

Research Briefing

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Unitary local government



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Annex 1: Unitary authorities in England

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Summary

This research briefing provides a guide to the concept of ‘unitary local government’, in the context of debates over local government restructuring in England in the 2010s and 2020s.

As Scotland, Wales and Northern Ireland have entirely single-tier systems of local government, this briefing covers England only.

Section 1 sets out the legal procedure through which unitary authorities are created and provides a brief history of political debates and the creation of unitary authorities since 1974. Section 2 provides details of the unitary restructuring process launched by the Labour government in early 2025.

Section 3 assesses Government policy on the topic of restructuring and unitary authorities since 2010, including decisions in mid-2021 on restructuring in Cumbria, Somerset and North Yorkshire. Section 4 provides details of previous rounds of restructuring in England.

Section 5 sets out details of reports modelling the potential savings that could be achieved by such changes, plus the figures that are available from previous restructuring processes in England. Section 6 provides details of proposals for new unitary authorities in England that emerged during 2019 and 2020, together with related commentary.

Section 7 notes a number of the rationales for restructuring, and for merger of smaller authorities into larger units, that have occurred in recent debates in England. A small amount of debate has also taken place on how to achieve the benefits associated with restructuring through alternative means: this is set out in section 8. Section 9 provides details of international academic research on the topic of local government mergers and reforms.

1 What is unitary local government?

1.1 Introduction

In 1974, local government in Great Britain was reformed to introduce two different levels, or ‘tiers’, of councils in all areas.

All areas in England and Wales had both a county council (for example, Leicestershire, Somerset) and a district council (for example, Hastings, North Norfolk). Most areas in Scotland had both a regional council and a district council, alongside three all-purpose island authorities (Orkney, Shetland, and Western Isles). Northern Ireland had 26 district councils, which had fewer responsibilities than local authorities in Great Britain.

In most of England and Wales, county councils ran public services such as education, libraries, roads and social care, while district councils were responsible for matters such as waste, environment and housing.¹ The exceptions to this system were the English metropolitan counties, where the county councils managed police, fire, transport, planning and other strategic functions, and the metropolitan districts ran most other services.

Since 1974, a number of areas of England have seen this standard system of ‘two-tier’ local government replaced by a single tier of local government.² Scotland and Wales adopted a single-tier pattern of local government in 1996. Where it exists, this single tier carries out all the functions of county and district councils. This pattern of government is commonly referred to as ‘unitary local government’.

In the 2010s, there were many calls for the creation of more unitary authorities, or for the establishment of a uniform pattern of unitary government across all of England. The Labour government elected in 2024 announced in early 2025 that it wished to invite all remaining two-tier areas in England to reorganise into unitary authorities. Details of this decision can be found in section 2.

¹ For a fuller list of the division of powers between county and district councils, see the Appendix of the Library briefing paper [Local government in England: structures](#).

² See Appendix 1 for a list of single-tier authorities created since 1974

1.2 Terminology

In England, there are a number of different types of council that carry out all the functions of a county and district council and which, therefore, constitute unitary authorities in practice. In April 2023, there were 130 single-tier authorities in England, covering some 34.8 million people (62% of the country's population). This figure included:

- the 32 London boroughs. These were established by the [London Government Act 1963](#), and are a legally distinct type of local authority.
- 36 metropolitan districts. These are the councils in the areas of the former metropolitan counties.³ When the metropolitan counties were abolished in 1986 (see the Library briefing [Local government in England: structures](#)), these districts assumed most of their functions, with some passing to joint boards;
- 60 unitary authorities. These have been created in three distinct periods: 1995 to 1998; 2007 to 2009; and 2019 to 2022. These unitary authorities are listed in Appendix 1.
- the City of London and the Isles of Scilly. These are both unique authorities that have always been responsible for all county and district functions in their areas.

Parish and town councils form a further tier of local authority beneath unitary authorities or counties and districts. This research briefing does not cover parish and town councils. Further information can be found in the Library briefing [Parish and town councils: recent issues](#).

Combined authorities have been created in a number of areas in England, including in almost all of the metropolitan county areas (see the Library briefing [Devolution to local government in England](#)). Combined authorities constitute an additional tier of government in those areas.

