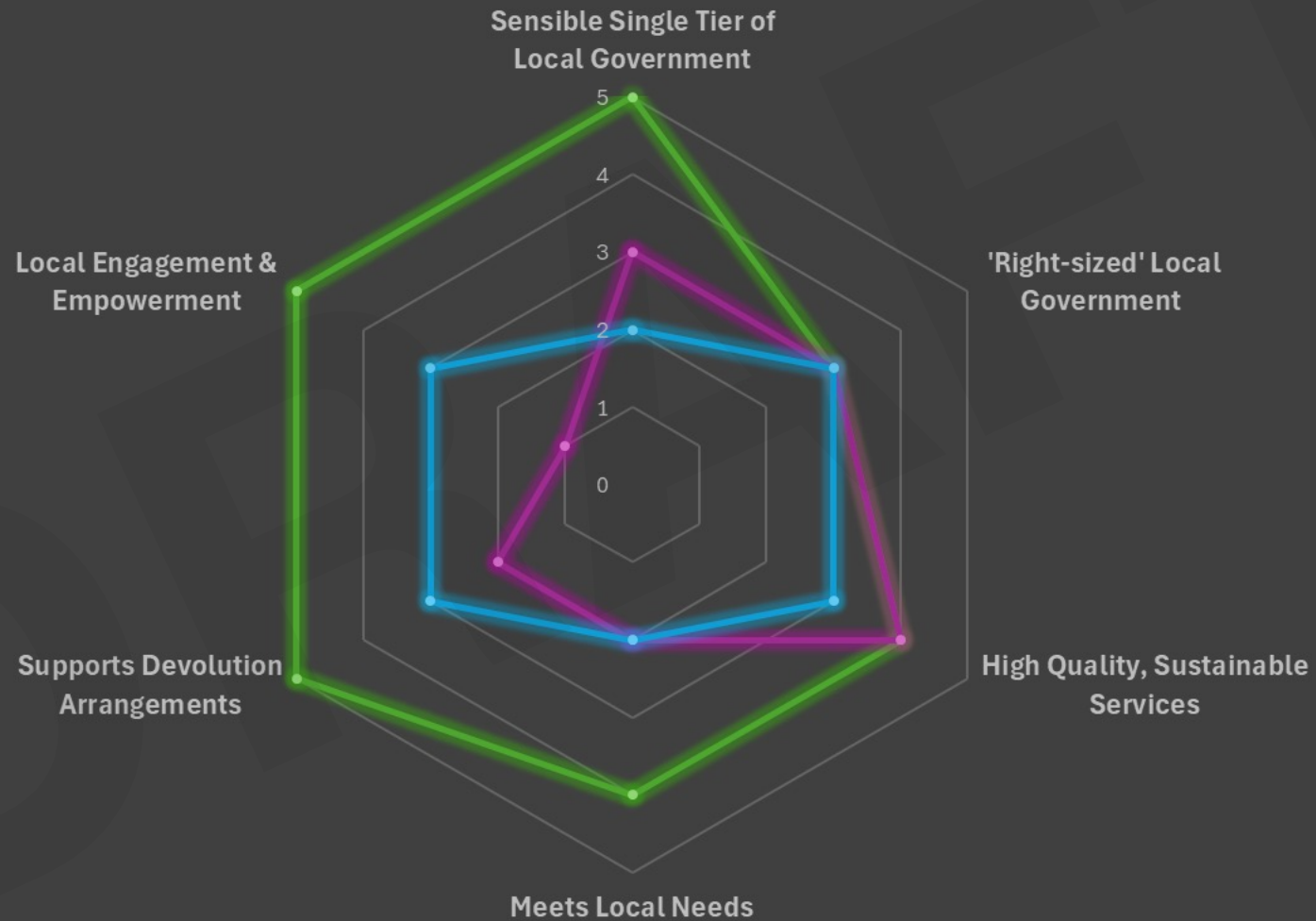
NB * mid-year 2023 populations used in this table as ward level 2024 estimates not yet released

Qualitative Options Appraisal Outcome

STAGE 2 ASSESSMENT Alignment with LGR Criteria					
LGR Criteria	Criteria Title	MHCLG LGR Criteria	Option A	Option C	Option B
1	Sensible Single Tier of Local Government	A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.	5	2	3
2	'Right-sized' Local Government	Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.	3	3	3
3	High Quality, Sustainable Services	Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.	4	3	4
4	Meets Local Needs	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.	4	2	2
5	Supports Devolution Arrangements	New unitary structures must support devolution arrangements.	5	3	2
6	Local Engagement & Empowerment	New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.	5	3	1
TOTAL			26	16	15

Options Appraisal

Option A Option B Option C



Preferred Option: Option A - A partition on north/south lines with status quo North East Lincolnshire and North Lincolnshire

The justification for this preferred option is detailed in the subsequent comparison, which outlines Option A's advantages against each MHCLG criteria.

Criterion	Summary Commentary
1. Sensible Single Tier of Local Government	The option delivers sensibly sized units that can be described as meaningfully local. Objective best fit alignment with economic geography as coherent Places of Places will maximise the opportunity for economic growth and resident affinity.
2. 'Right-sized' Local Government	The option provides local governance of sufficient scale, whilst being tied meaningfully to the local to enhance and maintain articulation of local priorities. Transition costs are manageable.
3. High Quality, Sustainable Services	The option unlocks the transformative opportunity of LGR through the establishment of new organisations with new operating models and cultures. The most innovative techniques for public service reform and the shift to prevention rely on deep local connection, which these jurisdictions aligned to place will be best suited to deliver.
4. Meets Local Needs	The option establishes coherent units of sufficient scale for effective community self-governance of place – fulfilling the core purpose of local government across the Invitation Area. An evidence led approach has identified the intra-Invitation Area identities and sensitively designed jurisdictions to match.
5. Supports Devolution Arrangements	The option provides rebalances to the Invitation Area to ensure an appropriate ratio with strategic authority to consolidate devolution. This provides the optimal foundations for effective multi-level governance moving forward.
6. Local Engagement & Empowerment	The option provides conducive conditions for stronger community engagement and genuine opportunity for neighbourhood empowerment. The scale and sensitive jurisdiction design provides the best opportunity for civic renewal to deliver the government's Plan for Change.

Summary of Options Alignment to MHCLG Criteria

Option	Overall Score	Strategic Trade Off	Summary Assessment
Option A – A partition on north/south lines with status quo North East Lincolnshire and North Lincolnshire	First	Moderately scaled unitaries aligned to place unlock economic growth, public service reform and maintain local connection. However this entails disruption to the current configuration in Lincolnshire.	The option is principally designed for place – maintaining local connection in jurisdictions of a suitable scale aligned to the functional economic areas and identities of the Invitation Area. The trade-off is a degree of disruption that will be limited to within Lincolnshire and can be minimised through good delivery. Jurisdictions are an objective best fit to functional economic geography and intra-Invitation Areas identities within the parameters of the LGR criteria. This creates coherent Places for Places, not artificial constructs. The alignment provides the optimal foundations for economic growth, public affinity, place based preventative public service reform and multi-level governance with the strategic authority. The moderate scale accords with expressed resident views to keep local government as local as possible. The multiple unitaries enable the effective articulation and actioning of diverse local priorities across the Invitation Area. At the proposed scale, the negative impact on resident voice will be minimised. Ratios of electors to councillors will remain within the norms for English local government. Risk of inequity in representation and opportunity for place based policy within the Invitation Area and between adjacent Invitation Areas is eliminated. The scale and jurisdictions are conducive for area decentralisation, which will be supplementary not compensatory, maximising the opportunity for success and enhanced neighbourhood control and empowerment. If the future unitaries decide to undertake very radical transformation, as proposed in Norfolk, this is the optimal scale and geography for success. Right sized and balanced constituent authorities for the Mayoral Combined Authority are created. This option supports devolution and equity in the delivery and governance of the Mayoral Combined Authority. The unique identity and expressed view of northern Lincolnshire to remain separate from the county area is respected, in accordance with service and economic rationality. Potentially excessive transition costs of a merger are avoided. Transition costs within the county footprint are manageable. Overall, if the purpose of local government is local democratic governance, this is the superior option in the Greater Lincolnshire context. The establishment of coherent jurisdictions is the essential foundation to unlocking the transformative potential of the reform package, economic growth and delivering the Government's Plan for Change. This option delivers that.

Option B – A single county unitary with the status quo North East Lincolnshire and North Lincolnshire	Third	Continuity of the current configuration minimises disruption and offers the greatest potential savings. However a strategic sub-regional not local government unit is created, this entails the disempowerment of Lincolnshire residents and is counterproductive to delivering the government's Plan for Change.	The option is principally designed for continuity. The option presents the starkest strategic trade-off. The current configuration of critical statutory county services will be preserved, along with the greatest opportunity for savings, but at the cost of introducing diseconomies of scale for the most visible local services, an inevitable degree of disempowerment of local residents and neighbourhoods and flattening the articulation of local priorities through the establishment of a sub-regional scale, not local authority. Challenges in multi-level governance with the designated sub-regional governance unit will be introduced and a vacuum will be created with the hyperlocal. Given the volume and proportion of allocated expenditure and the critical nature of the statutory county services that is a reasonable strategic choice. This must be assessed against the necessary disbenefits, especially the degree of local disempowerment that can be tolerated, however as a strategic choice it is contrary to the White Paper and the Government's Plan for Change. Community engagement mechanisms will be compensatory not supplementary and with high risk of failure. The requirement to enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment is not met. Very radical transformation to fundamental operating models, as proposed in Norfolk, may offer a degree of mitigation, but this will be an expensive, complex and fundamentally experimental undertaking, which even if successful will remain inferior in terms of service efficiency and effectiveness, resident voice and democratic accountability to a multi-level division of functions between multiple organisations each aligned to place. Challenges of competing intra-Lincolnshire local identities can be circumvented due to the retreat to the sub-regional Lincolnshire identity; however this limits the opportunity for place based public service reform in consequence from the dislocation from the local. The incoherence of a sub-regional scale authority and two small unitaries is a significant challenge. There is no positive argument for the continued existence of the northern unitaries that does not also apply within Lincolnshire and so undermine the rationale for amalgamations. Significant risk of inequity is introduced between residents of Lincolnshire, and northern Lincolnshire within the Invitation Area and between residents of adjacent Invitation Areas with more compact geographies. Those residents will live in smaller more coherent jurisdictions with superior local voice and opportunities for place based policy – local not sub-regional governance. Lincolnshire residents may question why this is possible for residents in northern Lincolnshire and elsewhere, but not for them, damaging local legitimacy and that of the LGR programme. No change to devolution is required. The Greater Lincolnshire Combined County Authority (GLCCA) will continue to mature. However this forgoes the opportunity to adjust and strengthen the foundations to reflect the new reality of the White Paper. The MHCLG requirement for appropriate population ratios between the principal and strategic authorities will not be fulfilled. Risks will be created for effective multi-level governance. Overall, if local government is conceptualised as an agency for primarily the delivery of social care, and the overriding strategic priority is to prevent disruption to the current high performing configuration then this is the most viable option. However the option is counterproductive to achieving the government's wider strategic goals and the transformative opportunity of LGR.
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Option C - A partition on east/west lines including a merger with North East Lincolnshire and North Lincolnshire	Second	Proposed unitaries achieve the 500,000 population threshold. However this entails the creation of incoherent misaligned jurisdictions at the price of significant disruption and expense.	The option is principally designed for arbitrary scale. The trade-off is incoherent jurisdictions and significant disruption across the Invitation Area. The option is a contortion of the Invitation Area to meet the population thresholds, rather than the sensitive design of jurisdictions following expert best practice to deliver the LGR criteria within the unique context of Greater Lincolnshire. Both the unitary footprints are contrary to the functional economic areas of Greater Lincolnshire. There is minimal to non-existent circulation between Lincoln and northern Lincolnshire, and East & West Lindsey with southern Lincolnshire. Instead of aligning administrative and economic geography the option will create combinations of disparate and potentially competing economic interests and local identities. These are not coherent Places of Places, but expansive artificial constructs, limiting the potential for place based public service reform and risking low public affinity. The misalignment is sub-optimal for economic growth. As highlighted with Humberside County Council, the key test for a successful authority is not service efficiency, savings, or economic growth, but resident identification with the jurisdiction as 'their place'. These jurisdictions risk repeating the Humberside mistake. The size will dislocate local decision-making, inherently disempowering residents. Community engagement mechanisms will be compensatory not supplementary at the proposed scale and with high risk of failure. Northern Lincolnshire will be integrated into Lincolnshire creating challenges for current public service boundaries without a strong economic rationale for change, but this will consolidate devolution by delivering two equal sized units and eliminating perception of disproportionate influence for Northern Lincolnshire. Additional government action would be required to amend the Statutory Instrument. A complex and costly merger of disaggregated county services with Northern Lincolnshire will be required. The complexity and cost is greater than a strict disaggregation within the Lincolnshire county area. The incoherent nature of the resulting jurisdictions whose principal justification is to meet the population criteria is a significant risk to the worthwhileness of service disruption. An option that does not advance disruption may be superior to disruption in the service of incoherent jurisdictions. Overall, the option achieves the population criteria but is otherwise sub-optimal to counterproductive for establishing the coherent jurisdictions that are the essential foundation to unlocking the transformative potential of the reform package and delivering the Government's Plan for Change.
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Option A – A partition on north/south lines with the status quo for North East Lincolnshire and North Lincolnshire

Criteria	Alignment Summary	Rating
1. Sensible Single Tier of Local Government	The option delivers sensibly sized units that can be described as meaningfully local, ensuring responsiveness and enabling the articulation of local priorities with varying place based policy responses throughout the Invitation Area. Alignment with functional economic geography is achieved through sensitive application of good design practice to the unique geography of Greater Lincolnshire. Expert best practice recommends that any division of the Invitation Area into new jurisdictions should be driven by the objective of bringing administrative boundaries into best fit alignment with the underlying functional economic geography. That will maximise the opportunity for economic growth and resident affinity, as the jurisdictions are coherent Places of Places reflecting the areas in which residents live and work. The option achieves this. Alignment to functional economic geography: Best fit alignment with the underlying economic geography, creating the optimal conditions for growth. An evidence led approach would recommend a tripartite split of Invitation Area in central, northern and southern zones. This has been followed. Alignment to public service partner boundaries: Aligns with the present public service boundaries in Greater Lincolnshire. Some partnerships will need to be adjusted. Area decentralisation models will seek alignment with the Primary Care Network footprints.	5
2. 'Right-sized' Local Government	The option achieves the LGR population threshold within the Lincolnshire footprint. This is not achieved in northern Lincolnshire, but that is an acceptable consequence of the legal complexity in merging two unitaries and the overwhelming economic case for their differentiation from Lincolnshire. There is no optimal scale for multi-functional local government. Optimal scale varies by function. 'Right size' will depend on the purpose of the authority. For this option the purpose is to provide local governance of sufficient scale, whilst being tied meaningfully to the local to enhance and empower local voice and maintain articulation of local priorities. However this comes at the cost of disruption to the current county services, which will be a task of operational practice to minimise. The option is the right size to achieve efficiencies, improve capacity and withstand financial shocks. Capacity and Resilience: Scale will lead to a reduction in administrative overheads in Lincolnshire. Review of the academic and expert practitioner literature suggests there is limited to no evidence to support views that the increased scale in itself will have any positive impact on efficiency, performance, costs and resilience to financial shocks on an organisational level. Impacts will vary by function. Disbenefits to other functions, local governance and democratic health will be incurred. These will be minimised across the Invitation Area. Positive change and realisation of projected benefits will be driven by the decisions and quality of the political leadership and managerial practice. The jurisdictions have been matched to the economic geography and coherent places of places to provide the best foundation and opportunities for future policy makers. Transition Costs: Expectation that costs will be manageable. Disaggregation will be required within Lincolnshire however there will be no complex merging of upper tier functions in northern Lincolnshire.	3

3. High Quality, Sustainable Services	Delivers short term disruption within the Lincolnshire county footprint. It is expected that the county services will be largely disaggregated with particular focus on Adult's and Children's Services. This is a necessary consequence for the creation of moderately scaled unitaries aligned to place. Alternatives: multi-level governance with the mayoral for the delivery of functions with sub-regional economies of scale or trusts and other ADMs have been ruled out by MHCLG. Shared services are best undertaken by mature not new organisations. A unitary that requires shared services to deliver services is not viable. Disaggregation is an operational problem that can be delivered safely and successfully. The short term disruption unlocks the transformative opportunity of LGR through the establishment of new organisations with new operating models and cultures. The most innovative techniques for public service reform and the shift to prevention rely on deep local connection, which the unitaries aligned to place will be best suited to deliver. A degree of diseconomies of scale will be introduced for former district services, which are the most visible to residents and inform resident perceptions of their area. However there is great opportunity for place based synergies with other services within the moderately scaled coherent jurisdictions with maintained local connection. Opportunity for Public Service Reform: The key for a successful shift to prevention and the wider public service reform focus on the neighbourhood is local connection and knowledge. The moderately scaled unitaries aligned to place enable strong opportunity for innovative reform throughout the Invitation Area. Impact on current County Services: The option has the necessary strategic trade-off of disrupting the current service configuration. Disaggregation is a risk and a complex operational undertaking; however this can be delivered safely and successfully. Impact on current District Services: Typically district and neighbourhood services have significantly lower economies of scale that have already been realised in the current structures. A degree of diseconomies of scale will be introduced, however there is great opportunity for place based synergies with other services within the moderately scaled coherent jurisdictions with maintained local connection. Performance of these highly visible services has an outsized impact on resident perceptions of their area and council.	4
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4. Meets Local Needs	The option establishes coherent units of sufficient scale for effective community self-governance of place – fulfilling the core purpose of local government across the Invitation Area. An evidence led approach has identified the intra-Invitation Area identities and sensitively designed jurisdictions to match, within the constraints of the LGR criteria. In terms of expressed views of residents that local government should remain as local as possible, the option is successful. Local connection is maintained throughout the Invitation Area. The particular expressed wish of northern Lincolnshire to remain separate in recognition of separate economic interests and public service boundaries is delivered. Stakeholders will see a degree of short term disruption, which will result in the establishment of authorities aligned to the particular places within the Invitation Area, enabling an appropriate tailoring of governance to meet the distinct needs of different areas and communities. Negative impacts from scale to democratic health are minimised, and a democratic deficit is avoided across the Invitation Area. Alignment to Local Identity: Independent engagement highlighted how residents are deeply proud of their area and draw their identity from their local settlement. The option uses travel to work patterns to achieve a best fit of jurisdictions to intra-Lincolnshire identities within the LGR population and resource parameters. Lincoln’s self-governing status is not maintained, but this is impossible to achieve within the LGR population requirements and need to balance council tax bases. Alignment to Local Views: Independent engagement highlighted how an overwhelming majority of respondents strongly value their council feeling local and that giving residents a voice was the highest priority. The option achieves this within the parameters of the LGR population criteria for both Lincolnshire and northern Lincolnshire. It is understood that the political and public view gauged from engagement in northern Lincolnshire is if the status quo is impossible, then the two unitaries should remain separate from the county area. This is achieved. Implications for Democratic Representation: Minimises the risk of democratic deficit from larger scale, through establishing moderate sized unitaries aligned to place. The risk of inequity in democratic representation within the Invitation Area and adjacent Invitation Areas is eliminated. The ratio of electors to elected members will be within the conventional norms of English local government across the Invitation Area. Jurisdiction design to emphasise the creation of coherent places of places – areas with shared interests and identities - ensures that representatives will be incentivised to take both a local view and make decisions in the interest of the whole area.	4
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5. Supports Devolution Arrangements	Alters the status quo and requires government action to amend the Statutory Instrument. The Greater Lincolnshire Combined County Authority (GLCCA) will continue to mature, and conditional on meeting the governance requirements graduate to established status. The Invitation Area is rebalanced into multiple principal authorities representing the distinct sub-areas of the Invitation Area ensuring an appropriate ratio with the strategic authority. Resident concerns that the mayoral governance provides disproportionate influence to some parts of the devolved area are ameliorated. This provides the optimal foundations for effective multi-level governance moving forward. The alignment to the Invitation Area's functional economic geographies enables local place based policy to complement the strategic function of GLCCA. The provision of multiple principal authorities aligned to coherent places of places offers future optionality for the government's English devolution policy. Multi-Level Governance: Delivers principal authorities with appropriate population ratios to the strategic authority, ensuring effective multi-level governance. Each principal authority can develop specialisms aligned with economic clusters supporting locally led delivery, as well as advocate more clearly for place-specific priorities within the devolved area to complement the strategic sub-regional mayoral leadership. Consolidating Devolution: Rebalances the Invitation Area through creating principal unitaries to represent northern, central and southern Lincolnshire, ameliorating current concerns of reduced influence for particular locales within the county footprints compared to North and North East Lincolnshire. Deepening Devolution: Provides for the graduation of GLCCA to established status with additional government action. Provides optionality for future reform. Northern Lincolnshire could be moved into HEYCA to match the ICB cluster reforms without collapsing devolution for Lincolnshire. In a scenario where a the government looks to cluster devolved areas to create regional scale governments in the polycentric localities to provide the optimal institutional framework to drive economic growth and complement the conurbations, the unitaries each tied to a specific place and functional economic area could be manipulated as required for the optimal regional governance configuration.	5
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6. Local Engagement & Empowerment	The option provides conducive conditions for stronger community engagement and genuine opportunity for neighbourhood empowerment. Increased scale necessarily has negative impacts on local democratic health. The twin MHCLG requirements for scale and enhanced resident empowerment are in tension. This option navigates the tension through sensitively designed jurisdictions that align with coherent places of places and balance local connection with sufficient scale. Negative impacts are minimised and a suitable foundation is provided for area decentralisation, which will be supplementary not compensatory. The scale is similar to rural unitaries with long running successful area decentralisation programmes. Area decentralisation thus will not be a step into the unknown, with significant pressure for immediate success. This provides the best opportunity for civic renewal to deliver the government's Plan for Change. Impact on local voice: Negative impact on individual local voice will be minimised. Coherent jurisdictions enable the articulation of local area priorities. Greater opportunity from scale for democratic input from organisational actors – mass media, non-governmental organisations etc., as highlighted by the Council of Europe. Opportunity for community engagement: At the proposed scale, area decentralisation will be supplementary not compensatory. The governance form has a mixed record and will be experimental when applied to the Greater Lincolnshire geography with a high risk of failure. Area committees cannot be relied on to maintain or enhance local connection. The coherent and moderately scaled jurisdictions will provide the best opportunity for success. The moderate scale means the pressure on the mechanisms to immediately perform is less acute enabling a test and grow approach. Multi-Level Governance with the hyper-local: The scale will create a manageable gap with the hyper-local. A national initiative to enhance hyperlocal capacity to compensate is not expected.	5
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Option B - A Single County Unitary with the status quo for North East Lincolnshire and North Lincolnshire

Criteria	Alignment Summary	Rating
1. Sensible Single Tier of Local Government	As an absorption of districts in Lincolnshire and maintenance of the status quo in northern Lincolnshire this offers the simplest structure, meeting key system partner needs, minimising duplication, and reducing management overheads. It consolidates existing service footprints to simplify delivery in theory and strengthens levers of control over wide geographies. However, the large geographic area in Lincolnshire is significantly larger than MHCLG guidance and will reduce responsiveness to local identity and dilute flexibility in local delivery and policy. The footprint is sub-regional scale and cannot be meaningfully described as local. There is an imbalance with northern Lincolnshire, even post a merger of the northern unitaries that is currently prevented by legal technicalities. That risks the legitimacy of the LGR programme in Lincolnshire. Residents will see that local units are possible. Alignment to functional economic geography: The subregional scale sits above all internal Lincolnshire TTWAs, enabling sub-regional strategic economic development. This complicates local economic development and creates potential overlap with the strategic authority tasked with sub-regional economic development. An alignment of administrative and economic geography has been achieved in northern Lincolnshire. Does not resolve the economic alignment of southern Lincolnshire to Cambridgeshire, Rutland and Peterborough. Alignment to public service partner boundaries: Aligns with the present public service boundaries in Greater Lincolnshire and maintains existing partnerships. It is expected that area decentralisation models would seek alignment with the Primary Care Network footprints.	3
2. 'Right-sized' Local Government	The option achieves the LGR population threshold within the Lincolnshire footprint. This is not achieved in northern Lincolnshire, but that is an acceptable consequence of the legal complexity in merging two unitaries and the overwhelming economic case for their differentiation from Lincolnshire. There is no optimal scale for multi-functional local government. Optimal scale varies by function. 'Right size' will depend on the purpose of the authority. For this option if the purpose is to provide critical county services within Lincolnshire without disruption it is the right size. If the purpose is local governance that empowers local residents it is the wrong size. The option implicitly recognises this complexity by the acceptance of significantly undersized authorities in northern Lincolnshire. The option is the right size to achieve efficiencies, improve capacity and withstand financial shocks. Capacity and Resilience: Scale will lead to a reduction in administrative overheads in Lincolnshire. Review of the academic and expert practitioner literature suggests there is limited to no evidence to support views that the increased scale in itself will have any positive impact on efficiency, performance, costs and resilience to financial shocks on an organisational level. Impacts will vary by function. Disbenefits to other functions, local governance and democratic health will be incurred. These will be minimised in northern Lincolnshire and potentially accentuated in Lincolnshire. Positive change and realisation of projected benefits will be driven by the decisions and quality of the political leadership and managerial practice. Transition Costs: Expectation that costs will be low, due to the absence of disaggregation or the complex merging of county or existing unitary functions.	3

3. High Quality, Sustainable Services	Delivers service continuity. Existing partnerships will be maintained. In conditions of wider system reform to the NHS, social care etc. local government will be an anchor of comparative stability. However the potential defensive posture of the continuing model, risks missing the transformation opportunity of LGR and establishing new organisations with new operating models and cultures. The most innovative techniques for public service reform and the shift to prevention rely on deep local connection, which the authority will be disconnected from in Lincolnshire. Diseconomies of scale will be introduced for former district services, which are the most visible to residents and inform resident perceptions of their area. Opportunity for Public Service Reform: The key for a successful shift to prevention and the wider public service reform focus on the neighbourhood is local connection and knowledge. That will be necessarily capped due to the proposed scale, limiting the application of the most innovative reforms in Lincolnshire. Northern Lincolnshire will have greater opportunity to pursue place based reform. Impact on current Upper Tier Services: The current configuration will be preserved. In Lincolnshire, there may be a short term injection of stabilising resources from the former district assets and discretionary services. In northern Lincolnshire opportunities for greater efficiency and sustainability will be lost through the continued operation at scales significantly below the optimal. Impact on current Lower Tier Services: Typically district and neighbourhood services have significantly lower economies of scale that have already been realised in the current structures. Diseconomies of scale will be introduced in Lincolnshire. Performance of these highly visible services has an outsized impact on resident perceptions of their area and council.	4
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4. Meets Local Needs	Assessment of alignment to local need is challenging for this option. In terms of expressed views of residents that local government should remain local within the constraints of the LGR, it is unsuccessful. For stakeholders who may wish to avoid short term disruption it is suitable. How weight should be accorded to the views of varying stakeholders is a matter for MHCLG. Local connection is maintained for residents of northern Lincolnshire and accords with their expressed views to remain separate from the Lincolnshire county area. As a retreat to the sub-regional Lincolnshire identity, the option does not need to demonstrate alignment with intra-Lincolnshire identities. There is risk for how local particularity and diverse needs would be effectively captured and actioned. There is significant risk in a democratic deficit and the reduction in resident voice as a consequence of scale. This is intensified by the solution for northern Lincolnshire which will likely retain current ratios of electors to councillors. Alignment to Local Identity: Independent engagement highlighted how residents are deeply proud of their area and draw their identity from their local settlement. Strong alignment in northern Lincolnshire is achieved. The sub-regional scale means that alignment with intra-Lincolnshire local identities is unnecessary. The retreat to the sub-regional Lincolnshire identity has trade-offs for capturing and articulating local particularities. Responsiveness will be reduced. Alignment to Local Views: Independent engagement highlighted how an overwhelming majority of respondents strongly value their council feeling local and that giving residents a voice was the highest priority. The option fails to deliver this for Lincolnshire county area residents but does deliver for northern Lincolnshire residents. It is understood that the political and public view gauged from engagement in northern Lincolnshire is if the status quo is impossible, then the two unitaries should remain separate from the county area. This is achieved. Implications for Democratic Representation: Exacerbates the democratic deficit from larger scale. Risks creating inequity in democratic representation within the Invitation Area and adjacent Invitation Areas. Strict adherence to the LGBCE guidance on elected member numbers will bring the ratio of electors to councillors outside conventional norms for English local government (excepting extraordinary cases like Birmingham) in Lincolnshire. This will likely not occur in northern Lincolnshire, or to the same degree in adjacent Invitation Areas. Lincolnshire residents would necessarily have significantly less access to their representatives than they currently receive. Representatives would also be incentivised to take a strategic sub-regional not local view in decision making.	2
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5. Supports Devolution Arrangements	Maintains the status quo and requires no alteration to the Statutory Instrument. The Greater Lincolnshire Combined County Authority (GLCCA) will continue to mature, and conditional on meeting the governance requirements graduate to established status. However the governance arrangement was designed for the pre-White Paper world, where the principal objective was delivering devolution to Greater Lincolnshire in the face of significant public scepticism, politically expressed at the district level that had resulted in the failure of a previous deal. The new world of principal and strategic authorities that LGR delivers creates a new challenge of ensuring appropriate ratios to the strategic authority and opportunity to deliver balanced representation within the Invitation Area for better strategic fit. A subregional Lincolnshire authority and two northern unitaries does not deliver that, weakening the foundations of devolution moving forward. The ICB cluster reforms have highlighted the strategic tension within the Invitation Area of the cross-Humber orientation of public services in the north. Without service boundary changes that have limited economic rationale, the Greater Lincolnshire mayor's ability to perform the expansive system leader role envisioned by the White Paper will be constrained. That limitation will be preserved, any move of northern Lincolnshire into HEYCA would collapse devolution in Lincolnshire. Risk to Effective Multi-Level Governance: Does not meet the MHCLG requirement of sensible population ratios between principal authorities and the strategic. Risk of dysfunction from an oversized principal authority assuming a sub-regional strategic role, so perception that GLCCA is a superfluous additional layer or disproportionate influence for undersized principal authorities in the asymmetric population scenario. Consolidating Devolution: Risks exacerbating not ameliorating public scepticism on the mayoral model, which is particularly pronounced in southern Lincolnshire, as highlighted in the public consultation on the devolution deal and mayoral governance model. Deepening Devolution: Provides for the graduation of GLCCA to established status without additional government action. Limits the optionality of future reform to cluster devolved areas to create regional scale governments in the polycentric localities to provide the optimal institutional framework to drive economic growth and complement the conurbations as recommended by Re:State. In that scenario, the north and south of the Invitation Area would have divergent strategic interests – the north would look cross-Humber, the south into the East Midlands and East of England.	2
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6. Local Engagement & Empowerment	The option fails to provide the conditions for stronger community engagement and genuine opportunity for neighbourhood empowerment throughout the Invitation Area. Sub-regional scale necessarily comes at the cost of disempowering residents and diluting local voice. It is not a scale for local governance or empowerment as conventionally understood and applied. The twin MHCLG requirements for scale and enhanced resident empowerment are in tension. The option navigates the tension by accepting the disempowerment of Lincolnshire residents (but not northern Lincolnshire residents) within the county footprint as a strategic trade off to preserve the current county service configuration. The scale is counterproductive to MHCLG's policy to enhance local voice, empower neighbourhoods and drive civic renewal in line with the Plan for Change. Tension and risk of inequity in the maintenance of local sized unitaries in northern Lincolnshire and the potential creation of similar in adjacent Invitation Areas, which will provide superior local voice for those residents. Mitigation mechanisms for empowerment would be experimental and with acute pressure placed on them to perform. The mixed record of area decentralisation measures in English local governance does not set a positive precedence in this regard. The existence of a sub-regional scale unitary in North Yorkshire is not an applicable precedent. North Yorkshire was reorganised under the 2019-2024 Conservative government. The then government and LGR criteria placed a significantly lower emphasis on neighbourhood empowerment and did not require for LGR to deliver enhancement. Impact on local voice: Individual local voice will be reduced along with the articulation of local area priorities in Lincolnshire. This will not be experienced in northern Lincolnshire. Greater opportunity from scale for democratic input from organisational actors – mass media, non-governmental organisations etc., as highlighted by the Council of Europe. Opportunity for community engagement: At a subregional scale, area decentralisation will be compensatory not supplementary. The governance form has a mixed record and will be experimental when applied to the Greater Lincolnshire geography with a high risk of failure. Area committees cannot be relied on to maintain or enhance local connection. Success would require a long term commitment to localism over simplistic notions of efficiency from the political and managerial leadership. Community engagement will be weakened compared to the status quo. Multi-Level Governance with the hyper-local: The scale will create a significant gap with the hyper-local in Lincolnshire. A national initiative to enhance hyperlocal capacity to compensate is not expected.	1
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Option C - A partition on east/west lines including a merger with North East Lincolnshire and North Lincolnshire

Criteria	Alignment Summary	Rating
1. Sensible Single Tier of Local Government	The option is contrary to the underlying economic geography, creating incoherent units to meet the population threshold, rather than a sensitive application of good design practice to the unique geography of Greater Lincolnshire. This risks dysfunction through incoherent combinations of interests that do not reflect residents' sense of place. Expert best practice recommends that any division of the Invitation Area into new jurisdictions should be driven by the objective of bringing administrative boundaries into best fit alignment with the underlying functional economic geography. That will maximise the opportunity for economic growth and resident affinity, as the jurisdictions are coherent Places of Places reflecting the areas in which residents live and work. The option does not achieve this. Alignment to functional economic geography: Not aligned with the underlying economic geography. There is minimal to zero commuter interaction between northern Lincolnshire and Lincoln, and East and West Lindsey with southern Lincolnshire. An evidence led approach would recommend a tripartite split of Invitation Area in central, northern and southern zones. Alignment to public service partner boundaries: Not aligned with current police, fire and health boundaries. Northern Lincolnshire's public service orientation is cross-Humber. It is expected that area decentralisation models would seek alignment with the Primary Care Network footprints.	2
2. 'Right-sized' Local Government	The option achieves the LGR population threshold within the Invitation Area footprint. There is no optimal scale for multi-functional local government. Optimal scale varies by function. 'Right size' will depend on the purpose of the authority. For this option if the purpose is to meet the strict LGR criteria upper threshold for population then it is the right size. However the size is achieved at the expense of alignment with the functional economic geography and intra-Invitation Area identities – limiting the jurisdictions potential as coherent units of local governance. The merging of northern Lincolnshire with elements of the Lincolnshire county footprint causes significant complexity and disruption with attendant costs. The option is the right size to achieve efficiencies, improve capacity and withstand financial shocks. Capacity and Resilience: Scale will lead to a reduction in administrative overheads in the Invitation Area. Review of the academic and expert practitioner literature suggests there is limited to no evidence to support views that the increased scale in itself will have any positive impact on efficiency, performance, costs and resilience to financial shocks on an organisational level. Impacts will vary by function. Disbenefits to other functions, local governance and democratic health will be incurred. Positive change and realisation of projected benefits will be driven by the decisions and quality of the political leadership and managerial practice. Transition Costs: Expectation that costs will be very high, due to the disaggregation and merging of county services and functions from multiple unitary authorities.	3

3. High Quality, Sustainable Services	Disrupts service continuity. Complex disaggregation and mergers will need to take place, complicated by the crossing public service boundaries for fire, police and health in the north without economic rationale. The most innovative techniques for public service reform and the shift to prevention rely on deep local connection, which the authority will be disconnected from across the Invitation Area. Diseconomies of scale will be introduced for former district services, which are the most visible to residents and inform resident perceptions of their area. Place based synergies will be constrained by the incoherent geography. The misalignment with functional economic geography and intra-Invitation Area interests and identities makes the justification for disruption challenging. Opportunity for Public Service Reform: The key for a successful shift to prevention and the wider public service reform focus on the neighbourhood is local connection and knowledge. That will be necessarily limited to due to the creation of unitaries at a scale divorced from the local and which are also an incoherent misalignment of interests. Impact on current County Services: The current configuration would be disrupted. Service disaggregation would be most likely consequence. The balance of expert and professional opinion is that it would significantly more complex and costly to undertake a disaggregation of current county services, then a merger with the two northern unitaries, than a strict disaggregation within the county footprint. An example is Fire & Rescue. The different Fire authority in northern Lincolnshire (Humberside FRA) would complicate a theoretical transfer of governance to the PCC as could be undertaken in Lincolnshire, and thus may require an FRA for each unitary with disruption and consequences for public safety. Impact on current District Services: Typically district and neighbourhood services have significantly lower economies of scale that have already been realised in the current structures. Diseconomies of scale will be introduced across the Invitation Area. Place based synergies will be constrained by the incoherent geography. Performance of these highly visible services has an outsized impact on resident perceptions of their area and council.	3
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4. Meets Local Needs	The option does not deliver coherent units for effective community self-governance of place. In terms of expressed views of residents that local government should remain local within the constraints of the LGR, it is unsuccessful. In terms of aligning with the intra-Invitation Area interests and identities it is unsuccessful. The expressed views of northern Lincolnshire to remain separate from the Lincolnshire county area is not met. The local connection is not maintained for residents of across the Invitation Area. Stakeholders will experience short term disruption, with particular complex solutions for Fire & Rescue, without the reward of jurisdictions aligned to functional economic areas, identities or interests. Particular risk in the creation of unitaries with sharply divergent or competing interests without a shared identity for political functionality. Alignment to Local Identity: Independent engagement highlighted how residents are deeply proud of their area and draw their identity from their local settlement. The option is not aligned with intra-Lincolnshire local identities. Particular concern for the northern unitary which has to balance and articulate the very different interests of Lincoln and northern Lincolnshire. Likewise the pairing of East Lindsey with southern Lincolnshire, which have limited interaction and shared interests. Dysfunctional zero sum politics on resource allocations is risked in both unitaries. Alignment to Local Views: Independent engagement highlighted how an overwhelming majority of respondents strongly value their council feeling local and that giving residents a voice was the highest priority. The option fails to deliver this across the Invitation Area. It is understood that the political and public view gauged from engagement in northern Lincolnshire is if the status quo is impossible, then the two unitaries should remain separate from the county area. This is not achieved. Implications for Democratic Representation: Does not exacerbate the democratic deficit within the Invitation Area. Ratios between electors and elected councillors are high, but within conventional norms of English local government.	2
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5. Supports Devolution Arrangements	Alters the status quo and requires government action to amend the Statutory Instrument. The Greater Lincolnshire Combined County Authority (GLCCA) will continue to mature, and conditional on meeting the governance requirements graduate to established status. The Invitation Area is rebalanced into two principal authorities ensuring an appropriate ratio with strategic authority. This provides the foundations for effective multi-level governance moving forward. The place based focus of the principal authorities is impacted by the incoherence of each jurisdiction. For example, the northern unitary which has to balance and articulate the very different interests of Lincoln and northern Lincolnshire. However this does enable the integration of northern Lincolnshire into Lincolnshire consolidating devolution. Public service boundaries will be misaligned in the north. Ideally public service boundaries should be altered to reflect the underlying functional economic areas, currently there is limited economic rationale for altering northern Lincolnshire's cross-Humber orientation to integrate with Lincolnshire. In this option that argument will be significantly stronger, to enable the Greater Lincolnshire mayor to perform expansive system leader role envisioned by the White Paper however it is sub-optimal practically and economically. Effective Multi-Level Governance: Achieves the MHCLG requirement of sensible population ratios between principal authorities and the strategic. Risk of dysfunction from an oversized principal authority assuming a sub-regional strategic role, so perception that GLCCA is a superfluous additional layer or disproportionate influence for undersized principal authorities in the asymmetric population scenario. Consolidating Devolution: Achieves an integration of northern Lincolnshire into Lincolnshire, rebalancing the devolved area. Potential mayoral role in balancing the competing interests of the incoherent principal authorities. That would be mitigating role, coherent jurisdictions aligned to place would be superior complements to the mayoral authority. Deepening Devolution: Provides for the graduation of GLCCA to established status with additional government action. Limits the optionality of future reform to cluster devolved areas to create regional scale governments in the polycentric localities to provide the optimal institutional framework to drive economic growth and complement the conurbations as recommended by Re:State. In that scenario, the north and south of the Invitation Area would have divergent strategic interests – the north would look cross-Humber, the south into the East Midlands and East of England. That optionality will have been prevented by the economically sub optimal northern Lincolnshire integration.	3
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6. Local Engagement & Empowerment	The option provides suboptimal conditions for stronger community engagement and genuine opportunity for neighbourhood empowerment throughout the Invitation Area. Scale necessarily comes at the cost of disempowering residents and diluting local voice. The twin MHCLG requirements for scale and enhanced resident empowerment are in tension. The option navigates the tension through the provision of area decentralisation and engagement mechanisms; however the scale and incoherent jurisdictions are not ideal for their successful application. Risk of inequity with residents of northern Lincolnshire is eliminated. Mitigation mechanisms for empowerment would be experimental and with acute pressure placed on them to perform. The mixed record of area decentralisation measures in English local governance does not set a positive precedence in this regard. Impact on local voice: Individual local voice will be reduced along with the articulation of local area priorities. Greater opportunity from scale for democratic input from organisational actors – mass media, non-governmental organisations etc. as highlighted by the Council of Europe. Opportunity for community engagement: At the proposed scale, area decentralisation will be compensatory not supplementary. The governance form has a mixed record and will be experimental when applied to the Greater Lincolnshire geography with a high risk of failure. Area committees cannot be relied on to maintain or enhance local connection. Success would require a long term commitment to localism. Multi-Level Governance with the hyper-local: The scale will create a significant gap with the hyper-local in the Invitation Area. A national initiative to enhance hyperlocal capacity to compensate is not expected.	3
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SECTION 4

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HOW OUR PROPOSAL MEETS THE SIX MHCLG CRITERIA

4.1	Criterion 1: Sensible Single Tier of Local Government - A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government
4.2	Criterion 2: Right-sized Local Government - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks
4.3	Criterion 3: High Quality, Sustainable Services - Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens
4.4	Criterion 4: Informed by local views - 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
4.5	Criterion 5: Devolution - New unitary structures must support devolution arrangements
4.6	Criterion 6: Local Engagement & Empowerment - New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment

SECTION 4: LGR Criterion 1: Sensible Single Tier of Local Government

A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.

