

CABINET

DATE	11 th March 2026
REPORT OF	Councillor Philip Jackson, Leader and Portfolio Holder for Economy, Regeneration, Devolution and Skills
RESPONSIBLE OFFICER	Sharon Wroot - Interim Chief Executive
SUBJECT	Local Government Reorganisation – MHCLG Statutory Consultation Response
STATUS	Open report – annex not for publication

The closed Annex contains the Council's proposed response to a live Government consultation.

Publication, at this stage, could prejudice the effective conduct of public affairs by influencing other consultees and undermining the integrity of the consultation process.

The information therefore falls within Paragraph 3 of Schedule 12A to the Local Government Act 1972, and the public interest in maintaining the exemption outweighs the public interest in disclosure at this time.

The response may be published once the consultation has closed.

FORWARD PLAN REF NO. CB 03/26/07

CONTRIBUTION TO OUR AIMS

Responding to the Ministry of Housing, Communities and Local Government's statutory consultation supports the Council's strategic aims by ensuring North East Lincolnshire's interests are heard within a major national policy process. The Council's participation reinforces commitments to good governance, accountability, and effective leadership; promotes partnership working; and protects the Council's ability to influence any future structural arrangements.

EXECUTIVE SUMMARY

The Ministry of Housing, Communities and Local Government (MHCLG) has launched a statutory consultation on proposals for Local Government Reorganisation (LGR) across Greater Lincolnshire. While the consultation is administered nationally, its effectiveness relies on local and regional engagement activity.

This report provides the background to the consultation, identifies key issues for the Council, and seeks delegated authority for the Interim Chief Executive, in

consultation with Group Leaders, to agree and submit the Council's response.

RECOMMENDATIONS

It is recommended that Cabinet:

1. Notes the contents of this report and annex.
2. Supports the principle of participation in the MHCLG statutory consultation on Local Government Reorganisation as laid out in the confidential annex and refers this report and confidential annex to Full Council for debate, commending the following recommendation to Full Council:
 - a. *That Full Council supports the proposed responses as laid out in the annex.*
3. That, subject to any material variations from Full Council, Cabinet agrees to the submission of the responses (as may be varied or not) and that authority be delegated to the Interim Chief Executive, in consultation with the Leader of the Council, to submit the responses to MHCLG prior to the close of the statutory consultation at 23:59 on 26th March 2026.

REASONS FOR DECISION

Engagement ensures the Council has a meaningful voice in shaping possible future reforms to governance across the region. The delegations sought allows the response to be finalised with agility, reflecting emerging information within the consultation period.

Not submitting a response would risk weakening the Council's position on decisions affecting residents, services and local accountability.

1. BACKGROUND AND ISSUES

- 1.1 Government policy signals continued interest in structural reforms to local government, particularly in two-tier areas. Across Greater Lincolnshire, four proposals have been advanced and are now subject to statutory consultation by MHCLG.
- 1.2 Although nationally administered, the consultation requires Councils to support communication and engagement locally. This ensures residents, partners, businesses and interested groups can understand the proposals and participate fully.
- 1.3 For North East Lincolnshire, the consultation provides an opportunity to set out:
 - local priorities and concerns;
 - the importance of clear, accountable governance arrangements;
 - the implications for services, strategic partnerships, fiscal resilience and community identity;
 - the importance of models that support prevention, fairness and strong community outcomes (consistent with the Marmot commitments reflected in the Council Plan).

- 1.4 At Full Council on 12th November 2025, it was agreed that the North East Lincolnshire proposal should be submitted in a 3-way collective proposal to government. This included both North and North East Lincolnshire remaining as existing unitary authorities, whilst a third unitary would be created from the merger of Lincolnshire County Council and the districts.
- 1.5 The statutory consultation for Greater Lincolnshire asks for feedback on the four proposals submitted by Greater Lincolnshire authorities. These are:
1. Boston Borough Council, East Lindsey District and South Holland District Council **proposed 2 unitary councils**. These would comprise the current areas of:
Northern Lincolnshire: Lincoln, North-East Lincolnshire, North Lincolnshire and West Lindsey
Southern Lincolnshire: Boston, East Lindsey, South Holland, North Kesteven and South Kesteven
 2. City of Lincoln Council **proposed 4 unitary councils**. This includes a request to split existing district council areas between the proposed new councils. These would comprise the current areas of:
Lincoln City: Lincoln, plus 12 wards from North Kesteven and 7 wards from West Lindsey
Rural Lincolnshire: Boston, East Lindsey, South Kesteven, South Holland, plus North Kesteven minus 12 wards and West Lindsey minus 7 wards
North East Lincolnshire to remain unchanged
North Lincolnshire to remain unchanged
 3. Lincolnshire County Council (supported by North East Lincolnshire and North Lincolnshire) **proposed 3 unitary councils**. These would comprise the current areas of:
North East Lincolnshire to remain unchanged
North Lincolnshire to remain unchanged
Lincolnshire: Boston, City of Lincoln, East Lindsey, North Kesteven, South Holland, South Kesteven, and West Lindsey
 4. North Kesteven District Council and South Kesteven District Council **proposed 4 unitary councils**. These would comprise the current areas of:
Unitary Authority 1: North Kesteven, South Holland, South Kesteven
Unitary Authority 2: Boston, City of Lincoln, East Lindsey, West Lindsey
North East Lincolnshire to remain unchanged
North Lincolnshire to remain unchanged
- West Lindsey District Council did not submit a proposal.
- 1.6 North East Lincolnshire Council has been invited by MHCLG to submit their views on all the proposals as a statutory consultee. The proposed submissions are contained in the closed Annex.