In strict legal terms, there is no such thing as a 'unitary authority'. Where a restructure occurs, a district council is normally made the county council for its area, or vice versa. Alternatively, where a new geographical unit is created, it is a district council exercising the powers of a county council, or vice versa.

1.3 Restructuring: The legal process

The process of changing from a two-tier to a unitary local government system is normally referred to as 'restructuring' or 'reorganisation'. The legal

³ Greater Manchester, Merseyside, South Yorkshire, West Yorkshire, West Midlands, Tyne & Wear.

procedure can be found in sections 1 to 7 of the [Local Government and Public Involvement in Health Act 2007](#).

The Secretary of State may invite a proposal from a local authority to make a proposal for a county or district area (or for a group of districts) to be restructured into a unitary authority or authorities. The [Local Government Boundary Commission for England](#) (LGBCE) can be, but need not be, asked for advice on any matter related to the proposal. Once a proposal is received, the Secretary of State may then consider it and announce their intention to make an order implementing the proposal, or they may reject the proposal. Any order must then be approved by both Houses of Parliament.

When a new unitary authority is created, the government may decide to postpone elections to its predecessor authorities. This may be done, for instance, when scheduled elections are due to take place a year before the new unitary authority is due to come into existence. Proceeding with elections in that scenario would mean that the councillors who were elected would only serve for a single-year term. Where elections are postponed, the terms of the sitting councillors can be extended through to the date of the first elections to the new authority.

There are no examples in the UK of a unitary local government structure being (re-)converted into a two-tier system.⁴ Any such change would rely on the use of sections 8 to 10 of the [Local Government and Public Involvement in Health Act 2007](#). Sections 8 to 10 can also be used to merge two district councils into one.

Referendums and consent

There is no requirement in law for the local authorities affected by a reorganisation proposal to consent to the procedure.⁵ Similarly, there is no requirement for public consent to such a change via a referendum or petition. Local authorities have the power to hold referendums on this matter (or any other), and this has been done during previous restructuring processes (see section 3.2 below). However, the outcome of any such referendum is not binding.

⁴ In 2018 the leader of Torbay unitary authority briefly raised the possibility of it becoming a district within Devon, as it was until 1996, but no further action has been taken. See Jimmy Nichols, "[Unitary moots reverting to district status amid financial struggle](#)", *Local Government Chronicle*, 27 Jun 2018

⁵ Section 15 of the [Cities and Local Government Devolution Act 2016](#) provided the Government with wide powers to vary or disapply sections 1-7 of the 2007 Act. This was done principally to allow fast-track restructuring to accompany a 'devolution deal'. The powers could be exercised without the consent of the relevant local authorities: however, a sunset clause in section 15 (8) of the Act means that consent from all relevant local authorities for disapplying those sections of the Act is required as of 31 March 2019.

2

Restructuring: The English Devolution White Paper

On 16 December 2024, the government published a white paper titled [English Devolution White Paper: Power and partnership: Foundations for growth](#). The bulk of the white paper set out the government's policy towards the devolution of power to mayoral combined authorities (to be known in future as 'mayoral strategic authorities').

Pages 100 to 102 of the white paper set out initial plans for a large-scale programme of unitary restructuring in England. The white paper said:

Strong councils are the building blocks for effective Combined Authorities and Combined County Authorities. We will facilitate a programme of local government reorganisation for two-tier areas and for those unitary councils where there is evidence of failure or where their size or boundaries may be hindering their ability to deliver sustainable and high-quality services for their residents. ... We will deliver this process as quickly as possible, including through legislation where it becomes necessary to ensure progress.⁶

In the House of Commons on 5 February, the Minister for Local Government and English Devolution, Jim McMahon, said that the government's rationale for this change was that:

Councillors of all types, including district councillors, tell me that the two-tier system is not working, so alongside our wider reforms, this Government are committed to making simpler, more efficient and clearer structures so that residents can access good public services without eye-watering price tags. ... New unitary structures will be the right size to achieve efficiencies, improve capacity and withstand financial shocks, but I am clear about the need for flexibility when reorganisation goes hand in hand with mayoral devolution and when it is coupled with ambitious plans for housing growth, so these proposals will be developed with effective local engagement and dovetail with devolution arrangements.⁷

⁶ MHCLG, [English Devolution White Paper: Power and partnership: Foundations for growth](#), 2024, p100

⁷ [HCDeb 5 Feb 2025](#) c767

2.1 What is the timetable for the changes to local government structures?

[The minister, Jim McMahon, wrote to all local authorities in England](#) on 16 December 2024 to say he would invite proposals for unitary authorities in January 2025. This letter also asked local authorities to indicate if they would like to be part of the government's 'Devolution Priority Programme'.