- a) Proposals should be for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area.*
- b) Proposals should be for a sensible geography which will help to increase housing supply and meet local needs.*
- c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement.*
- d) Proposals should describe clearly the single tier local government structures it is putting forward for the whole of the area, and explain how, if implemented, these are expected to achieve the outcomes described.*

Our Jurisdictional Design Objective: The proposed jurisdictions are sensible geographies aligned to economic geography, do not provide undue advantage or disadvantage and facilitate the delivery of public policy goals (e.g. housing and economic growth).

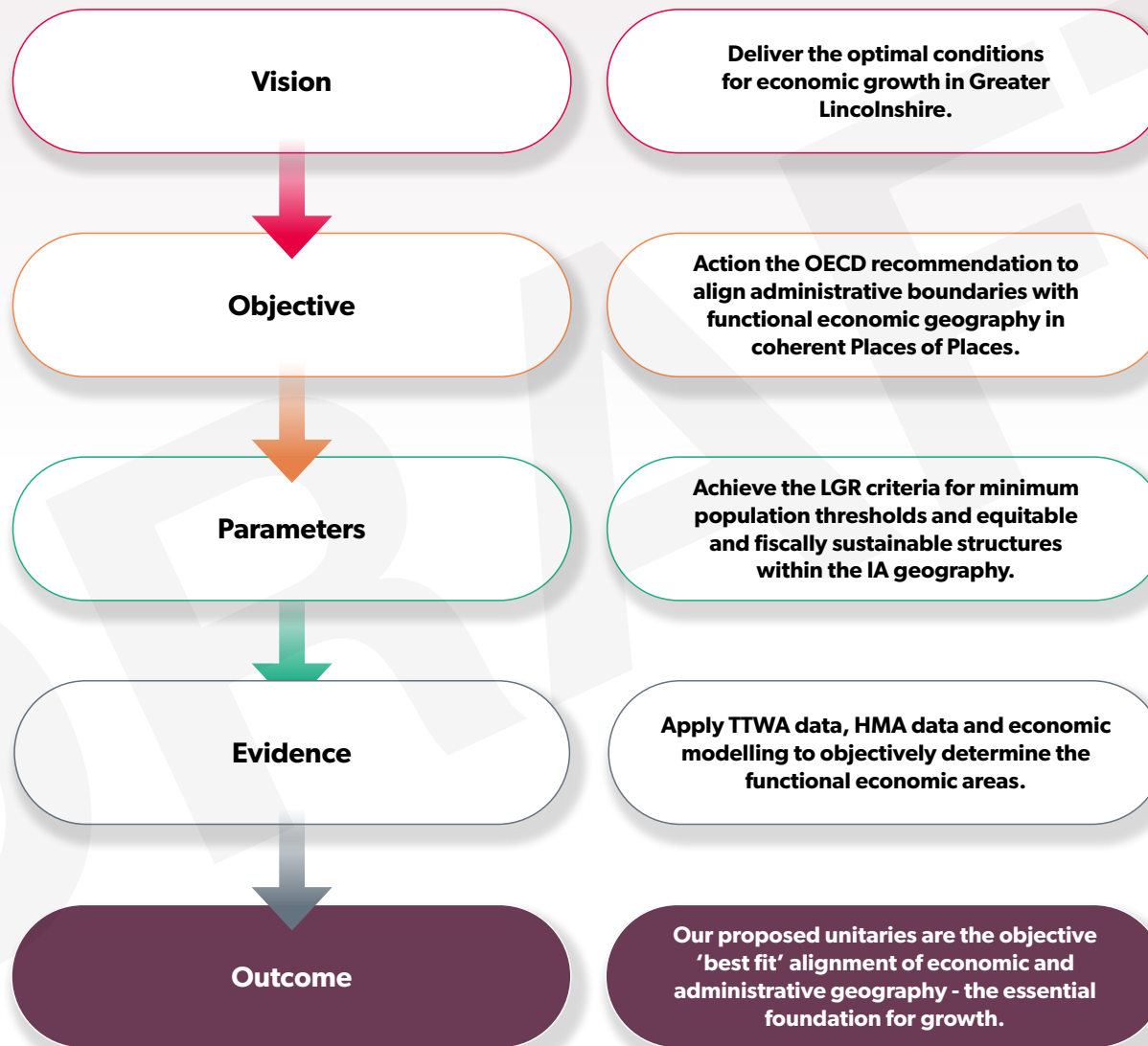
Summary of Policy Challenges

- Jurisdictions must align with functional economic geography as the essential foundation to delivering the Government's economic growth and housing priorities.
- Jurisdictions must be a coherent 'Place of Places' that residents have affinity with to enable successful and meaningful local governance.
- Jurisdictions must support and complement the Greater Lincolnshire Combined County Authority to provide multi-level economic governance.

Our proposed jurisdictions deliver:

- The objective 'best fit' alignment to the functional economic areas of Greater Lincolnshire as determined by the underlying data.
- Coherent 'Place of Places' within the diverse geography of Greater Lincolnshire as determined by the underlying data.
- The ideal sites for future place-based economic development functions to support the sub-regional leadership role of the strategic authority within a multi-level framework.

Designing for Economic Growth



Economic Foundations

Task: Jurisdictions must align with functional economic geography as the essential foundation to delivering the Government's economic growth and housing priorities.

Our proposal jurisdictions deliver the 'best fit' alignment to the functional economic areas of Greater Lincolnshire. Establishing the optimal conditions for kickstarting economic growth.

Driving economic growth is a key objective of the English Devolution White Paper and the LGR programme. Speaking at the party conference, the Secretary of State Steve Reed M.P. stated that the key priority for the LGR programme was boosting economic growth.

“Everything we hope to achieve as a government is only possible if we get Britain building”

The English Devolution White Paper identifies that fragmentation of governance across local economies causes problems for local economic performance. Aligning economic and administrative geography where possible is essential to delivering the Government's missions for economic growth and housing. In a situation where the two are disconnected, **it is rational for local politicians to block economic activity**. The reward for voters and local politicians from increasing economic activity in that scenario are the dis-amenity costs of increased congestion, land development, and pressure on local services. **Ensuring alignment is the necessary first step to correcting this problem, so maximising the impact of the government's planning reforms and laying the essential foundations for a future exploration of fiscal devolution opportunities.**

It is significantly easier to alter public service boundaries to reflect the underlying economic geography than the reverse. Functional economic areas tend to be more durable and thus serve as a better foundation for long-term governance arrangements. This important step must be taken in a highly evidence-led way. At a broader geographic, demographic and economic scale, misaligned boundaries would risk undermining not only local, but also national outcomes.

This is a matter of widespread consensus, advanced by the New Economics Foundation, Re:State and most fully by the Centre for Cities as part of the Resolution Foundation's with the London School of Economics' Economy 2030 Inquiry.²⁸

28. A Breach & S Bridgett, Centralisation Nation: Britain's system of local government and its impact on the national economy, Centre for Cities, September 2022 Available at: <https://www.centreforcities.org/wp-content/uploads/2022/09/Final-Centralisation-Nation-02-09-2022.pdf> [Accessed on 4 November 2025]

The OECD recommend for economic and administrative geography to be aligned to ensure that decentralisation positively impacts economic growth. Decentralisation in of itself or to the wrong geography does not automatically drive growth. **The OECD also advise that in light of the consistent international experience for limited realisation of projected savings or improved performance post amalgamation and the strong evidence for deleterious impacts on local democratic health, achieving economic and administrative alignment should be a prime rationale for states considering local amalgamations and is one of the most realisable benefits from doing so.**²⁹

Jurisdictional design needs to be undertaken sensitively and in a differentiated manner nationally. The OECD have found that reducing fragmentation may have a heterogeneous impact within a country. **A place based approach is recommended over one size-fits-all policies. The OECD recommend that the principle guiding amalgamation should not be the average size at the country level. Size should be weighted for the rural/urban characteristics of each region. This is because the costs and benefits of fragmentation to economic performance have a different weight in urban and rural regions.** The negative impact of fragmentation on economic performance decreases with the share of population living in rural areas. In extremely rural regions the effect turns mildly positive.³⁰

The reason is the differing characteristics of hub-and-spoke and polycentric economies. In a hub-and-spoke region it is economically optimal to eliminate fragmentation to bring the entirety of a conurbation under a single governance structure to provide system level leadership, especially for spatial and transport planning. This does not prevent a multi-level division of functions within the area. The government has done this with the metro mayors in the Manchester, Liverpool and West Midlands city regions and others.

In polycentric regions, composed of multiple smaller nodes and functional economic areas, multiple governance units covering each 'place of places' is optimal for growth, as varying place attuned policies can be pursued. These would then sit under a governance structure to provide regional level leadership, coordinating and balancing the interests of the various nodes, and representing the region with a single voice on the national and international stage. The government is doing this with the establishment of principal and strategic authorities.³¹

29. OECD (2019), Making Decentralisation Work: A Handbook for Policy-Makers, OECD Multi-level Governance Studies, OECD Publishing, Paris. Available at: <https://doi.org/10.1787/g2g9faa7-en> [Accessed 4 November 2025]

30. Bartolini, D. (2015), "Municipal Fragmentation and Economic Performance of OECD TL2 Regions", OECD Regional Development Working Papers, No. 2015/02, OECD Publishing, Paris. Available at: <https://doi.org/10.1787/5jrxqs60st5h-en> [Accessed 4 November 2025]

31. Re:State (July 2025), Go Big or Go Home: Governing England's Polycentric Regions. Available at: <https://re-state.co.uk/wp-content/uploads/2025/07/Go-big-or-go-home.pdf> [Accessed 4 November 2025]

System	LGR Invitation Area Example	Features
Hub-and-Spoke	Leicester, Leicestershire & Rutland	Dominated by a central, economically productive urban core (e.g. London, Manchester, Birmingham).
		Surrounding areas – commuter belts, satellite towns, and smaller cities – are economically and socially linked to the core.
		Functional economic geography radiates out from the core, with infrastructure (transport, housing and services) designed to serve the central hub.
Polycentric	Greater Lincolnshire	Lack a single dominant urban centre and consist instead of a network of smaller, dispersed hubs (e.g. Greater Lincolnshire, East Anglia, Cornwall, the North East).
		Lower population density, with economic activity spread across multiple towns and smaller cities.
		Weaker gravitational pull between hubs. Interconnections are less hierarchical and more distributed.
		Functional economic geography is diffused, requiring broader coordination across hubs.

The policy implications for delivering the optimal conditions for economic growth in Greater Lincolnshire through reorganisation are clear:

Multiple place-based units of sufficient scale aligned to the internal functional economies of Greater Lincolnshire. Each a coherent ‘place of places’ to provide deep local expertise to complement the strategic authority in the Greater Lincolnshire Combined County Authority (GLCCA).

Political Economy

Task: Jurisdictions must be a coherent ‘Place of Places’ that residents have affinity with to enable successful and meaningful local governance.

Our proposed jurisdictions sensitively deliver coherent ‘Place of Places’ within the diverse geography of Greater Lincolnshire.

“Local authority areas should be related to the areas within which people have a common interest—through living in a recognisable community, through the links of employment, shopping or social activities, or through history and tradition. And, above all else, a genuine local democracy implies that decisions should be taken—and should be seen to be taken—as locally as possible”³²

LGR is a task of local state building. Designing jurisdictions with coherent geographies is critical to political success and functioning governance. In Greater Lincolnshire, we are leaders of Place(s) or a Place of Places. It is essential for that Place to be a coherent combination of interests, so that there is a common identity and for all parties to be invested in its success as a whole.

As has already been witnessed in Scotland and Wales since 1997, what has helped to normalise, stabilise and embed processes of devolution has **not been evidence of effective service delivery, more efficient governance or economic growth. It has been the development of distinct political cultures and public affinity with the devolution project itself.**³³ Success means public affinity with the new unitaries. Failure looks like the premature dissolution of Humberside County Council.

Achieving that is challenging. The specific local needs and aspirations of residents of one part of the Invitation Area will not coincide with those of another. Greater Lincolnshire is a polycentric economy of mid-sized market towns. Each has a distinct local identity, which has been historically tied to governance and is a source of fierce local pride that underpins a lively civic politics that is vocal in articulating, defending and pursuing the interests of their place. Our independent engagement found that residents principally identify with their town and very strongly value the local element of governance.

32. HM Government, Local Government in England: Government Proposals for Reorganisation, [Online]. Available at: <https://www.gov.uk/government/publications/local-government-in-england-government-proposals-for-reorganisation-1971> [Accessed 4 November 2025].

33. Hickson, J. and Newman, J. (2025), Localism, Levelling Up and Taking Back Control: Tensions in the Ambiguous Justification of English Devolution. The Political Quarterly. Available at: <https://doi.org/10.1111/1467-923X.13570> [Accessed 4 November 2025].

This can result however in a local political dynamic where there is widespread perception amongst all places, that a place, that is not theirs, has disproportionate local power and influence, and receives disproportionate attention and resources. This is not unfounded, the OECD have highlighted reports of service degradation in peripheral areas following amalgamation and subsequent local centralisation in France, Japan and New Zealand.³⁴

What matters locally for residents is resources and attention that could or should have gone to their place to solve their problems has not. A poorly designed jurisdiction will exacerbate this leading to dysfunction.

Our public engagement in the towns and markets highlighted that residents are keenly aware of this. **A common question was where will the new councils be based, meaning where will the money and power be located.**

This is a challenge for all Invitation Areas but is particularly intense in Greater Lincolnshire due to our expansive geography. It takes as long to drive from one end of the IA to the other, as it is to drive from South Lincolnshire to Westminster. Within a conurbation like Birmingham all residents have a shared interest in the economic success of the city or the functioning of city wide transport systems. That is not the case in Greater Lincolnshire.



34. OECD, Multi-level Governance Reforms: Overview of OECD Country Experiences, OECD Multi-level Governance Studies, OECD Publishing, Paris, [Online]. Available at: <http://dx.doi.org/10.1787/9789264272866-en> [Accessed 4 November 2025].

Shared interests are inevitably weaker in more expansive geographies. Indeed the likelihood of jurisdictions composed of areas with divergent economic interests increases. There can be greater acceptance of resources allocated to a neighbouring town if it's 'our friends just over the hill'. A resident may fairly frequently visit and make use of those facilities. If the authority consists of areas separated by vast distances this is no longer the case. If they do not live in, work in or even visit the area, the needs of Town A are of lower importance to residents of Town B.

As far as the residents of Town B are concerned, support for Town A by the Council, may as well be making a benevolent contribution for service provision to an authority in East Anglia or the West Midlands.

Worse if there is a perception that this was done with 'their resources', reserves and assets built from long local prudence and sacrifice that have been 'seized' and 'squandered' by the successor authority. The political result is a strong incentive for zero sum politics. An authority where political activity is geared towards the maximisation of resources for your particular place risks dysfunction. In the most severe scenario of economic misalignment, the rational economic response is for an area to seek to exit the unitary at the earliest opportunity or actively campaign for its dissolution. If that is prevented by central government, then soft exit or decoupling is possible, where the central objective of all local politics is to minimise the outflow of resources from their area. This has been observed in asymmetrical local government partnerships on the continent.³⁵ The outcome is dysfunction, with limited commitment to the shared success of a jurisdiction for which there is little economic logic for or popular affinity with.

Within the parameters of the LGR criteria, there are two approaches to this challenge:

1. Sensitively design jurisdictions to capture as best as possible how residents live and work to create authorities of shared affinity and interest
2. Retreat to the sub-regional interest and identity of Lincolnshire and govern on a strategic sub-regional basis

Our proposal takes the first approach.

We consider that the second approach solves the challenge by effectively retreating from the local. The meaningful political and administrative articulation of the existing local geographic differentiation will be diluted and flattened, in the name of policy and service consistency. The government's objective to empower residents and local control would not be delivered. We have demonstrated that Greater Lincolnshire lacks the spatial population concentrations that make that model appropriate for North Yorkshire. An implicit conflict would be created with the designated sub-regional governance body in the strategic authority. There would be particular vulnerability in the IA's border zones, including internally with North and North East Lincolnshire, where residents would see neighbours in more compact IA's receiving governance better attuned to the specific needs of local place. All that would have been achieved is the creation of a mini Whitehall in Lincoln. If local government is primarily considered to be central government's lieutenant in the localities that is a satisfactory outcome. If its purpose is to provide community self-governance of place, then this is not satisfactory.

35. Hulst, Rudie & van Montfort, André (Eds.). (2007). *Inter-Municipal Cooperation in Europe*. Dordrecht: Springer. doi.org/10.1007/1-4020-5379-7 [Accessed on 4 November 2025]

Effective Multi-Level Economic Governance with the Strategic Authority

Jurisdictions must support and complement the Greater Lincolnshire Combined County Authority to provide multi-level economic governance. It is the task of the Mayor to deliver sub-regional level strategic economic leadership and development, with the Local Growth Plan being the centre piece of that. It is the task of the principal authorities to provide complementary place leadership and economic development.

In this context, arguments that benefits of strategic growth can be maximised when delivered at scale across a wider geographical footprint covering areas of low and high growth, with a stronger single voice creating a more attractive proposition for investors are either irrelevant pertaining to amalgamations – that is the role of the mayor, or serve to undermine the division of functions between principal and strategic authorities if accepted and actioned.

Place based economic development and meaningful engagement with business clubs and town councils requires a depth of knowledge and sensitivity to local concerns. The clear value add of principal authorities to the mayoral authority is to provide that deep local expertise. Place leadership can deliver targeted policies and programmes. Each jurisdiction can develop specialisms aligned with economic clusters supporting locally-led delivery, as well as advocate more clearly for place-specific priorities. That can only be achieved if the jurisdictions have a strong local connection and are aligned with the functional economic geography.

Our proposed jurisdictions are aligned with the underlying economic data and the distinctive economic zones identified in GLCCA policy, providing future place-based economic development functions to support the sub-regional leadership role of the strategic authority.



Identifying the Functional Economies of Greater Lincolnshire

Data driven analysis reveals three basic features to the functional economic landscape of Greater Lincolnshire.

- North and North East Lincolnshire display a nationally unusual high degree of labour market containment, with a markedly more industrial and urbanised character to the rest of Lincolnshire and are economically oriented to Humberside and East Yorkshire.
- The area lacks a single dominant metropolitan core of sufficient size for a hub-and-spoke city region à la Leicester. Lincoln is the largest node in a polycentric market town economy, however the built up area is too small to be extricated from the wider Invitation Area, unlike York or Bath.
- South Lincolnshire displays an economic orientation to Peterborough and Cambridgeshire.

This exercise operates under a number of constraints preventing a division from pure economic rationality:

- The LGR population requirements. Economic optimisation would require authorities smaller than the minimum threshold of 350,000. Especially in dealing with the governance of Lincoln.
- Requirement to ensure an equitable split of council taxbases.
- Strong MHCLG steer to use districts as building blocks, avoiding complex boundary changes. This is particularly impactful. The expansive size of the Invitation Area means that existing districts can include self-contained travel to work areas and residents located in the north of a district will have limited to no commuter interaction with a district on the southern border. Commuting between districts is often less movement from district A to B, instead it is often movement from immediate border MSOA of district A into border MSOA of district B. The inability to exchange border MSOA in this exercise means that careful consideration is needed on the extent of the relationship between district A and B.
- Strong MHCLG steer against multi-IA proposals.
- Local identity and opinion. There has been no expressed political appetite for a solution involving a South Lincolnshire/Peterborough/Cambridgeshire merger on both sides of the border.

Within the confines of Greater Lincolnshire, it is our task to identify a best fit to the underlying functional economic geography that is compliant with the LGR criteria.

We have not sought to model impacts on economic growth, job numbers or business demography. We cannot bind the actions of a future unitary, only devise the optimal footprint of that organisation. The theory of change for such modelling would be the learning and replicability of existing place based interventions being incorporated into the new unitary. The impact that could be ascribed to micro-interventions is very uncertain. We do not consider statements that X configuration will deliver Y additional jobs to be robust or meaningful data to inform decision-making in this process.

The Evidence

We have used four evidence strands to objectively determine the functional economic areas. The underlying data is presented in full in Appendix 3.

Current Greater Lincolnshire Strategic Economic Planning

The former Greater Lincolnshire Local Enterprise Partnership (GLLEP) built up a significant evidence base to inform strategic economic development in Greater Lincolnshire, including the identification of distinctive places or economic zones for strategic planning purposes. That expertise and capacity has now been transferred to the Greater Lincolnshire Combined County Authority (GLCCA) and is underpinning the developing strategies and activity of the mayoral authority. It is preferable for new unitaries' geography to be aligned with existing economic policy.

Travel to Work Areas – ‘See Appendix 3 for a comprehensive set of travel to work data for the Invitation Area’

Travel to Work Areas (TTWAs) are a statistical geography that approximate labour market areas: self-contained areas in which most residents both live and work. The Centre for Cities recommends for TTWA data to be used as the go-to ‘hard’ indicator to capture residents’ revealed behaviour and degree of economic integration for determining functional economic areas which administrative boundaries should be aligned to. For example, if the TTWA shows very little interaction between two places this would suggest low affinity and shared local interests. It would not be a coherent Place of Places, therefore local governance would be best served by separately grouping each place with other places that demonstrate greater TTWA alignment.

The Travel to Work data has limitations. The 2021 commuter flow data captures the situation of March 2021, a period when COVID-19 movement restrictions were in force. The ONS advises against placing too much weight on statistics from that extraordinary period for future planning purposes and with particular caution for geographies below the regional. Therefore the 2021 commuter flow data has been supplemented by and checked against the 2011 data to ensure that the dataset can be confidently used as a firm foundation for policy planning. The 2011 data being the base for the defined Travel to Work Areas (TTWAs). A very high degree of alignment is observed between the two datasets, demonstrating that the pandemic saw a temporary reduction in commuter numbers, but the underlying patterns remained stable.

Housing Market Areas

Housing Market Areas (HMAs) are a statistical geography that approximates functional housing markets. These are identified by commuting patterns, internal migration patterns and local price, neighbourhood and house type. Planning for housing is complicated by the fact that market dynamics and population changes do not respect administrative boundaries. Therefore when designing larger jurisdictions it is sensible to achieve a best fit of HMAs to enable effective spatial planning. This is especially critical considering the government’s housing priorities. However, HMAs do not play a prominent role in modern spatial planning, with the current defined geographies dating back to an MHCLG (as DCLG) report from 2010, that for the East Midlands is based on a consultancy report from 2005.³⁷ Thus the HMAs should be considered in tandem with the TTWAs.

36. Centre for Cities (2022), Devolution Solution: How fixing English local government will improve economic growth. Available at: <https://www.centreforcities.org/reader/devolution-solution/principles-for-devolution/> [Accessed 4 November 2025].

37. Baker, M, Housing Market Areas and Regional Spatial Geographies: Geography of Housing Market Areas in England—Paper A, Department for Communities and Local Government, [Online]. Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6348/1775485.pdf [Accessed 4 November 2025].

The Housing Market Areas of Greater Lincolnshire by local authority area are:

Housing Market Area	Local Authority
Central Lincolnshire	City of Lincoln, North Kesteven, West Lindsey, western East Lindsey
Coastal Lincolnshire	Boston, eastern East Lindsey
Grimsby	North East Lincolnshire
Scunthorpe	North Lincolnshire
Peterborough & Welland	South Holland, South Kesteven (plus Melton, Rutland, Peterborough)

Identifiable are three broad groupings. North, Central and South.

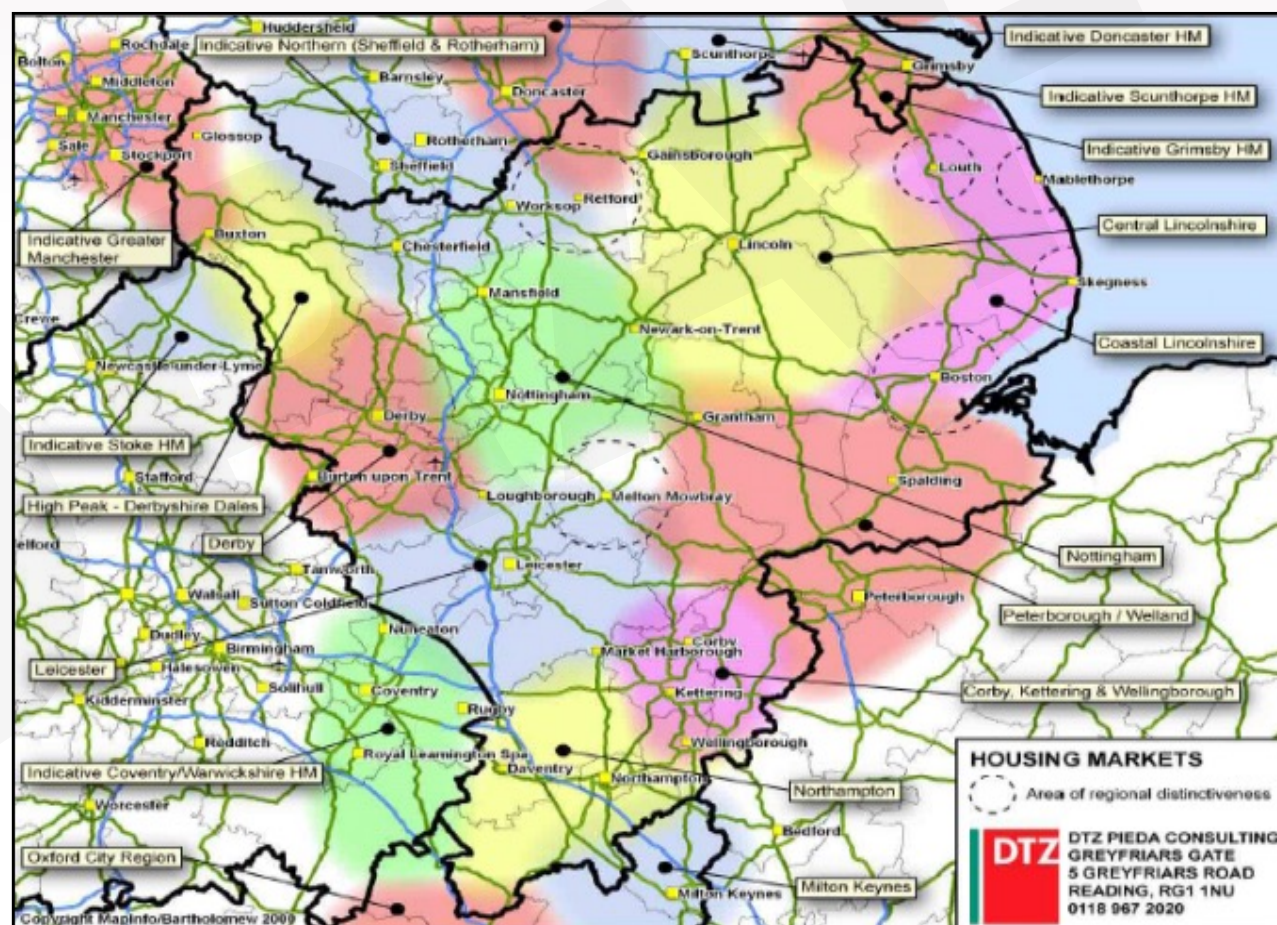


Figure 4 - Proposed East Midlands Sub-Regional Housing Markets, DCLG 2010

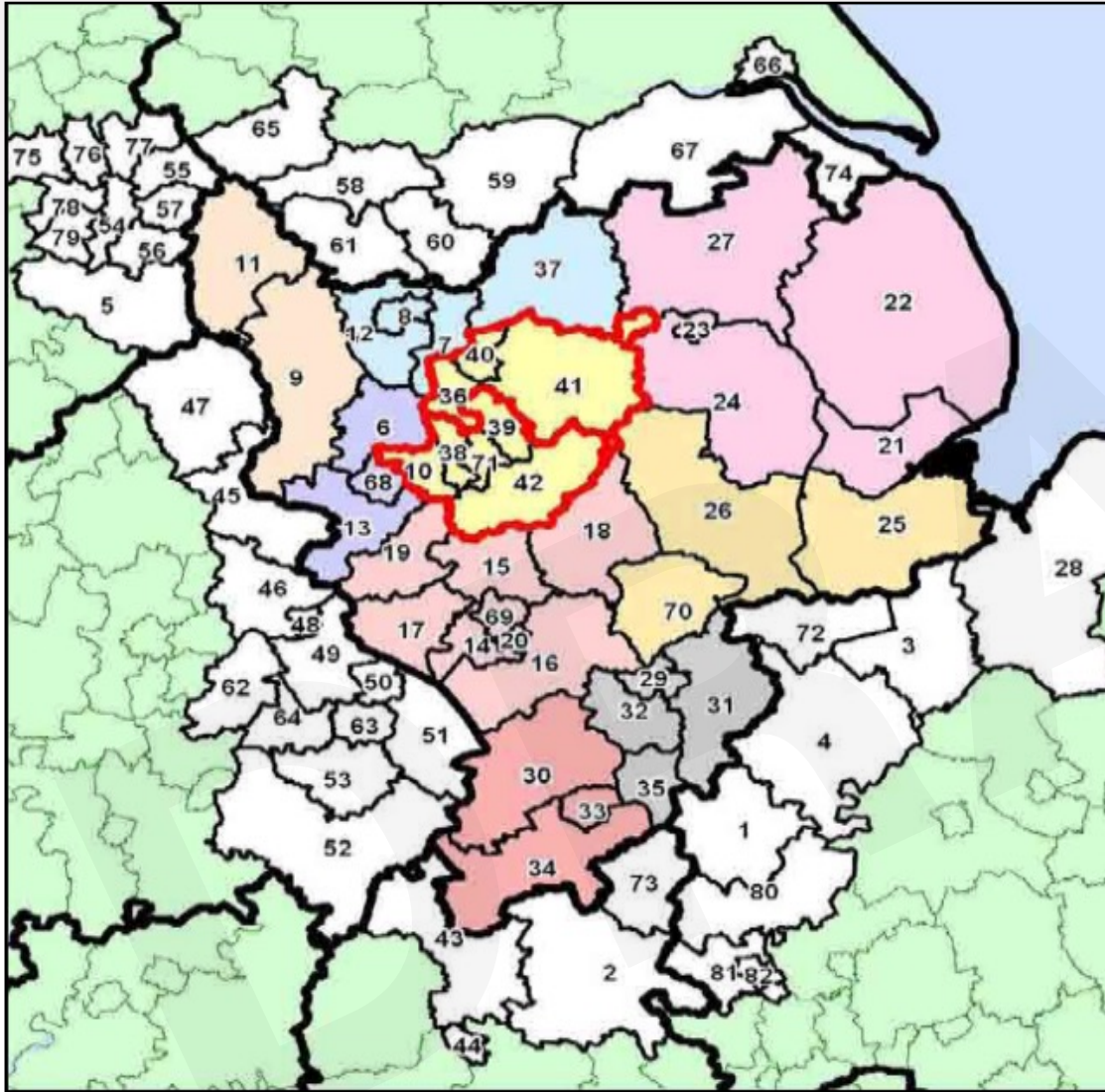


Figure 5 - Proposed East Midlands Sub-Regional Housing Market Groupings, DCLG 2010

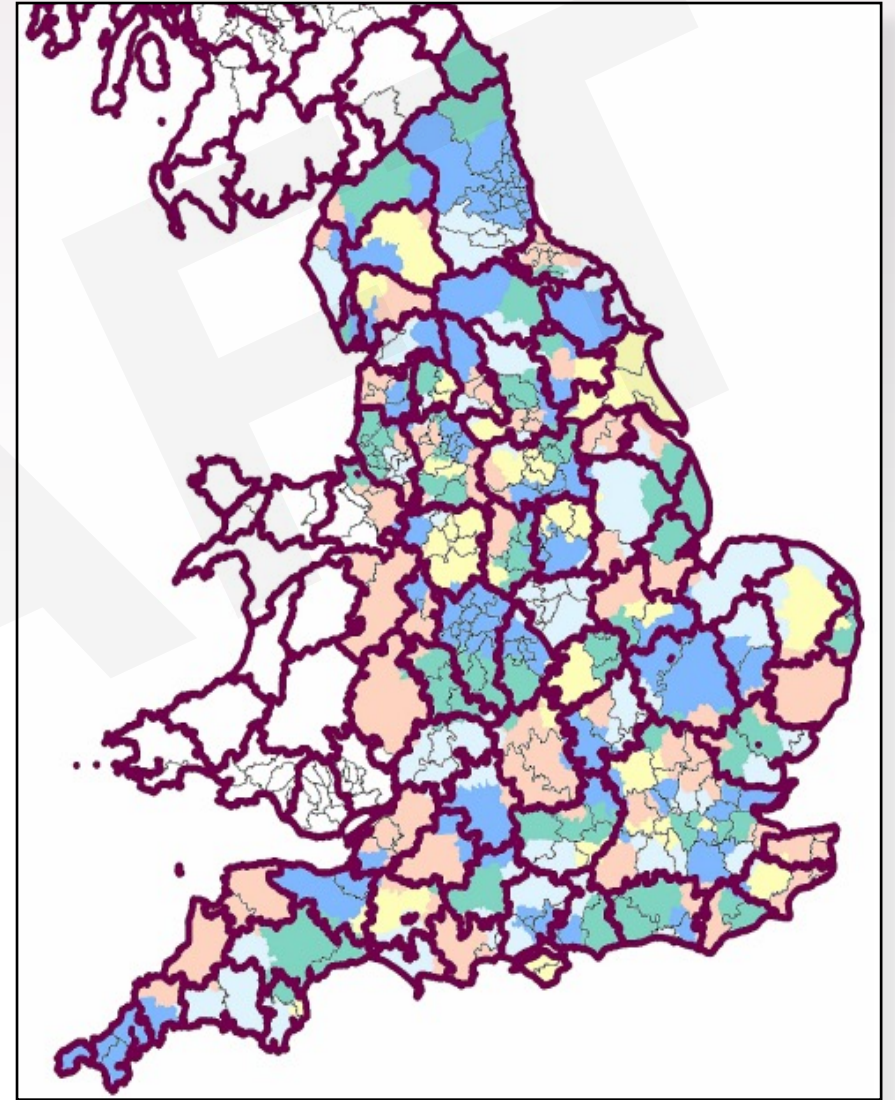


Figure 6 - 'Gold Standard' Sub-regional Housing Markets, DCLG 2010

Structural Analysis of the IA Component Economies

A high level analysis of each component authority's economic sectors and the degree of structural alignment with various LGR partners was undertaken. A local economy that is rural, focused on food production and market town SMEs will have a very different character and local needs and challenges than a local economy based on advanced manufacturing and resource extraction and refinement.

Two steps were used:

1. A Location Quotient (LQ) analysis. LQ is a measure of concentration or specialisation. This will show whether an activity is more or less prevalent in a particular area than a comparator. England was used as the comparator and Gross Value Added (2023 current prices) was used to calculate the LQ values. It is not a measure of productivity, competitiveness or comparative advantage.
2. The Pearson correlation coefficient (r) was then calculated to determine the statistical relationship between the LQ values for each area. A higher coefficient indicates greater structural alignment between the economies. The calculation was undertaken for weighted (by sector share of total GVA) and unweighted LQ values for core sectors (SIC07 sections or contents of Table 16) and SIC07 two digit codes where possible.

Location Quotient Explanation	
LQ Value	Conclusion
LQ = 1	Indicates that the proportion of local activity (GVA/Employment) in a particular industry or occupation is equal to the proportion of national activity in the same industry or occupation. Thus, the industry or occupation is as prevalent in the local area as it is in the reference area.
LQ < 1	Indicates that the proportion of local activity in a specific industry or occupation is lower than the proportion of national activity employment in the same industry or occupation. This suggests that the industry or occupation is less prevalent or less specialised in the local area compared to the reference area. For example, an LQ of 0.5 suggests that the industry or occupation is half as prevalent in the local area compared to the reference area.
LQ > 1	Indicates that the proportion of local activity in a particular industry or occupation is higher than the proportion of national activity employment in the same industry or occupation. This suggests that the industry or occupation is more prevalent or more specialised in the local area compared to the reference area. For example, an LQ of 2 suggests that the industry or occupation is twice as prevalent in the local area compared to the reference area.

Location Quotient Analysis (Median GVA 2019-2023) – Core Sectors Greater Lincolnshire Invitation Area and Rutland										
Core Sectors	SKDC	NKDC	SHDC	BBC	COLC	ELDC	WLDC	NL	NEL	RUT
Agriculture, forestry and fishing; mining and quarrying	3.90	4.85	15.77	12.45	0.13	11.94	13.11	2.50	0.54	7.73
Manufacturing	1.42	1.47	1.63	1.63	1.32	1.24	1.37	4.19	2.62	1.12
Electricity, gas, water; sewerage and waste management	0.90	0.47	2.34	0.32	4.58	1.07	0.81	4.38	3.40	1.42
Construction	1.17	1.50	1.18	0.71	0.68	0.76	1.60	1.29	0.79	0.68
Services sector	0.92	0.88	0.74	0.88	0.93	0.87	0.81	0.53	0.77	0.91
Wholesale and retail trade; repair of motor vehicles	1.54	1.27	1.41	1.48	1.10	1.00	1.37	0.82	1.13	0.98
Transportation and storage	0.62	0.70	1.65	1.10	0.44	0.49	0.48	1.36	1.88	0.47
Accommodation and food service activities	0.96	0.66	1.15	0.57	1.14	2.56	0.50	0.55	1.01	1.60
Information and communication	0.37	0.57	0.10	0.14	0.60	0.16	0.21	0.07	0.10	0.43
Financial and insurance activities	0.23	0.07	0.13	0.16	0.36	0.12	0.08	0.11	0.12	0.06
Real estate activities	1.26	0.84	0.89	0.93	0.58	1.46	1.40	0.61	0.87	1.21
Professional, scientific and technical activities	0.40	0.73	0.22	0.16	0.39	0.29	0.32	0.20	0.32	0.38
Administrative and support service activities	0.48	0.72	1.85	1.24	0.77	0.49	0.55	0.42	0.41	0.41
Public administration and defence	0.50	3.12	0.28	0.70	2.09	1.92	1.29	0.62	0.53	3.15
Education	1.17	0.75	0.75	1.01	1.40	0.93	0.96	0.65	1.02	2.00
Human health and social work activities	1.58	0.73	0.43	2.07	1.83	0.68	0.60	0.71	1.47	0.61
Arts, entertainment and recreation	0.44	0.32	0.23	0.45	0.50	1.08	0.84	0.37	0.48	1.07
Other service activities	1.21	1.47	0.58	0.47	0.93	1.70	0.73	0.64	1.14	0.94
Activities of households	0.98	0.76	0.96	0.99	0.79	1.14	1.21	0.70	0.79	0.79

Source: Office for National Statistics

The LQ analysis displays the core features of the Invitation Area: prominence of agriculture, defence and manufacturing, and the lower presence of high skill knowledge work compared to England as a whole.

Correlation analysis of the LQ scores highlights the difference of the City of Lincoln and the more industrialised northern strip versus largely agrarian and rural Lincolnshire.

The key policy takeaway is the difference of northern Lincolnshire versus the remaining Invitation Area.

Correlation Analysis of the Economies (Location Quotient values) of Greater Lincolnshire Invitation Area and Rutland

Correlation Coefficient (r) of LQ values	South Kesteven	North Kesteven	South Holland	Boston	Lincoln	East Lindsey	West Lindsey	North Lincolnshire	North East Lincolnshire	Rutland
South Kesteven	N/A	0.75	0.87	0.91	-0.08	0.87	0.89	0.41	0.13	0.81
North Kesteven	0.75	N/A	0.79	0.81	-0.10	0.85	0.85	0.27	-0.10	0.90
South Holland	0.87	0.79	N/A	0.98	-0.14	0.96	0.98	0.39	0.00	0.90
Boston	0.91	0.81	0.98	N/A	-0.22	0.96	0.98	0.31	-0.07	0.90
Lincoln	-0.08	-0.10	-0.14	-0.22	N/A	-0.17	-0.21	0.57	0.72	-0.02
East Lindsey	0.87	0.85	0.96	0.96	-0.17	N/A	0.98	0.30	-0.09	0.95
West Lindsey	0.89	0.85	0.98	0.98	-0.21	0.98	N/A	0.32	-0.10	0.93
North Lincolnshire	0.41	0.27	0.39	0.31	0.57	0.30	0.32	N/A	0.84	0.31
North East Lincolnshire	0.13	-0.10	0.00	-0.07	0.72	-0.09	-0.10	0.84	N/A	-0.06
Rutland	0.81	0.90	0.90	0.90	-0.02	0.95	0.93	0.31	-0.06	N/A

Source: Office for National Statistics

Distinctive Places in Greater Lincolnshire Strategic Economic Planning

Policy Implication: Consideration of the identified Distinctive Places with the TTWAs under the LGR parameters would suggest a tripartite division of the Invitation Area. Anchored by jurisdictions based on the South Humber Bank in the North, the UK Food Valley and A1 Corridor in the South and the Lincolnshire Heartland and Coastal Ribbon centrally.

Place based approaches are well established in Greater Lincolnshire’s strategic economic planning.

In July 2023, Greater Lincolnshire and Rutland’s Strategic Infrastructure Delivery Framework (SIDF) was produced and published by the Greater Lincolnshire Infrastructure Group with involvement from all authorities in the present Invitation Area and Rutland CC.³⁸ The group was dissolved in 2024 given emerging changes related to devolution and subsequently the creation of the Greater Lincolnshire Combined County Authority (GLCCA). GLCCA is expecting to bring forward the GLCCA Infrastructure Plan by the end of 2025, which will be based on the SIDF.

The SIDF identified five distinctive places or spatial corridors to reflect varying specialisations and strengths of economic and sectoral activity within Greater Lincolnshire. This built on the Local Industrial Strategy (LIS) and the Greater Lincolnshire LEP Economic Strategy.

SIDF Distinctive Place	Key Sector Clusters
Coastal Lincolnshire	Visitor Economy, Health & Social Care
Greater Lincoln	Defence & Security, Higher Education, Visitor Economy, Regional Centre
Rural Heartland	Visitor Economy, Defence, Food Production
South Humber Bank	UK Energy Estuary (Renewable Energy), Advanced Manufacturing (Steel, Chemicals), Ports, Food Processing
South Lincolnshire & Rutland	UK Food Valley (Agri-Food), Logistics, Visitor Economy

38. Greater Lincolnshire Infrastructure Group (all Greater Lincolnshire local authorities with the then Local Enterprise Partnership, Rutland CC and the Environment Agency) (2023), Greater Lincolnshire and Rutland’s Strategic Infrastructure Delivery Framework. Available at: <https://lincolnshire.moderngov.co.uk/documents/s67961/Greater%20Lincolnshire%20and%20Rutlands%20Strategic%20Infrastructure%20Delivery%20Framework%202023.pdf> [Accessed 4 November 2025].

