



Ministry of Housing,  
Communities &  
Local Government

3 June 2025

## **LOCAL GOVERNMENT REORGANISATION**

### **INTERIM PLAN FEEDBACK: LINCOLNSHIRE, NORTH LINCOLNSHIRE AND NORTH EAST LINCOLNSHIRE**

To the Chief Executives of:

Boston Borough Council

City of Lincoln Council

East Lindsey District Council

Lincolnshire County Council

North Kesteven District Council

South Holland District Council

South Kesteven District Council

West Lindsey District Council

North East Lincolnshire Council

North Lincolnshire Council

#### **Overview**

Thank you for submitting your interim plans. The amount of work from all councils is clear to see. For the final proposal(s), each council can submit a single proposal for which there must be a clear single option and geography and, as set out in the guidance, we expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued, not partial coverage.

Our aim for the feedback on interim plans is to support areas to develop final proposal(s). This stage is not a decision-making point, and our feedback does not seek to approve or reject any option being considered.

The feedback provided relates to the following interim plans submitted by Lincolnshire councils:

- The City of Lincoln Council's proposed interim plan.
- The letter and interim plan in relation to Local Government Re-organisation in Greater Lincolnshire from East Lindsey District Council and South Holland District Council.
- The interim plan submitted by Lincolnshire County Council and North Lincolnshire Council.

- The report submitted by North East Lincolnshire Council setting out the preferences of each political grouping regarding local government reorganisation.
- The interim proposals jointly prepared by North Kesteven District Council and South Kesteven District Council and letter of formal recognition from Rutland County Council.
- The interim plan submission from West Lindsey District Council.
- The letter from Boston Borough Council.

We have provided feedback on behalf of central government. It takes the form of:

1. A summary of the main feedback points,
2. Our response to the specific barriers and challenges raised in your plans,
3. An annex with more detailed feedback against each of the interim plan asks.

We reference the guidance criteria included in the invitation letter throughout, a copy can be found at [LETTER: LINCOLNSHIRE, NORTH LINCOLNSHIRE AND NORTH EAST LINCOLNSHIRE – GOV.UK](#). Our central message is to build on your initial work and ensure that the final proposal(s) address the criteria and are supported by data and evidence. We recommend that final proposal(s) should use the same assumptions and data sets or be clear where and why there is a difference.

We welcome the work that has been undertaken to develop local government reorganisation plans for Lincolnshire, North Lincolnshire and North East Lincolnshire. This feedback does not seek to approve or discount any option, but provide some feedback designed to assist in the development of final proposal(s). We will assess final proposal(s) against the guidance criteria provided in the invitation letter and have tailored this feedback to identify where additional information may be helpful in enabling that assessment. Please note that this feedback is not exhaustive and should not preclude the inclusion of additional materials or evidence in the final proposal(s). In addition, your named area lead in MHCLG, Alex Jarvis, will be able to provide support and help address any further questions or queries.

### **Summary of the Feedback:**

We have summarised the key elements of the feedback below, with further detail provided in the Annex.

1. We welcome the steps you have taken to prepare interim plans and the intentions set out in some of the plans for future joint working (as per criterion 4).
  - a. **Effective collaboration between all councils will be crucial; we would encourage you to continue to build strong relationships and agree ways of working, including around effective data sharing. This will support the development of a robust shared evidence base to underpin final proposal(s).**
  - b. **It would be helpful if final proposal(s) use the same assumptions and data sets.**

- c. It would be helpful if your final proposal(s) set out how the data and evidence supports all the outcomes you have included, and how well they meet the assessment criteria in the invitation letter.
  - d. You may wish to consider an options appraisal that will help demonstrate why your proposed approach in the round best meets the assessment criteria in the invitation letter compared to any alternatives.
- 2. Each council can submit a **single** proposal for which there must be a clear single option and geography. Councils can and are encouraged to submit joint proposals. We know there can be different views on the best structures for an area, and indeed there may be merits to a variety of approaches. **We would encourage you to work together to reduce the number of proposals under development for the invitation area – this is in the best interests of your valuable time and resources.**
- 3. We note that some proposals submitted cover varying geographies, and that one option under consideration includes Rutland which is not part of the Greater Lincolnshire Combined County Authority (GLCCA) area and sits outside of your invitation area. **As noted in the invitation, it is open to you to explore options with neighbouring councils in addition to those included in the invitation. Where final proposal(s) have implications for a neighbouring invitation area you should consider the impact of your proposals on the whole of the neighbouring invitation area. In addition, we would expect to see engagement and effective data-sharing between council(s) in the invitation area and council(s) in the neighbouring invitation area that are directly impacted. If one or more council(s) in a neighbouring invitation area support the proposal(s) put forward, we would also expect to see this reflected in proposal(s) submitted in response to the letter to the neighbouring invitation area, including a clear single option and geography covering the whole of the neighbouring area, not partial coverage.**
- 4. In some of the options you are considering populations that would be above or below 500,000. As outlined in the Statutory Invitation guidance and in the English Devolution White Paper, we outlined a population size of 500,000 or more – this is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. **All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.**
- 5. Some of your plans include options which would involve boundary changes. In relation to potential boundary changes, as the invitation letter sets out boundary changes are possible, but “existing district areas should be considered the building