2. RISKS, OPPORTUNITIES AND EQUALITY ISSUES

2.1 Risks will gravitate around:

- Non-engagement: Lack of a formal response diminishes the Council's influence and may lead to outcomes misaligned with local needs.
- Uncertainty: Structural reform discussions may create uncertainty for residents, partners and employees.
- Policy misalignment: Without a clear Council position, proposals from other areas may dominate.

2.2 Opportunities presented are:

- The ability to shape future models for governance and service delivery.
- Strengthen relationships with neighbouring authorities.
- Support democratic participation and transparency.
- Engagement generally should encourage wide accessibility across the borough and all sectors, both business, voluntary and of course, our residents.

3. OTHER OPTIONS CONSIDERED

To adopt the position of a non-response is not considered a viable option. A lack of formal engagement risks undermining the Council's ability to influence major government decisions.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

There are both positive and negative reputational implications depending on how the Council engages with the consultation. Clear, timely and accessible communication is essential to demonstrate leadership, transparency and responsiveness to residents.

5. FINANCIAL CONSIDERATIONS

There are no immediate direct financial costs beyond officer time. Future structural changes arising from LGR could have significant consequences for service configuration, funding models, reserves, and medium-term financial planning.

6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

Potential future changes to local governance arrangements may affect services for children and families, including safeguarding, early help, and education. Stability and continuity of provision are essential considerations.

7. CLIMATE CHANGE, NATURE RECOVERY AND ENVIRONMENTAL IMPLICATIONS

There are no direct environmental impacts arising from participation in the consultation. However, future governance models may influence strategic capacity to deliver against climate priorities, environmental programmes and net zero commitments.

8. PUBLIC HEALTH, HEALTH INEQUALITIES AND MARMOT IMPLICATIONS

LGR generally is likely to impact and influence the wider determinants of health. The Council will aim to ensure that its stated objectives in this area are recognised and protected:

- support prevention and early intervention;
- reduce health inequalities;
- embed Marmot principles, which the Council has adopted and is integrating across policy and service delivery.

9. FINANCIAL IMPLICATIONS

9.1 Participation in the statutory consultation does not, in itself, create any direct financial commitments for the Council beyond officer time absorbed within existing budgets. However, the broader agenda has the potential to lead to material financial implications for the Council depending on the outcomes of any future reform decisions taken by Government.

9.2 For example, any move towards alternative governance or structural models could result in changes to funding distribution, the apportionment of national grant, business rates retention, and the overall financial sustainability of the area.

9.3 Should Government pursue reorganisation, there may be transitional costs, including programme management, systems integration, workforce change, and potential alignment of policies, contracts and service delivery models.

9.4 It will be essential that any future arrangements support strong financial governance, transparent accountability, and sustainable resource allocation across the area.

9.5 At this stage, the consultation response presents no direct budgetary impact, but the Council should remain alert to the potential scale and timing of financial consequences arising from decisions taken nationally following the consultation.

10. LEGAL IMPLICATIONS

The statutory consultation is that of MHCLG. Whilst there are no immediate legal implications arising for the Council, the above report sets out the importance of engaging further in the LGR process and presents a further opportunity of supporting the Council's stated ambition in this area.

11. HUMAN RESOURCES IMPLICATIONS

There are no human resource implications at this time.

12. WARD IMPLICATIONS

All wards across the borough are potentially affected by the LGR agenda.

13. BACKGROUND PAPERS

None

14. CONTACT OFFICER(S)

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INTERIM CHIEF EXECUTIVE