A very similar internal division of Greater Lincolnshire was presented in GLCCA's Greater Lincolnshire Innovation Strategy adopted in October 2025, as a refresh and rebrand of the 2024 Greater Lincolnshire Innovation Routemap – developed in partnership by the then LEP, the private sector and the University of Lincoln.

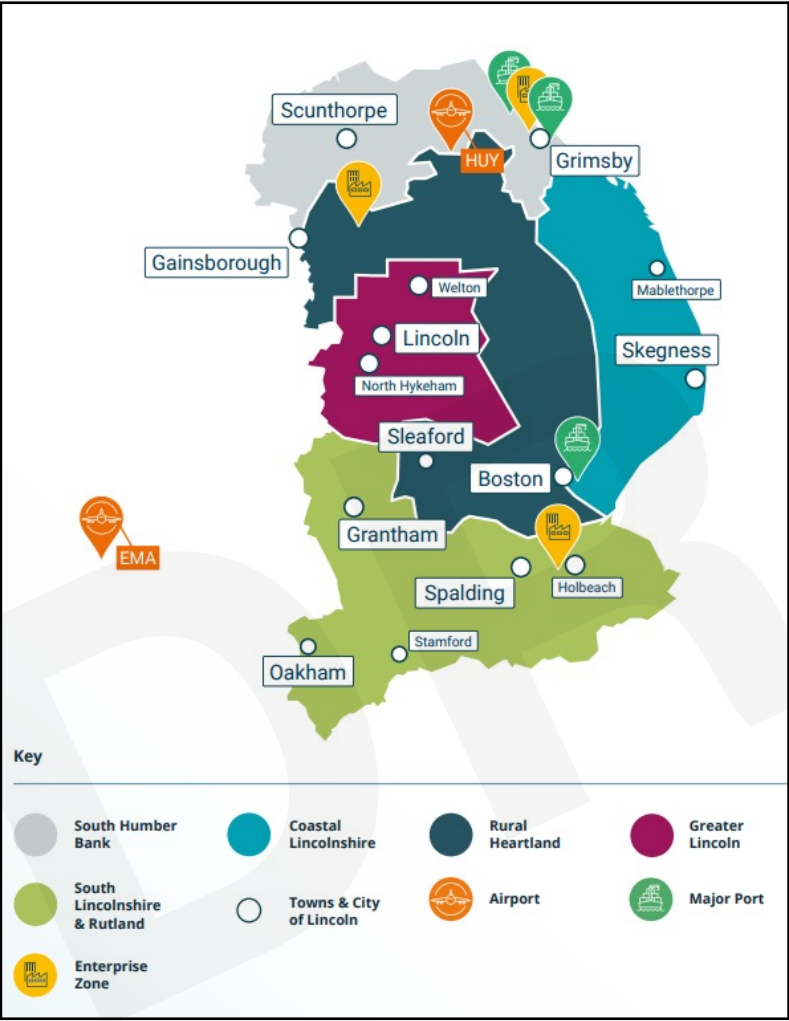


Figure 7 - Greater Lincolnshire & Rutland Distinctive Places - SIDF 2023



Figure 8 - Indicative Innovation Opportunities in Greater Lincolnshire - GLLEP Innovation Routemap 2024

Functional Economic Geography of Northern Lincolnshire

Examining Greater Lincolnshire, it is best to start with North East and North Lincolnshire, the most obviously distinct part of the Invitation Area.

The Northern Lincolnshire labour market exhibits an extraordinary degree of self-containment that is nationally unusual, indicting a very high alignment between current administrative boundaries and functional economic geography. In 2021, 80.46% of North East Lincolnshire residents commute to workplaces within the local authority boundary. In North Lincolnshire it's 75.72%. **This figure is consistent across the 2021 and 2011 TTWA datasets and places both authorities in the top decile for most self-contained English authorities.** The national average for commuter containment is 48.8%. To emphasise, the only local authority areas that have a higher degree of commuter containment than North East Lincolnshire are the Isle of Wight, North Devon, large county unitaries like Cornwall and Herefordshire, and the medium built up areas surrounded by extreme rural sparsity of Carlisle and Barrow-in-Furness.

Of the combined 22,300 commuters who did leave their respective home authorities in 2021, 31% were moving between North East and North Lincolnshire. A further 29.63% travelled north into Humberside and East Yorkshire. **18% (3,330) commuted into the Lincolnshire county area. As a proportion of the total 101,000 commuters this is 4%.** Of those 3,300 residents, 81% travelled into East and West Lindsey. Only 3.99% made it as far south as Lincoln, 450 residents or 0.45% of total commuters. **That pattern is reciprocated.** 1% of Lincoln's total commuters travelled into North East and North Lincolnshire. **3% of Lincolnshire's total commuters travelled to North East and North Lincolnshire.** Of that total 70% originated from the East and West Lindsey border MSOA.

The commuting to East and West Lindsey is concentrated in the immediate border zones. For North East Lincolnshire, 83% of commuters to East Lindsey travelled to four of East Lindsey's eighteen MSOA. **The alignment of North East Lincolnshire's southern functional economic geography to administration could be near perfected by moving the border south to incorporate Louth. A very small distance in the context of Greater Lincolnshire.** For North Lincolnshire, the boundary with West Lindsey is comparatively more porous. 86% of commuters travelled into six of West Lindsey's eleven MSOA. The spillover could be captured by moving the border to Gainsborough.

Overall a best fit of functional economic geography to administrative area has already been achieved in Northern Lincolnshire.

“Grimsby and South Humberside constitute a major industrial growth point—based on chemicals, ports, steel at Scunthorpe, food processing and fishing. We look seawards, north across the Humber and westwards for our communications. But the one direction in which we in Grimsby and South Humberside do not look is southwards towards the rest of Lincolnshire. Yet we are to become part of the huge county of Lincolnshire with probably eight out of 80 seats on the county council. The result will be that we on South Humberside will be governed by an essentially rural body consisting mainly of farming and land-owning interests who know nothing of our urban problems and are totally ignorant of industrial development problems.” Anthony Crosland M.P. for Great Grimsby speaking in the Commons debate on the Local Government in England (White Paper) 1971.³⁹

Socially and economically Mr Crosland’s assessment holds true now as it did then. The LQ analysis starkly highlights the major structural difference between North Lincolnshire and the rest of the county. In addition to traditional steel, advanced manufacturing and fisheries, the area is a nationally strategic decarbonisation and clean energy cluster. The Energy Estuary is home to 35% of total operating UK offshore wind capacity. The Ørsted East Coast Hub is the world’s largest offshore wind operations and maintenance hub. The area has significant challenges with deprivation. The lack of underlying economic synergy and shared interests will create coherence challenges from any merger with parts of Lincolnshire. Whether with Lincoln or the coastal Lincolnshire, focus on local growth or tackling deprivation will be diluted to the detriment of all parties.

Northern Lincolnshire is in a different public service area for police, fire and health – legacies of Humberside County Council. Each service is performing well. The Chief Constable of Humberside Police has written to support proposals by the northern unitaries for retaining the status quo. The Humber Health Partnership has commented on the value and strength of the current cross-Humber partnership. The strategic drift away from the Lincolnshire county area was recently reinforced through the NHS ICB cluster reforms. MHCLG guidance is clear that any proposals which wish to alter current public service boundaries will require a very strong rationale grounded in economic data, in line with the overarching objective to bring administrative boundaries in line with the underlying economic boundaries. To theoretically illustrate, a very strong data driven case can be made for the inclusion of Rutland with South Lincolnshire, based on the underlying travel to work patterns, Housing Market Areas, recent LEP strategies, structural economic alignment, Rutland’s unique identity and complex history vis-à-vis Leicestershire, resident views and specific spatial planning challenges on the Lincolnshire/Rutland border. **None of those arguments can be made for altering the service boundaries in the north to amalgamate North East and/or North Lincolnshire with parts of Lincolnshire.**

The strongest rationale is the logic of achieving an authority of 500,000 people. Following the recommended best practice of the OECD, we do not consider that meeting an arbitrary population threshold in defiance of the underlying economic facts, current high performing service configuration and resident wishes is justifiable. There is no need to risk repeating the mistake of Humberside County Council, this time without a coherent economic or service led rationale.

39. UK Parliament, Local Government in England: White Paper, House of Commons Debate, 19 May 1971, [Online]. Available at: https://api.parliament.uk/historic-hansard/commons/1971/may/19/local-government-in-england-white-paper#S5CV0817P0_19710519_HOC_256 [Accessed 4 November 2025].

This aligns with what is understood to be the prevailing political and public opinion in the north. The consistent position of North East and North Lincolnshire councils from February 2025 onwards is that if the status quo is nonviable, then they should not be merged with parts of Lincolnshire. Resident opinion following public engagement by those councils reaffirmed that position. We understand that North East and North Lincolnshire will make separate submissions to MHCLG proposing that the status quo should be maintained in the north and the Lincolnshire county area consolidated.

The clear economically rational conclusion for policy is North East and North Lincolnshire should be constituted as separate to the Lincolnshire county area.

This decision makes the approach to the county area straightforward.

If Northern Lincolnshire is permitted to have local governments, there is limited justification for Lincolnshire to have a sub-regional one.

Unacceptable inequity in democratic representation, local control and empowerment and potential for place-based policy would result in that scenario. Any argument that this is a worthy trade-off for increased service efficiency is challenged by the expert literature on the contested relationship of size and performance, and risks of incoherence and reduced legitimacy to the public in light of the successful services and local governance that residents in small northern Lincolnshire unitaries would be receiving.

Both within the IA and in relation to its immediate neighbours, LGR would have failed to be a positive reform for Lincolnshire residents.

A division of the county area is necessary to deliver the government's objectives.



Functional Economic Geography of the Lincolnshire County Area

The underlying commuter flow data shows that the north and south of the county council footprint are effectively siloed. East Lindsey, due to its size, has a degree of labour market containment comparable to Northern Lincolnshire. 70% of East Lindsey commuters travel to workplaces within the district. West Lindsey is a transition zone between Lincoln and North Lincolnshire with labour market containment of only 41.75%. Both have limited interaction with Southern Lincolnshire. Of the 10,470 commuters leaving East Lindsey, 3.24% head to South Holland and 1.22% to South Kesteven. 49% (170) of those commuters originated from three of East Lindsey's eighteen MSOA located on the southernmost border with Boston. The figure was 42% for South Kesteven. For total East Lindsey commuters the figures are 0.96% and 0.36% respectively. This pattern is reciprocated by South Lincolnshire commuters and observed in both the 2021 and 2011 data. The commuter flows are even lower for West Lindsey to South Lincolnshire.

To put this in perspective, more residents of East Lindsey self-reported as commuting to destinations 'Outside the UK' (excluding offshore installations) than to South Kesteven.

The underlying data is too weak to justify the inclusion of South Lincolnshire and Central Lincolnshire in the same local unit. The fundamental test for the coherence of interest that underpins a successful local authority is would ratepayers of The Deepings potentially benefit from or at least politically accept service provision for Mablethorpe, for example leisure provision, or vice versa? The same scenario can be advanced for any combination of South Kesteven's Bourne, The Deepings, Grantham or Stamford with East Lindsey's Horncastle, Louth, Mablethorpe, Skegness. **Given that the interaction as determined by the TTWA data between those places is nil or nearly, the local test is failed. This is not a coherent Places of Places united by underlying economic geography. The yoking together of areas lacking shared local interests and economic alignment would not be a good deal for residents.**

See Appendix 3 for a comprehensive set of travel to work data for the Invitation Area



% Labour Market Containment – 2011 to 2021 – Intra-Greater Lincolnshire Invitation Area

	% Total commuters within/to Lincolnshire county council footprint		% Total commuters leaving Lincolnshire county council footprint		% Total commuters within/to Central Lincolnshire		% Total commuters within/to Southern Lincolnshire		% Total commuters to/within Northern Lincolnshire	
	2021	2011	2021	2011	2021	2011	2021	2011	2021	2011
North East Lincolnshire	4.41	4.15	N/A	N/A	4.21	3.94	0.2	0.21	88.89	89.54
North Lincolnshire	3.62	3.43	N/A	N/A	3.3	3.11	0.32	0.32	80.97	82
Boston	93.48	94.58	6.52	5.42	68.25	78.66	25.23	15.91	0.1	0.14
Lincoln	87.48	88.24	12.52	11.76	64.84	69.17	22.64	19.07	1.01	1.03
East Lindsey	87.68	86.75	12.32	13.25	83.78	83.23	3.9	3.52	7.7	8.5
West Lindsey	74.76	73.68	16.51	26.32	67.07	66.74	7.69	6.94	13.78	14.06
North Kesteven	87.69	87.78	12.31	12.22	34.86	34.85	52.83	52.92	0.7	0.4
South Holland	77.83	76.61	22.17	23.39	7.44	6.19	70.38	70.41	0.07	0.02
South Kesteven	67.34	64.41	32.66	35.59	3.36	2.58	63.98	61.83	0.08	0.11

Commuter Flows Between the Key Nodes of East Lindsey and South Kesteven – 2021 & 2011 TTWA (MSOA Data)

Total Commuters East Lindsey to South Kesteven

	Bourne		The Deepings		Grantham		Stamford	
	2021	2011	2021	2011	2021	2011	2021	2011
Horncastle	0	1	0	1	2	7	0	2
Louth	1	0	1	1	3	4	0	1
Mablethorpe	0	0	0	0	0	1	0	0
Skegness	2	2	0	0	3	4	1	5

Total Commuters South Kesteven to East Lindsey

	Horncastle		Louth		Mablethorpe		Skegness	
	2021	2011	2021	2011	2021	2011	2021	2011
Bourne	0	0	2	0	0	0	3	0
The Deepings	1	1	0	0	0	0	0	1
Grantham	3	1	4	3	0	1	5	4
Stamford	1	1	4	2	2	0	1	0

Office for National Statistics

Application of best practice jurisdictional design driven by the data concludes that Central and South Lincolnshire should be separate jurisdictions. The common economic interests are lacking to justify a shared local arrangement.

The two fundamental cores of East Lindsey with West Lindsey, and South Holland with South Kesteven are established. Leaving North Kesteven, Boston and the City of Lincoln. The TTWA data places North Kesteven with Southern Lincolnshire. The commuter flow patterns provides strong evidence and arguments for the inclusion of Lincoln and Boston in either the proposed southern or central unitary. Economic rationality would suggest multiple smaller units. **However working within the parameters that MHCLG have set to deliver required populations and balanced tax bases, both must be placed in the central jurisdiction.**

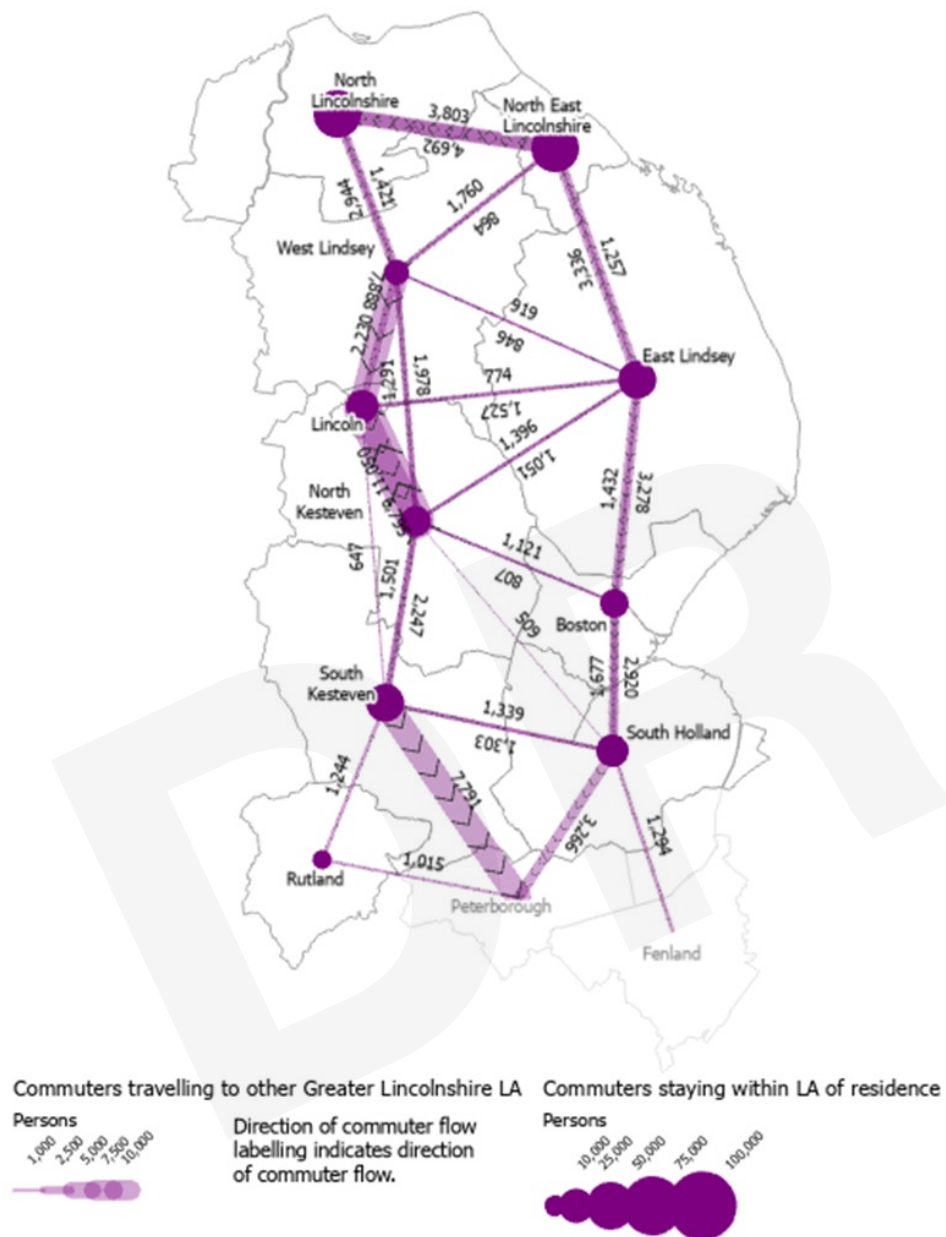
An east/west over north/south division of the county area could be argued. Some might point to the success of the South & East Lincolnshire Councils Partnership as evidence for an economic synergy for an eastern bloc of Boston, East Lindsey and South Holland. That argument is weak, as the precise purpose of inter-municipal cooperation arrangements (shared services etc.) is to provide economies of scale for specific services in geographies where the underlying economic alignment is insufficient to justify amalgamation, such as eastern Lincolnshire. This is why the OECD recommends that states explore IMCs in lieu of amalgamations.⁴⁰ The performance of the IMC is irrelevant to economic synergy or local coherence. The same argument can be made with substantially more weight for the Central Lincolnshire Partnership of the City of Lincoln, North Kesteven and West Lindsey. The commuter data does suggest a coherent economic unit based on the city. This would be optimal for spatial planning of the Lincoln Strategic Planning Area. However this arrangement lacks the necessary scale under the LGR criteria and does not provide a coherent solution for the rest of Lincolnshire.

Our division is the only economically rational solution that aligns with the underlying data and the LGR criteria.

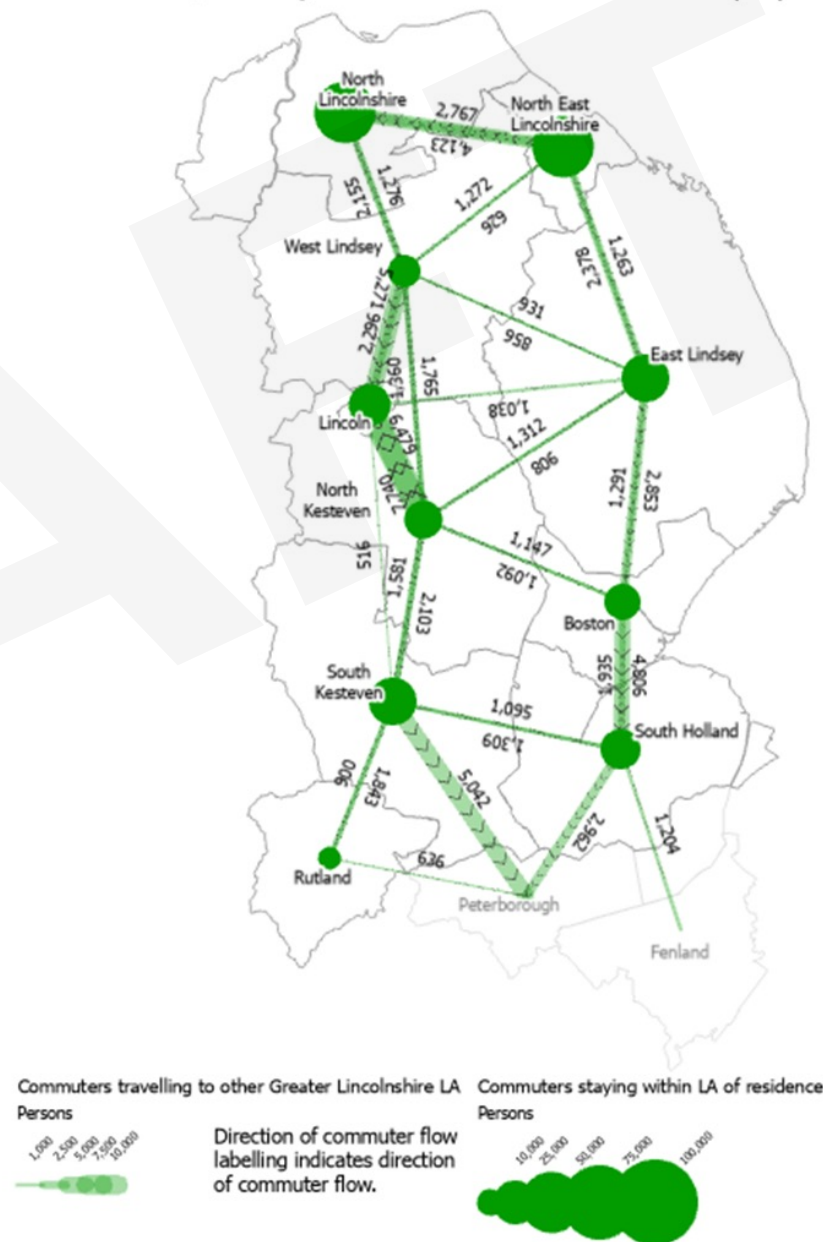
40. OECD (2019), Making Decentralisation Work: A Handbook for Policy-Makers, OECD Multi-level Governance Studies, OECD Publishing, Paris. Available at: <https://doi.org/10.1787/g2g9faa7-en> [Accessed 4 November 2025]



Commuting between local authorities of Greater Lincolnshire and Rutland, and from South Lincolnshire authorities to Peterborough and Fenland, Census 2011, showing commuter flows of more than 500 people only



Commuting between local authorities of Greater Lincolnshire and Rutland, and from South Lincolnshire authorities to Peterborough and Fenland, Census 2021, showing commuter flows of more than 500 people only



Previous Reorganisation Proposals for Greater Lincolnshire from Economic Logic

There have been two prominent attempts by external actors who have sought to redraw local government boundaries from first principles into units of the government's approximate preferred scale through pure economic rationality: Redcliffe-Maud (1969) and the Centre for Cities (2024). The approach and recommendations of the Redcliffe-Maud report are well known. A then innovative emphasis was placed on the social changes from widespread car ownership to argue that authorities should be based on modern commuter patterns not preindustrial settlements.

The Centre for Cities took this to its logical conclusion, using High Skill Travel to Work data (HS-TTWA) to proxy functional economic areas. All public service boundaries would be realigned to economic geography. This was explicitly done to maximise the economic impact of potential planning reform, council tax reform and future devolution to England, especially fiscal devolution, chiming with the think tank's core diagnosis for low local economic growth – local authorities have no incentive to pursue it due to the misalignment of economic and administrative geography and limited policy levers if they did.

Both proposals arrived at very similar conclusions for Greater Lincolnshire, informed by the enduring fundamental features of the Invitation Area:

- North and North East Lincolnshire need special consideration. Historically the area was part of the cross-Humber Humberside County Council from 1974 to 1996. An unsuccessful authority created by pure functional rationality. The current service boundaries for health, police and fire still reflect that legacy.
- South Lincolnshire (South Kesteven and South Holland) should be merged with Peterborough and Fenland. Centre for Cities also included Rutland and Boston.
- A central Lincolnshire authority of Lincoln and the central Lincolnshire districts. Centre for Cities placed North and North East within this unit.

41. Centre for Cities (2022), Devolution Solution: How fixing English local government will improve economic growth. Available at: <https://www.centreforcities.org/reader/devolution-solution/principles-for-devolution/> [Accessed 4 November 2025].



SECTION 4: LGR Criterion 2: Right-sized Local Government

Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks

- c) *Efficiencies should be identified to help improve councils' finances and make sure that council taxpayers are getting the best possible value for their money.*
- d) *Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.*

MHCLG specifics a) and b) relating to population are addressed in section 2.2. No Greater Lincolnshire councils are subject to MHCLG specifics e) and / or f) relating to Best Value interventions and excessive debt.

Our Jurisdictional Design Objective: The proposed jurisdictions are footprints for unitaries that are financially viable, sustainable and will deliver efficiencies, improve capacity and withstand financial shocks.

Summary of Policy Challenges:

- Supports efficiencies and value for money for council taxpayers
- Improves capacity and supports the council to withstand financial shocks
- Manageable transition costs

Our proposed jurisdictions deliver:

- A prudent approach grounded in reality
- Deliverable aggregation savings and scope for a significant range of future transformation savings
- Ongoing financial sustainability

Approach

Although only a sixth of the equally weighted criteria, the future financial viability of the proposed jurisdictions is a critical and essential condition for success.

Our financial assessment has taken a circumspect and thorough approach, working closely with PwC to develop a financial position that offers **realistic delivery**; whilst also demonstrating the more ambitious potential that wider systemic reform could yield. Too many past LGR submissions both in England and globally have failed to deliver on their eye-catching headlines, promising over-optimistic future savings that did not materialise. Rhetorically driven sales pitches carry significant potential to entrench fiscal illusion, whereby residents struggle to understand their local government's fiscal condition, as well as the true cost of the services they consume, so increasing service demand, corroding public trust and potentially misleading central government policy makers. That is not responsible or prudent local policy making.

We strongly believe it is critical for the integrity of both our LGR submission, and that of the wider national LGR programme that local authorities do not take a 'marking their own homework' approach when preparing assessments of current financial positions within their LGR invitation area, and the financial implications and projections within their proposals. This is not to doubt the expertise and professionalism of local authority finance officers. Structural change of this scale and impact requires external and specialist input and challenge to ensure robustness and public confidence.

Therefore, we took the decision to utilise the expertise, experience and independence of PwC to support the development of our financial baselining, the modelling of the potential future financial position for our proposed unitary structure and to provide critical challenge. This approach was also taken by Lincolnshire County Council (LCC). We have further worked in collaboration with both City of Lincoln and the South-East Lincolnshire Councils Partnership (SELCP) to commission PeopleToo to undertake additional independent financial baselining. Combined with our inhouse expertise and analysis of prior reorganisations, this dual approach has given us a robust and sophisticated understanding of the financial landscape of Greater Lincolnshire, the strategic opportunity and trade-offs of LGR, the potential benefits and the pitfalls, and complexity in realisation.

Reviews of LGR proposals from the Devolution Priority Programme and previous rounds have highlighted wildly divergent positions within and across Invitation Areas on the aggregation benefits, transformation potential, transition costs, and initial and ongoing disaggregation costs. This is despite many submissions being essentially very similar variations in the number and jurisdiction of the proposed unitaries. We have taken confidence and assurance, that even with differing methodologies and perspectives, the PwC and PeopleToo work has significant common ground and figures in a consistent ballpark. PwC being more conservative on disaggregation and PeopleToo likewise on the transition costs. Against our conservative and prudent base position we have with the support of PwC undertaken a further sensitivity analysis to both identify the potential for stretch targets and a further level of more significant transformation savings; and to highlight the ease at which changing levels of input assumptions can create enticingly high figures for future savings.

LGR in the National Policy Context

Reorganisation proposals have developed in the context of uncertainty and financial challenge for the sector and significant confirmed and mooted reform packages for local government finance, devolution, planning, social care, SEND and health, among others. Although amalgamation will increase resilience, it is not a silver bullet to ensure the sector's future financial sustainability.

The national economic situation is challenging with inflation remaining well above the Bank of England's target. All local authorities will continue to experience financial and service inflation through rising prices, higher wage demands and higher interest rates on both borrowing and investments for the foreseeable.

Development of our proposal is defined by the 28 November 2025 submission deadline. To navigate the full, and more pertinently fully transparent, local democratic governance processes, our proposal must be finalised by no later than mid-November. **Therefore the proposal does not and cannot reflect the policy decisions and directions of the Autumn Budget scheduled for 26 November, which may have significant future implications.**





This is equally true of the Fair Funding Review and the Business Rate Reset. The financial modelling – despite being developed with the expert external support of PwC, has by necessity been completed ahead of any detail of the Fair Funding Review and the Business Rate Reset being known, which will have significant future implications.

The policy ambition of the Fair Funding Review is to make funding allocations more reflective of local needs and is forecast to result in a heterogeneous impact to local funding levels nationally. Greater Lincolnshire may experience a reduction to current funding levels. In addition, there is a review of the Business Rates Retention scheme, which will include a reset of baselines (removing previous growth, full revaluations for 2026 and additional multipliers for more tailored rate setting). At this stage, there is no certainty as to how the new funding system will operate and, as already highlighted, the date of the Autumn Budget means that the provisional local government financial settlement is not expected until late December 2025. However, through the modelling work of external financial consultants, NKDC forecasts that its government support will fall by £3.0million in cash terms over the first three years of this MTFS, although it is expected that transitional arrangements will be employed to protect services over this period. SKDC also forecast a decrease, though theirs is in the region of £700k. Figures for other Lincolnshire authorities were not available at time of report release. Although like-like comparisons can be difficult, it is estimated that currently local government in Lincolnshire receives over £300 less per household, compared to the national average. If the county were to be given its fair share that would mean an extra £120m each year for Lincolnshire. However, it remains to be seen whether the Fair Funding Review will go any way towards addressing this gap.

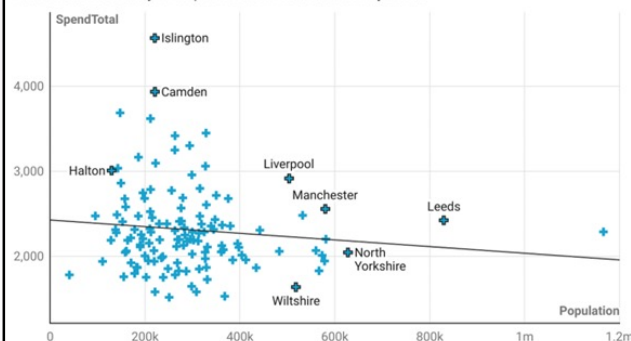
Further uncertainty in costs for local government arise from new and changing legislation. Implications from the Environment Act, Biodiversity and Housing to name a few, see significant duties and therefore costs, being placed on local government, and of course Local Government Reorganisation (LGR) is scheduled to be in place for April 2028.

Whilst specific reforms to SEND are still evolving county and unitary councils face increasing demand with this being the fastest-growing budget pressure for councils, and with rising demand for Education, Health and Care Plans (EHCPs). Policy reform is expected to introduce changes to streamline EHCP processes and improve accountability but delays in legislation have left councils in limbo.

Council population size, as per the MHCLG criteria, is covered elsewhere in this document and our Literature Review appendix. Nevertheless from a financial perspective the following two sets of graphics provide further context for this section, covering both expenditure per head and requests for exceptional financial support.

There is an apparent correlation between population and lower expenditure per head - but it's incredibly weak

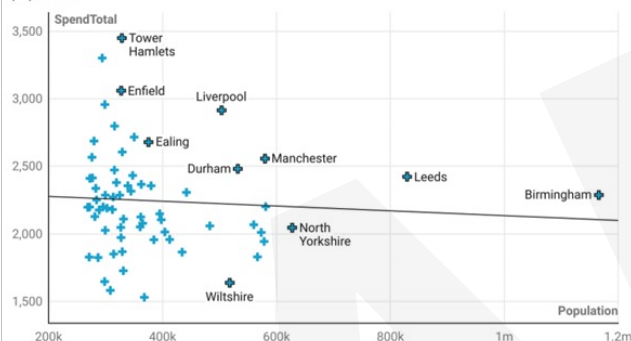
It predicts just 1.5% of the variation between councils and does not pass the test of statistical robustness necessary to be published in most academic journals



City of London and Isles of Scilly excluded as outliers
Chart: Mark Mills • Source: LG Inform • Created with Datawrapper

Amongst councils with a population larger than the median, the effect becomes so weak it is essentially non-existent

The trendline on this chart is less predictive than just guessing the median spend regardless of population



Technical definition: Adjusted $R^2 < 0$
Chart: Mark Mills • Source: LG Inform • Created with Datawrapper

There is a tipping point around a population of 350,000 where the direction of the correlation flips

Beyond this point, a larger population is associated with a higher expenditure per person

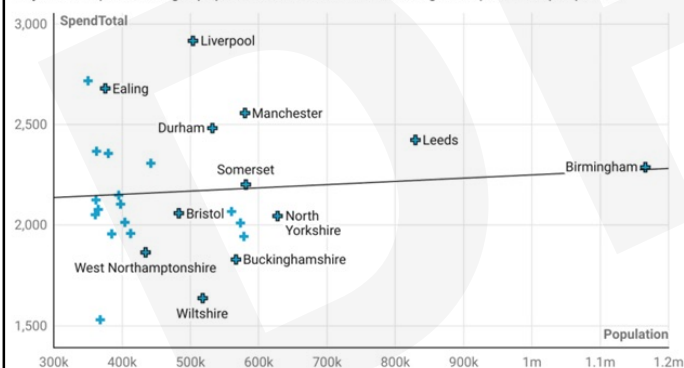


Chart: Mark Mills • Source: LG Inform • Created with Datawrapper

A note of caution:

Narrowing the population range reduces the sample size

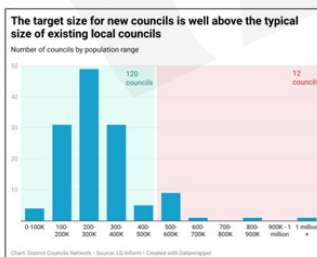


Chart: District Councils Network • Source: LG Inform • Created with Datawrapper

Therefore, it is hard to say with any confidence what the correlation will look like if and when more councils are in this population range.

Nonetheless, the evidence we do have shows costs rising not falling above a 500,000 population threshold

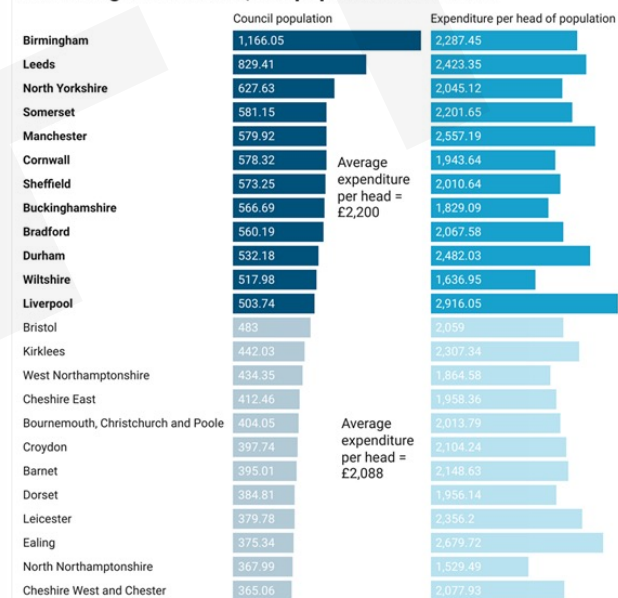


Chart: District Councils Network • Source: LG Inform • Created with Datawrapper

Larger councils were more likely to need EFS

% of councils within a population range with Exceptional Financial Support agreed for 2025-26

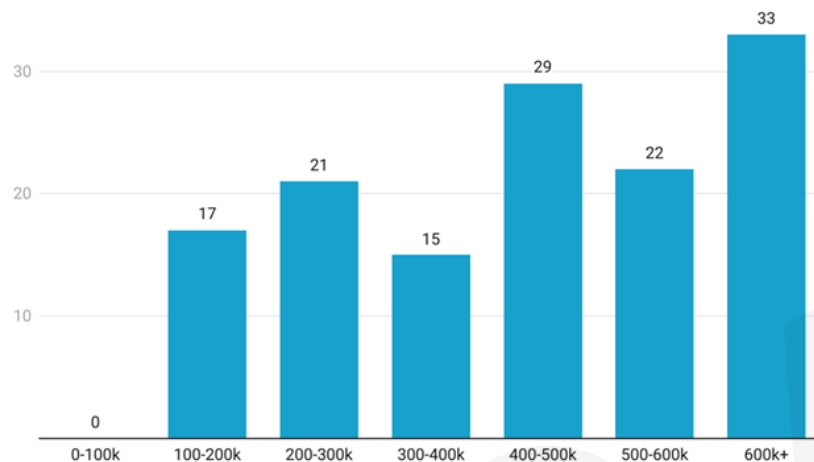


Chart: Districts Council Network • Source: MHCLG • Created with Datawrapper

And required more EFS relative to the size of their budgets

Value of Exceptional Financial Support agreed for 2025-26 as a % of core spending power for councils within a population range

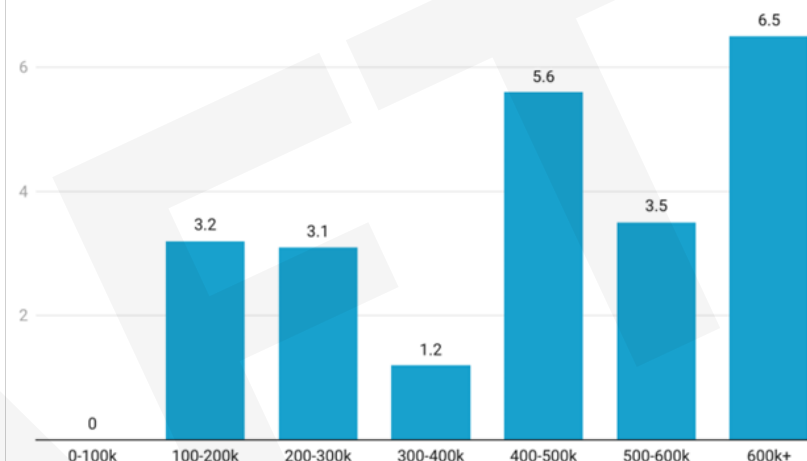
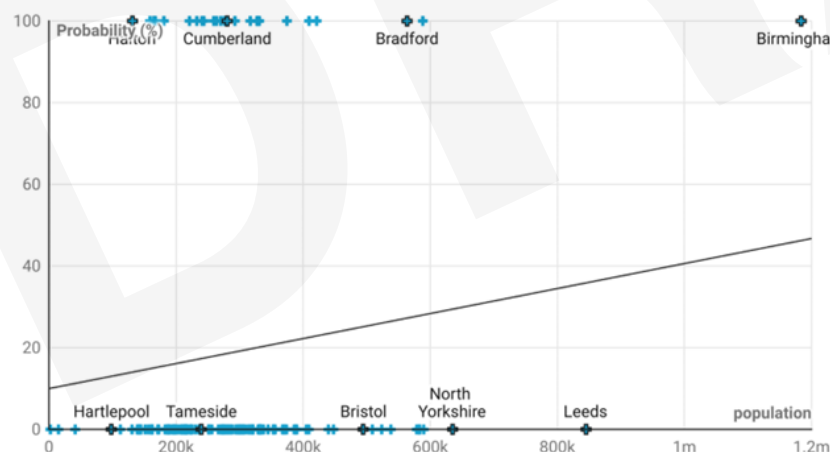


Chart: Districts Council Network • Source: MHCLG • Created with Datawrapper

This finding is supported by a more formal statistical approach

The % probability that councils required EFS in 2025-26 by population

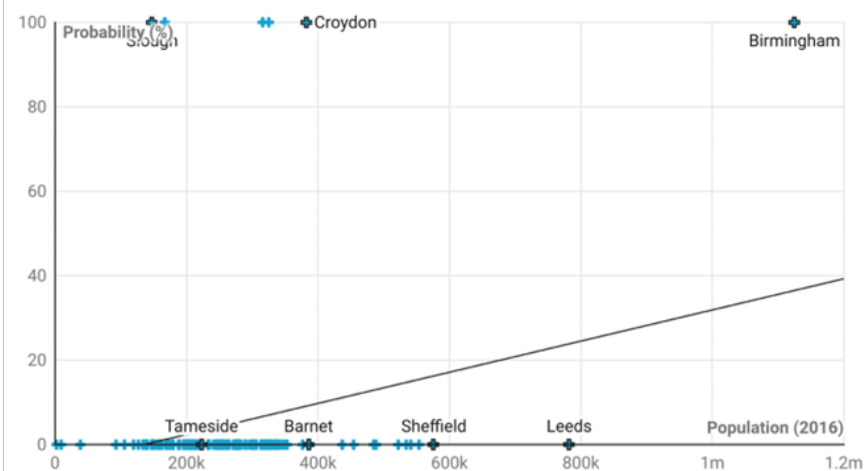


Technical note: Probabilities estimated using a logistic regression model

Chart: Mark Mills • Source: MHCLG • Created with Datawrapper

The same is also true of whether a council has issued a s.114 notice

The % probability that councils have issued a s.114 notice since 2016



Technical note: Probabilities estimated using a logistic regression model

Chart: District Councils Network • Source: Institute for Government • Created with Datawrapper

Financial Baseline and Modelling Summary

Taking the independent and expert lead from PwC this summary brings together the modules' analysis to estimate the likely Year 1 position for the proposed new authorities. It shows both the costs and benefits of LGR and longer-term transformation. The aim is **not to forecast the future**, but to give a transparent financial view of creating new authorities. This shows not just the benefits LGR could drive but also the likely cost of implementation. It also provides an estimate of the initial financial position for the new council(s) in order to help inform strategic and operational decisions that the shadow authorities would need to consider. All the tables shown in this section are provided by PwC and may be found with further detail added within Appendix 4A.

Overview of the Financial Analysis

Purpose:

- Uses local medium term financial plans (produced by councils in Q4 2024/25), and is consistent with the data sets collated for other financial modelling.
- Provides a “Year 1” directional estimate of income, expenditure, assets and liabilities.
- Tests assumptions through a series of modules aligned to major areas of income and expenditure.
- Includes indicative transformation benefits based on an assumption of future ambitions to drive change.
- Based on General Fund, all Housing Revenue Account related aspects are excluded from this analysis.