blocks for proposals, but where there is a strong justification more complex boundary changes will be considered”.

The final proposal must specify the area for any new unitary council(s). If a boundary change is part of your final proposal(s), then you should be clear on the boundary proposed, which could be identified by a parish or ward boundary, or if creating new boundaries by attaching a map.

Proposals should be developed having regard to the statutory guidance which sets out the criteria against which proposals will be assessed (including that listed above).

If a decision is taken to implement a proposal, boundary change can be achieved alongside structural change. Alternatively, you could make a proposal for unitary local government using existing district building blocks and consider requesting a Principal Area Boundary Review (PABR) later. Such reviews have been used for minor amendments to a boundary where both councils have requested a review – such as the recent Sheffield/Barnsley boundary adjustment for a new housing estate. PABRs are the responsibility of the Local Government Boundary Commission for England who will consider such requests case-by-case.

6. We welcome the consideration of the implications and benefits of unitarisation for GLCCA in proposals. Across all local government reorganisation proposals further information would be helpful on the implications of the proposed options for the governance arrangements of GLCCA. It would also be helpful to outline how each option would interact with GLCCA and best benefit the local community. We would also recommend consulting with the new Mayor of GLCCA. We note that some of the interim plans include Rutland, which is not part of the GLCCA area. For proposals that include this option, we would welcome further information on the impact this would have on GLCCA.

### **Response to specific barriers and challenges raised**

Please see below our response to the specific barriers and challenges that were raised in your interim plans.

#### **1. Direct Ministerial engagement with Leaders**

We note your request for direct engagement with Ministers as you develop your proposals.

We are committed to supporting all invited councils equally while they develop their proposal(s). Alex Jarvis has been appointed as your MHCLG point person and is ready to engage with the whole area and support your engagement with government as a whole.

#### **2. Capacity funding**

You asked for adequate capacity funding to support final proposal development and support to ensure that the benefits of devolution can be realised alongside local government reorganisation.

£7.6 million will be made available in the form of proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.

### **3. Implementing the Funding Review and protection from the impacts of funding reform**

You requested that Government introduce the Fairer Funding Review in order to help councils deliver local government reorganisation.

Government recently consulted on funding reforms and confirmed that some transitional protections will be in place to support areas to their new allocations.

Further details on funding reform proposals and transition measures will be consulted on after the Spending Review in June. We will not be able to provide further clarification on future allocations in the meantime but are open to discussing assumptions further if we can assist in financial planning.

### **4. Review of the boundaries of GLCCA**

We note that several interim plans either described the uncertainty arising from the Government's intention to review the boundaries of GLCCA or requested that Government abandon the boundary review entirely so that local government reorganisation can proceed on an agreed footprint.

The letter sent to Greater Lincolnshire leaders in November 2024 set out that we consider this devolution agreement the first step in Greater Lincolnshire's journey on devolution. It also stressed that together we would review the effectiveness of governance arrangements across the Humber and Lincolnshire to deliver successful economic and public service outcomes to ensure that the benefits of devolution are being maximised for yourselves and your communities; it is essential this review continues.

We would welcome further assessment in the final proposal(s) of how the proposed unitary structures would work with the new Combined Authorities across the Humber and Lincolnshire area to the benefit of local communities.

### **5. Long-term and ongoing financial pressures.**

We note the issue raised about long-term financial pressures on local authorities and the potential implications of local government reorganisation.

In terms of transitional costs, as per the invitation letter, we expect that areas will be able to meet transition costs over time from existing budgets, including from the flexible

use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.

It would be helpful if detail on the councils' financial positions and further modelling is set out in detail in the final proposal(s).