On 5 February 2025, the government announced that six areas had been accepted on to the Devolution Priority Programme. These were Cumbria; Cheshire & Warrington; Brighton and East & West Sussex; Essex; Hampshire & Solent; and Norfolk and Suffolk.⁸ The government also kept open the option of taking Lancashire on to the priority programme, subject to a review of Lancashire's non-mayoral devolution deal later in 2025.

These areas are expected to hold their first mayoral elections in May 2026.

2.2 Which authorities have been invited to reorganise?

The written statement of 5 February 2025 also said that the Government was:

...writing to all councils in two-tier areas and small neighbouring unitary authorities to formally invite proposals for reorganisation. I am inviting areas to submit initial plans in the spring, followed by full proposals later in the year.⁹

The formal invitation was issued on 6 February 2025.¹⁰ It was sent to all two-tier county areas in England, alongside neighbouring unitary authorities that formed part of those county areas before the reforms of 1992 to 1995 (see section 4.1 below). The formal invitation asked all the local authorities invited – not just those on the Devolution Priority Programme – to submit interim proposals for unitary authorities by 21 March 2025, and final proposals by 28 November 2025.

The written statement also said that reorganisation proposals would be invited in respect of unitary councils "where there is evidence of failure or where their size or boundaries are impacting on their responsibilities".¹¹ A

⁸ [HCWS 418 2024-25](#), 6 Feb 2025

⁹ As above

¹⁰ MHCLG, [Local government reorganisation: invitation to local authorities in two-tier areas](#), 6 Feb 2025

¹¹ As above

Parliamentary Question in February 2025 asked for further details about which councils the statement was referring to:

Blake Stephenson: To ask the Secretary of State for Housing, Communities and Local Government, with reference to the English Devolution White Paper, published on 16 December 2024, what her definition is of (a) smaller and (b) failing unitaries.

Jim McMahon: The English Devolution White Paper announced that we will facilitate a programme of local government reorganisation for two-tier areas, and for unitary councils where there is evidence of failure or where their size or boundaries may be hindering their ability to deliver sustainable and high-quality public services.¹²

On 20 January 2025, Jim McMahon told the House of Commons that “the government are not requiring any area to reorganise”.¹³ However, on 22 January 2025, he was also quoted as referring to “a requirement that we bring to an end the two-tier system”.¹⁴ In an answer to a Parliamentary Question on 24 January 2025, the minister said “we will expect all two-tier areas and smaller or failing unitaries to develop proposals for reorganisation”.¹⁵

The legal process in the Local Government and Public Involvement in Health Act 2007 permits different local authorities in an area to submit different proposals for new unitary authorities. Multiple proposals have been submitted in previous rounds of restructuring (see section 3.1 below). The government’s invitation letter to councils said that, wherever possible, a single, agreed proposal for each area should be submitted:

We therefore expect local leaders ... [to make] every effort to work together to develop and jointly submit one proposal for unitary local government across the whole of your area. The proposal that is developed for the whole of your area may be for one or more new unitary councils and should be complementary to devolution plans. It is open to you to explore options with neighbouring councils in addition to those included in this invitation...

I understand there will be some cases when it is not possible for all councils in an area to jointly develop and submit a proposal, despite their best efforts. This will not be a barrier to progress, and the government will consider any suitable proposals submitted by the relevant local authorities.¹⁶

¹² [PQ HC 26689 2024-25](#), 4 Feb 2025

¹³ [HC Deb 20 Jan 2025](#) c721

¹⁴ Martin George, [McMahon clarifies: ‘Councils will be required to reorganise’](#), Local Government Chronicle, 22 Jan 2025

¹⁵ [PQ HC 25580 2024-25](#), 24 Jan 2025

¹⁶ MHCLG, [Local government reorganisation: invitation to local authorities in two-tier areas](#), 6 Feb 2025

What criteria will the new unitary authorities need to meet?