1. An estimated year 1 Position

From local, published 2025/26 Medium Term Financial Strategies (MTFS) (**pre-spending review announcements**) and 2024/25 Unaudited Statement of Accounts, a baseline view of the potential new authorities is developed that includes: Income; Expenditure; Assets; Liabilities.

A view of potential Year 1 impact of Council Tax, Workforce and Democratic arrangements is included.

2. Analysis of structural change

Applies cost and benefit assumptions to outline the estimated impact of reorganisation: Staffing reductions and redundancy costs; asset rationalisation; contract and procurement savings; reduced democratic costs.

3. Profiles estimated costs and savings for reorganisation and transformation over a five-year period which

includes: Aggregation benefits; One-off transition costs; Recurring financial disbenefit from disaggregating LCC; Payback period; Long-term transformation benefits and implementation costs

The analysis undertaken and assumptions applied provides an estimate of forecast “Year 1” budgets and financial balance for the new unitary authorities.

Forecast Budgets for new unitary authorities cover: Income including Council Tax; Expenditure; Recurring LGR Aggregation benefits; Recurring LGR financial disbenefits from disaggregating LCC; One-off transition costs; Transformation

Forecast Balance Sheet for new unitary authorities: Assets (Non-HRA); Liabilities (borrowing only) (Non-HRA)

Together, these outputs form the basis of the initial financial position (e.g. FY 2028/29) for the new unitary authorities following their establishment. This will also highlight areas of financial risk that should be the focus of mitigation efforts during the transition period.

Set out below is the methodology and logic for assumptions applied. The complexity involved in creating multiple unitary authorities has been taken into account in the form of increased transition and disaggregation costs and reductions in economies of scale. To note, transformation costs and benefits are applied after reorganisation based on an assumed level of ambition and further change to realise the full benefit of unitarisation.



Reorganisation Benefits

Recurring Aggregation Benefits: Savings achieved through consolidation e.g. management, systems and support functions. These are ongoing efficiencies generated through removing duplication and streamlining processes.

Economies of Scale: Larger single structures – as compared to individual districts – can offer the potential to operate more efficiently by sharing systems and resources (including staff and assets), centralising procurement, and pooling specialist capacity. In the current model, these savings are recognised but subsequently dampened to reflect the fact that breaking up the County into multiple unitaries reduces the achievable economies of scale. It is also recognised that there is a tipping point at which point scale becomes a dis-benefit. The optimal scale varies by function. For neighbourhood services the optimal scale has already been achieved and amalgamation will introduce diseconomies of scale.

Reorganisation Costs

One-off Transition Costs: Upfront investment needed to create new authorities. These are time-limited and occur during implementation.

Ongoing Disaggregation Costs or reduction in potential benefits: Reduction in economies of scale or where there is greater fragmentation which arises when services or teams are split across multiple new organisations. Each additional unitary authority introduces new overheads and reduces the advantage of economies of scale.

Transformation (Post Vesting Day)

Transformation Benefits: Efficiency and productivity improvements realised once new authorities are established and operating effectively. Reflect long-term service redesign, innovation, and better outcomes for residents.

Transformation Costs: Investment required to modernise and redesign services (e.g. digitalisation, workforce reform, asset rationalisation). Incurred after reorganisation and are distinct from transition costs. These are short-term costs intended to unlock longer-term service and financial improvements.

Inputs – Modules – Updates – Outputs

Inputs: County and District Council data; analysis and assumptions

Modules:

1. Income
2. Expenditure
3. Council tax
4. Assets
5. Liabilities
6. Members and Elections
7. Third Party Spend
8. Workforce Salary Alignment

Updates: Transition costs (one off), recurring financial disbenefit cost (from disaggregating LCC), transformation costs (one-off), benefit profiling

Outputs: Cost / Benefit; Estimated year 1 position

Throughout the remainder of this section, as with the full submission document:

- **UA1:** Unitary 1 comprises North Kesteven, South Kesteven, South Holland
- **UA2:** Unitary 2 comprises Boston, East Lindsey, City of Lincoln, West Lindsey
- **UA3:** Unitary 3 is North East Lincolnshire
- **UA4:** Unitary 4 is North Lincolnshire

Estimated Year 1 Position

2025/26 MTFS figures have been used to estimate forward-looking income and net expenditure for the purposes of developing the Year 1 position. The baseline position was agreed with S151 input from both SK and NK district councils on the 18 September 2025. The Year 1 position is not intended to predict the outcome of national funding reforms or new grant schemes. A significant number of elements could impact the Year 1 position, including the Fair Funding Review, Business Rates reset, future settlements from government, inflation, political change nationally and locally. HMG is expected to provide more detail on the Fair Funding Review outcome in Autumn 25.

Appendix 4A sets out the full list of assumptions applied in developing the Year 1 position.

Modelling indicates that the proposed new councils will begin operations in the following financial position.

- **Opening deficits:** The combined opening position across the new UAs shows significant core funding pressures. All will start with an operating deficit, which is not unexpected as local government is operating in a challenging financial context.
- **Efficiency requirements:** To achieve a balanced budget, savings are required most significantly from the existing top-tier councils – districts largely show balanced budgets, whereas LCC shows a significant deficit.
- **Strategic trade-offs:** Councils will face early policy choices: draw on reserves, amend Council Tax, or accelerate service transformation. Longer-term gains from LGR aggregation and longer-term transformation integration are a potential offset.
- **Caveat:** Figures reflect MTFS positions from Q4 2024/25, ahead of the start of the 2025/26 financial year. All Councils with a forecast medium term deficit fully acknowledged this and had and will continue to have plans in place to reduce / eliminate completely the gaps identified ahead of the start of the current financial year.

Fire Authority: Assumes a standalone FA will be created and a portion of LCC Business Rates and Council Tax disaggregated. Governance will be transferred to the Police and Crime Commissioner.

Criterion 2 Table 1	UA 1	UA 2	UA 3	UA 4		Standalone Fire Authority
Core Funding	-371.35M	-466.59M	-225.99M	-218.19M		-29.69M
Net Cost Operating Expenditure	380.2M	503.5M	238.4M	224.2M		31.1M
Budget Gap	8.8M	36.9M	12.4M	6.0M		1.4M

It is important to note that the opening budget gap is based on the position leading into the 2025/26 financial year. The baseline position does not attempt to estimate the impact of the mitigating actions that each Council will undertake over the 2025/26 to 2027/28 financial years to narrow or eliminate these gaps. Equally close to the entirety of these budget gaps sit within the three upper tier authorities within the invitation area.

Balance Sheet

The Year 1 Balance Sheet reflects General Fund (GF) assets and liabilities only. It includes:

- The Net Book Value (NBV) listed on the balance sheet within the Statement of Accounts. This includes: Surplus Assets, Assets under Construction, Other Land and Buildings and Community Assets. Infrastructure Assets and Investments assets are also included. **It does not include Council Dwellings and other HRA owned Assets.**
- Long-term and current liabilities (borrowing only) and Dedicated Schools Grant (DSG) deficit.

Both assets and liabilities reflect the estimated value in Year 1 informed by Capital Finance Requirements and Planned Capital Expenditure.

Appendix 4A sets out the full list of assumptions applied to develop the Balance Sheet.

Modelling indicates that the proposed new councils will begin operations in the following financial position.

- **Assets:** Set out below is an evidence-based estimate of what each new authority would be accountable for on Year 1, drawn from existing Statement of Account asset values, taking planned and additional disposals of surplus assets into account. Assumption that asset value follows geography i.e. allocated by physical location.
- **Liabilities:** Also below are the financial obligations that would transfer into any new unitary councils. It brings together debt, borrowing, and the DSG deficit to provide a clear Year 1 picture of the liabilities position. Allocated following the same distribution profile as assets. In reality, the apportionment of debt will be worked through in detail as part of the implementation of any new authority.

Criterion 2 Table 2	UA 1	UA 2	UA 3	UA 4
Assets				
Fixed Assets	1210.4m	1883.3m	667.4m	423.1m
Liabilities				
Long Term Borrowing (GF only)	232.7M	352.5M	135.2M	158.0M
Short term Borrowing (GF only)	4.6M	17.1M	50.0M	76.7M
Dedicated Schools Grant	-16.0M	-17.1M	-8.7M	-15.9M

Aggregation Benefits

The estimated aggregation benefits as a whole are set out in the table below. All are recurring benefits

- **Staffing:** Benefits from reduction in duplicated roles across leadership, front office, service delivery, internal and enabling services and strategic services.
- **Third Party Spend:** Benefits from reduction in addressable spend across all in-scope service areas.
- **Democracy:** Benefits from changing the number of councillors and streamlining elections.
- **Property:** Benefits from reduced operational expenditure spent on rationalised assets (i.e. surplus assets).

Appendix 4A sets out the full list of assumptions applied to develop the aggregation benefits

Criterion 2 Table 3	TOTAL (£)	UA 1	UA 2	UA 3	UA 4
Estimated Staffing Benefits					
Senior Leadership Structures savings	2.71M	0.72M	1.99M	0.00M	0.00M
Front Office Reorganisation savings	0.71M	0.38M	0.33M	0.00M	0.00M
Service Delivery Reorganisation savings	0.42M	0.23M	0.20M	0.00M	0.00M
Internal and Enabling Services Reorganisation savings	1.14M	0.61M	0.53M	0.00M	0.00M
Strategic Services Reorganisation savings	0.42M	0.23M	0.19M	0.00M	0.00M
TOTAL FTE BENEFITS	5.40M	2.17M	3.24M	0.00M	0.00M
Estimated Third Party Spend Benefits					
TPS Aggregation savings	10.62M	4.15M	6.47M	0.00M	0.00M
Estimated Members' Allowances Benefits					
Allowances + SRA savings	0.50M	0.29M	0.21M	0.00M	0.00M
Estimated Election Benefits					
Election Costs savings	1.40M	0.70M	0.70M	0.00M	0.00M
Estimated Property Benefits					
Property OpEx savings	0.12M	0.03M	0.10M	0.00M	0.00M
Total Aggregation Benefits	18.05M	7.33M	10.72M	0.00M	0.00M

Benefit as a % of Net Cost Operating Expenditure for UA1 and UA2	1.93%	2.13%	0%	0%
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Criterion 2 Tables 4 and 5

Aggregation benefits phasing					
	Y1	Y2	Y3	Y4	Y5
Aggregation benefits profile	60%	80%	90%	100%	100%
Aggregation benefits over a 5 year period					
	Y1	Y2	Y3	Y4	Y5
Total Aggregation Benefits (£M)	10.83M	14.44M	16.25M	18.05M	18.05M

Transition Costs

The estimated transition costs as a whole are set out below.

Criterion 2 table 6

Cost Element	Total (£)	Notes
New unitaries setup & closedown costs	2.65M	Creating the new council: Activities needed to stand the new organisations up such as drafting constitutions, aligning organisational policies, setting up new democratic structures, and setting up localities for four large UAs. Organisation Closedown: It will be more complex in UA1 and UA2 to settle accounts, change financial codes, and close multiple councils with different legacy systems. Internal Programme Management: Extra capacity is needed to run all the planning, operating model design, data work, and mobilisation in a short timescale.
IT & Systems Costs	2.25M	Councils will run many different core systems. Higher costs will come from migrating and cleaning data, harmonising infrastructure, setting up shared identity and integration platforms.
External transition, design and implementation costs	8.75M	More work needed in UA1 and UA2 because of the wider scope of change across governance, HR, finance, ICT, and service design, and the need to involve partners like the NHS and emergency services (i.e. transferring governance of Fire Authority to the PCC).
Redundancy costs	3.67M	Estimated reduction in FTE (Leadership and Core Roles) x Average Median Salary Point for Councils. Note: Redundancy costs within local government are highly specific and dependent on personal circumstances, making it difficult to calculate exact outcomes at this stage.
Contingency	5.20M	All options include a contingency amount which is 30% of the total costs. This extra provision is sensible in all options because of risks like supplier delays, poor data quality, and the need to protect statutory services during transition.
Total	22.52M	

Cost as a % of Net Cost Operating Expenditure for UA1 and UA2

2.55%

Transition costs over a five year period					
	Y1	Y2	Y3	Y4	Y5
Total One-Off Transition Costs (£M)	-22.52M	0.00M	0.00M	0.00M	0.00M

Transition costs phasing					
	Y1	Y2	Y3	Y4	Y5
Aggregation cost profile	100%	0%	0%	0%	0%

Disaggregation of Top Tier Services

Disaggregating top tier services into two authorities will mean increased costs or a reduction in benefit which arises primarily from the loss of economies of scale. These disbenefits represent additional costs which are recognised within the financial case.

Criterion 2 table 9

Potential increased cost of reduction in benefit incurred as a result of creating multiple unitary authorities	
	Cost (£)
Impact of disaggregating top tier services	12.94M
Cost as a % of Net Cost Operating Expenditure for UA1 and UA2	1.46%



The proposals under consideration would require top tier services to be disaggregated across two unitary authorities. We recognise that although in the medium to long term future, there may be opportunity to explore inter-municipal cooperation arrangements where a function is optimally served by a particular scale, **by default a viable local authority must be able to deliver the full range of functions to a high standard.** A proposal that relies on shared services, innovative alternative delivery models or reallocation of functions to another layer of government is not viable.

By creating multiple unitary authorities, these economies of scale are potentially reduced. Each new authority will need to enter into its own contracts, maintain its own systems and licenses, and manage its own corporate infrastructure. This results in higher unit costs and reduced purchasing power.

Importantly, this represents an ongoing impact. That is, the potential loss of benefit through a reduction in economies of scale will continue beyond the transition to the new Unitary Authorities. It is therefore treated separately and in addition to the one-off implementation costs associated with the reorganisation itself.

Examples of where these ongoing disbenefits may arise include: Reduced purchasing power and higher prices on third-party spend and contracts; Stranded overheads and duplication of roles; Increased ICT costs due to duplicate licenses and systems; Fragmentation of shared services, leading to inefficiencies and higher overheads; Loss of opportunities to achieve further efficiencies that could have been realised under a single, larger authority.

Disaggregation costs are a particular area where clearer differences between PwC and PeopleToo appear. The impact of this is investigated further in the sensitivity analysis.

Transformation Benefits

These are additional benefits which the new UAs could achieve post-vesting day through transformation for example, by implementing digital technology, AI, automation, and redesigned operating models. These potential savings are over and above aggregation benefits identified above. The scope of transformation savings would need to be refined by the new authorities including identifying individual opportunities and establishing programmes of work.

Criterion 2 Table 10	Baseline				Savings Assumption		Benefit			
Benefit Area	UA 1	UA 2	UA 3	UA 4	UA1 & UA2	UA3 & UA4	UA 1	UA 2	UA 3	UA 4
Front Office FTE	13.71M	16.01M	10.54M	7.24M	2.00%	0.00%	0.27M	0.32M	0.00M	0.00M
Service Delivery FTE	24.41M	28.52M	18.78M	12.90M	1.00%	0.00%	0.24M	0.29M	0.00M	0.00M
Internal and Enabling Services FTE	23.00M	26.87M	17.69M	12.16M	2.00%	0.00%	0.46M	0.54M	0.00M	0.00M
Strategic Services FTE	8.09M	9.45M	6.22M	4.28M	2.00%	0.00%	0.16M	0.19M	0.00M	0.00M
Addressable Third Party Expenditure	340.54M	492.60M	181.56M	208.83M	2.00%	0.00%	6.81M	9.85M	0.00M	0.00M
Sales, Fees and Charges	25.74M	42.72M	32.32M	40.06M	1.00%	0.00%	0.26M	0.43M	0.00M	0.00M
Benefits as a% of Net Cost Operating Expenditure for UA1 and UA2					2.24%		8.21M	11.61M	0.00M	0.00M
							19.82M			

Criterion 2 table 11

Benefit Area	Rationale on long-term transformation benefit areas and key inputs used for the baseline
Post Aggregation Staffing	Long-term staffing benefits will result from continued service transformation, process automation, and organisational redesign that enables a leaner workforce beyond initial aggregation savings. These reflect a shift from one-off structural integrations to long-term workforce optimisation through digital, standard processes and new operating models. • Baseline data is from Module 8: Workforce Salary Alignment. Year 1 new salary structures multiplied by the proportion of in-scope staffing within each discipline area as identified in the Staffing & Pay Module. • Proportion of roles deemed 'out of scope' for calculating aggregation benefits are also deemed out of scope for calculating transformation benefits. This equates to approximately 42% of all roles. Saving assumptions have been applied to the remaining approximate 58% of roles and the estimated FTE within each area.
Post Aggregation Addressable Third Party Expenditure	Long-term TPS benefits will arise from embedding strategic procurement practices, data-driven spend management, and redesigned service delivery models that reduce external costs beyond initial aggregation savings. These reflect a shift from short-term contract consolidation to a mature, category-led approach that delivers long-term commercial leverage. • Baseline data is from Module 7: Third Party Expenditure. Running Expenses from RO Data. • Spending deemed 'out of scope' for calculating aggregation benefits also deemed out of scope for calculating transformation benefits. This includes fire. • Forecasted TPS figures from Districts and the County MTFS have been used to project future growth. Year-on-year growth of 2.5% has been applied to baseline figures to project the expected TPS through to vesting day. This is the average growth projection outlined within MTFS.
Sales, Fees and Charges	After reorganisation, the new UAs will be able to review and harmonise the inherited fee structure from former districts. Districts typically have inconsistent pricing policies for similar discretionary services (e.g. garden waste, licensing, planning). Aligning to a single charging framework creates an opportunity to raise underpriced areas to market rates. • Baseline data has not been required within modules. It is drawn from MTFS, Budget Setting Report or Statement of Accounts. • Figures project expected income in Year 1. Year-on-year growth of between 0.4% to 5.0% has been applied to the baseline figures to project the expected fees and charges through to vesting day. • All LCC fees and charges have been removed. This is because upper tier authorities have low to moderate discretion to increase their fees are often constrained by statutory frameworks and national policy.

Criterion 2 Table 12

Transformation benefits phasing					
	Y1	Y2	Y3	Y4	Y5
Transformation benefits profile	0%	20%	50%	100%	100%

Transformation Costs

These are the costs associated with the additional benefits which the new authority(ies) could achieve post-vesting day. The scope of transformation savings and therefore costs would need to be refined by the new authorities including identifying individual opportunities and establishing programmes of work.

Transformation Benefit	UA 1	UA 2	UA 3	UA 4
	8.21M	11.61M	0.00M	0.00M
	19.82M			
Transformation Cost	UA 1	UA 2	UA 3	UA 4
	2.71M	3.83M	0.00M	0.00M
	6.54M			
	Cost as a % of net operating cost for UA1 & 2			0.74%

Criterion 2 Table 14

Cost area	Notes on transformation costs
Transformation Cost	Case studies of transformational change delivery across local authorities suggest that typical RoI ratios for transformation can be between 1:2 to 1:10. It is assumed that transformation investment returns a modest 1:3 return per £1 invested. Transformation costs are calculated as one third of the total transformation benefits estimated. These one-off costs will cover activities such as service redesign, change management, systems integration, programme delivery resources, and enabling technologies.

Criterion 2 Tables 15 and 16

Transformation cost phasing					
	Y1	Y2	Y3	Y4	Y5
Transformation costs profile	10%	25%	35%	20%	10%

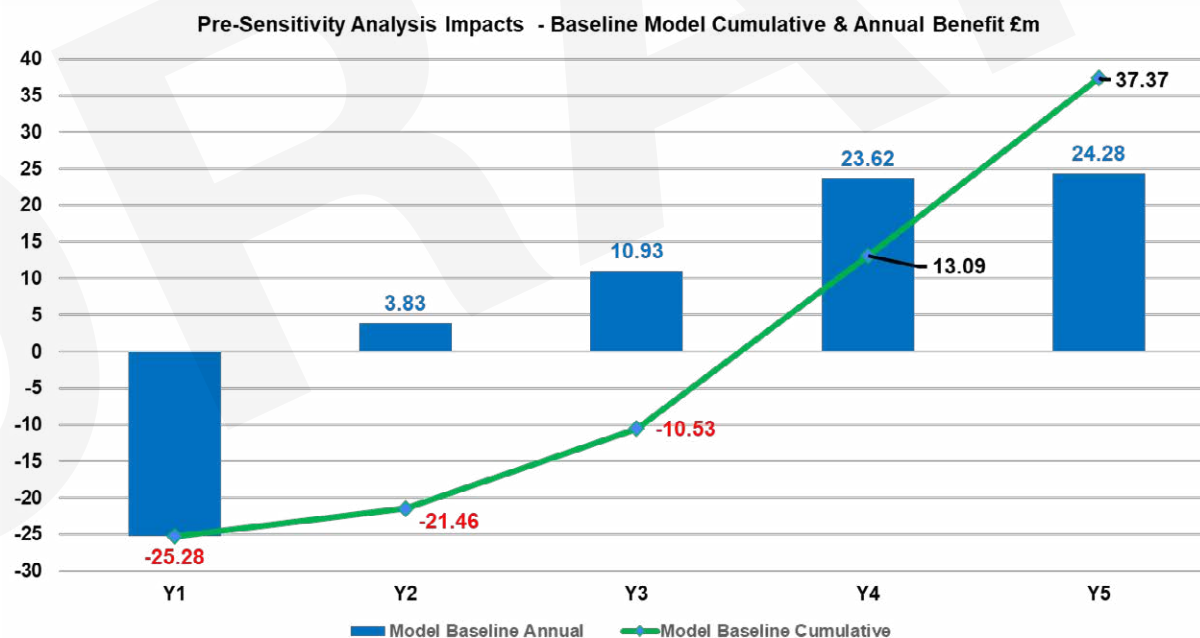
Transformation costs over a 5 year period					
	Y1	Y2	Y3	Y4	Y5
Total One-Off Transformation Costs (£M)	-0.65M	-1.64M	-2.29M	-1.31M	-0.65M

Summary – Before Sensitivity Analysis

The estimated full costs and benefits over a five-year period are set out below. Key figures include:

- Net in year benefit/cost: This is the financial impact (either a benefit or a cost) realised in a specific year of the financial case.
- Cumulative benefit/cost: This is the running total of all benefits and costs from the start of the financial case up to that year.
- Net benefit period: Length of time it takes for the cumulative benefits of the financial case to equal (or exceed) its initial costs.

This takes into account: Aggregation benefits and transition costs; One-off transformation benefits and costs; Recurring financial disbenefit costs. Negative figures reflect a cost. Figures reflect the combined total for both new unitary councils. PwC have included the breakdown to UA1 and UA2 level for both aggregation and transformation.



Criterion 2 Table 18	Y1	Y2	Y3	Y4	Y5	Total 5 year Benefit / Costs
Total Aggregation Benefits (£M)	10.83M	14.44M	16.25M	18.05M	18.05M	77.62M
UA1	4.40M	5.86M	6.60M	7.33M	7.33M	31.52M
UA2	6.43M	8.58M	9.65M	10.72M	10.72M	46.10M
Total Financial Disbenefit Costs (£M)	-12.94M	-12.94M	-12.94M	-12.94M	-12.94M	-64.70M
UA1	-6.05M	-6.05M	-6.05M	-6.05M	-6.05M	-30.25M
UA2	-6.89M	-6.89M	-6.89M	-6.89M	-6.89M	-34.45M
Total One-Off Transition Costs (£M)	-22.52M	0.00M	0.00M	0.00M	0.00M	-22.52M
UA1	-10.52M	0.00M	0.00M	0.00M	0.00M	-10.52M
UA2	-12.00M	0.00M	0.00M	0.00M	0.00M	-12.00M
Total Transformation Benefits (£M)	0.00M	3.96M	9.91M	19.82M	19.82M	53.51M
UA1	0.00M	1.64M	4.11M	8.21M	8.21M	22.17M
UA2	0.00M	2.32M	5.80M	11.61M	11.61M	31.34M
Total One-Off Transformation Costs (£M)	-0.65M	-1.64M	-2.29M	-1.31M	-0.65M	-6.54M
UA1	-0.27M	-0.68M	-0.95M	-0.54M	-0.27M	-2.71M
UA2	-0.38M	-0.96M	-1.34M	-0.77M	-0.38M	-3.83M
In-year Net Benefit / (Costs) (£M)	-25.28M	3.83M	10.93M	23.62M	24.28M	37.38M
UA1	-12.44M	0.77M	3.71M	8.95M	9.22M	10.21M
UA2	-12.84M	3.05M	7.22M	14.67M	15.06M	27.16M

Criterion Table 18	Net in year benefit/(cost) after 5 Years (Yearly Result) (£M)	Cumulative benefit/(cost) after 5 Years (Total Running Balance) (£M)	Net benefit period (Years)
TOTAL	24.28M	37.38M	3.5 Years
UA1	9.22m	10.21m	3.9 Years
UA2	15.06m	27.16m	3.2 years

Transition costs are expected to be met by the councils within the LGR area. The apportionment between LCC and the seven Lincolnshire District Councils would be subject to future discussion and agreement as the area moves into the government decision and final implementation phase.

Sensitivity Analysis

Working closely with PwC we have assessed the potential variation on costs and levers within the financial analysis set out above. The sensitivity analysis testing applies percentage ($\pm\%$) adjustments to each module's base position, not to top-line total for cost or benefit. This allows for the % impact to apply across underlying assumptions which provides the full modelled effect on total costs or benefits.

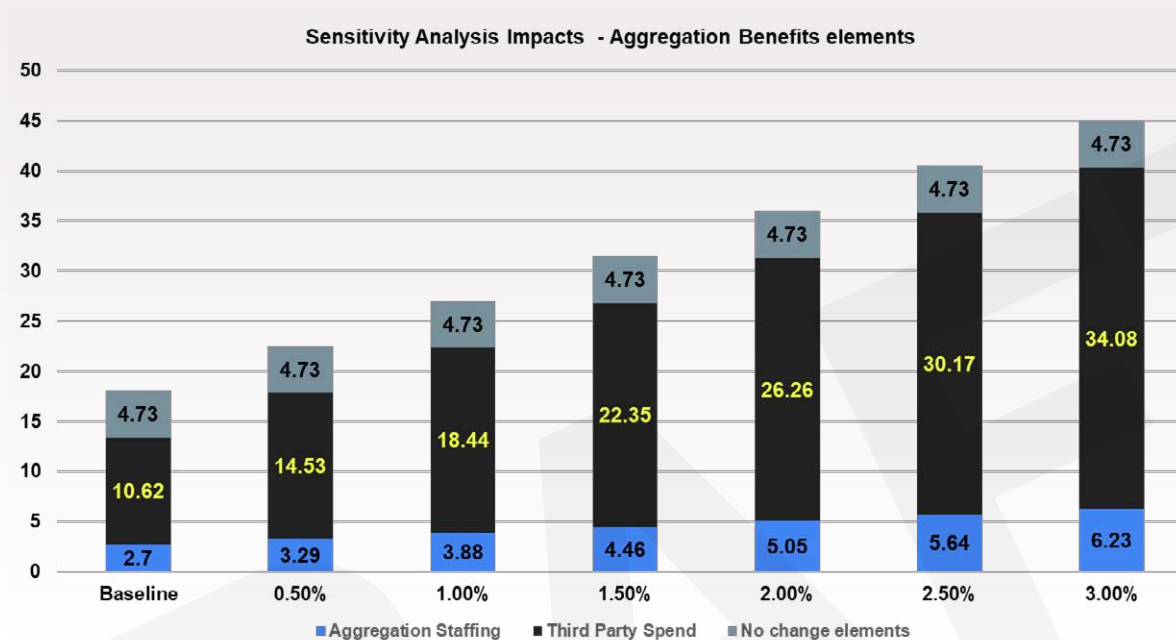
The sensitivity analysis has been prepared for each core element of the financial analysis and therefore covers:

- Aggregation Benefits (Staffing) (Increase)
- Aggregation Benefits (TPS) (Increase)
- Aggregation Benefits (Senior Leadership savings, Members, Election Expenses, Property) (unchanged)
- Transition Costs (Increase)
- Disaggregation Disbenefit (Decrease)
- Disaggregation Disbenefit (Increase)
- Transformation Benefit (Increase)

Aggregation Benefit – Staffing

Taking all four staffing elements, our conservative starting point delivers a benefit of £2.7m in addition to the £2.71m identified from aggregating senior staffing structures. Our sensitivity analysis shows a more ambitious mid-point position which increases the saving from £2.7m to around the £5.0m mark; whilst the upper end, which remains within the bounds of reason, reaches £6.3m. The sensitivity analysis therefore shows a potential to move from a combined £5.41m to a combined figure of just under £9m.

Sensitivity analysis on Third Party Spend shows far more significant opportunity. A 0.5% percentage first step yields an additional £3.91m – a bigger figure than our upper end for staffing savings. Moving through to the full 3% delivers a £23m improvement, moving our baseline position from £18m to £45m by year 4 based on our aggregation saving profile already shown above.



Transition Costs

Applying the sensitivity analysis to our baselines position shows the potential of adding a further £5m in cost, though the upper end of this resonates strongly with the PeopleToo estimates. Transition costs are one-off not ongoing costs.

Disaggregation costs

Disaggregation costs are, in contrast to Transition Costs, an ongoing cost. Our starting position, £12.94m representing 1.46% of net operating expenditure, is likely already at the upper end. Our sensitivity analysis is at the lower end, and more in line with the overall disaggregation percentage experienced by PeopleToo, taking this to around the £7m mark. Given the ongoing nature of these costs, the extent of cost that can be avoided has a significant impact – c£30m over the five year view taken. The approximate range c£13m to c£7m has been applied in our sensitivity analysis. The PeopleToo estimates on disaggregation are shown in table 19.

Criterion 2 table 19

Service	23/24 Outturn	%Cost	Explanation	Disaggregation Cost
Education services	£424,561,000	0.50%	Limited duplication expected; core statutory duties and school place planning functions will need to be replicated, but most delivery is DSG-funded and unaffected.	£2,122,805.00
Highways and transport services	£52,917,000	0.50%	Client and policy leadership duplicated, but large elements are already outsourced contracts which can be scaled, limiting overhead.	£264,585.00
Children Social Care	£129,442,000	1%	Statutory leadership roles (DCS, safeguarding boards, QA) must be duplicated, though some specialist functions could still be shared.	£1,294,420.00
Adult Social Care	£265,565,000	1.25%	High statutory burden and market oversight responsibilities make duplication unavoidable; full sets of leadership and safeguarding functions needed in both UAs.	£3,319,562.50
Public Health	£35,984,000	0.25%	Very low uplift as joint DPH appointments and shared commissioning support can contain costs; duplication limited to minimum governance.	£89,960.00
Housing services (GF only)	£5,526,000	0.25%	County-level enabling and strategy duplicated, but main housing responsibilities remain with districts; impact is modest	£13,815.00
Cultural and related services	£10,875,000	0.50%	Service leadership and support functions need replicating unless trusts/ partnership models are extended, hence a small uplift applied.	£54,375.00
Environmental and regulatory services	£28,990,000	0.50%	Trading Standards and regulatory oversight require two leadership teams, though some specialist back-office functions can be shared.	£144,950.00
Planning and development services	£8,527,000	0.50%	Strategic planning and minerals/waste policy duplicated; opportunity exists to mitigate if joint plans or policy teams are agreed.	£42,635.00
Fire and rescue services	£32,752,000	0%	Assumes a single combined FRA across both UAs, avoiding recurring duplication costs.	£0
Central services	£9,098,000	2%	Full duplication of statutory officers, democratic core, and corporate services (finance, HR, ICT, legal) required; this is the largest driver of overhead.	£181,960.00
Total	£1,004,237,000			£7,529,067.50

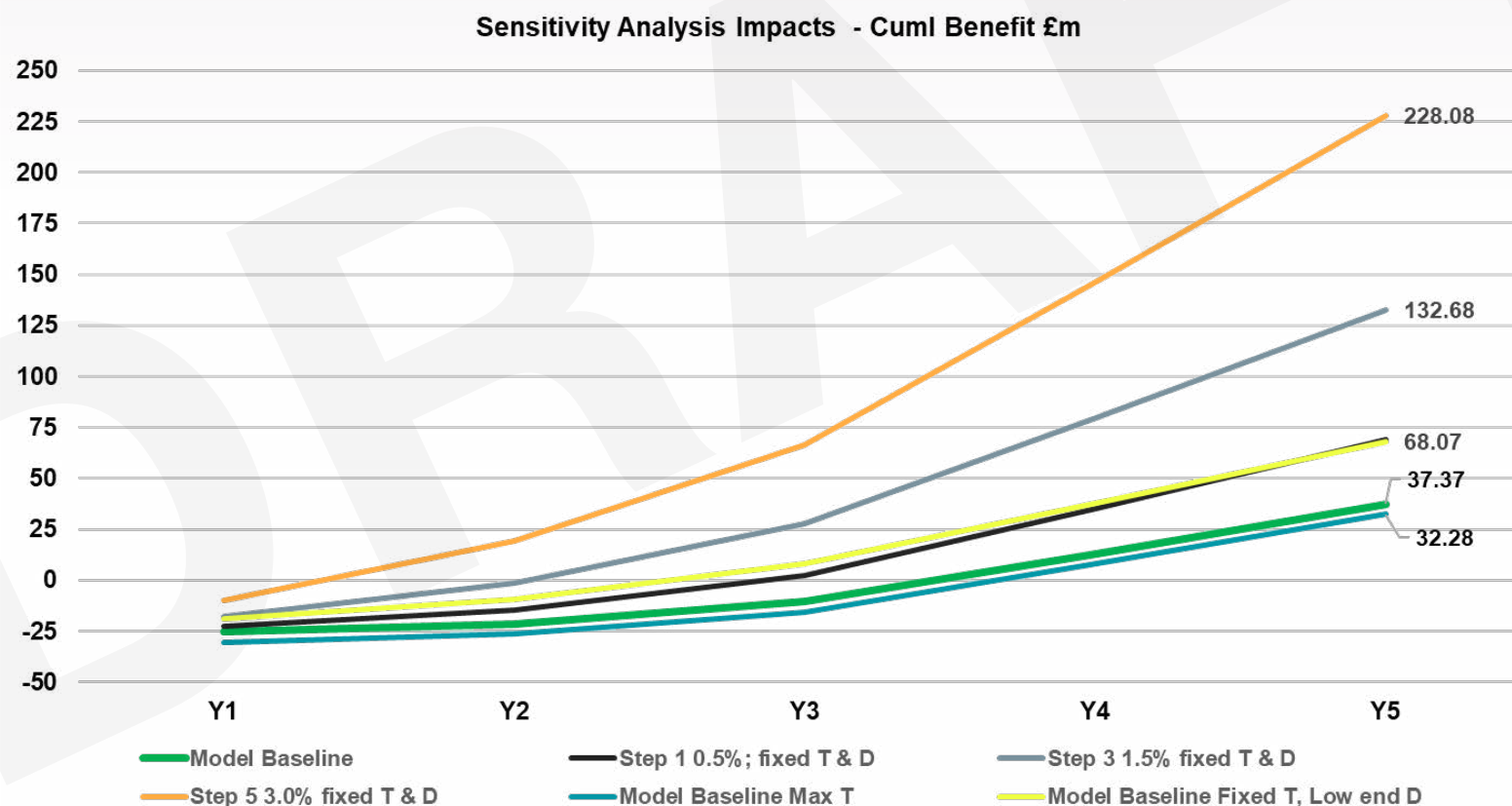
Transformation

Future Transformation relates to both level of ambition, but also to practical capacity and capability, and to the wider public sector operating far more systemically. The PwC sensitivity analysis shows a significant scale of opportunity to deliver over £50m of savings by year 5. The sensitivity analysis has maintained the same cost to saving relationship for Transformation, a realistic but again relatively conservative approach. Once Transformation costs are factored in, the net benefit by year 5 stands at £34m as compared with the baseline position of £13m.

Overall impact

As with any sensitivity analysis there is the danger of cherry-picking the up-sides and ignoring the downsides – leading, as seen elsewhere, in over-promising and under-delivering, the latter often substantially. It is likely unrealistic that all upper end savings projections would all be delivered, whilst at the same time all costs being incurred at the minimum.

Our sensitivity does, therefore, reveal the scale of the potential full opportunity; however our baseline case keeps our proposal firmly rooted in the reality of what can be delivered as opposed to what might be delivered.



Appendix 4C sets out the full sensitivity ranges and analysis that have been summarised above.

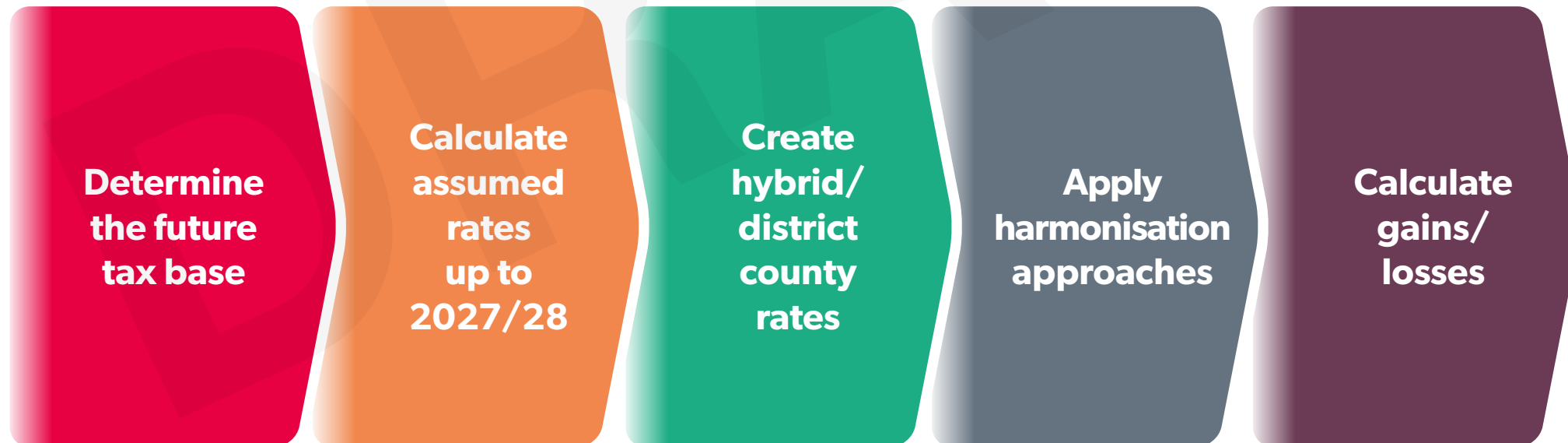
Council Tax Harmonisation

Whilst decisions on Council Tax Harmonisation will remain the responsibility of each new Shadow Authority it is incumbent upon each LGR proposal to present the initial implications and a range of options. Providing a projected council tax requirement for future years in the outputs of our financial modelling provides a degree of credibility to other projections. It remains an additional tool in determining whether a proposal's new geography is viable from the outset, and an early steer for members in their duties when LGR implementation is underway.

As part of LGR a uniform rate of council tax must be in payment across the whole area (of each new unitary) by the seventh year. Regulations are set out in statute and referendum principles apply, albeit with some flexibilities within a new unitary area.

The approach to council tax harmonisation can be used to preserve low rates; generate additional income, or to distribute current requirements more equitably - but not all three at the same time. Ultimately that will be a decision for the members of each new Shadow Authority.

The approach taken with PwC has therefore been to 1) project the baseline; 2) create the new geographies; 3) create the harmonisation outputs.



Working with PwC we took the following baseline position (Tax Base per CTB1)

Council	2025 Taxbase (Band D equivalents)	2025/26 Band D Rate (ex PP)	Type of Council
Lincolnshire	249,550	£1,625.85	County Council
Boston	20,704	£261.55	District Council
Lincoln	26,141	£316.98	District Council
East Lindsey	48,602	£171.54	District Council
North Kesteven	40,293	£194.40	District Council
South Kesteven	50,141	£189.37	District Council
South Holland	30,912	£215.76	District Council
West Lindsey	32,757	£248.76	District Council
North Lincolnshire	52,687	£1,800.36	Unitary Council
North East Lincolnshire	47,584	£1,952.04	Unitary Council
Rutland	16,130	£2,218.95	Unitary Council



The Levers

1

Method of Increasing the Taxbase

By default the model uses change in working age population to uprate the proposed taxbase each year. Other LAs have applied either a flat rate (eg. 0.5%/yr) or have used a calculation based on historic changes

2

Pace of Harmonisation

The law requires that the harmonisation process is complete, with all parts of the area paying the same rate of council tax by the seventh year. A longer period may provide less dramatic changes in rates, but effectively prolongs the process and can result in significant foregone income over time.

3

Direction of Harmonisation

The harmonisation model can target the lowest, highest or a new mean/median rate in the target year. This will then provide an annual change in rate each year which includes the standard increase applied, along with a factor which brings the rate closer to the harmonisation target.

4

Exceptional Rates

The harmonisation model can apply an exceptional rate (e.g., 7.49%) in one or more years prior to vesting day. This accounts for areas (such as Somerset) where the council has requested additional flexibility to set a higher rate due to financial pressures.

Modelled outputs

Based on our proposed configuration of new unitaries, we have modelled council tax harmonisation based on four approaches:

- 1) Harmonising to the lowest rate in each new unitary area;
- 2) Harmonising to the highest rate in each new unitary area;
- 3) Harmonising to the median rate in each new unitary area;
- 4) Harmonising to the weighted average in each new unitary area.

In terms of recent LGRs, North Yorkshire, as an example, chose the weighted average approach. A fifth approach would be to harmonise to a specific figure and is something a new shadow authority may wish to consider however, this approach is not included within our modelling as we feel it not appropriate to second guess the directions that the members elected to each new shadow authority may wish to take. The effect of each of the four core options was then modelled on harmonising in year 1, through to harmonising by year 7. Thus providing 28 options for each of the new unitary areas proposed. Given the range of figures, and for simplicity of presentation, harmonising over 1, 2, or 3 years has been included in the detailed Appendix 4D.