## **6. Timescales**

You expressed concern about the timelines set for local government reorganisation and noted the time pressures on discussions to reach a local consensus on a preferred option ahead of the November deadline.

The deadline for submissions has been designed to give areas as much time as possible to develop their final proposal(s). The timescales for submission are generally more generous than in previous reorganisation exercises. We recognise your hard work to develop interim plans and encourage you to continue to work together to build strong relationships and further agree ways of working, so as to develop your final proposal(s) for November.

As above, Alex Jarvis has been appointed as your MHCLG point person and will be ready to engage with the whole area, to support you to enable this work to continue at pace.

## **7. Structures**

With regard to GLCCA, you raised the process of transition from existing two-tier arrangements to new constituent councils post local government reorganisation.

We expect that unitarisation will mean that GLCCA will become a combined authority, following reorganisation and that all of the unitary councils within the combined authority's footprint would become constituent members. We will set out further detail on the process of this transition in due course, and are happy to discuss this with you further. As above, across all local government reorganisation proposals further information would be helpful on the implications of the proposed options for the governance arrangements of GLCCA.

## **8. Internal Drainage Boards**

You noted that funding arrangements for the Internal Drainage Boards remain a significant concern for a number of authorities within Greater Lincolnshire.

Internal Drainage Boards (IDBs) play a crucial role managing water levels and flood risk. MHCLG recognises the need for a long-term solution and is working with Defra to explore potential approaches. In line with the previous two years, the Government announced at the provisional 2025/26 Local Government Finance Settlement that it will provide £3 million in funding for authorities most impacted by Internal Drainage Board Levies. This grant has been uplifted at the final settlement to £5 million in recognition of the continued increases in IDB levies.

## **9. Clarity around the application of criteria**

You asked for clarity on the application of criteria, especially around population size, to ensure you are working within the parameters of the Government's guidance.

As above, the population size of 500,000 or more is a guiding principle, not a hard target – we understand that there should be flexibility, especially given our ambition to build out devolution and take account of housing growth, alongside local government reorganisation. All proposals, whether they are at the guided level, above it, or below it, should set out the rationale for the proposed approach clearly.

The criteria are not weighted. Our aim for this feedback is to support areas to develop final proposals that address the criteria and are supported by data and evidence. Decisions on the most appropriate option for each area will be judgements in the round, having regard to the guidance and the available evidence.

#### **10. Speed of decision-making**

You asked for government to commit to providing meaningful feedback within a timeframe that enables you to progress your work as efficiently as possible.

This is our feedback to support you to develop your final proposal(s). As above, Alex Jarvis has been appointed as your MHCLG point person and will be ready to engage with the whole area to enable this work to continue at pace.

#### **11. The allocation of a named civil servant that will lead discussions locally**

As above, Alex Jarvis has been appointed as your MHCLG point person and will be ready to engage with the whole area, to enable this work to continue at pace.

**ANNEX A: Detailed feedback on criteria for interim plan**

| <b>Ask – Interim Plan Criteria</b>   | <b>Feedback</b>  |
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| <p>Identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities.</p> <p>Relevant criteria:</p> <p>1 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</p> <p>and</p> <p>2 a-f) - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks</p> <p>and</p> <p>3 a-c) Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens</p> | <p>We welcome the initial thinking on the options for local government reorganisation in Lincolnshire, North Lincolnshire and North East Lincolnshire and recognise that this is subject to further work. We note the local context and challenges outlined in the proposals and the potential benefits that have been identified for the options put forward. Your plans set out your intention to undertake further analysis, and this further detail and evidence on the outcomes that are expected to be achieved of any preferred model would be welcomed.</p> <p>For the final proposal(s), each council can submit a single proposal for which there must be a clear single option and geography and as set out in the guidance we would expect this to be for the area as a whole; that is, the whole of the area to which the 5 February invitation was issued, not partial coverage.</p> <p>For final proposal(s) you may wish to consider an options appraisal against the criteria set out in the letter to provide a rationale for the preferred model against alternatives.</p> <p>Where there are proposed boundary changes, the proposal should provide strong public services and financial sustainability related justification for the change.</p> <p>Proposals should be for a sensible geography which will help to increase housing supply and meet local needs, including future housing growth plans. All proposals should set out the rationale for the proposed approach.</p> <p>Given the financial pressures you identify it would be helpful to understand how efficiency savings have been considered alongside a sense of place and local identity.</p> <p>We recognise that the options outlined in the interim plans are subject to further development. In final proposal(s) it would be helpful to include a high-level financial assessment which covers transition costs and overall forecast operating costs of the new unitary councils. We will assess final proposals against the criteria in the invitation letter. Referencing criteria 1 and 2, you may wish to consider the</p> |