Proposed new unitary authorities will be required to:

- a) have a population of 500,000 or more “as a guiding principle”, with exceptions requiring a clear rationale
- b) “prioritise the delivery of high quality and sustainable public services to citizens”
- c) “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”
- d) “support devolution arrangements”
- e) “Enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment”.¹⁷

These criteria supersede the criteria set out in July 2019 by the then Conservative government.

A large number of unitary councils have populations considerably below 500,000. This includes all London and metropolitan boroughs, and many city unitary authorities established in the 1990s. It is not clear which of those authorities, if any, would be in scope for reorganisation or merger alongside the county areas that received the February 2025 invitation to reorganise. An article in the *Municipal Journal* on 6 February 2025 provided views on the Government’s proposals in this area from within the sector:

... some sector figures have suggested that unitaries like Luton BC, with a population of 225,000, and Peterborough City Council, with a population of 215,000, are too small to be sustainable.

One senior sector figure said: ‘Some of the smaller unitaries are petrified they are going to be merged with people next door. The only reassurance they’ve been able to get off the minister is they’re not at the top of the list. 350,000 would be a lot more acceptable.’

John Merry, the Labour chair of Key Cities, which represents a number of smaller unitaries including Reading BC (174,000), Portsmouth (208,000) and Stoke-on-Trent (258,000), said: ‘There are concerns about the idea that one size fits all. An awful lot of existing unitaries are not over 500,000 but some small unitaries can be viable.

...

Sir Stephen Houghton, Labour chair of the Special Interest Group of Municipal Authorities, and leader of Barnsley MBC, which has a population of 244,000,

¹⁷ MHCLG, [Local government reorganisation: invitation to local authorities in two-tier areas](#), 6 Feb 2025

added: 'At the moment none of our members are actively seeking reorganisation. We're not experiencing any immediate pressure from the Government at this moment in time. I feel reassured at the moment.'

Peter Marland, the leader of Milton Keynes Council, which has a population of about 300,000, said: 'It's very clear that 500,000 is a civil servant number. It's seen as an optimal number but looking at existing unitaries is not on the Government's agenda at the moment.'

Another sector insider added: 'We're assuming the 500,000 doesn't really apply to existing councils. I don't think there's any real concern.'¹⁸

The legislation in force in early 2025 does not permit the government to oblige two-tier local government areas to reorganise.¹⁹ However, once a local authority has submitted a proposal, the government can accept it or accept an amended version. There is no right of veto for the local authority, or for the local electorate via a referendum or petition. As a result, the government effectively has control over the outcome once a local authority has submitted a proposal.

In its discussion of reorganisation, the English Devolution white paper says that "We will deliver this process as quickly as possible, including through legislation where it becomes necessary to ensure progress".²⁰

Will the new unitary authorities build on existing council boundaries?

The government has not been explicit about whether proposals for unitary authorities will be required to use existing unitary and district council boundaries as 'building blocks', or whether proposals to change these will be accepted.

Baroness Thornhill asked about the [boundary rules for the new unitary authorities](#) in a Parliamentary Question on 28 January 2025.

The statutory criteria included in the government's invitation to councils said that existing boundaries should be considered:

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.²¹

¹⁸ Dan Peters, [Under pressure small unitaries push back over reorganisation](#), Municipal Journal, 6 Feb 2025

¹⁹ Sections 1-7 of the [Local Government and Public Involvement in Health Act 2007](#) require an invitation from the government, and at least one proposal from affected local authorities, before a unitary restructuring may take place.

²⁰ MHCLG, [English Devolution White Paper: Power and partnership: Foundations for growth](#), 2024, p100

²¹ MHCLG, [Local government reorganisation: invitation to local authorities in two-tier areas](#), 6 Feb 2025

2.3 Which elections are being postponed?

The government's December 2024 letter said that councils hoping to bid for unitary restructuring could request that the government postpone local elections that are scheduled for May 2025. Councils wishing to postpone elections were required to notify the government by 10 January 2025.

The government said that it would agree to postpone elections that are scheduled for May 2025 in the areas participating in the Devolution Priority Programme (see section 2.1 above).