The table below provides an example output based on the weighted average approach and harmonising within a single year. Again, for simplicity, the weighted average approach has been applied to both new unitary council areas and shows both with a year one harmonisation. **This is shown for illustrative purposes only, and is not a recommendation, nor an inference that both new unitaries must adopt the same approach.**

The table below provides an example output based on the weighted average approach and harmonising within a single year. Again for simplicity the weighted average approach has been applied to both new unitary council areas and shows both with a year one harmonisation. **This is shown for illustrative purposes only, and is not a recommendation, nor an inference that both new unitaries must adopt the same approach.**

Weighted Average

Years to Harmonise:	1
	2029/30
Final value:	£2,198

New UA1	Overall Rate of Increase	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
North Kesteven	4.97%	2,094	2,198	2,308	2,423	2,544	2,671	2,804	2,944
South Kesteven	5.24%	2,088	2,198	2,308	2,423	2,544	2,671	2,804	2,944
South Holland	3.81%	2,117	2,198	2,308	2,423	2,544	2,671	2,804	2,944
Annual increase in rate			4.67%	4.99%	4.99%	4.99%	4.99%	4.99%	4.99%
New Unitary Council Tax Requirement			272,089,989	287,095,616	302,928,796	319,635,167	337,262,887	355,862,767	375,488,420
Pre-Harmonisation Council Tax Requirement			272,089,989	286,541,997	301,771,622	317,821,070	334,734,848	352,559,895	371,345,715
Overall in-year impact on Council Tax Requirement				553,619	1,157,173	1,814,098	2,528,039	3,302,871	4,142,706

Years to Harmonise:	1
	2029/30
Final value:	£2,240

New UA1	Overall Rate of Increase	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
Boston	3.37%	2,167	2,240	2,352	2,470	2,593	2,722	2,858	3,001
Lincoln	0.56%	2,228	2,240	2,352	2,470	2,593	2,722	2,858	3,001
East Lindsey	8.28%	2,069	2,240	2,352	2,470	2,593	2,722	2,858	3,001
West Lindsey	4.04%	2,153	2,240	2,352	2,470	2,593	2,722	2,858	3,001
Annual increase in rate			3.99%	4.99%	4.99%	4.99%	4.99%	4.99%	4.99%
New Unitary Council Tax Requirement			293,014,640	309,174,251	326,225,056	344,216,205	363,199,557	383,229,831	404,364,764
Pre-Harmonisation Council Tax Requirement			293,014,640	308,477,845	324,769,430	341,934,223	360,019,496	379,075,097	399,153,590
Overall in-year impact on Council Tax Requirement				696,406	1,455,626	2,281,982	3,180,060	4,154,733	5,211,174

PeopleToo

The full set of financial baseline analysis undertaken by PeopleToo is set out in Appendix 4E.

Housing Revenue Accounts

Four of the seven Lincolnshire districts – all three within our proposed new Unitary 1 (North Kesteven, South Holland and South Kesteven) and one, City of Lincoln, within our proposed new Unitary 2, have Housing Revenue Accounts.

The financial modelling of the amalgamation of the Councils' respective HRAs is outside this proposal and therefore has not been undertaken.

It is reasonable to assume that each HRA is under the financial strains of maintaining sustainable financial business plans within the context of investment in the housing stock, incurring costs of new builds to respond to increased social housing demands and responding to ongoing maintenance in the HRA housing stock.

The combined housing stock of the 3 authorities in the proposed UA1 (NKDC, SKDC, SHDC) provides a total of 13,680 social housing dwellings.

The combined rental income, in respect of combined accounts, is £68m per annum. This will provide financial resilience to continue to invest in the social housing stock.



There is a combined annual capital investment programme of £18m per annum which demonstrates an ongoing commitment to invest in the quality of the social housing offer for our residents that is most in need.

There is also the opportunity to consolidate the reserve balances of each of the UA1 councils which will provide an overall reserve balance of £47m. This not only provides financial resilience, but also a platform for further investment in the housing stock over the medium term.

Equally, consolidation of the three HRAs within proposed unitary one will offer operational scale efficiencies and mitigate some of the pressures faced, whilst also ensuring best practice from each of the three original HRA operations is integrated across the whole new unitary HRA operation.

HRA amalgamation is an area of significant technical uncertainty. The relevant legislative and regulatory framework, and official MHCLG guidance on opening, operating and closing HRAs, does not include information pertaining to the merging or amalgamation of multiple HRAs. Multiple HRAs have been amalgamated in previous reorganisations, most recently in Somerset. However the exact procedural mechanics are unknown. MHCLG have yet to issue specific guidance on this matter.

Clearly, there are financial benefits to be gained from the consolidation of three HRA accounts in Unitary 1, however given the uncertainty around the mechanics of HRA consolidation as set out above a full analysis has not been undertaken at this stage.



SECTION 4: LGR Criterion 3: High Quality, Sustainable Services

Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens

a) Proposals should show how new structures will improve local government and service delivery, and should avoid unnecessary fragmentation of services.

b) Opportunities to deliver public service reform should be identified, including where they will lead to better value for money.

c) Consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety.

Our Jurisdictional Design Objective: The proposed jurisdictions are appropriate and conducive footprints to sustainably deliver the full range of high quality local government services and facilitate public service reform.

Summary of Policy Challenges:

- Jurisdictions must be of a size and coherence to meaningfully focus on and create neighbourhoods rather than establishing 'mini-Whitehalls' in the localities.
- Jurisdictions must be connected to place and the local to successfully the shift to a preventative local state.
- Jurisdictions which may require the disruption of the current service configuration must present a clear and robust solution.

Our proposed jurisdictions deliver:

- Coherent Places of Places as determined by the underlying economic data to provide the best foundations for public service reform that centres neighbourhoods.
- Locality and outcome focused services.
- Considered, pragmatic and safe disaggregation on upper-tier services, particularly those referenced in point C above.

Seizing the Public Service Reform Opportunity

Task: Jurisdictions must be of a size and coherence to meaningfully centre neighbourhoods rather than establishing ‘mini-Whitehalls’ in the localities.

Our proposed jurisdictions are coherent Places of Places to provide the best foundations for public service reform.

The government’s Spending Review outlined a series of high-level principles for Public Service Reform that guide the government’s approach:

- To integrate services, so that they are organised around people’s lives.
- To improve long-term outcomes for people through a focus on prevention, relying less on expensive crisis management.
- To devolve power to local areas that understand the needs of their communities best, with services that are designed with and for people, in partnership with civil society.

Uniting the strands is a return of the neighbourhood to the heart of public policy.⁴² To ‘think neighbourhoods’ is central to the government’s Plan for Change. This can be seen in the proposals for a neighbourhood health service in the DHSC policy paper *10 Year Health Plan for England: Fit for the Future (2025)*, the Neighbourhood Policing Guarantee, the Community Wealth Fund, the Plan for Neighbourhoods, the Pride in Place programme, the Cabinet Office’s flagship ‘Test, Learn and Grow’ public reform innovation programme and so on. Underpinning each initiative is the recognition that there is great vitality and intelligence in the systems edge.

The centralised Whitehall model was set up to run industrial scale uniform provision. Policy is set at the centre, which is then for local areas to implement directly rather than augment with their own understanding of their particular circumstances. Divorcing decisions from context in this way prevents the creation of more responsive feedback loops operating locally, which would be essential for developing new approaches to overcome challenges that manifest differently in different areas. This singular technocratic approach is increasingly not able to respond to the complex, interconnected phenomena which occur in communities and are fundamental for individual outcomes, such as relationships, support networks and social bonds. Wicked societal problems demand bespoke, place based and relational solutions, not the optimisation of mass service production.

The solutions to the wicked problems of 21st century: an ageing society, complex health needs, economic inactivity, social cohesion, ‘left behind’ places etc will not be divined and cascaded by central directives, but in the communities and neighbourhoods where residents make and live their lives, by the people with dirt under their nails, who know their patch best and know what needs to be done. An approach that no longer sees neighbourhoods as the end users of policy, but as the engines of change.

42. The Independent Commission on Neighbourhoods (ICON), (May 2025), Neighbourhood Policy Green Paper: Delivering Neighbourhood Renewal -Proposals for Change. Available at: <https://www.neighbourhoodscommission.org.uk/wp-content/uploads/2025/05/Driving-Neighbourhood-Renewal-Proposals-for-Change.pdf> [Accessed 4 November 2025]

Increased digitalisation and automation provide opportunities, but not silver bullet solutions and create new governance challenges. Technology will augment, not substitute for local and human connection and control.⁴³

For years, local authorities have pursued innovative approaches rooted in place and cultivating community capacity. This has been in direct response to rising demand, public service failure and an unmet appetite for people to have more influence over their own lives and the places that matter to them. **By focusing on a scale of place that people identify with, enabling community power, and investing in preventative, relational, and asset-based ways of working, outcomes can be improved, along with a more efficient use of resources and sustainable cost and demand reductions for the long term.**⁴⁴ The mission of the 'Test, Learn and Grow' programme is to tap into this local innovation. LGR provides the opportunity to take the most cutting edge practices into the mainstream by embedding it within the operating model, culture, and practice of the new unitary authorities. A renewed and refreshed local state can be joined up with the regional and national state to make them more than the sum of their parts delivering on the need for 21st century public services.

However there is disjunction between the LGR programme and the wider public service reform agenda. The 10 Year Health Plan for England, the Pride in Place Strategy and the Local Government Outcomes Framework (LGOF) do not highlight the forthcoming changes to local government and the imminent scale increase. The term 'principal authority' is not used. The White Paper itself identifies local authorities as local leaders and convenors of place. The policy papers still conceptualises local government as intrinsically local bodies with extensive knowledge of their place. Whilst that will be true in some parts of the country in 2028, primarily the urban unitaries not undergoing reorganisation in this round, it will not be the case in others. There is a risk of misalignment between a wider focus on the neighbourhood across government, principally in a decentralising NHS, and a consolidating local state. Necessarily, authorities of a significantly larger scale will have a higher strategic and operational altitude with a homogenising effect, weakening the link to the specific nature and needs of the patchwork of neighbourhoods that make up local places.

43. Karen Yeung, (2022) 'The New Public Analytics as an Emerging Paradigm in Public Sector Administration' [Online], 27(2) Tilburg Law Review pp. 1–32. DOI: <https://doi.org/10.5334/tlir.303> [Accessed 4 November 2025].

44. Collaborate CIC for Test Valley BC (2025), The bigger you go, the less you know: Why place-based, relational approaches to public services must be core to Local Government Reorganisation [Online]. Available at: <https://collaboratecic.com/wp-content/uploads/2025/07/The-case-for-place-based-approaches-Test-Valley-280725.pdf> [Accessed 4 November 2025].

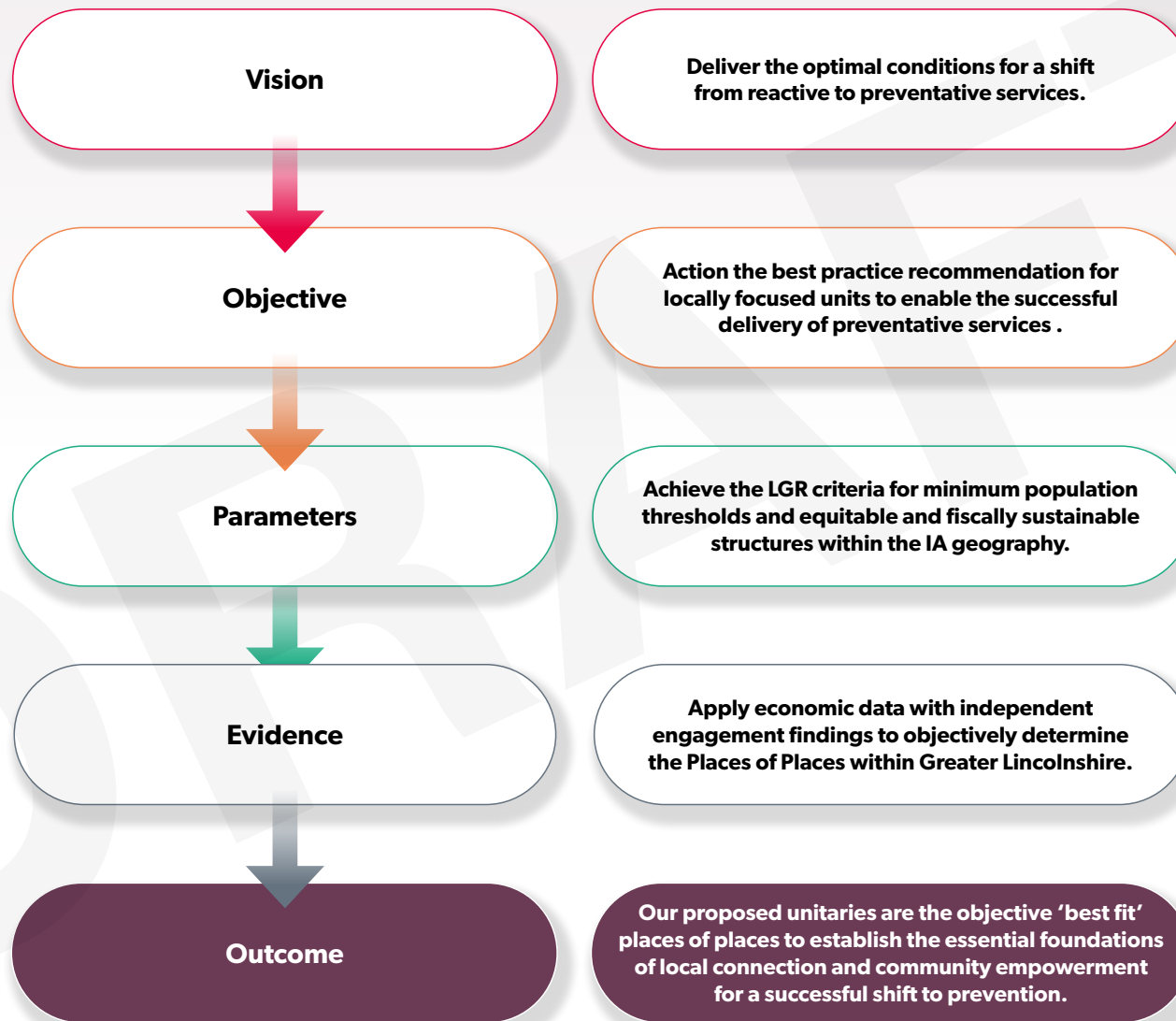


It will not do for LGR to establish mini-Whitehalls across the localities through oversized unitaries, at the precise moment that Whitehall itself is moving away from ‘one-size-fits-all’ centralisation. A sub-regional unitary will govern on a strategic sub-regional basis. There will be benefits from strategic system unification, however there will also be a strong incentive for service uniformity and consistency with the consequent smothering of the articulation of varying local policy preferences. There have been attempts to bridge the gap between a sub-regional scale unitary and the hyper-local, most notably by Mutual Ventures for Norfolk County Council.⁴⁵ The proposed thicket of neighbourhood area committees with attendant integrated neighbourhood teams, partnerships, boards and special purpose vehicles bestows miniature Whitehall with a miniature quango state. Local policymakers would face the same incentives that MHCLG does now with local government, to consolidate the hyperlocal mechanisms to enable greater local capacity and more efficient and effective central coordination and control.

For LGR to successfully shift public service delivery to operate at a neighbourhood scale, the resulting local authorities must frame their purpose around creating the conditions for people and places to flourish and identify their role as an enabler of residents and partners to build and shape the places they care about and address common challenges together. They need to be able to work at the human scale, accommodating human needs and relationships, and at a system scale, connecting, coordinating and stewarding resources. That can only be done if the jurisdictions are coherent places of a sensible scale. This our proposal achieves for Greater Lincolnshire.

45. Mutual Ventures for Norfolk CC (August 2025), Community Engagement Model: Proposal for Norfolk. Available at: <https://www.norfolk.gov.uk/article/72166/The-journey-so-far> [Accessed 4 November 2025]

Designing for Prevention



Delivering a Preventative Local State

There is widespread consensus that a new approach to public services is needed. One that focuses more on providing the conditions for success and less on responding to problems: a preventative state. Prevention will deliver better outcomes and reduce costs. A siloed system is not human centred and will not be efficient. Nevertheless the state has struggled to successfully deliver these ambitions. Considering the problem, Demos argue that prevention is not just about proactive delivery to reduce demand on other reactive services; it is creating the conditions for a strong, connected community to emerge in which residents lead better lives where they are and so are therefore much less likely to need to use those public services.⁴⁶ The role of the local state shifts, from plugging the gaps in people's lives and mopping up when things go wrong, to building communities. This is achieved by the enablement of stronger neighbourhoods, through creating the conditions for connections, building social infrastructure, mobilising people and long term community development - rather than turning a blind eye until the consequences become too impossible to ignore. A preventative state would not only get in early to provide the solutions to problems before they get out of hand (such as mental health treatments) but also build social strength and connections that can mitigate against decline at all.

Prevention in practice is not merely the use of predictive data analytics to troubleshoot. It cannot be delivered remotely from a spreadsheet.⁴⁷ It is about working with and empowering communities – not one-size-fits all policy solutions. Building relationships of trust and belonging that help people to do the right thing.

This must be fundamentally local, built neighbourhood-by-neighbourhood and depend on strengthening our social, cultural and civic foundations to enable people to develop the habits of participation and active citizenship. Local connection and resident empowerment are the essential building blocks; without those foundations prevention is doomed to failure. Within public services, a concentrated focus on creating a 'liberated' culture and leadership is required. Nothing will change without a different culture across local public services, challenging the view of the passive resident, breaking down siloes between services, and actively encouraging staff and multi-agency collaboration in a place. An oversized sub-regional unitary built on continuity that inherently dislocates from the local and disempowers residents, or unitaries misaligned to functional economic areas and local identity will not be the conducive settings to deliver the government's place based and preventative public service reform agenda.

Greater Lincolnshire has a vast geography of differing needs and priorities. Scunthorpe, Skegness and Stamford for example, or Gainsborough, Grantham and Grimsby, all face different local challenges, which will be best solved through bespoke approaches and solutions. The expert and commonsense policy response is for multiple local units aligned to place within the LGR scale parameters. **So that every place can have the focus it deserves. This our proposal delivers.**

46. Demos (2023), The Preventative State: Rebuilding our Local, Social and Civic Foundations. Available at: <https://demos.co.uk/wp-content/uploads/2023/04/the-preventative-state.pdf> [Accessed 4 November 2025].

47. Vogl, T.M., Seidelin, C., Ganesh, B. and Bright, J. (2020), Smart Technology and the Emergence of Algorithmic Bureaucracy: Artificial Intelligence in UK Local Authorities. Public Administration Review, 80: 946-961. Available at: <https://doi.org/10.1111/puar.13286> [Accessed on 4 November 2025].

Case Study: Leisure and NHS Community Health partnership

After COVID-19, the need for accessible rehabilitation grew as NHS waiting times increased. Leisure centres emerged as ideal health hubs. In 2022, an unused space at One NK was converted into the Health Hub—a fully accessible gym and studio offering consultations and tailored programmes for Healthwise and referral customers. Partnerships with Lincolnshire Community Health Service and cardiac and pulmonary rehab teams soon followed, creating a seamless “one-stop shop” for recovery and preventative care.

The Hub has reduced patient wait times, generated 7,800 annual visits, and boosted secondary spend through the café. Membership for Healthwise continues to rise, while partnerships with providers like Great Northern Physio expand services such as osteoarthritis classes. This model is reshaping leisure centres into inclusive health spaces.

Future plans: Replicate success at Better Gym Sleaford and grow targeted programmes, reinforcing our commitment to community wellbeing.



Effective Mission Based Multi-Scalar Governance

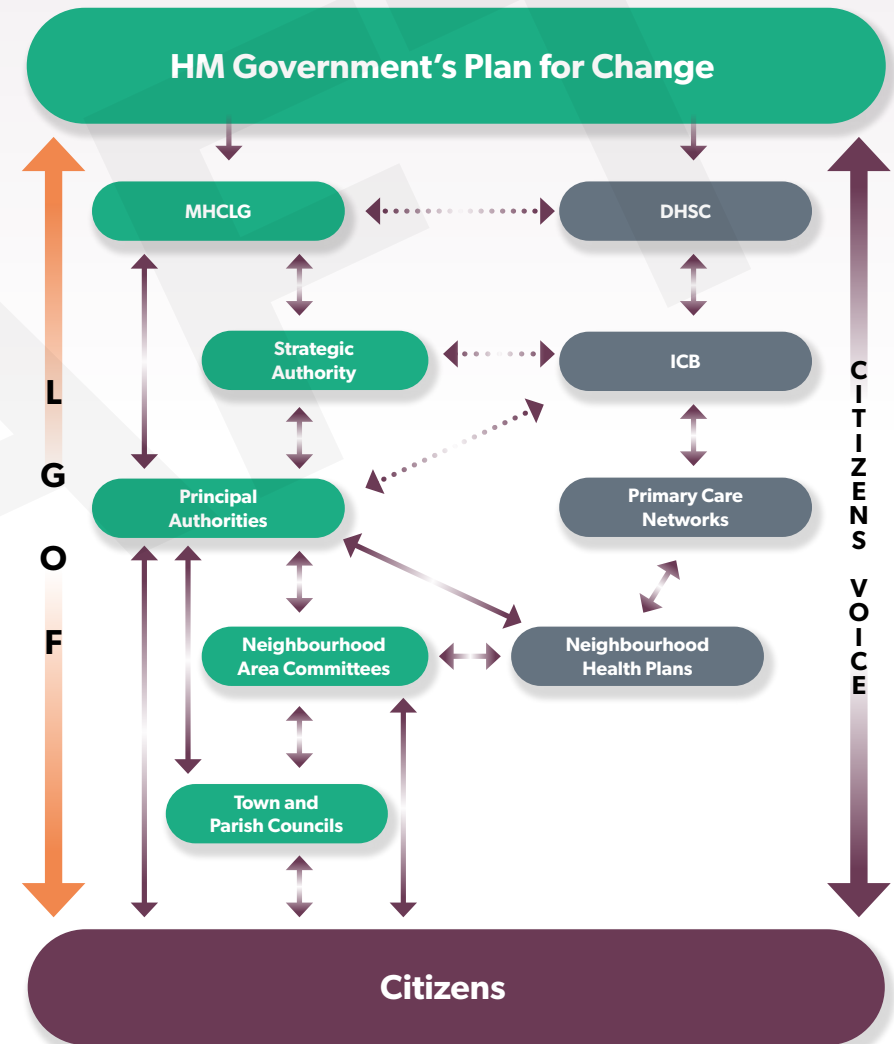
The Public Accounts Committee (PAC) has recommended that reforms to local government and the NHS are implemented as part of a whole-system, cross-government approach. The future of the NHS is dependent on closer working with local authorities. In turn, the successful delivery of local priorities for place will require a collective instead of a siloed approach to local public services. The ICB clustering is proceeding ahead of LGR. Northern Lincolnshire is part of the Humber & North Yorkshire ICB cluster. The Lincolnshire ICB (coterminous with the present county council footprint) has been clustered with Derbyshire and Nottinghamshire. Our three unitaries enable for strategic alignment of Northern Lincolnshire cross-Humber, and Lincolnshire to the East Midlands, without undermining the strategic authority.

The DHSC policy paper, *10 Year Health Plan for England: Fit for the Future (2025)*, places neighbourhood working and prevention at the centre of a decentralised operating model.

On a local level we will endeavour to ensure coterminosity between the NHS neighbourhood operating model and the future neighbourhood committee systems, or at minimum ensure that the area committees will be located within PCN boundaries. Statistical geography will be used as the building blocks for area committees, following the recommendation of the Independent Commission on Neighbourhoods (ICON).

This enables the Local Government Outcomes Framework (LGOF) to steer and monitor activity on a hyper-local level.

The LGOF missions can be used as the organising logic, creating strong relationships across the system, so that people working on an issue in neighbourhoods and at the centre feel like part of one team working towards the same goals.



Service Improvement – Place Based Services

The MHCLG guidance, as set out at the start of section 4.3 is explicit in its requirement. It additionally states:

‘For proposals that would involve disaggregation of services, we would welcome further details on how services can be maintained, such as social care, children’s services, SEND, homelessness, and for wider public services including public safety. Under criterion 3c you may wish to consider:

- How each option would deliver high-quality and sustainable public services or efficiency saving opportunities.
- What would the different options mean for local services provision, for example:
 - Do different options have a different impact on SEND services and distribution of funding and sufficiency planning to ensure children can access appropriate support, and how will services be maintained?
 - What is the impact on adults and children’s care services?
 - Is there a differential impact on the number of care users and infrastructure to support them among the different options?



Children's Services

Our detailed approach is set out in Appendix 5A. This focuses on how to safely disaggregate whilst also seizing the opportunities associated with doing so. We equally recognise that MHCLG are encouraging of innovative partnerships, for example Regional Care Cooperatives. It is expected that these will augment disaggregated services, rather than be a delivery model.

Our opening premise, as with Adult Social Care, is that each new unitary model sets up its own Children's Services structure and workforce, with local leadership and systems with separate services from day one.

Expert external resource has been engaged to support the development of our proposed approach for this critical area. Kath O'Dwyer has 42 years local government service with 8 years' experience as a Local Authority Chief Executive.

As a Chief Executive, Kath successfully led the turnaround and improvement of two failing councils that had been subject to concerns from both the Government and the Local Government Association. Each improvement programme placed a strong emphasis on whole organisation culture change. In one case, this involved addressing a negative organisational culture that had arisen due to a lack of focus on this key issue during a previous Local Government Reorganisation (LGR) process.

Kath started her career as a Children's Social Worker and has 34 years' experience at all levels within Children's Services. She was a DCS in 4 different local authorities where she led the effective turnaround of four Children's Services directorates to remove government intervention and deliver improved Ofsted inspection ratings. Kath also has 3 years' experience as part of a government intervention team in relation to Children's services which was commissioned by government and delivered via a contract with Serco. She served as a National Director at Ofsted.



Operating Model Approach - Place-Based Localities

Via this approach, there is strategic alignment and a fit with LGR goals as well as existing governance structures enabling a smoother transition during LGR.

There is a level of operational simplicity which will support an ease of implementation and transition. It builds on familiar district boundaries, which supports continuity, stakeholder engagement, and operational clarity, together with alignment with local identity and cohesion to create community identity.

While it may not fully reflect demand hotspots or deprivation clusters, these limitations can be mitigated through targeted commissioning and performance monitoring within each locality. This approach offers some ability to reflect local demand, demographics, and service pressure and some potential to reduce inequalities and improve outcomes.

The model offers a good governance fit with clarity and feasibility of leadership and accountability arrangements.

Operational modelling has some constraints but does provide sufficient data to propose a staffing and service delivery structure for the County Council footprint. However, even this data presents limits to the ability to assess travel time, caseload distribution, and supervision structures at a granular level.

The future unitary must balance local responsiveness with economies of scale. Locality-based teams may be preferable for many services, with some centralised functions which can drive consistency and efficiency.

However, the locality model offers a compelling framework for:

- Tailored service delivery that reflects local needs, deprivation levels, and population projections.
- Operational resilience, particularly in rural and hard-to-reach areas, through adjusted workforce deployment and flexible staffing.
- Partnership integration, enabling closer alignment with NHS, VCSE, and safeguarding partners at the place level.
- Strategic commissioning, with the potential to market shaping and outcome-based contracts.

In each of the 2 Unitary Councils, the vast majority of Children's Services functions (e.g., early help, social care, SEND, education services, including school capacity planning and admissions) would be merged into a single, unified directorate, operating consistently across the new organisational footprint. Within each of the 2 new Unitary footprints it is recommended that delivery is focused into locality-based teams, where possible aligned to former council areas to mitigate and reduce risk, meet the government locality expectations and ensure some continuity.

The significant detail underpinning this approach is set out in the supporting appendix.

Part 1

Part 1 of the appendix establishes the local and wider context, structured around:

- Evaluation of Potential Delivery Models.
- Learning from others.
- Assessment against the DCN / Staff College Children's Services Maturity Matrix.
- Data Analysis (based on 2025 Newton report).
- Risk (based on a model developed by Colin Foster, Chief Executive, Northampton Children's Trust).
- Other Factors, reflecting the nine key enablers identified by the LGA.

Part 2

Part 2 then fully develops the recommended approach.

- Reflection on the evolving LGR position in Greater Lincolnshire (NB. Part 1 was developed ahead of the options appraisal ruling out Rutland inclusion, and before confirmation that the two northern unitaries would need to remain as now).
- Restatement of relevant MHLCG criterion.
- Preferred model outline.
- Modelling of the recommended approach:
 - Existing delivery footprint mix – countywide; North-South split; district / district combination footprints.
 - Transition to future two unitary structure.
- Recommendations for future staffing structure including for each of the two new unitaries.
- Staffing implications.
- Summary of recommended approach (as set out above).
- Other factors:
 - Governance.
 - Partners – including relationships with NHS, Police, and Voluntary Sector.
 - Commissioning arrangements.
 - Ofsted judgements.
 - Regional Care Co-operatives.
 - Response to Newton report key messages.

Children's Services Approach – Conclusions

Within each of the 2 new Unitary footprints we recommend that delivery is focused into locality-based teams, where possible, aligned to former council areas to mitigate and reduce risk, meet the government locality expectations and ensure some continuity.

The majority of Children's services are recommended for disaggregation other than for those services where there is a compelling case of the continuation of county wide single provision, however there are only a small number of services where this is the case.

- 15 services remain as delivery on a locality basis
- 10 services split to create delivery on a locality basis
- 5 services remain on a county footprint as a shared service across both Unitary Councils hosted by 1 of the new Unitary Councils

There are further options in relation to the 10 services that are currently delivered and configured on a county wide footprint:

- Decision to leave as is and operate as a shared service on a time limited basis to allow the new Unitary Authorities the time and space to disaggregate once the new Councils have been formed and embedded.
- Develop plans for disaggregation and implement in advance of Vesting Day

The latter is recommended.



For those services that are currently configured on a North and South split, if these footprints relate to the 2 x new Unitary Authority footprints, we recommend that they should be delivered as a separate council wide service in each of the 2 x new Unitary Authorities with future consideration of disaggregation into localities.

For those services which are currently delivered on a locality basis but with a centralised function across the County Footprint, we recommend that these overarching teams be disaggregated to service each Unitary authority separately.

However, there are further options of:

- Leave as is and operate as a shared service on a time limited basis to allow the new Unitary Authorities the time and space to disaggregate once the new Councils have been formed and embedded.
- Develop plans for disaggregation and implement in advance of Vesting Day.

The latter is recommended.

The services which are currently delivered by the County Council on a Locality Model would potentially, in the most part, allow a 'lift & shift' approach in the proposed 2 New Unitary Authority model. There are, however, some management and leadership arrangements for these services that sit centrally and would therefore require further consideration.

For those services which are delivered on a 2 locality footprint, but are within the same new Unitary footprint, we recommend that these services remain joint and serve each of the 2 locality footprints within each of the new Unitary Authorities with future consideration of disaggregation into localities.

For those services which are delivered on a Boston and South Holland footprint, if these two districts are to be in separate Unitary authorities, these should be separated into each of the 2 new Unitary Councils.

For those services which are delivered on a North & South Kesteven and a Lincoln & West Lindsey footprint, decisions would need to be made as to whether these should:

- Be separated into each of the 2 x locality areas.
- Remain joint for a time limited period with a view to future disaggregation into localities.
- Remain joint and serve the footprint of each new Unitary authority.

We would recommend that they remain joint and serve the footprint of each new Unitary authority, with future consideration of disaggregation into localities.



There is also an option for transitional planning/ deferred disaggregated arrangements for some aspects of service systems etc. This would be the option of former County Children's Services functions continuing to operate for a defined period (e.g., 1 – 2 years), during which longer-term arrangements are co-designed and implemented. This could include those services that are complex to disaggregate such as:

- Commissioning arrangements – where new contracts would be required and potentially some joining up of contracts.
- IT systems – this would be wider than Children's Services.
- Social Work Recording systems – where a new single system would need to be decided upon and existing records decanted into the new system.

This is not recommended but may be a pragmatic solution where appropriate.

Social Work Practice models across the new 2 Unitary footprints could continue without disruption from the current County practice model.

We recommend a senior management structure in each of the two new unitaries of:

- 1 x Director of Children's Services - (Statutory DCS)
- 1 x Assistant Director - Education
- 1 x Assistant Director - Children's Care & Support
- 1 x Assistant Director - Young People & Partnerships

This would result in 2 senior management posts needing to be recruited to across the 2 new Unitary Councils.

In relation to the wider Children's Services management structures:

- 4 additional Head of Service roles would be needed in the new structures.
- 33 fewer Team Manager/Locality Lead roles would potentially be required.
- 2 x Other Manager/Lead roles would be needed in the new structures.

Therefore, depending on more detailed analysis of role functions and responsibilities, there are potentially a significant number of posts that would no longer be required or could be repositioned as required. The proposals outlined will require further consideration and discussion with those that know these services well, as nuances and issues may not be obvious from a desk top analysis.

We believe that the proposals summarised above meet the government expectations of:

- **The delivery of high quality and sustainable public services to citizens.**
- **Demonstrate how new structures will improve local government and service delivery, and avoid unnecessary fragmentation of services.**
- **Create opportunities to deliver public service reform, including where they will lead to better value for money.**
- **Consider and address the impacts for crucial services such as social care, children's services, and SEND.**

The anticipated effect on costs or the financial sustainability of children's services, notwithstanding the current financial pressures for all councils in relation to the demand and cost of care placements and SEND services, will need to be given further consideration in the planning and financial forecasting as part of the LGR process once final decisions have been made.



Adult Social Care

Working closely with Gate One we similarly propose a locality based model for the delivery of Adult Social Care.

Gate One were commissioned to identify and assess future delivery models under Local Government Reorganisation (LGR) and provide a comprehensive analysis of the ASC landscape across Lincolnshire supported by a deep-dive focus on what the ASC delivery model would be for the proposed future unitary comprising of South Kesteven, North Kesteven and South Holland. The assessment covered the full range of ASC services:

Assessment Planning	• Care Act & carer assessments • Mental capacity & safeguarding assessments • Transition planning
Care and Support	• Home care, residential & nursing care • Supported living, extra care housing, Shared Lives • Reablement & intermediate care
Specialist Services	• Mental health & substance misuse • Learning disability, autism, sensory impairment • Dementia & end-of-life care • Advocacy
Carer's Support	• Information, respite, peer support • Young carers & emergency plans
Housing and Equipment	• Disabled Facilities Grants (DFGs) • Home adaptations & assistive tech • Housing-related support
Financial and Legal	• Financial assessments & benefits advice • Direct payments & personal budgets • DoLS, LPS, deputyship support
Community & Prevention	• Day services & community centres • Befriending, social inclusion, practical help • Employment support
Integration & Discharge	• Hospital discharge coordination • NHS & ICB integration • Family Hubs & neighbourhood health



The approach was informed by a range of insights from deprivation indices, population data, ASC performance metrics, and workforce data. The analysis and findings additionally support strategic planning by identifying service pressures, workforce challenges, and opportunities for transformation. Gate One have maintained contact with the parallel development of the approach for Children's Services undertaken by Kath O'Dwyer to ensure alignment.

The key objectives were to:

- Evaluate ASC performance and demand across the new proposed unitary.
- Assess delivery model options.
- Map workforce structures and estimate future costs.
- Identify priority areas for targeted commissioning and service redesign.
- Align ASC transformation with broader LGR milestones and governance reform.

Three delivery models were initially considered:

1. **Hub-and-Spoke – centralised specialist hubs with satellite teams.**
2. **Centralised Unitary – fully unified delivery across the footprint.**
3. **Integrated Locality – multi-disciplinary teams aligned to local geographies.**

Following comparative assessment using criteria such as integration, responsiveness, cost-efficiency, and alignment with LGR, the **Integrated Locality model** emerged as the preferred option. This model was then refined to explore how locality boundaries could be defined, whether by district, shared geography, or need, and how workforce and commissioning structures could be aligned to support it.



The result is a locality-based framework that:

- Enables place-based delivery tailored to geographic and demographic variation.
- Supports targeted resource deployment in high-need LSOAs.
- Aligns with strategic commissioning and pooled budgets.
- Facilitates integration with NHS, VCSE, and other partners.
- Provides a scalable governance model for future unitary operations.

Whilst the deep dive analysis has been undertaken with a focus on one of our proposed unitary's areas, the locality approach and associated benefits are recommended for both new unitaries.

Appendix 5B sets out the detailed evidence base, modelling rationale, and implementation considerations to support the adoption of the Integrated Locality model for ASC delivery in the new unitary, with key elements summarised below.

Assessment of delivery models:

Model	Description	Strengths	Challenges
Integrated Locality	Services delivered through defined localities with integrated teams and budgets	• High responsiveness to local need • Strong community integration • Aligns with LGR	• Requires robust locality governance • Risk of duplication without coordination
Hub-and-Spoke	Central hubs deliver specialist services, supported by satellite local teams	• Economies of scale • Easier central workforce management	• Reduced local responsiveness • Travel/access issues in rural areas
Centralised	Services managed and delivered from a single central structure	• Simplified governance • Easier to standardise systems	• Poor fit for rural areas • Limited tailoring to local needs

Comparative Scoring Matrix of Delivery Models

Criteria		Integrated Locality	Hub-and-Spoke	Centralised
Responsiveness to Need	Ability to tailor services to local population characteristics and emerging demand.	3	2	1
Cost Efficiency	Potential to deliver services within budget constraints while maintaining quality.	2	3	3
Workforce Alignment	Fit with current and projected workforce availability, recruitment, and retention.	3	2	2
Rural Suitability	Effectiveness in serving dispersed and isolated communities with access challenges.	3	2	1
VCSE Integration	Ability to work in partnership with voluntary, community, and social enterprise organisations.	3	2	1
LGR Compatibility	Alignment with the principles and governance structures emerging from Local Government Reorganisation.	3	2	1
Total		17	13	9

Comparison: Locality Structuring Options

Criteria		Place-Based	Clustered	Need-Based
Strategic Alignment	Fit with LGR goals and existing governance structures.	3	2	3
Operational Simplicity	Ease of implementation and transition.	3	2	1
Responsiveness to Need	Ability to reflect local demand, demographics, and service pressure.	2	3	3
Equity & Outcomes	Potential to reduce inequalities and improve ASC outcomes.	2	2	3
Governance Fit	Clarity and feasibility of leadership and accountability arrangements.	3	2	1
Community Identity	Alignment with local identity and cohesion.	3	2	1
Total Score		16	13	12

Workforce analysis is set out in the appendix however, as with the model for Children's Services, services would largely stand up within each new unitary, with each having their own dedicated Director for Adult Social Care.

Strategic Considerations

The model presents new opportunities for commissioning, partnerships and digital infrastructure which are all critical to shaping future delivery models and aligning with wider system reform. Appendix 5b again expands on all the summary points below.



Commissioning

- Strategic vs Tactical Commissioning; Pooled Budgets, and Market Development.



Partnerships

- Police and Safeguarding; VSCE Sector Integration; NHS and ICB alignment (though noting plans to expand existing ICB footprints).



Housing Integration

- Aligning housing services and ASC. This is considered in more detail in the next section of the proposal.

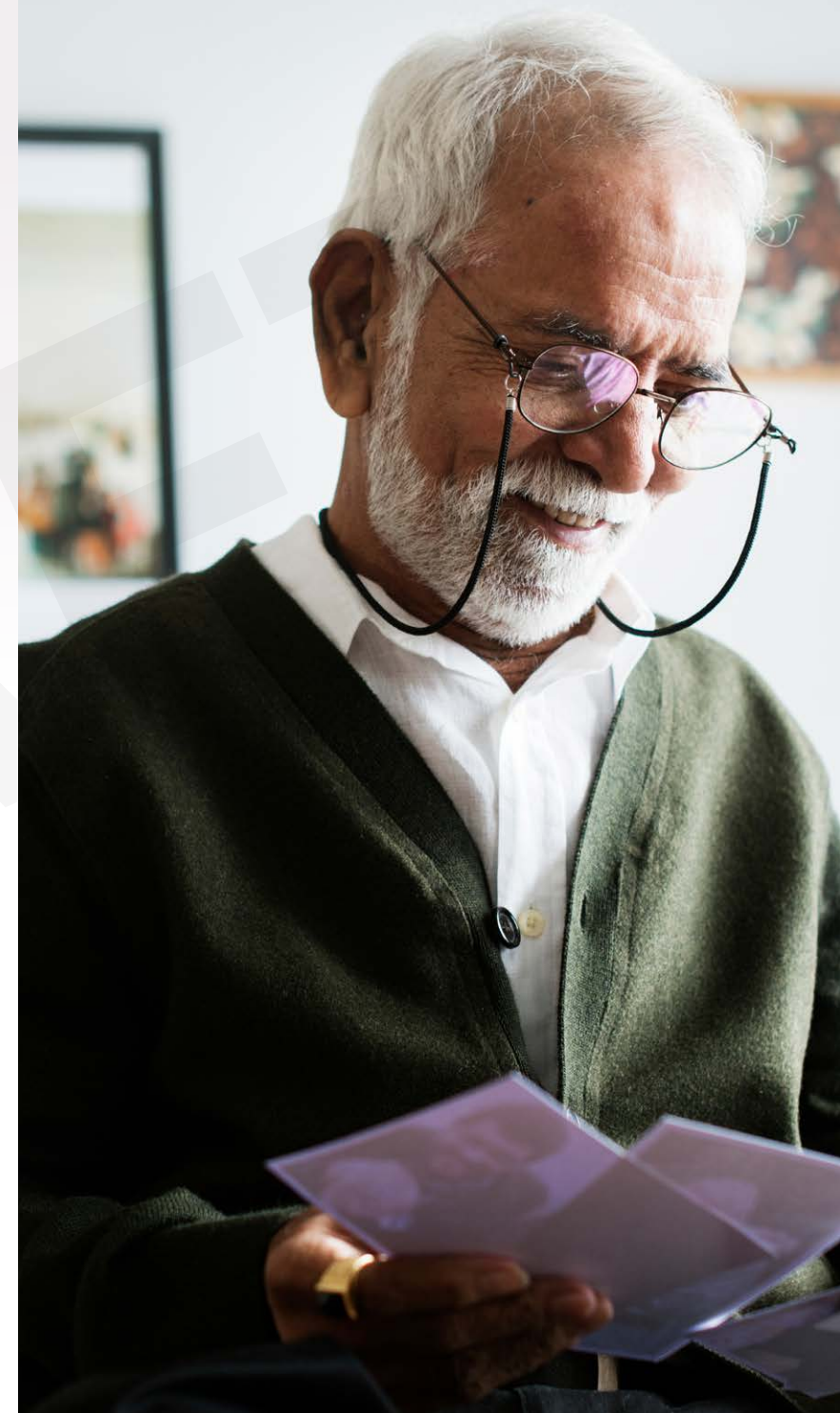
Conclusions

A locality-based model is not only responsive to the distinct demographic, geographic, and socioeconomic profiles of each locality, but also aligns with national policy direction toward integrated, place-based care. It offers a compelling framework for:

- **Tailored service delivery** that reflects local needs, deprivation levels, and population projections.
- **Operational resilience**, particularly in rural and hard-to-reach areas, through adjusted workforce deployment and flexible staffing.
- **Partnership integration**, enabling closer alignment with NHS, VCSE, and safeguarding partners at the place level.
- **Strategic commissioning**, with the potential to move beyond fragmented, tactical approaches toward pooled budgets, market shaping, and outcome-based contracts.
- **Digital transformation**, through interoperable systems, mobile working, and performance dashboards that support real-time decision-making and accountability.