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|  | <p>following bullets that it would be helpful to include in a final proposal:</p> <ul style="list-style-type: none"> <li>• high-level breakdowns, for where any efficiency savings will be made, with clarity of assumptions on how estimates have been reached and the data sources used, including differences in assumptions between proposals</li> <li>• information on the counterfactual against which efficiency savings are estimated, with values provided for current levels of spending</li> <li>• a clear statement of what assumptions have been made and if the impacts of inflation are taken into account</li> <li>• a summary covering sources of uncertainty or risks, with modelling, as well as predicted magnitude and impact of any unquantifiable costs or benefits</li> <li>• where possible, quantified impacts on service provision, as well as wider impacts</li> </ul> <p>We recognise that financial assessments are subject to further work. The bullets below indicate where further information would be helpful across all options. As per criteria 1 and 2 it would be helpful to see:</p> <ul style="list-style-type: none"> <li>• additional data and evidence to set out how your final proposal(s) would enable financially viable councils, including identifying which option best delivers value for money for council taxpayers</li> <li>• further detail on potential finances of new unitaries, for example, funding, operational budgets, potential budget surpluses/shortfalls, total borrowing (General Fund), and debt servicing costs (interest and MRP); and what options may be available for rationalisation of potentially surplus operational assets</li> <li>• clarity on the underlying assumptions underpinning any modelling e.g. assumptions of future funding, demographic growth and pressures, interest costs, Council Tax, savings earmarked in existing councils' MTFs</li> <li>• financial sustainability both through the period to the creation of new unitary councils as well as afterwards</li> </ul> <p>We welcome the thinking you have already begun around mitigating risk regarding social care and aligning with Integrated Care Boards, the thinking around the impact different models will have on social</p> |
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|  | <p>care and, in some instances, alternative models to deliver social care services across Lincolnshire.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• how each option would deliver high-quality and sustainable public services or efficiency saving opportunities</li> <li>• what would the different options mean for local services provision, for example: <ul style="list-style-type: none"> <li>• 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?</li> <li>• 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?</li> <li>• what partnership options have you considered for joint working across the new unitaries for the delivery of social care services?</li> <li>• do different options have variable impacts as you transition to the new unitaries, and how will risks to safeguarding to be managed?</li> <li>• do different options have variable impacts on schools, support and funding allocation, and sufficiency of places, and how will impacts on school be managed?</li> <li>• what impact will there be on highway services across the area under the different approaches suggested?</li> <li>• what are the implications for public health, including consideration of socio-demographic challenges and health inequalities within any new boundaries and their implications for current and future health service needs. What are the implications for how residents access services and service delivery for populations most at risk?</li> </ul> </li> </ul> <p>We welcome the desire to maximise the opportunity for public service reform, and it would be helpful for you to provide more details on your plans so we can explore how best to support your efforts.</p> |
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| <p>Include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.</p> <p>Relevant criteria:</p> <p>2) Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.</p> <p>2d) 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.</p> | <p>We welcome the indicative views on the potential costs and the type of activity that they will fund.</p> <p>As per criterion 2, the final proposal(s) 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.</p> <ul style="list-style-type: none"> <li>• within this it would be helpful to provide more detailed analysis on expected transition and/or disaggregation costs and potential efficiencies of proposals. This could include clarity on methodology, assumptions, data used, what year these may apply and why these are appropriate</li> <li>• detail on the potential service transformation opportunities and invest-to-save projects from unitarisation across a range of services - e.g. consolidation of waste collection and disposal services, and whether different options provide different opportunities for back-office efficiency savings?</li> <li>• where it has not been possible to monetise or quantify impacts, you may wish to provide an estimated magnitude and likelihood of impact</li> <li>• summarise any sources of risks, uncertainty and key dependencies related to the modelling and analysis</li> <li>• detail on the estimated financial sustainability of proposed reorganisation and how debt could be managed locally</li> </ul> <p>We welcome the work you have done to date and recommend that all options and proposals should use the same assumptions and data sets or be clear where and why there is a difference (linked to criterion 1c).</p> |
| <p>Include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs</p>  | <p>We welcome the early views provided in some proposals for councillor numbers, which we will be sharing with the Local Government Boundary Commission for England (LGBCE).</p> <p>There are no set limits on the number of councillors although the LGBCE guidance indicates that a compelling case would be needed for a council size of more than 100 members.</p>  |