The strategic considerations explored, from commissioning reform and partnership alignment to digital enablement, underscore the importance of a whole-system approach. The future unitary must not only consolidate structures, but also reimagine how care is planned, delivered, and experienced across communities.

Our recommended approach sets the stage for a transformation programme that is ambitious, evidence-led, and grounded in the realities of local delivery. It provides a clear rationale for change and a practical framework for moving from discovery to design and implementation.



Housing and Homelessness

As highlighted in the previous section setting out our approach for Adult Social Care, the formation of the future unitary authorities presents a unique opportunity to align housing services and ASC within a single system framework. The merger of three Housing Revenue Accounts (HRAs) in Unitary Authority 1 will consolidate housing stock, repairs, and tenancy management functions, creating the conditions for joined-up service delivery that supports independence, wellbeing, and prevention. We have the opportunity to create a remodelled housing revenue account supporting increased development of independent and supported living and a holistic approach to homelessness.

Strategic Opportunity

Housing is a key determinant of health and social care outcomes. Poor housing conditions, insecure tenancies, and delayed repairs can exacerbate physical and mental health issues, increase care needs, and hinder hospital discharge. Conversely, well-managed housing services can:

- Enable safe discharge from hospital into suitable accommodation.
- Support reablement and recovery through adaptations and responsive repairs.
- Reduce demand for residential care by enabling independent living.
- Improve carer sustainability through housing-based respite and support.

Locality-Based Integration

As ASC locality teams are established, there is a strategic opportunity to co-locate or align them with housing officers, repairs teams, and voids management functions. This could include:

- Joint case management for individuals with complex needs.
- Shared digital systems for tracking housing and care interventions.
- Coordinated responses to safeguarding, hoarding, or tenancy breakdown.
- Integrated planning for supported housing, extra care, and adaptations.

Case Study: Integrating Housing, Health, and Sustainability

Retrofit CO₂sy Homes Programme is driving sustainability and healthier living environments. With £18.9 million invested from 2025/26 to 2030/31, supported by national funding, the initiative reduces carbon emissions and energy costs, creating warmer homes that help prevent fuel poverty and improve respiratory health. Alongside retrofitting, £13.2 million is allocated for new social and affordable housing by 2027/28, with £41.1 million through 2034/35, addressing housing need and stability. This strategic approach enhances wellbeing and social care outcomes by improving living conditions. As we become a unitary authority, we will scale these efforts, integrating housing, health, and sustainability for stronger communities.

Operational Implications

- Locality alignment of housing and ASC teams will require joint workforce planning, shared training, and clear governance.
- Digital interoperability between housing and ASC systems will be essential to enable real-time coordination.
- Asset planning should consider the role of housing stock in delivering care (e.g. step-down beds, supported living units).

Future Considerations

- Map housing assets and tenancy data against ASC demand hotspots (recommended as an immediate consideration for the post submission period).
- Pilot integrated housing–ASC locality teams in areas with high need.
- Explore joint commissioning of housing-related support services.
- Engage tenants and service users in co-designing holistic support pathways.

Operational Considerations and Opportunities

Notification of new landlord

To ensure legal compliance, all tenants will have to be notified, in accordance with their existing tenancy agreements, that their landlord has changed, details of the new landlord and main address to be used for legal notification of service.

Tenancy Agreement

Whilst a new tenancy agreement will need to be agreed and implemented in accordance with the new landlord, traditional economies of scale are anticipated from the associated legal advice and consultation to be undertaken.

Discretionary assistance to tenants

LGR will result in the delivery of a more comprehensive offer of assistance across the whole tenant base by streamlining delivery to maximise outputs and outcomes for tenants whilst reducing overheads of wider delivery. Discretionary assistance includes, but is not limited to, money advice, financial assistance, support to sustain tenancies, decoration schemes, handy person service. Services that have a wider impact on health and wellbeing contributing to the aims of Adults' and Children's Services.



Housing Management System (ICT)

Of those social housing landlords included within the proposal, two have the same housing management system. Whilst our preferred housing management system will need to be determined, there will be inevitable cost savings from procurement and operational support contracts.

Maintenance of existing housing stock

Social housing landlords included within the proposal have different arrangements and contracts in place for the maintenance and servicing of their assets. Notwithstanding the dispersed geographical nature that will impact operational delivery costs, savings should be made, as already alluded to in the Criteria 2 section, from the procurement and contract management of those arrangements.

Homelessness

As a statutory function currently undertaken by district councils, LGR, as already set out in the section, provides a step-change opportunity for greater integration, given unitary councils, to tackle root causes and not just manage the symptoms of homelessness.

The opportunity to integrate the teams in each unitary footprint will enable economies of scale to be achieved, which should result in more funding being available for developing intervention and prevention measures in respect of homelessness and rough sleeping as opposed to staffing the service. Crucially our proposed scale means that the local connection will be retained to maximise the opportunity for success in preventative measures.

The increased availability of funding for preventative measures will support the development of a bespoke service to meet the needs of anyone experiencing or at risk of homelessness or rough sleeping and provide tailored, increased support to individuals who often have complex needs which need to be addressed in order to enable them to sustain a tenancy in the long-term.

District Councils' currently experience barriers in accessing Adult Social Care services. So, all services being in the same Council will improve collaboration and create a holistic approach to tackling homelessness which is essential in ensuring long-term sustainable solutions can be achieved. Tackling homelessness through early intervention and prevention should reduce the support adults and children require from social care achieving cost savings for these services.

Case Study: Coordinated Care for Housing Stability

Lincolnshire's housing support model brings together safeguarding, health, police, and district councils to tackle homelessness through early intervention and shared responsibility. Jointly funded posts ensure seamless coordination, while multi-agency panels address complex challenges such as rough sleeping, mental health, and safeguarding concerns. This collaborative framework reduces rough sleeping, improves outcomes, and makes best use of resources by providing integrated responses for those most at risk. As we move toward becoming a unitary authority, we will strengthen this approach, scaling partnerships and prevention strategies to deliver even more effective solutions for homelessness and vulnerable residents across the county.

Case Study: Change4Lincs in South Kesteven

Change4Lincs is a partnership between North Kesteven District Council, South Holland District Council, South Kesteven District Council and West Lindsey District Council set up to tackle the issue of rough sleeping. Hosted by South Kesteven, the team was created by each district council contributing their Rough Sleeper Initiative Funding. The team is managed by SKDC's Homeless and Rough Sleeper Manager with managers from the other three districts providing support to shape the service to ensure it meets the needs of each area. The team provide an outreach and support service including supporting rough sleepers with accessing private rented accommodation. South Kesteven DC have successfully reduced our temporary accommodation spend from £500,000 in 2023/24 to £327,000 in 2024/25. So far since 1 April 2025, the Council has had 94 successful prevention and relief cases.

Approach to Fire & Rescue

Lincolnshire County Council is the current Fire & Rescue Authority (FRA) for the present county footprint. The FRA for North Lincolnshire and North East Lincolnshire is Humberside Fire & Rescue Service (HFRS), a combined fire authority of the successor authorities to Humberside County Council and covering a cross-Humber footprint. The two FRAs in the Invitation Area are not coterminous with the Greater Lincolnshire Combined County Authority complicating a potential future transfer of governance to the mayor as set out in the English Devolution White Paper.

The dissolution of Lincolnshire County Council will mean, that without further legislation and government action, Lincolnshire Fire and Rescue Service will be divided, with each new authority automatically becoming the fire and rescue authority for its area from vesting day.

We recognise that this would carry significant risks to public safety and the financial viability of the successor FRAs. A Lincolnshire county wide footprint is the best scale to deliver fire and rescue services.

Therefore we envision for the Lincolnshire Police and Crime Commissioner to make a local case to government to take on responsibility for fire and rescue as the Police, Fire and Crime Commissioner (PFCC) for Lincolnshire.

A damaging disaggregation will be prevented and opportunity for innovative reform across both services will be unlocked, along with bringing the same direct accountability to fire as exists for policing.

This is a tried and tested solution to enhance public safety, blue light collaboration, resilience and accountability that has been successfully employed in Cumbria, Northamptonshire, North Yorkshire, Staffordshire and Essex. Our financial analysis has accounted for a standalone fire authority under the PFCC in Lincolnshire. There would be no change to the current arrangements in North Lincolnshire and North East Lincolnshire.

On 13 November 2025, the Home Office announced that Police & Crime Commissioners (PCCs) will be abolished at the end of the current term in 2028. Where possible, police governance will be transferred to the Mayoral Strategic Authorities. If that is not possible police governance will be transferred to a Policing and Crime Board led by the leaders of upper tier authorities in the force area. For former Police, Fire and Crime Commissioner areas, fire functions would be transferred to the Policing and Crime Boards, where a transfer to a Mayor is not possible.

For the Greater Lincolnshire (GLCCA) and Hull & East Yorkshire (HEYCA) mayoral areas, the establishment of two Policing and Crime Boards (Lincolnshire and Humberside) is the likely outcome, unless the government can resolve the complicated police and fire boundaries of Northern Lincolnshire. Lincolnshire Police and Humberside Police are not coterminous with the boundaries of GLCCA and HEYCA. GLCCA has expressed its willingness to take on PCC functions. A particular challenge would be democratic legitimacy, electors of Northern Lincolnshire would vote for a

mayor, who would be responsible for police governance in Lincolnshire, but not in Northern Lincolnshire. The same problem would exist over the Humber, where the HEYCA Mayor would be responsible for police governance in Northern Lincolnshire, but would be elected by the voters of Hull & East Yorkshire. Hence the need for the government to resolve the issue prior to the transfer of police governance to Mayoral Strategic Authorities in our area.

The Home Office recognises the continued significant value in joining up police and fire governance. Our proposal would be for the transfer of fire and rescue to the PCC ahead of the abolition of that office in 2028, and the subsequent forming of a Policing and Crime (and Fire) Board for Lincolnshire. This would be led by the leaders of our proposed southern and central Lincolnshire unitaries. Blue Light governance would be enhanced and cross-Lincolnshire collaboration strengthened. The appropriate ratio of principal authorities to the strategic authority would ensure the consolidation and future success of GLCCA as the sub-regional strategic system leader. It is expected that subsequent to the government resolving the issue of police force area coterminosity with the Mayoral Strategic Authorities in Greater Lincolnshire and Hull & East Yorkshire, then police and fire governance in Lincolnshire would be transferred to the Mayor.

With regard to the Police Lincolnshire Constabulary wrote to councils in mid-November 2025 setting out seven principles linking to the potential impacts of LGR on policing. An additional appendix (9) has been added to our submission to specifically address those seven principles.

Approach to Community Safety

LGR offers a valuable opportunity to enhance collaboration between district and county services, creating a more coordinated and effective approach to tackling issues within our communities. A strong partnership approach working closely with both other councils and Lincolnshire Police will be further improved with the advent of new unitary councils that bring all related council services together. It will be further strengthened by the locality based approach advocated by our proposal.

Currently, district community safety teams work closely with Neighbourhood Policing Teams and a range of local partners to deal with issues such as antisocial behaviour and environmental crime. However, more complex issues such as county lines activity, rural crime (including fly tipping), and organised crime groups often span across multiple district boundaries. Addressing these challenges requires seamless coordination and removing district boundaries will enhance our ability to investigate and take enforcement action where appropriate. The integration supports better information sharing and enhances our joined-up case management between community safety officers, social workers, youth services, and the police, leading to quicker and more targeted interventions. For example, this could mean earlier identification of individuals at risk of exploitation through county lines or improved support for victims of rural and organised crime. Community safety work is proactive and rooted in the local. Officers need to know their area and be known and trusted by their area. It cannot be delivered via dashboards. For example South Kesteven officers out on the streets, as part of the Home Office funded Safer Streets programme. Our proposed unitaries have the practical scale to combine strategic capacity, with the deep local intelligence, knowledge, and experience of district teams. This unified community safety model offers a more consistent, responsive, and effective service for communities across Greater Lincolnshire.

Case Study: Safer Streets

South Kesteven DC successfully delivered the Home Office funded Safer Streets in 2024/25. Safer Streets was a Grantham focused public safety programme. The initiative included upgrades to the CCTV network, upgraded communications for Pubwatch and Shopwatch schemes and as a visible deterrent, more night-time and weekend patrols of anti-social behaviour hotspots carried out by SKDC's neighbourhoods and licensing officers. The Lincolnshire Deputy Police & Crime Commissioner (PCC) Sara Munton visited the project in November 2024. The Deputy PCC was impressed by the project and described it as an excellent example of how innovative and effective partnership working can deliver for communities.

SECTION 4: LGR Criterion 4: Informed by Local Views

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.

- a) It is for councils to decide how best to engage locally in a meaningful and constructive way and this engagement activity should be evidenced in your proposal.*
 - b) Proposals should consider issues of local identity and cultural and historic importance.*
 - c) Proposals should include evidence of local engagement, an explanation of the views that have been put forward and how concerns will be addressed.*
-

Our Jurisdictional Design Objective: The proposed jurisdictions take into account local identity, cultural factors, needs and historic communities to achieve coherent units for effective community self-governance of place.

Summary of Policy Challenges:

- Scale requirements necessarily mean bigger units, meaning greater distance from the local and the involvement of multiple and perhaps competing community identities.

Our proposed jurisdictions deliver:

- An evidence led best fit alignment with the intra-Greater Lincolnshire identities.
- Sensibly scaled units to maintain the local connection and voice that is a core priority of residents.

Collaborative Working

Greater Lincolnshire is, to repeat, on a wholly different geographic scale to almost every other LGR IA. Therefore, it is not surprising that across the area there are very different views on what the best structure to deliver high quality services that anticipate and meet local needs and drive wider systemic improvement across the local public sector should look like. Similarly, scale of ambition varies from the no change continuity model through to right-sized new unitaries built on new, positive and dynamic cultures and with delivery models focused on prevention. This pattern has been observed in every Invitation Area during this reorganisation round and in all historic reorganisations.

Political leaders across the IA have regular meetings, and likewise at chief executive level. Existing partnership working has continued with business as usual. From the initial invitation letter in February 2025, LGR policy leads, initially from districts and Lincolnshire County Council, and then subsequently joined by colleagues from the two northern unitary councils, have met on a weekly basis to drive data sharing and ongoing communication. SharePoint has been used as a single source for shared data with Lincolnshire County Council stepping up to host this. Through the policy leads group, a broadly consistent approach to gathering and sharing data has been established, and whilst scope for further improvement is recognised by all involved, the collaborative efforts have largely supported efforts across the IA to develop data driven and evidence based submissions.

Whilst our final proposal does not, for the reasons set out earlier in this document, include Rutland we have also worked with Rutland County Council to share data to aid proposal development and maintained communication with Leicestershire County Council and other Leicestershire districts.

Case Study: Working Together to Shape Central Lincolnshire

The Central Lincolnshire Local Plan, adopted in April 2023, sets a bold vision for sustainable growth across Lincoln, North Kesteven, and West Lindsey to 2040. Covering 820 square miles, it identifies where housing and businesses should be located and embeds rigorous standards for energy efficiency, renewable integration, and climate resilience. Nationally recognised and shortlisted for ‘Excellence in Plan Making Practice,’ the Plan demonstrates a collaborative commitment to reducing carbon emissions and protecting natural assets. As we move toward becoming a unitary authority, we will build on this framework to deliver greener infrastructure and housing that meet future community needs.

Local Engagement to Support the North Kesteven and South Kesteven LGR Proposal

Cratus Group were engaged by the Councils to provide an independent approach to resident engagement and to capture the wider local engagement work undertaken by councillors and officers within both councils. We have at all times been mindful that consultation on proposals is the remit of government. Our engagement has focused on explaining from a simple factual perspective what LGR is, and to understand from residents and wider stakeholders what matters to them, and how these insights should shape our submission. We have not asked residents to comment directly on any of the specific LGR proposals being developed across Greater Lincolnshire. This approach has been observed following agreement by all authorities in the Invitation Area although residents have been proactive in sharing their (quite often strong) views on the merits or otherwise of the various proposals being developed across Greater Lincolnshire.

This engagement programme aimed to understand what people value most about their communities, the importance of local identity in council structures, and priorities for future council functions. It complemented face-to-face engagements by both councils at a range of events over the summer and into early autumn, and was designed to be inclusive, accessible and easy to engage with.

A hybrid engagement approach was adopted, combining digital and in-person activity to ensure the survey reached a broad cross-section of residents, businesses, and community stakeholders across North and South Kesteven and the wider Greater Lincolnshire and Rutland area. In line with the principle of “meeting people where they are,” the engagement process was designed to be inclusive, accessible, and transparent, offering both online and face-to-face opportunities for participation.

The engagement ran from 15 September to 15 October 2025, following early outreach activity undertaken by both Councils during the summer and early Autumn. The survey and engagement materials were produced jointly by North Kesteven and South Kesteven District Councils, supported by Cratus Group, and hosted on the Give My View platform.

The Autumn 2025 public engagement exercise on local government reorganisation in Lincolnshire, undertaken on behalf of North and South Kesteven District Councils, generated a total of **5,556** survey responses between 15 September and 15 October 2025.

The survey achieved broad regional participation, with approximately two-thirds of responses coming from residents of North Kesteven (3,012 participants), while South Kesteven contributed 816 responses and Rutland 446. Smaller, but still meaningful numbers were received from Lincoln, South Holland and West Lindsey. This strong overall response demonstrates a significant local interest in how future council arrangements could affect people particularly relating to representation, service delivery, and community identity in Lincolnshire.

The engagement sought to understand residents' and local stakeholders' priorities, values, and perceptions of local identity, accessibility, and service quality, and to provide a robust evidence base to inform future consideration of local government structures. It combined a range of engagement techniques, including a digital survey, focus groups to dive deeper into public sentiment, and a series of in-person engagement events, with key stakeholders within the community also invited to share their views.

Overall, the findings reveal communities that are deeply proud of where they live and place strong emphasis on local connection, responsiveness, and the quality of everyday public services. Across the districts, residents expressed clear expectations that local government should be straightforward, visible, and transparent in how it communicates and delivers. While some participants mentioned that reform could improve coordination and efficiency, others expressed concerns about the potential loss of local voice, representation, and accountability. The responses reveal a balance between openness to improvement and caution about changes that might create distance between councils and the people they serve. The word cloud below is taken from the open text responses to the survey.





A. Top Resident Priorities

Reliable frontline services

Residents consistently emphasised the importance of dependable, everyday services that directly affect quality of life. When asked which areas councils should prioritise, the most frequently selected were:

- Roads and pavements (1,644 responses)
- Local economic growth (1,334 responses)
- The environment (1,303 responses)
- Adult and children's social care (874 responses)
- Waste and recycling (778 responses)
- Housing (534 responses)
- Leisure, arts and wellbeing (376 responses)
- Community activities (178 responses)

The immediate and reliable delivery of infrastructure maintenance, particularly roads and pavements, was rated as the highest priority, reflecting residents' focus on tangible improvements that demonstrate effective local management.

At the same time, many participants identified local economic growth as a critical longer-term priority, viewing it as the main driver of employment, prosperity, and community wellbeing. The environment also featured prominently, reflecting widespread interest in green spaces, climate action, and the sustainability of future development.



Local identity and voice

Respondents rated the importance of feeling that their council is local to their area at an average of 83 out of 100, showing a strong sense of attachment to place. Participants often described “local” as meaning accessible, accountable, and visible rather than simply geographical. For many, the idea of “local government” is defined by familiarity, responsiveness, and community presence. Resident identity was focused on individual towns and villages rather than Lincolnshire as a whole.

Residents repeatedly emphasised that:

- **Decision-making should remain close to the communities it affects.**
- **Councils should maintain a visible and approachable presence within their local areas.**
- **Ward-level representation, parish councils and local forums play an important role in ensuring accountability and preserving voice.**

This feedback reflects a strong belief that democratic representation should remain personal, grounded, and connected to the everyday experience of residents. **Maintaining proximity in decision-making is seen as essential to public trust and confidence in local government.**

Clarity and accountability

There was strong support for structures that are simpler and easier to navigate, alongside improved communication about who delivers specific services. Respondents consistently called for:

- Clearer lines of responsibility and service ownership.
- More transparent decision-making and spending.
- Better public information on how to access the right service at the right time.

The desire for greater clarity reflects residents’ emphasis on practicality and openness. Many expressed the view that being able to understand how decisions are made is as important as the decisions themselves.

Access and wellbeing

When asked what qualities they most value in councils, respondents most often highlighted **the importance of having a local voice for residents and accountability** and did not see a council’s key role as being to support wellbeing.

Case Study: Ensuring a Youth Voice

North Kesteven Student Council, founded in 2010, meets three times a year to give young people a voice in local decision-making. Students from secondary schools and colleges share views, spark debate, and influence community aspirations. Full-day sessions feature guest presentations on diverse topics, from education to wellbeing. The Council has delivered impactful projects, including Rainworks – water-activated messages promoting kindness and resilience across playgrounds and public spaces. Widely praised, these initiatives foster confidence and intergenerational dialogue. The South Kesteven Youth Council was established in 2024, and undertakes an equivalent role, enabling the voices of young people to be heard, including on Local Government Reorganisation. The SKDC Youth Council voted to support our proposal on 05/11/2025, following a session with the youth councillors on the topic earlier in the year. As we move toward becoming a unitary authority, we aim to expand this model, amplifying youth engagement to shape services and strengthen community impact.

B. Broader Themes

Strong local attachment

Residents expressed pride in their communities and appreciation for their local environments, amenities, and social connections, which reflect the rural nature of North & South Kesteven. **People valued the distinctive character of their towns and villages and want those identities to remain visible and protected in any future changes.**

Concerns about scale and centralisation

Many participants voiced apprehension about decision-making becoming more distant under larger structures. Mentions of Lincoln often reflected perceptions that resources and attention could become concentrated in a single area, potentially at the expense of smaller or rural communities.

Mixed views on reorganisation

While some respondents acknowledged that a streamlined structure might reduce duplication and improve efficiency, others were unconvinced that these benefits would be realised in practice. Many wanted to understand how reorganisation would work day-to-day, how services would be delivered, and how local representation would be maintained through councillors and town & parish councils.

Community priorities and daily experience

Across open-text responses, residents repeatedly made very tangible and specific comments around roads, waste and recycling, social care, and council tax. This points towards a need to **ensure the basic services and daily touchpoints local people have with local authorities are maintained and re-assured under any new governance model.**



C. Challenges and Opportunities

The engagement identified a number of issues that would need to be addressed in any future consideration of Local Government Reform:

- **Representation:** Residents want reassurance that local voices will continue to be heard, particularly those from smaller and rural communities.
- **Fairness:** Some participants expressed concern about unequal investment across Lincolnshire, with perceptions that certain areas may receive disproportionate attention or funding.
- **Understanding:** A recurring theme was confusion about how reorganisation might affect taxation, service delivery, or accountability. Clearer information and evidence will be needed to build understanding and trust.
- **Trust:** A degree of scepticism remains about whether structural reform automatically leads to better services or financial savings. Building confidence will require transparency, honest communication, and a realistic discussion of both the benefits and limits of reform in terms local people can understand.

In summary, the engagement presents a consistent picture of residents who value dependable services, open communication, and councils that remain close and responsive to their communities. People are open to the idea of improving coordination and efficiency but want clear reassurance that any future arrangements will protect local character, accessibility, and representation.

The findings provide a comprehensive evidence base to inform future discussions about local government reorganisation in Lincolnshire. They show that **any proposed model must balance the practical need for effective service delivery with the emotional and cultural importance of local identity and trust, ensuring that reform strengthens rather than distances the connection between councils and the people they serve.**

The complete range of engagement is set out in the full engagement report received from Cratus and attached as Appendix 6. However it is important to emphasise that a wide ranging partner and wider stakeholder engagement was also undertaken to support the development of the submission. This included community, education, business, faith, and voluntary sector partners, along with all local councils plus Rutland and Leicestershire County Council, local MPs, businesses, NHS, policing bodies, and the significant RAF bases including RAF Cranwell, RAF Waddington and RAF Digby.

Extensive internal engagement with staff and the trade unions has taken place at both authorities throughout the process. The UNISON's South Kesteven Branch support our proposal. The Branch notes that South Kesteven DC has delivered a higher level of engagement on LGR than many other local authorities in which UNISON has branches. Two rounds of all staff engagement sessions have been held (total of seven briefing sessions), including during toolbox talks with our Waste Services and Housing Repairs teams.

Equally, at North Kesteven, all staff in person briefings have been held three times since February including three occasions at the depot, meetings have been held with GMB and Unison reps and the Leader has met with staff in person too.

Addressing MHCLG criteria sub points

b) Proposals should consider issues of local identity and cultural and historic importance.

The engagement key findings set out above emphasised both the importance of place and maintaining local services and community relationships.

“I love the countryside and the sense of community.”

“It's a big county; it's got very different needs.”

Our submission recognises this and strikes the balance of larger scale requirements as set by government with the focus on place. The respondents to our survey were clear about their local attachment.

c) Proposals should include evidence of local engagement, an explanation of the views that have been put forward and how concerns will be addressed.

Evidence of our local engagement is set out above, alongside a summary of the views expressed with further detail set out in Appendix 6. In terms of concerns and how these will be addressed:

Challenges of Reorganisation

To quote one response:

“There probably would be some short-term disruption, but at the end of the day, it might be less than the problems caused by having one enormous council.”

Our proposal recognises the risks and challenges inherent in such change, though we are confident these will be far outweighed by the benefits that a right-sized unitary will deliver. We recognise that disaggregation of key top tier services demands detailed understanding and effective planning, and to this end have sought proven and respected external expertise in developing our proposals for these services. Likewise we have taken a prudent and realistic approach to transition costs and ongoing disaggregation disbenefits rather than seeking to promote fantasy figures simply to make our submission look better on paper.

Communication and Trust

Our implementation plan will include a specific communication workstream, whilst our approach already set out for neighbourhood empowerment sows the seeds for tackling the trust issue. Resident concerns over timelines are outside of our control however we will work constructively with all Greater Lincolnshire local authorities and with MHCLG to ensure that balanced messaging – not spin – is planned and delivered effectively to address resident concerns.

Lincolnshire as Too Big an Area to be Effective

We are wholly in agreement with this sentiment and will best respond to this very real concern – one based in clear evidence as opposed to perception – by ensuring our proposal for two right-sized unitaries within the Lincolnshire county area (along with the two existing unitaries within the wider Greater Lincolnshire) makes the strongest case possible for selection.

Case Study: Keeping Residents in the Know at the Heckington Show

The 157th Heckington Show, held July 26–27, 2025, showcased the local DC’s vibrant community spirit. As England’s largest village show, it offered the council a prime opportunity to engage residents. The stand, featuring a mini beach, sandcastle crafts, smoothie bikes, and a giant deckchair, attracted crowds and earned runner-up for Best Trade Stand. Visitors learned about food waste collection, climate awareness, recycling, Local Government Reorganisation, and the Community Champion awards, alongside the £310m investment plans for the local area. As we move toward becoming a unitary authority, we look forward to building on this success, strengthening engagement and delivering even greater benefits for residents.

SECTION 4: LGR Criterion 5:

New unitary structures must support devolution arrangements.

- a) Proposals will need to consider and set out for areas where there is already a Combined Authority (CA) or a Combined County Authority (CCA) established or a decision has been taken by Government to work with the area to establish one, how that institution and its governance arrangements will need to change to continue to function effectively; and set out clearly (where applicable) whether this proposal is supported by the CA/CCA /Mayor.*
 - b) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.*
 - c) Proposals should ensure there are sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities.*
-

Our Jurisdictional Design Objective: The proposed jurisdictions are sensible footprints and size ratios for principal authorities to enable effective multi-level governance with the strategic authority and for the consolidation and deepening of devolution in Greater Lincolnshire.

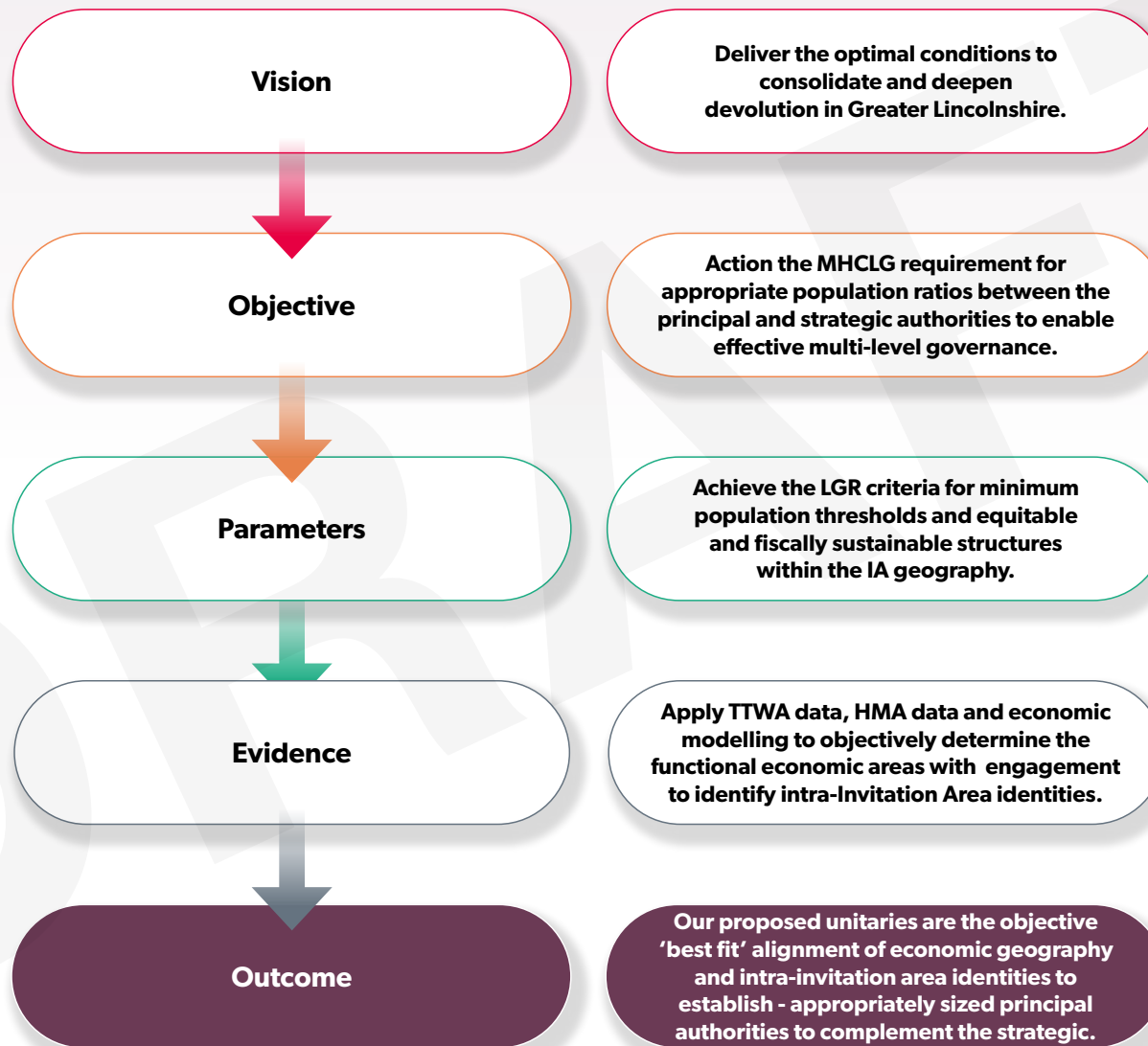
Summary of Policy Challenges:

- Ensure that GLCCA is consolidated.
- Adjust GLCCA to the post White Paper world of principal and strategic authorities.
- Provide optionality for future reform recognising that sub-regional strategic authorities are too small to optimally drive growth and unlock the true benefits of devolution.

Our proposed jurisdictions deliver:

- A rebalanced GLCCA that is compliant with MHCLG's required ratios between principal and strategic authorities for effective multi-level governance.
- Future optionality for policy makers to deepen devolution across England.

Designing for Devolution



Consolidating Devolution in Greater Lincolnshire

Greater Lincolnshire is one of four invitation areas that already has a devolution deal. **Therefore the key objective for reorganisation is not to unlock devolution, but to provide the optimal foundations for the consolidation and future deepening of devolution.**

In some respects, it is unfortunate that Greater Lincolnshire was one of the last deals to be negotiated under the previous government's voluntary area based devolution framework. In the South East and South West ITL1 statistical regions⁴⁸, reorganisation is largely a blank slate, where MHCLG and the sector have the opportunity to holistically design the optimal principal/strategic authority landscape with consistent principles on a strategic system level. The interactions between individual invitation areas, when creating the embryonic sub-regional government tier that strategic authorities represent, can be fully considered. In the East of England, East Midlands and Yorkshire & The Humber ITL1 regions, accreted devolution deals make reorganisation a process of retrofitting the principal authorities that will sit below extant strategic authorities established to meet the requirements of a fundamentally different approach to devolution.

The opportunity then is to bolster the current arrangements whilst providing optionality for long term future reform. Consolidation is especially critical for Greater Lincolnshire, which had a challenging road to devolution. It will be residents' sense of ownership and connection to devolution in their area that will ultimately help to promote and protect the agenda over the long term. Currently that connection is uncertain, especially in the south.⁴⁹

Support for Mayoral Governance Model across Greater Lincolnshire (Greater Lincolnshire Devolution Deal Public Consultation March 2024)			
Authority	Agree	Disagree	Neutral/Unsure
North Lincolnshire	43%	45%	12%
North East Lincolnshire	51%	34%	14%
Boston BC	17%	73%	10%
City of Lincoln	45%	46%	10%
East Lindsey	31%	55%	15%
North Kesteven	35%	52%	14%
South Holland	28%	66%	7%
South Kesteven	30%	58%	12%
West Lindsey	40%	45%	15%

48. International Territorial Levels are a hierarchical classification of administrative areas, used by OECD member countries for statistical purposes. There are nine in England: East of England, East Midlands, London, North East, North West, South East, South West, West Midlands, Yorkshire & the Humber. North Ireland, Scotland, and Wales are each ITL1 regions.

49. Alma Economics (March 2024), Consultation analysis on the Greater Lincolnshire Devolution Proposal. Available at: <https://northlincolnshire.moderngov.co.uk/documents/s18361/Appendix+A---Alma+Economics---Consultation+analysis+on+the+Greater+Lincolnshire+Devolution+Proposal+.pdf> [Accessed on 4 November 2025].

As the Greater Lincolnshire Combined County Authority (GLCCA) continues to scale up and mature to Established status, there are three underlying risks to its success:

- **Mixed to low public support** – Devolution was a top down initiative, not a bottom up ask from the public. The public consultation for the devolution deal found majority support for the mayoral model in only one of Greater Lincolnshire's nine council areas. Disapproval rose as high as 73% in Boston. GLCCA will be unable to offer tangible additional value to persuade sceptics until it is sufficiently scaled up.
- **Unbalanced population ratios** – The constituent authorities are the three upper tier authorities of Lincolnshire County Council and the two south Humberside unitaries. Without alteration in a post LGR world this is not compliant with the MHCLG requirement for an appropriate population ratio between principal and strategic authorities. Effective multi-level governance will be undermined. Disproportionate influence is risked for northern Lincolnshire, a political spatial inequality further strengthening scepticism in central and southern Lincolnshire.
- **Strategic misalignment** – Northern Lincolnshire is in a different public service area for health, police and fire to the Lincolnshire county area. Its public service and economic orientation is cross-Humber into HEYCA. This tension was brought to the surface in the recent NHS ICB cluster reforms. Northern Lincolnshire is part of the Humber & North Yorkshire ICB. The Lincolnshire ICB (coterminous with the present county council footprint) has been clustered with Derbyshire and Nottinghamshire. This complexity in public service boundaries and strategic orientation complicates and constrains the Greater Lincolnshire mayor's ability to perform the expansive system leader role envisioned by the White Paper and truly deliver the benefits of devolution.

Each risk is a direct consequence of the terms and circumstances of the devolution deal. At that time, under the then Conservative government, the imperative was to deliver devolution to Greater Lincolnshire. That was complicated by resident scepticism, politically expressed at the district level, which had caused the collapse of previous deals in 2016 and 2020. The core advantage of the combined county authority (CCA) is the circumvention of local resistance at the district level. With wholesale reorganisation off the table at that time, the deal was agreed between the three upper tier authorities and the government. This is sub-optimal for the post English Devolution White Paper landscape.

The White Paper establishes a new framework of principal authorities (the new unitaries) responsible for core service delivery, sitting under a strategic authority (the mayoral) responsible for sub-regional leadership, primarily economic. The White Paper takes care to specify that the two layers of authority must have appropriate population ratios. The ideal population ratio that the White Paper advances is three principal authorities of 500,000 combining to form a strategic authority of 1,500,000. Applying the ideal ratio to the Greater Lincolnshire Invitation Area, this would suggest three principal authorities of approximately 400,000. The reason is effective multi-level governance, where the principal authorities need the strategic authority to provide coordination. If the principal authorities are oversized, that role is reduced, or if one is a sub-regional scale they could simply be the strategic authority, as with former non-mayoral models of devolution.



The problem is best illustrated through a counterfactual scenario, imagining the mayor of the Greater Manchester Combined Authority (GMCA) is not the first among equals with ten metropolitan boroughs, but heads a combined authority partnership of the former Greater Manchester County Council (GMCC) and Blackburn with Darwen. Plainly the dynamic and mayoral role would be very different. The need for conurbation wide coordination and leadership that the mayor provides would be reduced. That counterfactual is more appropriate to the current situation in Greater Lincolnshire than the GMCA reality. An asymmetric partnership is a significant risk to its functioning, and to multi-level governance, in scenarios where there is a coordinating layer atop the partnership.

As long as relations between mayor and county leader remain positive this risk does not surface. If relations sour, then the sub-regional scale principal authority could seek to act on a sub-regional strategic basis. In the worst case scenario, the leader could claim to be the real sub-regional leader (very likely with a superior democratic mandate), standing up for the majority against a mayor that primarily serves the interests of the minority partners in the asymmetric combined authority. Whether this risk materialises in that specific way is immaterial, the latent risk is not conducive for effective multi-level governance.⁵⁰ The very existence of sub-regional scale authority alongside a designated sub-regional body, will maintain and strengthen perceptions that the mayoral authority is a superfluous additional layer of government. In an invitation area with pre-existing scepticism of the mayoral models value this would be unhelpful.

Our proposed unitaries eliminate this risk entirely. Devolution in Greater Lincolnshire would be rebalanced to reflect the new world of the White Paper and provide the optimal foundations for successful multi-level governance with GLCCA. The establishment of principal authorities aligned to the three distinct economic zones of Greater Lincolnshire would ameliorate public scepticism. Each place of places would receive equal representation and voice as the new constituent authorities. **This would entail amendment of the Statutory Instrument.** Each principal authority, aligned to the intra-Invitation Area functional economic areas and identities would be able to focus on local service delivery and place based policy. This would best complement the strategic authority, which would provide the necessary function of sub-regional leadership and coordination. The principal authorities would lack the scale to challenge the strategic authority, ensuring the optimal division of functions and working in the exact terms of the White Paper.

50. Warner, Sam, Jack Newman, Patrick Diamond and Dave Richards, 'The challenge of devolved English governance and the rise of political spatial inequality', *Parliamentary Affairs*, Volume 77, Issue 4, October 2024, Pages 735–764, [Online]. Available at: <https://doi.org/10.1093/pa/gsae024> [Accessed 4 November 2025].

Future Optionality for Deepening Devolution

Taking a big picture strategic view is essential. The future trajectory of devolution under this government is apparent. If done right reorganisation will provide the local units into the second half of the century at least. Those units must not only fit the specific needs of the moment, but be suitable for the territorial strategy of future governments. Whether the policy is continued decentralisation or a reassertion of the centre, the local jurisdictions must fit the need. Ours do.

The government's ambition is to complete the map for England, so that devolution is brought to every area. That is being twin tracked with reorganisation, in the vast majority of Invitation Areas, reorganisation will unlock devolution. Once that is achieved, a new challenge will emerge for central government policymakers.

Plainly said, there is risk that many of the Strategic Authorities which will emerge from the reorganisation process, along with the current non-metropolitan strategic authorities will be too small — in terms of jurisdiction and population — to operate in a genuinely strategic way or ever take on meaningful devolved powers. This means that there will be a ceiling on what can be accomplished because, outside of England's six largest cities, this will be a subregional – rather than a regional – tier of governance. No other SA outside of these six cities possesses the necessary size nor coherence to operate as a genuinely regional tier of government. Polycentric economies require institutions capable of joining the dots across dispersed assets and needs: convening infrastructure, labour markets, innovation ecosystems, and public services at a scale where strategic coherence becomes possible. The lack of alignment with the strategic economic geography will limit the ability of these institutions to implement fully effective economic policies, housing and infrastructure strategies, or transport plans in the way SAs in London, Birmingham, Manchester, Liverpool, Leeds and Sheffield can.

The OECD highlight that decentralisation in itself is not automatically positive for economic growth. If economic performance is the primary policy objective, then the two enabling conditions are alignment with economic geography and fiscal decentralisation.⁵¹ Many current and proposed strategic authorities lack economic alignment with the full polycentric economy and the critical mass to potentially generate a sufficient tax base to make meaningful fiscal devolution viable, limiting their capacity to take on significant new powers, or to ultimately establish localised tax systems which will support their economic objectives. Devolution has been justified on instrumental grounds to the public. There is currently widespread consensus in central and local government on the policy. If it fails to bring tangible benefits, attitudes will change, potentially destabilising the devolution programme. Practically speaking for the government, the Council of Regions and Nations will struggle to operate as a genuinely strategic body, in the likely scenario of upwards of thirty mayors and devolved nation premiers, with significant variation in potential and actual capacity and responsibility, sitting around the table. To drive growth, and increase subnational governing capacity, the devolved institutions will need to be bigger.

51. OECD (2019), Making Decentralisation Work: A Handbook for Policy-Makers, OECD Multi-level Governance Studies, OECD Publishing, Paris. Available at: <https://doi.org/10.1787/g2g9faa7-en> [Accessed 4 November 2025]

The challenge is being increasingly recognised, most fully by Re:State.⁵² Re:State suggest clustering strategic authorities outside the conurbations into regional partnerships to gain the necessary scale for economic growth and to maximise the transformative potential of devolution for England. These would eventually mature into a full regional government tier in England. Already, existing combined authorities are starting to coalesce in embryo. The Great North brings together eight Combined Authorities across the north to collaborate on joint priorities. The Yorkshire Combined Authorities have signed a 'White Rose Agreement'. The two Midlands Combined Authorities have signed a compact formalising their intention to collaborate.

Our Invitation Area has particular challenges in this context. The newly established strategic authority in Hull and East Yorkshire (HEYCA) and Greater Lincolnshire (GLCCA) are small parts of larger polycentric regions which make them ill-suited to the strategic authority model. HEYCA and GLCCA have populations of only 622,000 and 1.1 million respectively. They also cut across cross-Humber economic ties, with plans existing to maintain these ties through a new mayoral joint committee including both the HEYCA and GLCCA mayors. To the south, the Cambridgeshire and Peterborough Combined Authority (CPCA) is again under million. To the west, Leicestershire and Rutland lacks a devolution deal. The East Midlands Combined County Authority (EMCCA) has a population of 2.2 million people but excludes Leicester, one of the largest cities in the area. As highlighted the different public service configurations of northern Lincolnshire and Lincolnshire present further challenges. Rationally, economic growth and public service reform would be best served by northern Lincolnshire in HEYCA. The reason it is not is historic memories of Humberside and because under the old rules, devolution to the Lincolnshire county area would be politically impossible. Our proposal solves that problem. Theoretically if the government wished, northern Lincolnshire could be moved north without collapsing devolution in Lincolnshire. There would be still sufficient units for a combined authority in Lincolnshire, albeit that strategic authority would be undersized. We do not advise or expect this will happen, only note that the optionality is created for the government.

Considering the opportunity for the future clustering of strategic authorities. Re:State very provisionally suggest a clustering of Greater Lincolnshire with North Yorkshire, and Hull & East Yorkshire into a partnership of 'Lincolnshire & Yorkshire Gateway'. Very little rationale is provided, because it is so self-evidently suboptimal for the economic and service orientation of Lincolnshire. Whilst Northern Lincolnshire would indeed look north, the economic orientation of central and southern Lincolnshire is to the East Midlands, and arguably stronger to Cambridgeshire and East of England for the south. Our model provides future policymakers with an ideal set of tools for full optionality, if this or a future government embarks on a future deepening of devolution.

52. Re:State (July 2025), Go Big or Go Home: Governing England's Polycentric Regions. Available at: <https://Re:State.co.uk/wp-content/uploads/2025/07/Go-big-or-go-home.pdf> [Accessed 4 November 2025]



SECTION 4: LGR Criterion 6: Local Engagement & Empowerment

New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment

- a) Proposals will need to explain plans to make sure that communities are engaged.*
 - b) Where there are already arrangements in place it should be explained how these will enable strong community engagement.*
-

Our Jurisdictional Design Objective: The proposed jurisdictions will enable communities to be empowered, improving resident and neighbourhood voice and decision-making in line with the ambitions of the White Paper and the Government's Plan for Change.

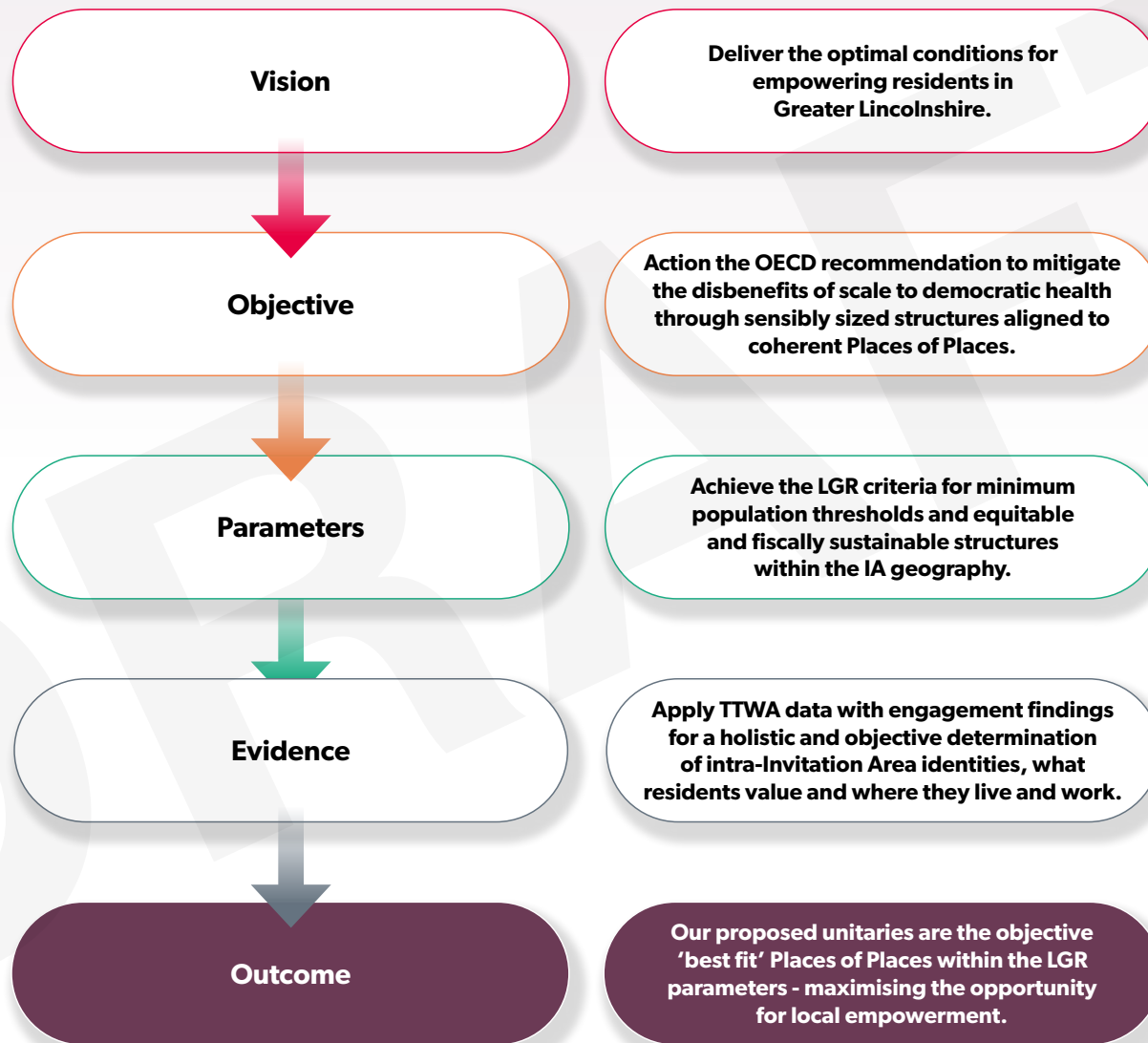
Summary of Policy Challenges

- The weight of evidence suggests that LGR carries significant risk of disempowering communities further.
- Poor jurisdictional design will exacerbate the social challenges that the government's Plan for Change is intended to address.
- Right solution will be the optimal structure for the delivery of the government's ambitions, and hedge against the substantial risk of failure.
- Risk of variability in representation across the IA.

Our proposed jurisdictions deliver:

3. Unitaries of moderate size to minimise the negative impacts from scale on democratic health.
4. New organisations with new cultures to embed a local focused operating models.
5. A failsafe to preserve local connection should area decentralisation measures fail and/or national and local priorities change.

Designing for Community Empowerment



Local Government at a Scale to Deliver the Plan for Change

The importance of community empowerment cannot be understated. It is core to the design of our proposal and for the government's Plan for Change. **If the government wishes to deliver its ambitions in Greater Lincolnshire, then our proposal presents the best and only viable opportunity to do it.**

The risk of local disconnection is frequently highlighted in LGR proposals.

Equally empowerment can be easily dismissed as meaningless jargon. When we use it we mean residents actively shaping the areas in which they live. **The people who know their patch and know what needs to be done.**

Both can be perhaps best explained by a vision of its absence: a cowed and passive population living in miasma of decline, to which governance is done to, rather than with. Where in the place of lively civic life, inaccessible councillors are a vestige serving to launder accountability for decisions made by individuals, who whether in Whitehall or Townhall are remote from and indifferent in their neglect to local people's needs, priorities, cares and outcomes.

The driving purpose of the government's Plan for Change is national civic renewal to avert that future. Expanding on the rationale for the White Paper and the success conditions of the LGR programme to the Housing, Communities and Local Government Committee, former Minister Jim McMahon MP stressed that a key objective was to 'address the local disconnect where people do not think that the council is working in their interest'.⁵³ This has been reaffirmed by the new ministerial team. The White Paper cites national polling data:

*'local area satisfaction has decreased over the last decade and a growing sense of decline has taken root in our neighbourhoods in recent years. Only 11% of people believe their area has got better to live in over the last two years, and 29% say that it has got worse. This sits alongside a wider feeling of disempowerment and distrust at a local level. Whilst 50% of people say it is important that they feel able to influence decisions affecting their local area, just 23% feel able to do so.'*⁵⁴

The government's solution, as pursued through English Devolution, LGR, the Pride in Place Strategy & programme, the Plan for Neighbourhoods amongst others is unleashing community power through localism. For example, to give local areas a stronger voice in the decisions that matter to them, the government will require all local authorities in England to establish effective neighbourhood governance. This is to ensure that neighbourhood working is hardwired into how government works, and that local councillors are empowered to act on the issues that matter to people where they live.

53. As described by Jim McMahon MP, then Minister for Local Government and English Devolution in response to questioning by the Housing, Communities and Local Government Committee on the local political and democratic justification for the LGR programme. (HoC, Housing, Communities and Local Government Committee, Oral evidence: English Devolution, HC 600, Tuesday 25 February 2025, Q31, page 18)

54. MHCLG, White Paper: English Devolution, 2024, Page 93



We have to state the clear and obvious tension between the government’s diagnosis and designed policy prescription. It is not intuitive how amalgamations into units of the mandated population levels will either directly improve matters or create the conducive structures to do so. It is particularly unintuitive to residents.

Our public engagement in the towns and markets, highlighted that many residents believe that the current structures are already too large and not people centred, that Whitehall and Townhall currently struggle to understand their place, thus either fail to capture or deprioritise the needs of their villages, neighbourhoods and towns, in favour of other places. This can lead to disengagement, disenfranchisement and falling trust. A small minority of residents at public engagement events who were keen to share their views, did not wish to complete the Cratus survey, as they felt it was useless - government had already made a decision which would be imposed, irrespective of local views. Precisely the problem that the Plan for Change aims to solve. There is a risk that LGR unhelpfully reinforces that perception.

“Too large, too impersonal, we could lose what little power we have left”

– Resident of Stamford sharing views general on LGR (Stamford Market Engagement 26/09/2025)

Cratus found that residents place a very high importance on their council feeling local to their area. For many residents, the idea of “local government” is defined by familiarity, responsiveness, and community presence. The highest expressed priority for future councils was giving residents a local voice. This feedback reflects a strong belief that democratic representation should remain personal, grounded, and connected to the everyday experience. **Maintaining proximity in decision-making is seen as essential to public trust and confidence in local government.**

All academic research and expert best practice on the topic suggests that indicators of local democratic health and trust scale poorly. **The immediate impact of abolishing district councils and the potential establishment of unitaries on a sub-regional scale due to Greater Lincolnshire's expansive geography will be a further disempowerment of residents and dislocation of decision-making from local communities. This cannot be reasonably disputed.** Fewer local councillors, streamlined decision-making and points of accountability will not enhance local democracy, at least within conventional understandings of the term. Successful delivery of compensatory area decentralisation measures may offer a degree of mitigation, but achieving the core objective of enhancement is questionable even once said mechanisms have matured. For decades, the public have repeatedly heard promises from successive governments for their empowerment and yet to date have felt little increase in their power and sense of control of their community.

The government's agenda intends to rectify this, however the flagship Pride in Place Strategy appears to be weakly linked to the LGR programme – the term principal authority is not used. The basic vision of local government contained in that strategy is the status quo, authorities with intimate knowledge and connection to their places. That local government units will soon become much larger in many areas and in consequence more distant is not explicitly recognised, a key risk for successful delivery. This has more fundamental implications than in other policy areas, because it not only demonstrates political failure, but also sends the signal that central government is deliberately holding back power with corrosive consequences for that most precious currency of public trust, which is already in short supply.⁵⁵

55. Hickson, J. and Newman, J. (2025), Localism, Levelling Up and Taking Back Control: Tensions in the Ambiguous Justification of English Devolution. The Political Quarterly. Available at: <https://doi.org/10.1111/1467-923X.13570> [Accessed 4 November 2025].





This all risks inadvertently accelerating the future that the Plan for Change strives to prevent.

We believe it is essential for any serious proposal to deal fully with this challenge and thread the needle between resident priorities and the government objectives on one side, and the reality and consequences of governing at the scale envisioned by the LGR population requirements.

Given that local authorities are first and foremost mechanisms for community self-government, this is the most critical element of jurisdiction design to get right.

One can attempt to either ignore the challenge, or speciously argue that empowering institutions is tantamount to empowering local people themselves, as if the interests of said institutions and Greater Lincolnshire residents are synonymous. Neither are responsible or compliant approaches. Nor can one blithely assert that this can be solved by neighbourhood governance mechanisms like area committees, or double devolution to the towns and parishes. These mechanisms will form part of the solution, but area decentralisation has a long and mixed history in local government, primarily characterised by failure and extreme fragility outside of some areas of exemplary practice. The parish and town system is underpowered, lacking the consistent capacity to take responsibility as the primary hyperlocal governance unit, unless significant capacity building work is undertaken. This would require an effort of comparable scale to LGR and MHCLG has explicitly warned against doing so.

This is a challenge in all Invitation Areas, but has particular salience in Greater Lincolnshire due to its size. It has been argued in some Invitation Areas that how engagement is done matters more than the size of the authority. Therefore a new Neighbourhood Empowerment model that combines all good practice from across the area can supercharge community empowerment regardless of which option is selected. This is simplistically true to the extent that a moderately sized unitary with engagement mechanisms may be more empowering than a small unitary without auxiliary mechanisms, but the argument is significantly stronger in more compact Invitation Areas. The larger the geography, the more interests need to be integrated with correspondingly greater pressure on compensatory democratic mechanisms to perform in more challenging conditions. **We consider that in Greater Lincolnshire, this pressure is too acute for an oversized unitary to be reasonably proposed, unless one is willing to tolerate the further disempowerment of residents as a necessary trade off.** It is critical to note that in the last round of reorganisations that produced Somerset and North Yorkshire less weight was placed by the then government policy and LGR criteria on local empowerment. The North Yorkshire model of an area committee per former district footprint is insufficient in the context of this government's ambitions.

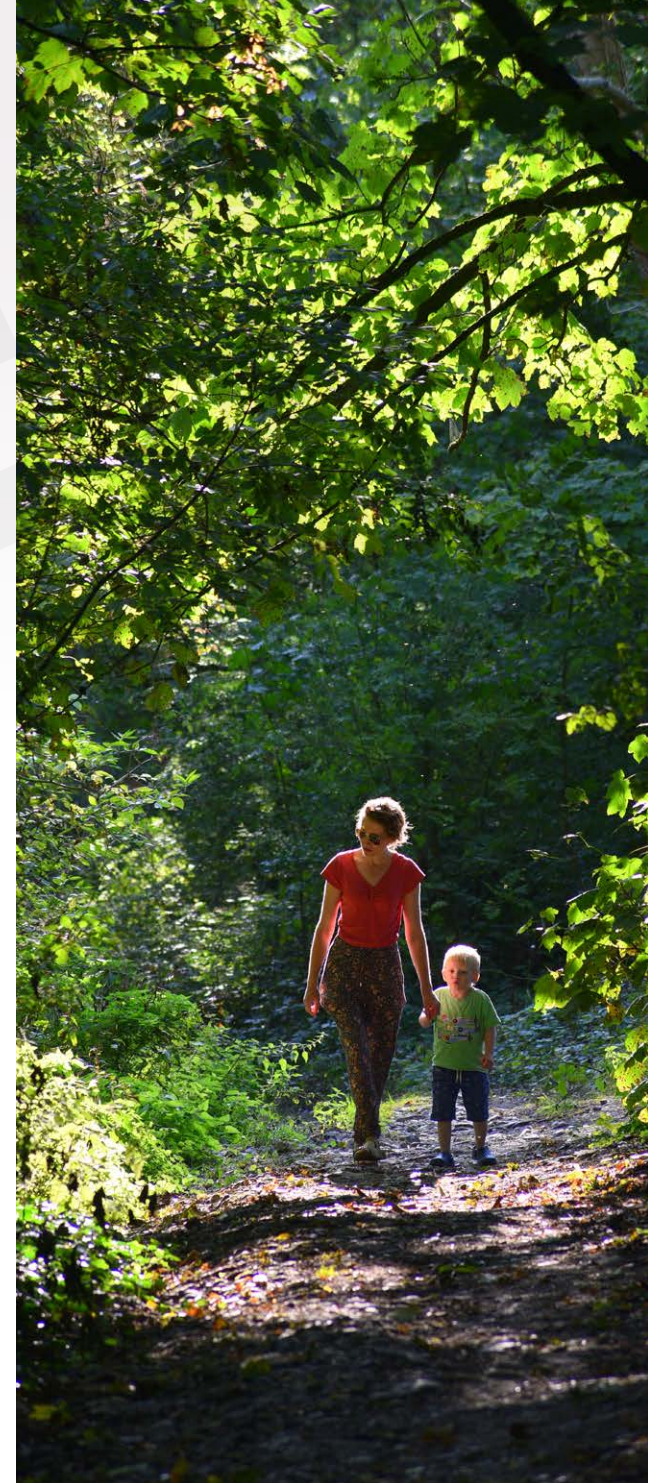
The potential exceptionalism of the LGR policy in global terms should not be underestimated. A potential single Lincolnshire county unitary, together with the 2023 reorganisations of Somerset and North Yorkshire are basic local government units of a size without obvious contemporary international comparators in developed states. Consider the French departments shorn of arrondissements, cantons and communes for an equivalent. The units can be only be described as local in the technical sense of being a sub-national governing unit. Greater Lincolnshire is larger in area and population than the US state of Delaware. Delaware, although unusually centralised in an American context, maintains multiple layers of government in the belief that this is the optimal configuration in terms of efficiency and effectiveness to capture local preferences for public goods, deliver said goods and be democratically accountable. Conventional global practice suggests that if enhanced local empowerment and voice is the objective, then more and smaller units is the policy response.

It is no exaggeration then that unitary local government of the potential scale on offer to perform this critical task is a step into the unknown. North Yorkshire is too young an organisation to provide a firm guide and would not be viable under this LGR criteria. The fullest responses to the challenge have been provided by Mutual Ventures for Norfolk County Council⁵⁶ and Re:State's Reimagining the Local State programme.⁵⁷ The combination of clustered area committees and parishes that both present to deliver neighbourhood services and hyperlocal governance is in trajectory an ersatz recreation of the two-tier system. This is an enormously exciting opportunity for experimentation and innovation, but that enthusiasm should be soberly weighted against the risk of failure, the incalculable value of local control and differentiation, and the imperative for success if the government's Plan for Change is to be achieved.

In light of these facts, we consider the only prudent policy response is a sensible division of the Invitation Area into multiple units of sufficient size which align with the distinct Places of Places of Greater Lincolnshire. These units will still be expansive, but have a better chance of being local, fulfilling resident needs and expectations. Being within conventional English local government parameters (Cornwall and Wiltshire) and so benefiting from a long record of applicable best practice. **Negative impacts on local democratic health and trust will be minimised, providing the essential and conducive foundation for the civic renewal that the Plan for Change aims to deliver.**

56. Mutual Ventures for Norfolk CC (August 2025), Community Engagement Model: Proposal for Norfolk. Available at: <https://www.norfolk.gov.uk/article/72166/The-journey-so-far> [Accessed 4 November 2025]

57. Re:State (April 2025), Local, Actually: Establishing hyperlocal governance in England. Available at: <https://Re.State.co.uk/wp-content/uploads/2025/04/Local-actually-final-document-pdf.pdf>. [Accessed 4 November 2025]



Delivering Effective Community Governance

The proposed scale and highly coherent nature of jurisdictions ensure the area decentralisation mechanisms will be supplementary, not compensatory. This provides the optimal conditions to deliver enhanced community engagement and genuine opportunity for neighbourhood scale. The moderate scale offers a democratic failsafe to minimise negative impacts on local voice and articulation of local needs if the mechanisms fail and/or government priorities or funding landscape change long term.

MHCLG hopes that resident voice can be retained and community empowerment enhanced through the establishment of neighbourhood area committees and other innovative engagement structures and mechanisms. These structures are to operate parallel to and augment the town and parish system. **MHCLG are clear that principal authorities cannot delegate neighbourhood governance to the town and parish councils.**⁵⁸ The English Devolution & Community Empowerment Bill will introduce a duty on all local authorities in England to establish and deliver effective neighbourhood governance:

'The requirement for local authorities to have effective neighbourhood governance will empower ward councillors to take a greater leadership role in driving forward the priorities of their communities. This will help to move decision-making closer to residents, so decisions are made by people who understand local needs. Additionally, developing neighbourhood-based approaches will provide opportunities to organise public services to meet local needs better'.⁵⁹

58. English Devolution and Community Empowerment Bill: Guidance - GOV.UK - 'Town and parish councils are independent of local authorities. We want to make sure that all local authorities have a way of working with people in their neighbourhoods, so they are not relying on town and parish councils to do it.'

59. English Devolution & Community Empowerment Bill - Explanatory Notes





Nottingham City Council have established and decommissioned an area committee system four times in the last twenty years, most recently in 2021 for budgetary savings and because the system was judged as failing to effectively engage with residents.⁶⁰ **North Yorkshire cut Member locality budgets by 50% for efficiency savings in the 2025/26 budget.** Westminster City Council's (WCP) Local Area Renewal Partnerships (LARPs) formed in 2002 achieved national recognition as good practice in 2008 and WCP received a green flag for community engagement in the 2010 Comprehensive Area Assessment. **The LARPs were immediately cut in Autumn 2010 following the change in national government and funding priorities.**⁶¹ These examples are emblematic of the long history and generally poor record of area decentralisation schemes in local government which date back to the 1960s.⁶²

This is not a policy domain with a tested, universal off-the-shelf solution to be applied. The most successful contemporary example that is applicable to the Greater Lincolnshire geography: Wiltshire, is the product of nearly twenty years of careful practice and political and managerial commitment. This model can be adopted and tailored to Greater Lincolnshire, however we believe that success will be maximised by ensuring it is a supplement to fundamentally local jurisdictions. **The wider practice is too experimental and the track record too mixed to be relied on to maintain and enhance resident voice in a scenario where the jurisdiction scale is no longer meaningfully local. The future local government of 2040 cannot be reliant on compensatory area committees for local connection.** It is a governance form, which was principally designed for the society of 2000 and significantly smaller local government units, and was largely unsuccessful then, despite being a flagship local policy of the then governments.

60. Nottingham City Council, City Council Public Reports Pack, 26 April 2021, [Online]. Available at: <https://committee.nottinghamcity.gov.uk/documents/g8988/Public%20reports%20pack%2026th-Apr-2021%2014.00%20City%20Council.pdf?T=10> [Accessed 4 November 2025].

61. Madeleine Pill & Nick Bailey (2012) Community Empowerment or a Strategy of Containment? Evaluating Neighbourhood Governance in the City of Westminster, *Local Government Studies*, 38:6, 731-751, DOI: 10.1080/03003930.2012.679934

62. Johnston, L. (2012) Double devolution at the crossroads? Lessons in delivering sustainable area decentralization. In Diamond, J. and Liddle, J. (eds.) *Emerging and potential trends in public management: an age of austerity*. Bingley: Emerald, pp. 129-159



The proposed duty in the English Devolution & Community Empowerment Bill will provide welcome stability, but cannot account for local commitment and investment above the minimum. The solution is to depoliticise the system to the extent that area committees are so embedded and fundamental to the authority's constitution and operating model that cuts are as unthinkable to Members and officers as cutting the Audit Committee. As demonstrated in Wiltshire that will require extraordinary political and managerial leadership and commitment to achieve. **A senior officer and elected member culture that prioritises perceived efficiency over localism is fundamentally incompatible with and corrosive to the effective delivery of an area committee system.** Mutual Ventures have identified that a total cultural reset is required to establish a new social contract with residents that underpins the shift from the council as a provider of services to residents, to a partner in delivering services with residents.⁶³

Even if area decentralisation mechanisms are successfully implemented, there would be constant risk from changing local or central government priorities and commitments. That is true for all service areas, but not all service areas have such a critical task of tangibly connecting local people and voice to the organisation that exists to serve and represent that voice. There is not a small risk that in the medium to long term Greater Lincolnshire could end up without either successful or meaningful compensatory area decentralisation mechanisms.

Our proposed jurisdictions control this risk providing:

- Sensible and coherent geographies of a conventional scale to maximise the success of area decentralisation.
- Multiple unitaries of more moderate scale for a local connection failsafe should area decentralisation measures fail, or central government and local priorities change.

Combined, this offers the best opportunity to deliver the government's ambitions to empower residents and drive civic renewal in Greater Lincolnshire.

63. Mutual Ventures for Norfolk CC (August 2025), Community Engagement Model: Proposal for Norfolk. Available at: <https://www.norfolk.gov.uk/article/72166/The-journey-so-far> [Accessed 4 November 2025]

Mutual Ventures Local Engagement Model

Mutual Ventures was commissioned by Norfolk County Council (NCC) to develop a scalable, neighbourhood-based model for community engagement.⁶⁴ **This is critically discussed here, because it provides the strongest and most developed argument and policy prescription for how a single county/ sub regional scale unitary could try and reconcile size and enhanced local connection. The attempt is unsuccessful. Every element could be applied with superior results in a comparatively smaller and more coherent jurisdictions, like ours, if desired by future policy makers.** The model recognises that LGR more than just a structural change, it is an opportunity for cultural reset and broader public service reform, and so is designed to be adaptable to any future unitary structure and is built on the principles of co-design, local accountability, and a shift from service provision to partnership. This potentially enables both greater resident empowerment and a reorientation of public services to prevention.

The model combines the Wiltshire Area Committee system with Greater Manchester's multi-agency integrated neighbourhood services teams, establishing a dual structure at the neighbourhood level, linking democratic governance with integrated service delivery.

- Neighbourhood Area Committees (NACs) are envisioned to be 'democratic steering wheels', composed of elected members and community representatives tasked with setting local priorities and holding services to account - acting as a bridge between residents and the strategic council.
- Integrated Neighbourhood Teams (INTs) are a multi-agency engine of service delivery, which will include professionals focused on on-the-ground problem solving for local issues.

The NAC would act as a primary source of community intelligence and insight for the INT, helping to shape the team's local priorities and co-design local initiatives. To establish a meaningful and impactful approach to community engagement, each NAC would receive a devolved budget. The INT leadership would report on its performance and local neighbourhood outcomes to public NAC meetings.

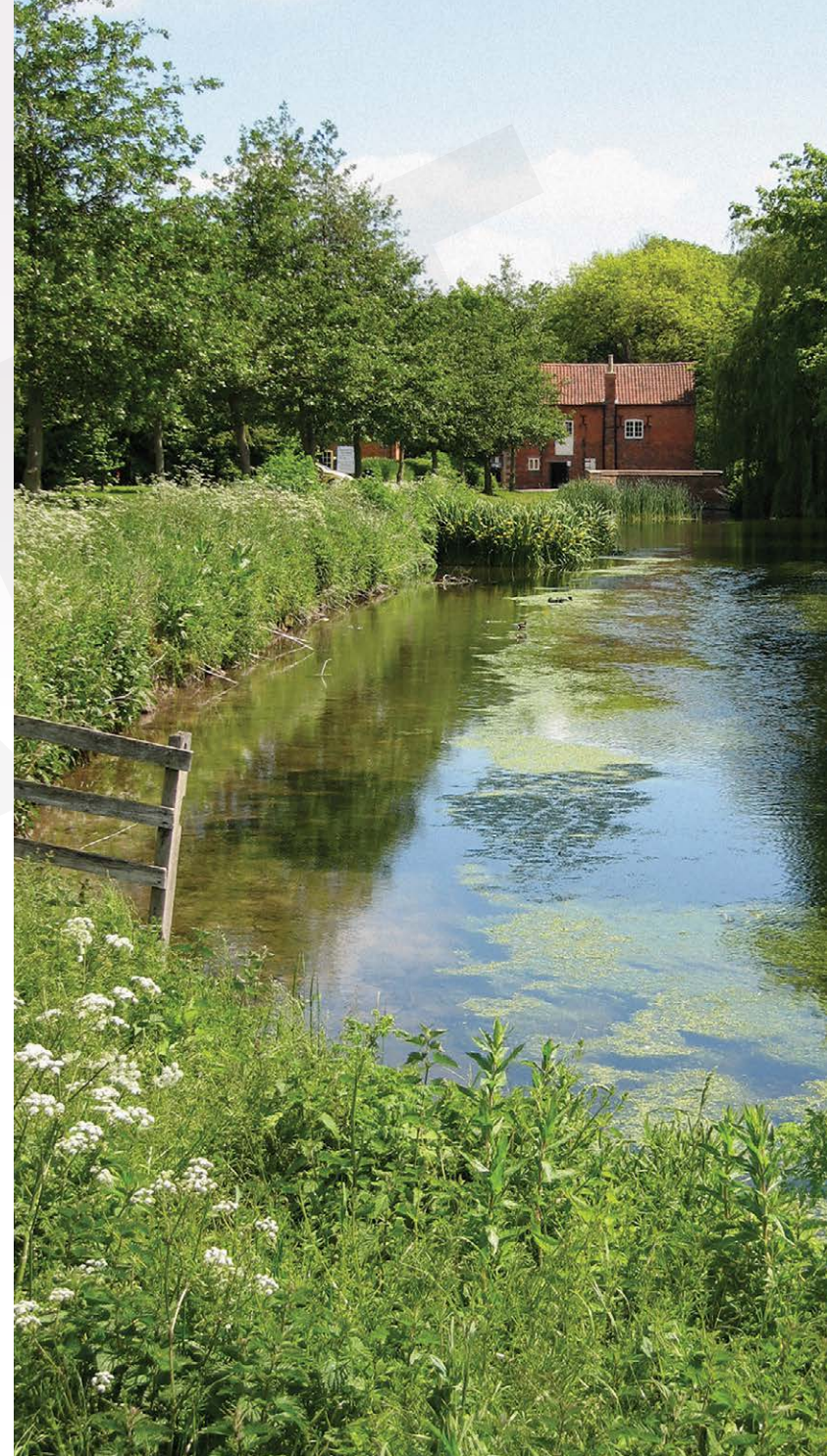
Each would cover approximately 30,000 to 50,000 residents meaning thirty separate NACs and INTs in Norfolk. The objective is for a more distributed mix of intelligence, policy and delivery akin to an octopus, rather than a centralised policy brain that gives directives to delivery teams. Mutual Ventures recognise the experimental nature and enormity of what is proposed. A pathfinding 'test & learn' approach in four pilot localities is proposed.

64. Mutual Ventures for Norfolk CC (August 2025), Community Engagement Model: Proposal for Norfolk. Available at: <https://www.norfolk.gov.uk/article/72166/The-journey-so-far> [Accessed 4 November 2025]

Mutual Ventures consider that this creates an effective system that is democratically accountable to the community it serves, **a local tier of governance that responds to the concerns around the potential remoteness of a new unitaries.** There are critical questions of the democratic accountability. These are not directly elected bodies, but partnerships of local stakeholders and community leaders chaired by elected members. Further questions lie in the establishment, operation and coordination of thirty separate INTs. Especially as a significant increase in the capacity and sophistication of these units is envisioned, up to local commissioning as the system matures. Already local service leads are advising that clustering into units of 100,000 will be optimal for service efficiency.

The logical evolution of this system to most effectively combine real capacity with some local voice is to cluster the Norfolk NACs & INTs into seven local bodies of approximately 135,000 residents delivering community governance and neighbourhood services, each tied to a discrete place and identity with a degree of financial autonomy and democratic representation. These would sit below the unitary which would provide strategic system leadership and deliverance of functions optimally delivered on a sub-regional basis. The two-tier system would not be fully recreated, because the clusters are not sovereign partners, but limbs of the unitary to be ultimately directed and reconfigured as needed. More effective neighbourhood management and superior central control would be delivered, enhanced resident empowerment is more uncertain. Democratically this is substantially weaker than the obverse of multiple sovereign authorities pooling resources to create economies of scale for some functions, or the existing multi-tier government.

Norfolk CC may consider that this engagement model, if applied in Norfolk, successfully dispels 'false perceptions that a large council cannot be local'. However Norfolk CC also consider that the system will need up to 168 councillors to operate effectively. A total far in excess of clear LGBCE guidance and unprecedented in English local government. That such extraordinary deviation is required for basic functionality and to retain democratic norms on ratios of electors to representatives suggests that their proposed unitary is oversized. **We therefore consider that the Mutual Ventures model could be utilised for superior results in a comparatively smaller and more coherent jurisdiction with lower risk of failure and with full compliance with LGBCE and MHCLG guidance.**



Opportunities for the Future Hyper-Local State

Crucially the moderate scale and coherent nature of our proposed unitaries means that neighbourhood governance mechanisms will be ultimately supplementary not compensatory. Therefore there will be less pressure on the decentralisation mechanisms to immediately perform to prevent the dislocation from the local – an outcome that the historic practice has a poor track record in achieving. Rather than a sprint to ensure the network is fully operational on vesting day, which as past reorganisations have shown, will inevitably suffer under competing demands for resources, as initial ambition transitions to ‘safe & legal’, a pathfinding ‘test & grow’ approach can be adopted.

We have not set out a prescription for how the future unitaries should deliver community governance, for example the detailed scope and boundaries of the area committees. A successful system must be codesigned and produced with local communities – sensitive and bespoke to the local social geography and need. Neighbourhood and community work spreads and grows like a fire, rather than scaling via replication. The formal units will be the jumping off points for continuous engagement. Simply having the structures in place is not success.

Our task is to design the coherent jurisdictions, so that the future unitaries will have the optimal conditions and footprints to take and apply any combination of the Wiltshire model, the Mutual Ventures model, Camden’s citizens’ assemblies or embark on further innovative experimentation to develop the solutions that best serve Greater Lincolnshire’s diverse communities. **This we have delivered, ensuring that the unitaries maintain their primacy as a meaningfully local institution for democratic self-community government, augmented by supplementary mechanisms.**

Double Devolution Practices and Proposed Division of Functions post-LGR		
Practice	Definition	Post LGR Delivery Mechanism
Neighbourhood Empowerment	Mechanisms that institutionalise opportunities for direct citizen participation in decision-making processes.	- Multiple unitaries of a practical size covering coherent geographies - Neighbourhood Area Committees Digital Engagement
Neighbourhood Partnerships	Mechanisms that bring together a range of local service providers and decision-makers within a particular area, to pool resources and align activities more strategically.	Neighbourhood Area Committees
Neighbourhood Government	Mechanisms that create local representative bodies (such as neighbourhood councils, area committees, and mini town halls), elected by residents.	Town & Parish Councils
Neighbourhood Management	Mechanisms that empower front-line managers to respond more effectively to residents’ needs, for example by ‘joining up’ separate services, developing new services, and abolishing outdated modes of delivery	- Unitary Directorates - Integrated Neighbourhood Teams

Typology of Double Devolution Practices (adapted from Hickson 2024)

Elements of the Hyperlocal State – Neighbourhood Area Committees

Design

The model must be bespoke by design in each place. A one-size-fits-all approach that simply invites participation will potentially reinforce existing inequalities. The new unitaries must take on an active community development role, providing training, support, and seed funding to help build the capacity of less organised communities and ensure that all residents, regardless of their starting point, have a fair opportunity to participate effectively.

Size and Number

There is not a universal standard in theory or practice for the size or number of area decentralisation mechanisms. MHCLG have not provided a definition of neighbourhood as a governance unit. MHCLG guidance on area decentralisation is expected in due course. A 2012 academic survey of practices found wide variation in the size of neighbourhood governance units across the UK, ranging from 1,000 to 72,000 people.⁶⁵ It is critical to ensure the footprints align with resident views of local place. Mutual Ventures recommend between 30,000 and 50,000 residents. That population range is also used by the NHS Confederation.⁶⁶ We would endeavour to ensure coterminosity between the NHS neighbourhood operating model and the local government neighbourhood committee systems. In line with the recommendations of the Independent Commission on Neighbourhoods (ICON), we would use statistical geography as the building blocks.⁶⁷

One of the most advanced existing area committee system is in Wiltshire.⁶⁸ Wiltshire provides a model of eighteen committees with an average population of 28,000 residents and covering 180 sq.km. Applied to the Lincolnshire county area that would result in a total of thirty committees across the two unitaries.

Again a balance will need to be struck in jurisdictional design between the scale required for service delivery and community empowerment. Most residents would naturally associate this scale with a medium sized town, not a neighbourhood. However, given the required size for the Principal authorities to be in compliance with the LGR Criteria, practical governance will require the neighbourhood area committees to be of approximately this scale, otherwise the total number of committees will multiply into system unmanageability.

65. Steven Griggs & Mark Roberts (2012) From Neighbourhood Governance to Neighbourhood Management: A 'Roll-Out' Neo-Liberal Design for Devolved Governance in the United Kingdom?, *Local Government Studies*, 38:2, 183-210, DOI: 10.1080/03003930.2011.630460.

66. NHS Confederation, A New Operating Model for Health and Care 2025, [Online]. Available at: <https://www.nhsconfed.org/system/files/2025-05/A-new-operating-model-for-health-and-care-2025.pdf> [Accessed 4 November 2025].

67. The Independent Commission on Neighbourhoods (ICON), (May 2025), Neighbourhood Policy Green Paper: Delivering Neighbourhood Renewal -Proposals for Change. Available at: <https://www.neighbourhoodscommission.org.uk/wp-content/uploads/2025/05/Driving-Neighbourhood-Renewal-Proposals-for-Change.pdf> [Accessed 4 November 2025].

68. Local Government Association, Local Area Boards: Wiltshire Council, [Online]. Available at: <https://www.local.gov.uk/case-studies/local-area-boards-wiltshire-council> [Accessed 4 November 2025].

Elements of the Hyperlocal State – Towns & Parishes

Greater Lincolnshire is fortunate in having a very extensive and vital network of town and parish councils. The English Devolution White Paper gives very limited consideration for towns and parishes. Necessarily amalgamation results in a degree of dislocation from the local. Our option minimises that dislocation, however it is present. Logically, the consolidation of local government and the resulting raised altitude in strategic and operational outlook, would provide an opportunity for hyper-local government to step up and partially fill the void. There are many services and community assets that are optimally delivered at a neighbourhood level. Empowered hyper-local government would complement the more strategic unitary authorities. That is the theory, however the reality of the parish system is very different. The consistent capacity is simply lacking for towns and parishes to be considered a full tier of government that significant weight can be placed on.⁶⁹

Summary of Town & Parish Capacity in Greater Lincolnshire Invitation Area							
Local Authority	Total Parishes	Median Population (MY 2022)	Parishes with populations less than 499	Parishes with populations between 1000-5000	Parishes with populations greater than 10,000	Median Amount precepted on billing authority (£) 2025-26	Median Tax base for precept purposes 2025-26
Boston	18	1314	3	7	1	32,222	383
City of Lincoln	N/A	N/A	N/A	N/A	N/A	N/A	N/A
East Lindsey	188	331	84	20	3	3,268	99
North Kesteven	75	680	26	14	2	1,9081	240
South Holland	22	2309	1	15	1	30,400	754
South Kesteven	84	425	42	16	3	6,500	147
West Lindsey	128	425	57	21	1	3,864	91
North East Lincolnshire	21	500	9	4	0	4,845	204
North Lincolnshire	56	740	19	20	2	16,458	258

69. Society of Local Council Clerks (2022), The Future of Local Councils: A Survey of Parish, Town and Community Councils in England and Wales. Available at: <https://oro.open.ac.uk/87187/1/SLCC-Future-Report-2022%20%281%29.pdf> [Accessed on 4 November 2025]

We have undertaken extensive engagement with the towns and parishes in our areas and received the consistent message that LGR presents as much a risk as an opportunity. The vital hyper-local role that they perform will be more important than ever post LGR. There is concern that local assets, which are beneath the strategic notice of new unitaries, are lost. Equally there is recognition that many towns and parishes cannot handle additional responsibility, unless there is a significant effort to build hyperlocal capacity. Proposals of that type have been sketched by Re:State, in the creation of clustered Neighbourhood Combined Authorities of approximately 30,000 people.⁷⁰ Such an undertaking would be an effective recreation of the pre-1974 system and regardless of its merits, it would require an effort on a bigger scale than LGR. MHCLG have expressed no appetite for this and have warned about increases in parish precepts as a consequence of LGR. **It is not government policy for towns and parishes to play a larger role going forward. Unitary authorities must still think and act local; hence we have scaled our jurisdictions appropriately.**

We recognise that double devolution to towns and parishes does not represent a magic bullet. If mishandled, double devolution could risk exacerbating the disadvantage and marginalisation faced by ‘left behind’ communities even further.⁷¹ Therefore, although recognising that we cannot bind the actions of the future unitaries, we would strongly advise that a cautious and sensitive hyperlocal policy is pursued. Where there is local appetite to take on additional responsibility and community assets, that should be carefully explored with due regard that the capacity and income streams are in place. The classic cautionary tale is Cornwall enthusiastically transferring beach toilets, whilst forgetting the adjacent car park income that paid for the maintenance. For the unique Lincoln situation, we anticipate that either the town or charter trustee route is taken to maintain ceremonial governance. This is sub-optimal for economic governance, but there is no compliant alternative under the LGR criteria.

We have designed our unitaries to minimise the need for towns and parishes to feel they need to step up, whilst welcoming and supporting those that wish to take on more responsibility. So providing effective multi-level governance with the local. This will prevent the nightmare scenario of oversized unitaries becoming unmoored from the hyperlocal and a fire sale of valued community assets in the name of double devolution to compensate.

70. Re:State (April 2025), Local, Actually: Establishing hyperlocal governance in England. Available at: <https://Re:State.co.uk/wp-content/uploads/2025/04/Local-actually-final-document-pdf.pdf>. [Accessed 4 November 2025].

71. Hickson J., (January 2024), Double Devolution: Towards a Local Perspective. Available at: <https://livrepository.liverpool.ac.uk/3177811/1/Double%20Devolution%20Report%20WEB.pdf> [Accessed on 4 November 2025].

Elements of the Hyperlocal State – Elected Members

Elected Members play an indispensable role. They lead, scrutinise, represent and champion their residents and communities. Their presence and role is what distinguishes a local authority from a government agency.