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| <p>of your cities, towns, rural and coastal areas, in line with the Local Government Boundary Commission for England guidance.</p> <p>Relevant criteria:</p> <p>6) New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.</p>                   | <p>New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.</p> <p>Additional details on how the community will be engaged, specifically how the governance, participation and local voice will be addressed to strengthen local engagement and democratic decision-making would be helpful.</p> <p>In final proposal(s) we would welcome detail on your plans for neighbourhood-based governance, the impact on parish councils, and the role of formal neighbourhood partnerships and area committees.</p>  |
| <p>Include early views on how new structures will support devolution ambitions.</p> <p>Relevant criteria:</p> <p>5a-c) New unitary structures must support devolution arrangements.</p>  | <p>We welcome your consideration of the devolution implications.</p> <p>Further information would be helpful on the implications of the proposed local government reorganisation options for the governance arrangements in GLCCA. It would also be helpful to outline how each option would interact with GLCCA and best benefit the local community. We note that some of the interim plans include Rutland, which is not part of the GLCCA area. For proposals that include this option, we would welcome further information on the impact of this would have on GLCCA.</p> <p>You should also consider how your options will affect cross boundary working, especially in relation to pan-Humber arrangements and joint working with the Hull and East Yorkshire Combined Authority (HEYCA). We would also recommend consulting with the new Mayor of both GLCCA and HEYCA.</p> |
| <p>Include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals.</p> <p>Relevant criteria:</p> <p>6) New unitary structures should enable stronger community engagement and deliver genuine</p> | <p>We welcome your update against criterion 6, setting out your engagement thus far, and note your plans for further engagement. It is for you to decide how best to engage locally in a meaningful and constructive way with residents, voluntary sector, local community groups and councils, public sector providers, such as health, police and fire, and local businesses to inform your final proposal(s).</p> <p>For proposals that involve disaggregation of services, you may wish to engage in particular with those residents who could be affected.</p> <p>It would be helpful to see detail that demonstrates how local ideas and views have been incorporated</p>  |

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| <p>opportunity for neighbourhood empowerment.</p> <p>a) Proposals will need to explain plans to make sure that communities are engaged.</p> <p>b) Where there are already arrangements in place it should be explained how these will enable strong community engagement.</p>   | <p>into the final proposal(s), including those relating to neighbouring authorities where relevant.</p>  |
| <p>Set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area.</p> <p>Relevant criteria:</p> <p>2d) 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.</p> | <p>We welcome the indicative costs set out in some plans and recognise that work is ongoing to consider the costs of preparing proposals and standing up an implementation team.</p> <p>We would welcome further detail in your final proposal(s) over the level of cost and the extent to which the costs are for delivery of the unitary structures or for transformation activity that delivers additional benefits.</p> <p>As above, £7.6 million will be made available in the form of proposal development contributions, to be split across the 21 areas. Further information will be provided on this funding shortly.</p> |
| <p>Set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that</p>   | <p>We welcome the commitments made to work together to develop proposals that are in the best interest of the people of Lincolnshire (see criterion 4).</p> <p>Effective collaboration between all councils will be crucial; areas will need to build strong relationships and agree ways of working, including around effective data sharing.</p> <p>This will enable you to develop a robust shared evidence base to underpin final proposal(s) (see criterion 1c).</p>  |

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| <p>will affect the future success of any new councils in the area.</p> <p>Relevant criteria:</p> <p>4 a-c) 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.</p> | <p>If your final proposal(s) include a neighbouring council(s) from outside of the invitation area then significant engagement between council(s) in the invitation area with any council(s) outside the invitation area that are directly impacted would be helpful during the development of proposal(s), including through effective data-sharing.</p> <p>Should Rutland County Council wish to be included in proposals submitted by a council(s) in Lincolnshire, we would expect collaboration between councils in Leicestershire and Lincolnshire to further develop proposals, and to ensure that the implications of both areas' plans are fully considered within proposal(s) submitted by council(s) in each area.</p> <p>Each council in an area can submit a single proposal for which there must be a clear single option and geography. Councils can and are encouraged to submit joint proposals. We would encourage you to work together and reduce the number of proposals under development for the invitation area.</p> |
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