As part of our proposal we have made an initial consideration for the number of councillors required to deliver effective governance and neighbourhood empowerment with the two new unitary councils proposed. As within our proposal, North East Lincolnshire and North Lincolnshire remain as separate unitary authorities, we have not considered any changes in councillor numbers for those two authorities. However for completeness we have included their councillor numbers in overall context for this section.

The Local Government Boundary Commission for England (LGBCE) has very clear guidelines for future member numbers:

- The minimum number is thirty
- The maximum number is ninety-nine

There is theoretically scope for exception. However, given that the most geographically expansive unitary in the country, North Yorkshire, is within these bounds, the most populous authority, Birmingham, is only just over and the LGBCE have worked to bring Buckinghamshire back within bounds, the only persuasive rationale for an exemption that we have identified to ensure equality in representation within the Invitation Area in the scenario of reducing councillor numbers below the minimum in an asymmetric proposal. Unless the LGBCE were open to a significant liberalisation of their guidance, of which there is no indication, we can identify no other rationale or precedent to justify an exception. The only proposals in this process to breach the guidance so far (as of the Devolution Priority Programme) are Norfolk County Council (NCC) and Suffolk County Council (SCC). These offered no rationale beyond risk of a democratic deficit, which is an inherent trade-off for their jurisdiction choice, so is invalid outside of a very major change to the LGBCE guidance.

The LGBCE specifies that there is no universal formula to determine councillor numbers. The total must be primarily arrived at through consideration of the needs of a particular area, rather than selecting a number because that is the total of statistically similar area. Nevertheless, general consideration does need to be given of the proposed authorities' place in the system of local government as a whole. Overall, there is a tight distribution of electoral ratios for existing unitaries. The two anomalous exceptions are Rutland and Birmingham. There is no good answer to the question of why should residents in one part of the country enjoy significantly greater influence over their local area than residents in another. Reorganisation risks creating that inequity. The only answer is necessary differentiation in governance due to the nature of the area, however that argument and the resulting inequity would not be accepted in any other democratic context. Therefore, it is prudent for proposals to remain within the conventional distribution for unitary authorities and attempt to minimise deviance.

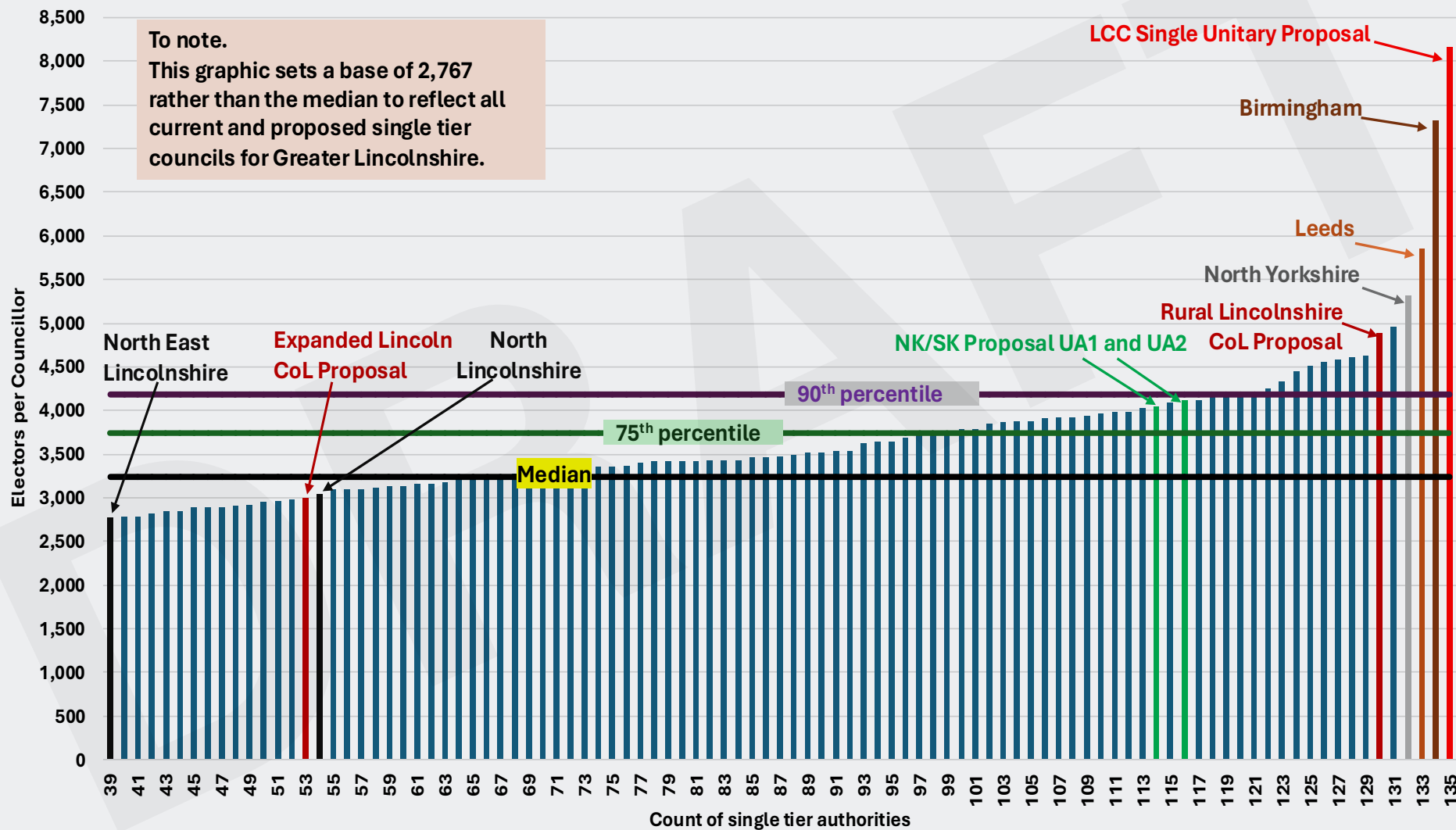
This significantly sharpens the trade-off between scale and democratic representation. As the size is increased, so is individual resident voice diluted, as the ratio of electors to councillors widens. The democratic trade off cannot be obscured. It would be very concerning if a resident in one part of the IA, or on the border with another IA has significantly lower representation than another resident elsewhere. Unlike with Birmingham and its immediate neighbours, this could not be justified as the differentiated governance of a major conurbation. **For example, a theoretical unitary on the Lincolnshire county footprint that maintained the current total of seventy councillors would have 8,158 electors per councillor. A ratio unprecedented in English local government and far beyond conventional norms.** By comparison Birmingham has a ratio of 7,319 electors per Member. Even then, a conurbation has a confluence of interests, which an area the size of Lincolnshire does not. Plainly this would be a step change in the practice of local democracy in Lincolnshire, posing significant challenges. The tension would be exacerbated by the continuation of the two northern unitaries, whose residents would enjoy significantly superior democratic representation, than their Lincolnshire neighbours.

It is the task of proposals that advance disaggregating upper tier services to clearly and robustly justify that choice, their risk toleration and how the disruption will be mitigated. **Conversely it is task of proposals that advance very large and/or asymmetric jurisdictions to clearly and robustly justify that choice in terms of the impact on democratic representation and voice both within the Invitation Area and compared to neighbouring areas. We would expect any proposal on the lines sketched above to do just that.**

Our proposal prudently avoids any experimentation in novel forms of local democracy. Our proposed unitaries have councillor numbers within conventional norms. Ensuring manageable workloads for members, and equitable local representation and governance for residents throughout the Invitation Area.



Electors Per Councillor - All Single Tier Councils Above the Median



Current Position

The county of Lincolnshire is currently served by 70 county council seats, all single member divisions following the last Local Government Boundary Commission for England review in 2016.

The seven Lincolnshire districts have 290 councillor seats spread over 155 wards, giving an overall total for Lincolnshire of 360 council seats. The actual number of individual councillors is a little lower once those elected to both Lincolnshire County Council and to their District council are accounted for.

North-East Lincolnshire and North Lincolnshire have 42 and 43 councillors respectively, giving a total of 445 councillors across the Greater Lincolnshire invitation area.

The most recent data from the LGBCE gives an electorate figure of 571,072 for the county of Lincolnshire, and 246,838 for the two existing unitary areas.

The 360 council seats within Lincolnshire provide an overall councillor to electorate ratio of 1:1586.

Approach for Future Design

When considering initial proposals for councillor numbers, we have noted that whilst the last LGBCE review was undertaken almost a decade ago, the current single member division approach at the county level, set on largely logical geography and populations, provides a sound starting point. Whilst the LGBCE data does highlight some outlier divisions overall the structure remains sound and does not merit reinvention just for the sake of reinvention at this early stage.

We have considered the current councillor ratios in existing single tier councils, noting also the ratios for areas that have more recently undergone reorganisation.

As an area, City of Lincoln excepted, with one of the lowest population densities in England we have also considered the potential scale of area that unitary level councillors would need to represent.

We have sought to take a balanced approach taking both of the above aspects to limit the democratic deficit.

We have noted and ensured we keep within the upper councillor number limits suggested by LGBCE.

Future Councillor Numbers

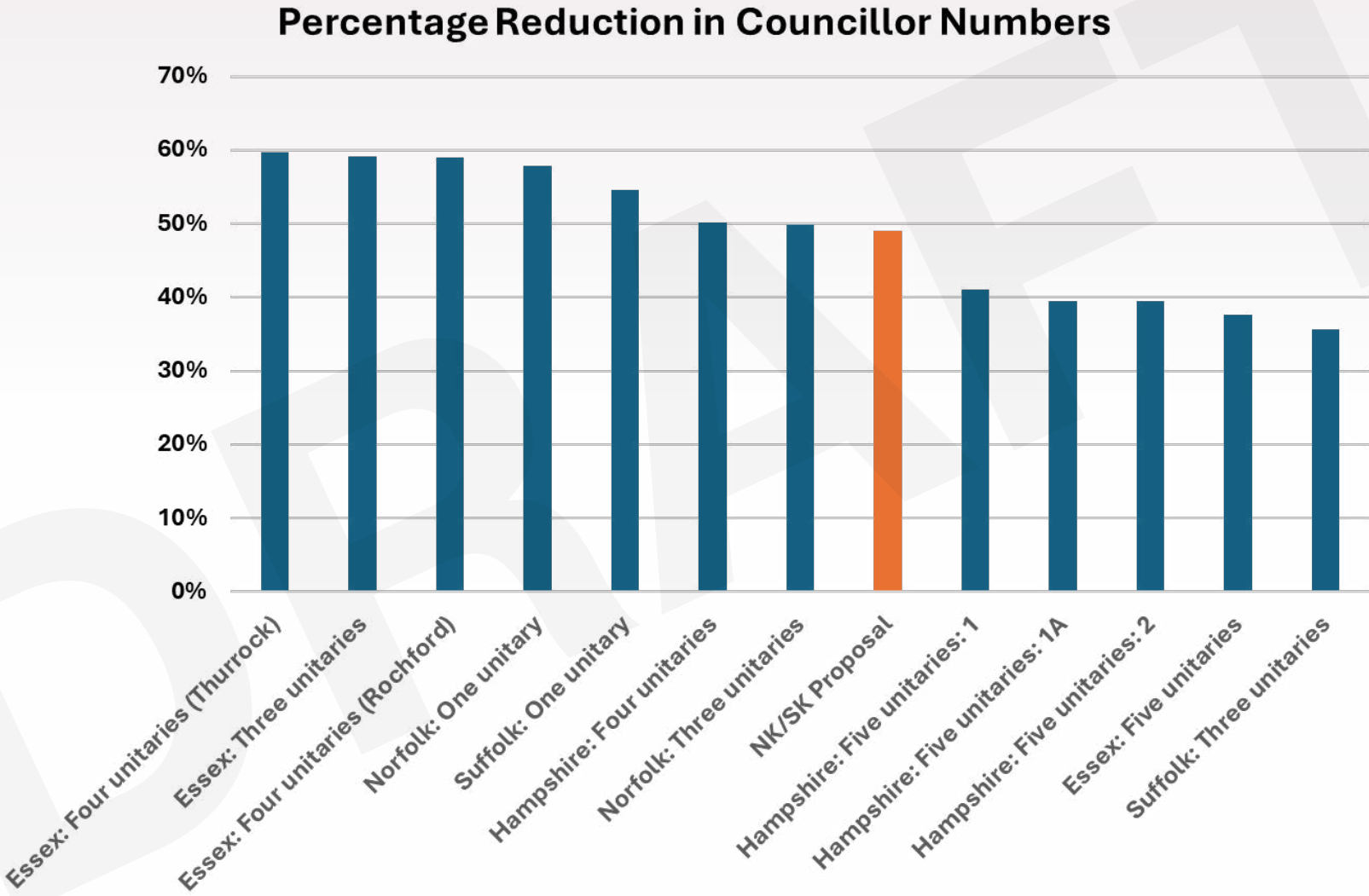
Ahead of a future LGBCE review once Government decisions on final structure for the Greater Lincolnshire Invitation is undertaken our initial thoughts on future councillor numbers are:

- To retain the current councillor numbers and wards for both North-East Lincolnshire and North Lincolnshire
- To retain the existing geographies of the 70 current county divisions within Lincolnshire
- To move all 70 current divisions to be 2 rather than single member wards

The result of this approach would be:

Council	Electorate	Cllrs	Electorate Ratio	Cllr Change abs	Cllr Change %
Unitary 1 NK, SK, SH	275,140	68	4,046	(102)	(60%)
Unitary 2 BBC, CoL, ELDC, WLDC	295,932	72	4,110	(118)	(62%)
“Lincolnshire”	571,072	140	4,079	(220)	(61%)
Unitary 3 NEL	116,205	42	2,767	0	-
Unitary 4 NL	130,633	43	3,038	0	-
Greater Lincolnshire	817,910	225	3,635	(220)	(49%)

The graphic below compares the percentage reduction in councillors for Greater Lincolnshire based on our submission as compared to the recent Fast Track area proposals



A further breakdown of our approach to potential numbers of councillors for the two new unitaries is set out in Appendix 7.

SECTION 5

Implementation

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SECTION 5: Implementation

Approach

Our implementation plan builds on our evidence led approach, setting out how these new councils would be delivered, including a programme timeline, governance arrangements, shared principles and robust mitigation measures for risks.

Our proposal reflects the best options in terms of maximising positive and sustainable local outcomes for our residents. We recognise that the transition process will be complex, time consuming and present challenges to all involved. Given the scale of the opportunity this is a challenge that we gladly accept.

We will ensure a safe and legal transition setting the foundations for an ambitious programme of reform.

Collaboration

Change of this nature will require councils across Greater Lincolnshire to commit to working even more closely together. Whilst the two northern unitaries remain unchanged, based on all bar one of the proposals being submitted from our IA, they can still play an important critical friend role. This commitment extends to continuity of services through this time, ensuring we can continue to serve all our residents and stakeholder communities and minimise any disruption. We are ambitious in the change we can make as part of this proposal and will be focusing on delivering maximum benefits through this period.

We will extend this approach beyond our borders ensuring that we both learn from the lessons of past LGRs, take heed of real-time learning from the Surrey implementation – two new unitaries within an existing county footprint – and work with the wider sector acknowledging that 20 other IAs will be taking the same journey with largely the same intermediate timelines.

People and Culture

*“Culture isn’t
a phase of the
project, it’s the
foundation”*

Culture will form one of our core implementation workstreams set out within this section. Why mention it now? Time and time again, particularly in the plethora of sector led webinars a key learning has been that people and culture is the most critical element. At the end of the day the transitional and transformation changes will be delivered by people, not by AI and not by worthy statements.

We therefore place this front and centre and would urge all IAs to do likewise. Given the criticality of this element we commissioned Kath O'Dwyer to prepare a critical assessment – a summation of this follows whilst her full report is attached as Appendix 8.

LGR reforms aim to streamline local government structures, enhance accountability and improve service delivery. However, the success of these reforms hinges not just on strategic planning but on cultivating and maintaining a positive organisational culture — a critical but often overlooked element in any successful LGR programme.

The success of these reforms hinges not just on strategic planning but on cultivating and maintaining a positive organisational culture. When LGR is done with people at the centre:

- Leaders feel resourced, not burdened.
- Culture becomes a foundation, not a friction point.
- Teams stay engaged and hopeful.
- The new organisation feels coherent, not just combined.

Core values are the foundation of an organisation's identity, guiding employee behaviour and decision-making. Organisational culture shapes how the organisation lives its purpose and delivers on its promises. By focusing on organisational culture with intention, the organisation will be well-positioned to thrive in an increasingly complex environment. Councils that invested in cultural clarity, leadership capability, and robust programme governance emerged stronger and more cohesive; those that did not, often found that 'safe and legal on day one' was not enough to deliver real transformation. Organisations that invest in resilient, adaptable cultures will be the ones best equipped to navigate change.

A positive organisational culture:

- Unites members of the organisation by instilling a sense of identity and belonging,
- Gives employees a sense of direction,
- Increases employee satisfaction and engagement levels,
- Guides decision-making processes and reduces disagreements and animosity between team members,
- Helps attract the right employees who are committed and productive,
- Influences organisational effectiveness and success,
- Facilitates open communication, mutual trust, and shared understanding,
- Differentiates one organisation from another,
- Instructs the organisation on how things are done.

The challenge of changing an organisational culture cannot be overstated. This process can often be simplified to communication campaigns, relaunched values or training. But it is about changing the emotional relationship between the employee and employer, for example how staff feel when they enter the office, their relationship with their manager, and their wider psychological contract.

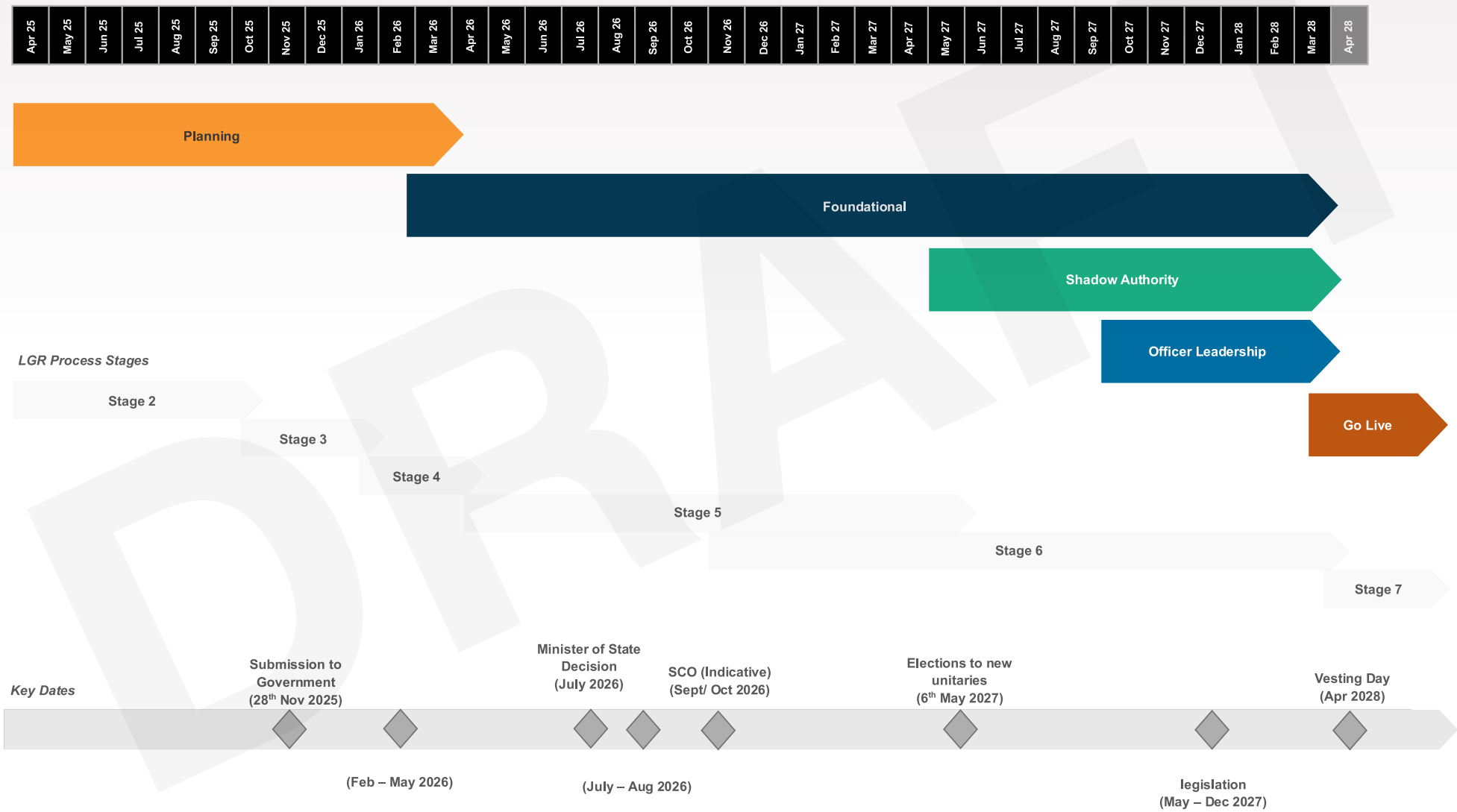
This emotional relationship does not change easily or quickly.

A strong organisational culture is the glue that holds the local authority transformation journey together and culture must be intentionally shaped to support the new organisation and communicated using vision and values.

It is culture, quietly and invisibly, that will determine whether the new council lands smoothly or flounders under the weight of confusion, resistance, and competing priorities.

This is why new, not continuing authorities are best suited to realising the full transformative potential of LGR. New organisations that will be co-designed by members and officers, who will knowingly and consciously, own and embody the values that the new unitaries choose as their guiding principles.

Timelines



We have identified the top-level priorities and activities required under each of the five phases, aligning with the government's overall LGR timetable. Fundamentals that will remain in place throughout the process rather than being phase specific are referenced here rather than in the table below.

- Staff communication, engagement and support,
- Existing member engagement and support,
- Arrangements for and delivery of engagement with our communities and partners,
- Access to the right skills and capacity,
- Clarity on day 1 requirements and target state,
- Management of programme creep and over-optimism.

Phase	Priorities
Preparation: prior to government decision	• Set up programme (governance, workstreams and finance) • Set up the plan, timeline and critical path; including any requirement for and procurement of Strategic Partner(s) • Staff communication and engagement • Establish arrangements to continue to engage widely with our communities and partners • Advanced data sharing and deep dive analysis – be as prepared as possible for post decision activity, creating roadmaps for transition for (as a minimum) core and critical services • Define and agree scope of LGR-related decisions with sovereign councils
Foundational / Collaboration & Detailed Design: prior to the election of shadow members or appointment of officer leadership	• Continue to engage widely with communities and partners; and focus on staff communication and engagement • Appoint Strategic Partner(s) • Progress what is in appropriate scope of the programme (e.g. people, ICT, contracts, assets) • Service alignment and transformation • Preparing for key decisions • Shadow elections
Shadow Authorities: members elected but only with programme management or unofficial groupings of officers for capacity	• Appointing Chief Executives and statutory and leadership roles • Member inductions • Key decision timetable • Approving the Council Plans, MTFS, budgets, council tax harmonisation approach and operating models for each of the new councils
Officer leadership: Tier 1-3 officers have been appointed and can prepare the new councils	• Tier 2 and leadership recruitment • Service planning • Development of council plans, MTFS, and budgets including council tax harmonisation • Key policies and strategies • Operating models and staffing allocations • Preparing for Day 1
Go Live: post vesting day when the new councils become operational	• Focus on seamless experience for residents and partners and stability for staff • Continued transformation and improvement

Governance and Workstreams

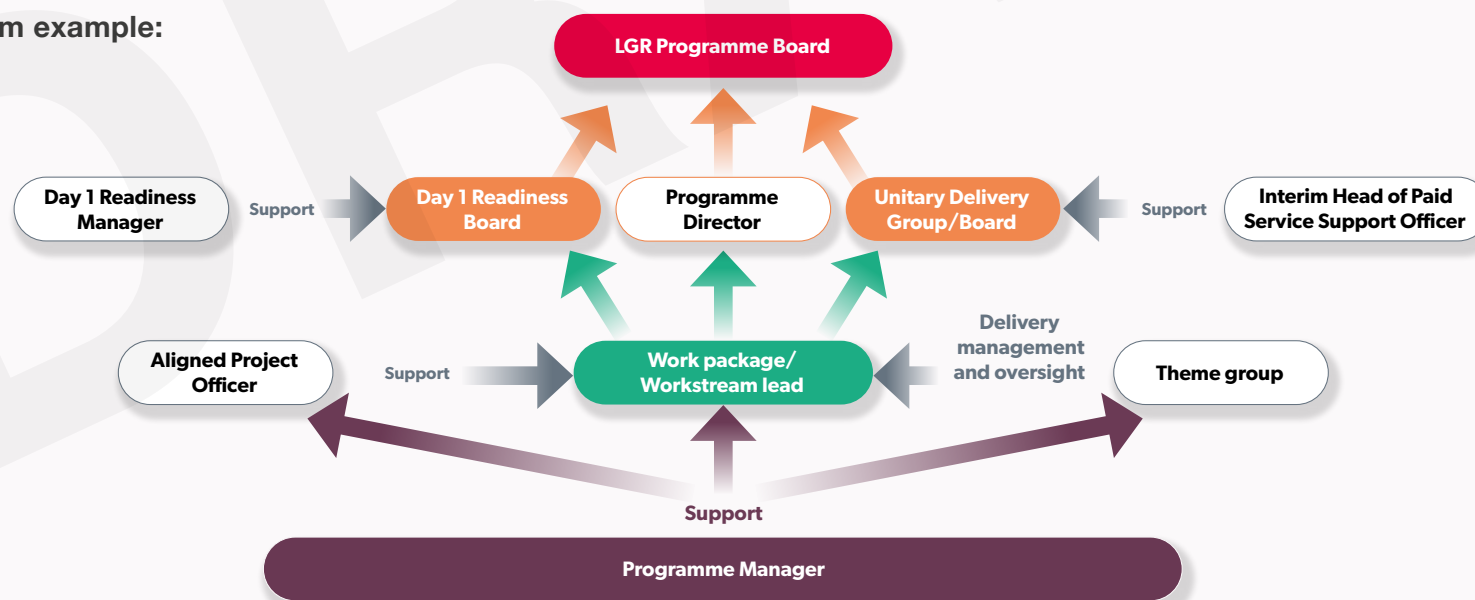
We will establish a Local Government Reorganisation Programme Board reporting to the Greater Lincolnshire Leaders Group and ultimately the shadow authorities. This board will comprise of Chief Executives and the Programme Director, providing strategic oversight of the programme and addressing key risks and issues.

To ensure effective delivery we will also set up a Day 1 Board focused on implementing the programme plan. This Board will monitor progress against key milestones and ensure all Day 1 requirements are met.

Beneath the overarching LGR programme, we will create unitary delivery groups dedicated to the specific needs of each new council. These groups will focus on critical areas such as elections, council plans, member induction, policies and organisational culture and service planning relating to the new unitaries,

These delivery groups will become increasingly important as we transition to Shadow Authorities and appoint Heads of Paid Service. By establishing them early, we are laying strong foundations for the success of the new unitary councils.

Framework diagram example:



Unitary Delivery Groups will focus on preparing for the new councils. These groups will operate collaboratively by design and remain agile, enabling them to respond to opportunities that may arise within individual unitary areas. As the programme progresses, these governance structures will evolve to support the Shadow Authorities and play a key role in establishing the new councils once permanent officers are in place.

We have proposed a number of workstreams and high level activities to support delivery at pace:

	Preparation	Foundational	Shadow Authorities	Officer Leadership	Go Live
Comms and Engagement	- Stakeholder mapping and strategy - Identify or setup partner and providers forums - Identify communication channels - Identify branding requirements	- Engagement of staff and communities - Engagement with partners and suppliers - Development of the new unitary councils branding	Delivery of agreed milestones	Delivery of agreed milestones	Delivery of agreed milestones
People	- Communication with staff regarding timeline and plan - Develop a support hub - Gather and categorise single view of all staff and other delivery bodies - Skills and capability assessment	- Develop visions - Initial workforce modelling, including roles, accountabilities and ways of working - Understand skills and capability gaps and develop plan to address	- Delivery of agreed milestones - Staff and partner communication and support - Priority appointments (Interim Head of Paid Service, S151 and MO) - Other senior appointments	- Delivery of agreed milestones - Staff and partner communication and support	Staff and partner communication and support
Data	- Data cleansing and management - Ensure pre-submission data hub remains fit for purpose - Establish single taxonomy for service, budget and HR data - Gather / update data regarding staffing, infrastructure and systems, contracts, policies and strategies, property, estates and assets	- Support and model key decisions - Track progress - Maintain or update data	- Support and model key decisions - Track progress - Maintain or update data	Delivery of agreed milestones	Delivery of agreed milestones

	Preparation	Foundational	Shadow Authorities	Officer Leadership	Go Live
Technology	- Form technology working group - Review infrastructure (including security assessment and certification) and scenario planning - Gather and categorise single view of all systems - Identify core system contracts	- Identify treatment of systems and contracts - Delivery of agreed milestones - Infrastructure connectivity and security - Workplace (e-mail) collaboration including elections and Shadow authorities ICT - Contact centres - Digital presence and branding - Physical access - System integration and disaggregation	- Delivery of agreed milestones - Shadow authorities ICT support including councillors' web presence	Delivery of agreed milestones	Post reorganisation transformation delivery
Finance	- Form working group of S151 Officers - Review of savings required prior to vesting day - Gathering data on companies, traded services, asset, policies and treasury including PFI - Identify key reporting requirements - Agree baseline budget - Identify pensions costs, risks and opportunities	- Develop service delivery models - Aligned charts of accounts - Baseline MTFPs align savings and scenario planning - Build reporting workstream - Define processes (MTFPs, Treasury management, capital, procurement) - Agree approach to pension scheme, council tax and business rates	- Delivery of agreed milestones - Independent oversight and assessing pension implications of decisions	- Delivery of agreed milestones - S151 initiation	Delivery of agreed milestones
Contracts and Legal	Data gathering and scenario planning	- Identify treatment of contracts - Legal support to key contracts and systems - Delivery of agreed milestones	Delivery of agreed milestones	- Delivery of agreed milestones - MO initiation	Delivery of agreed milestones
Property and Estates	Data gathering and scenario planning	- Capital plan optimisation - Establishment of an integrated major projects pipeline - Develop headquarters and estates strategy - Assess rationalisation opportunities	Delivery of agreed milestones	Delivery of agreed milestones	Delivery of agreed milestones
Service Delivery incl. Aggregation and Disaggregation	- Identify key services, contracts, and assets requiring disaggregation/ aggregation. - Map dependencies and risks. - Develop challenge log for complex cases	- Develop protocols for data, systems, and process separation/ integration - Engage stakeholders on impacts	Monitor progress and resolve emerging issues.	Oversee resolution of outstanding challenges.	Confirm completion and lessons learned

Risks and Mitigations

We recognise and understand the risks associated with reorganisation and are proactively addressing them through our programme structure and approach. Transitioning to new structures in Lincolnshire involves disaggregating and reorganising county and district council services. To navigate this complexity we will apply learning from previous local government reorganisation programmes and start Day 1 planning early to ensure readiness.

ICT underpins every aspect of the programme and is vital to the legal and operational integrity of the new councils. We will bring together ICT managers from across Lincolnshire to share system data, licences and infrastructure insights, helping us streamline preparations and reduce pressure on capacity. This will build on our existing data sharing agreement across the 10 councils.

Reorganisation requires strong cooperation across councils, government tiers and political lines. We are building on existing partnerships, identifying shared initiatives that can be delivered now and establishing clear protocols for how we work together. Our approach will ensure that current services remain strong while we build the foundations for successful new authorities.

We have incorporated learning from previous local government programmes into our approach, such as Cumbria who reflected on having good collaboration, a dedicated PMO team and allocated Programme Managers, regular monitoring of delivery plans through Day 1 Board, early set up of Shadow Unitary Boards to support service development and engagement with elected members to understand their priorities. We will consider strategic partner(s) with previous proven, and successful, LGR delivery who will bring further expertise and learning to our approach.



We also recognise the importance and risks around service continuity in key areas such as social care through the transitional period and welcomed the letter from MHCLG on the 24th July 2025 with key considerations:

Service continuity: We will enhance collaboration between councils to maintain service delivery and improve outcomes for residents.

Partnership working: We will build on existing collaborative structures and engage with local residents, care providers, and the voluntary sector to enhance service delivery and innovation.

Leadership and workforce: We will plan effectively for leadership transition, building our talent pipeline, and build shared recruitment and retention strategies for social care staff.

Service planning and delivery: We will integrate service delivery with existing infrastructure and coordinate frontline services to minimise disruption.

Collaborative commissioning: We will focus on joint commissioning efforts to improve value for money and resilience against market shocks, including market shaping, capacity building, and using data to understand population needs and drive care quality improvements.

Strategic collaboration: We will build on our existing strong partnership working between our new unitary authorities, statutory and local partners.



Disaggregation Risk and Experience

We recognise that within the sector some have chosen to make misleading statements that you have to base a new unitary on an existing upper-tier council and pursuing any other than a continuing authority would create unmanageable levels of risk. Of course, establishing any new unitary authority carries potential risks. However, new unitaries will build on lessons learned from previous reorganisations, and from activity and shared learning across the 21 Invitations Areas.

The primary risks associated with new unitary authorities typically relate to financial sustainability and the continuity of key services, particularly adults' and children's services. These risks are often driven by the disaggregation of large county councils, such as Lincolnshire. We have fully addressed these concerns through a robust financial case, including detailed modelling of disaggregation and implementation costs, benefits and payback periods, which incorporates transformation opportunities.

Evidence from the new Cumbrian authorities demonstrates that when county functions are disaggregated with a clear focus on transformation and the creation of right-sized authorities with distinct characteristics, it can lead to positive cultural change. This transformation is enabled by having the right resources, ambition, and local focus to improve outcomes for residents.

A notable example is the improvement in children's services. Prior to local government reorganisation, Ofsted rated Cumbria County Council's children's services as 'Requires Improvement' in their 2022 inspection. Since the establishment of the two new unitary authorities, both councils have been rated 'Good' by Ofsted in their 2024 inspections. This improvement reflects the benefits of creating new unitaries with a strong emphasis on transformation based on local needs. Similar progress has also been observed in adult services (as noted by the CQC), as well as in areas such as net zero initiatives, diversity and inclusion, housing and customer engagement.

SECTION 6

MHCLG Criteria Cross-Reference

6

DRAFT

SECTION 6: MHCLG Criteria Cross-Reference

	CRITERIA	Confirmed	CRITERIA SPECIFICS	Confirmed
1	A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.	✓	a) Proposals should be for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area. b) Proposals should be for a sensible geography which will help to increase housing supply and meet local needs. c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement. d) Proposals should describe clearly the single tier local government structures it is putting forward for the whole of the area, and explain how, if implemented, these are expected to achieve the outcomes described.	✓ ✓ ✓ ✓
2	Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.	✓	a) As a guiding principle, new councils should aim for a population of 500,000 or more. b) There may be certain scenarios in which this 500,000 figure does not make sense for an area, including on devolution, and this rationale should be set out in a proposal. c) Efficiencies should be identified to help improve councils' finances and make sure that council taxpayers are getting the best possible value for their money. d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects. e) For areas covering councils that are in Best Value intervention and/or in receipt of Exceptional Financial Support, proposals must additionally demonstrate how reorganisation may contribute to putting local government in the area as a whole on a firmer footing and what area-specific arrangements may be necessary to make new structures viable. f) In general, as with previous restructures, there is no proposal for council debt to be addressed centrally or written off as part of reorganisation. For areas where there are exceptional circumstances where there has been failure linked to capital practices, proposals should reflect the extent to which the implications of this can be managed locally, including as part of efficiencies possible through reorganisation.	✓ ✓ ✓ ✓ N/A N/A

SECTION 6: MHCLG Criteria Cross-Reference

	CRITERIA	Confirmed	CRITERIA SPECIFICS	Confirmed
3	Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.		a) Proposals should show how new structures will improve local government and service delivery, and should avoid unnecessary fragmentation of services.	
			b) Opportunities to deliver public service reform should be identified, including where they will lead to better value for money.	
			c) Consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety.	
4	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.		a) It is for councils to decide how best to engage locally in a meaningful and constructive way and this engagement activity should be evidenced in your proposal.	
			b) Proposals should consider issues of local identity and cultural and historic importance.	
			c) Proposals should include evidence of local engagement, an explanation of the views that have been put forward and how concerns will be addressed.	
5	New unitary structures must support devolution arrangements.		a) Proposals will need to consider and set out for areas where there is already a Combined Authority (CA) or a Combined County Authority (CCA) established or a decision has been taken by Government to work with the area to establish one, how that institution and its governance arrangements will need to change to continue to function effectively; and set out clearly (where applicable) whether this proposal is supported by the CA/CCA /Mayor.	
			b) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.	N/A
			c) Proposals should ensure there are sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities.	
6	New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.		a) Proposals will need to explain plans to make sure that communities are engaged.	
			b) Where there are already arrangements in place it should be explained how these will enable strong community engagement.	

SECTION 6: MHCLG Criteria Cross-Reference

	CRITERIA	Confirmed	Further matters that should be taken into account	Confirmed
7	Boundary Changes		a) Existing district areas should be considered the building blocks for your proposals, but where there is a strong justification more complex boundary changes will be considered.●	
			b) There will need to be a strong public services and financial sustainability related justification for any proposals that involve boundary changes, or that affect wider public services, such as fire and rescue authorities, due to the likely additional costs and complexities of implementation.	N/A
8	Engagement and Consultation on reorganisation		a) We expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable unitary proposals that are in the best interests of the whole area to which this invitation is issued, rather than developing competing proposals.	
			b) For those areas where Commissioners have been appointed by the Secretary of State as part of the Best Value Intervention, their input will be important in the development of robust unitary proposals.	N/A
			c) We also expect local leaders to engage their Members of Parliament, and to ensure there is wide engagement with local partners and stakeholders, residents, workforce and their representatives, and businesses on a proposal.	
			d) The engagement that is undertaken should both inform the development of robust proposals and should also build a shared understanding of the improvements you expect to deliver through reorganisation.	
			e) The views of other public sector providers will be crucial to understanding the best way to structure local government in your area. This will include the relevant Mayor (if you already have one), Integrated Care Board, Police (Fire) and Crime Commissioner, Fire and Rescue Authority, local Higher Education and Further Education providers, National Park Authorities, and the voluntary and third sector.	
			f) Once a proposal has been submitted it will be for the Government to decide on taking a proposal forward and to consult as required by statute. This will be a completely separate process to any consultation undertaken on mayoral devolution in an area, which will be undertaken in some areas early this year, in parallel with this invitation.	

GLOSSARY OF TERMS

BBC	Boston Borough Council	BC	Borough Council
COLC	City of Lincoln Council	CA	Combined Authority
ELDC	East Lindsey District Council	CC	County Council
LCC	Lincolnshire County Council	CCA	Combined County Authority
NEL	North East Lincolnshire Council	CEX	Chief Executive
NKDC	North Kesteven District Council	CPCA	Cambridgeshire and Peterborough Combined Authority
NL	North Lincolnshire Council	CQC	Care Quality Commission
SELCP	South-East Lincolnshire Councils Partnership	DCLG	Department for Communities and Local Government
SHDC	South Holland District Council	DCN	District Councils' Network
SKDC	South Kesteven District Council	DCS	Director of Children's Services
WLDC	West Lindsey District Council	DFG	Disabled Facilities Grant
GLCCA	Greater Lincolnshire Combined County Authority	DHSC	Department of Health and Social Care
GLLEP	Greater Lincolnshire Local Enterprise Partnership	DoLS	Deprivation of Liberty Safeguards
LLR	Leicester, Leicestershire and Rutland	DPH	Director of Public Health
IA	Invitation Area	DPP	Devolution Priority Programme
LGR	Local Government Reorganisation	DSG	Dedicated Schools Grant
MHCLG	Ministry for Housing, Communities and Local Government	EHCP	Education, Health and Care Plan
UA	Unitary Authority	EMCCA	East Midlands Combined County Authority
ADM	Alternate Delivery Model	FRA	Fire & Rescue Authority
AI	Artificial Intelligence	FTE	Full-Time Equivalent
ASC	Adult Social Care	GF	General Fund
DASC	Director of Adult Social Care	GMCA	Greater Manchester Combined Authority
		GMCC	Greater Manchester County Council
		GVA	Gross Value Added

GLOSSARY OF TERMS

HEYCA	Hull and East Yorkshire Combined Authority	NAC	Neighbourhood Area Committee
HFRS	Humberside Fire and Rescue Service	NBV	Net Book Value
HMA	Housing Market Area	NCC	Norfolk County Council
HMG	His Majesty's Government	NHS	National Health Service
HRA	Housing Revenue Account	OECD	Organisation for Economic Co-operation and Development
HS-TTWA	High Skill Travel to Work Area	ONS	Office for National Statistics
ICB	Integrated Care Board	PAC	Public Accounts Committee
ICON	Independent Commission on Neighbourhoods	PCC	Police and Crime Commissioner
IMC	Inter-municipal cooperation (shared services etc.)	PCN	Primary Care Network
INT	Integrated Neighbourhood Team	PFCC	Police, Fire and Crime Commissioner
ITL 1	International Territorial Level 1	PFI	Private Finance Initiative
LA	Local Authority	PMO	Project Management Office
LARP	Local Area Renewal Partnership	PUA	Primary Urban Area
LEP	Local Enterprise Partnership	PwC	PricewaterhouseCoopers
LGBCE	Local Government Boundary Commission for England	RAF	Royal Air Force
LGOF	Local Government Outcomes Framework	RO	Revenue Output
LIS	Local Industrial Strategy	SA	Strategic Authority
LPS	Liberty Protection Safeguards	SCC	Suffolk County Council
LQ	Location Quotient	SEND	Special Educational Needs and Disabilities
LSE	London School of Economics and Political Science	SIDF	Strategic Infrastructure Delivery Framework
LSOA	Lower-layer Super Output Area	SME	Small and Medium-sized Enterprises
MO	Monitoring Officer	TPS	Third Party Spending
MSOA	Middle-layer Super Output Area	TTWA	Travel to Work Area
MTFP	Medium Term Financial Plan	VCSE	Voluntary, Community and Social Enterprises
MTFS	Medium Term Financial Strategy		

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BEST4GreaterLincolnshire

PREPARED BY:



SOUTH
KESTEVEN
DISTRICT
COUNCIL

**Proposal for Local Government
Reorganisation in Greater
Lincolnshire**