The government also agreed to postpone elections due in Surrey County Council. Surrey is currently seeking a devolution deal based on the current county area. However, the Labour government has rejected the option of devolving strategic responsibilities to county councils themselves. Thus, the written statement makes clear that devolution for Surrey depends on its reorganisation into two or more unitary authorities.²²

Sixteen county councils and two unitary authorities notified the government that they would like to postpone their May 2025 elections.²³ The county councils that did not request postponement were Hertfordshire, Staffordshire, Lancashire, Nottinghamshire, and Cambridgeshire.

The government will delay local elections using the powers in section 87 of the [Local Government Act 2000](#). This decision is implemented using a negative statutory instrument.

2.4 Will the unitary restructuring save money?

The Minister for Local Government and English Devolution, Jim McMahon, has expressed the view that unitary restructuring will lead to spending savings for successor local authorities compared with current local authority structures. This assertion appears to be based on a report published in 2020 by PriceWaterhouseCoopers (PwC) entitled [Evaluating the importance of scale in proposals for local government reorganisation](#). This report was commissioned by the County Councils Network.

An answer to a Parliamentary Question on 22 January 2025 said:

Vikki Slade: To ask the Secretary of State for Housing, Communities and Local Government, whether her Department has made an assessment of the total cost of the Government's plans for local authority re-organisation.

²² As above

²³ A list of these councils can be found at MHCLG [Local government reorganisation: letter to two-tier areas](#), 16 Jan 2025

Jim McMahon: The English Devolution White Paper sets out the overall case for local government reorganisation, including referencing the 2020 PwC report, “Evaluating the importance of scale in proposals for local government reorganisation”, for the County Councils Network, which estimated that reorganisation of the then 25 two-tier areas to a single unitary structure would have a one-off cost of £400 million, with the potential to realise £2.9 billion over 5 years, with an annual post-implementation net recurring saving of £700 million.²⁴

Sections 7 and 9 provide more information on the question of whether unitary restructuring, or merging smaller local authorities into larger units, saves money.

2.5 How will the restructuring processes be funded?

The government’s invitation letter said that some additional funding would be made available to progress proposals for unitary local government:

I intend to provide some funds for preparing to take forward any proposal, and I will share further information later in the process.

Considering the efficiencies that are possible through reorganisation, 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.²⁵

Previous reorganisations have been funded by the local authorities involved. This was made explicit in the 2008-09 reorganisation process (see section 4.2 below). The invitation to councils in 2006 said that “Restructuring must deliver value for money and be self-financing”, and that savings net of transitional costs should be positive within five years of restructuring.²⁶ The invitation to Cumbria, Somerset and North Yorkshire in 2019 said that proposals for restructuring would be accepted if they improved services and saved money:

A proposal ... for ... a single tier of local government [should] improve local government and service delivery across the area of the proposal, giving greater value for money, generating savings, providing stronger strategic and local leadership, and which are more sustainable structures.²⁷

The government did not make any specific grant funding available for authorities that underwent restructuring during 2008-09 or 2017-21.

²⁴ [PQ HC 24794 2024-25](#), 22 Jan 2025

²⁵ MHCLG, [Local government reorganisation: invitation to local authorities in two-tier areas](#), 6 Feb 2025

²⁶ DCLG, [Invitation to councils in England to make proposals for new unitary structures](#), 2006, p9

²⁷ MHCLG, [Invitations to submit proposals for unitary local government in Cumbria, North Yorkshire and Somerset](#), 9 October 2020, p2

Concern has been expressed about the future of local authorities that have large levels of debt, and that have issued section 114 notices in the early 2020s (see the Library research briefing [Local authority financial resilience](#)). An answer to a Parliamentary Question on this matter in January 2025 said:

Baroness Eaton: To ask His Majesty's Government, with regard to the English Devolution White Paper published on 16 December 2024 (CP 1218), whether the Ministry for Housing, Communities and Local Government has assessed the merits of writing off council debt for those local authorities who decide to pursue a unitary model under the local government re-organisation proposals.

Baroness Taylor: Previous Secretaries of State used statutory powers to intervene in a small number of councils failing their Best Value Duty partly associated with high levels of unsustainable debt. We will work closely with local leaders to explore what support they might need to develop robust proposals and implement new structures, including where there has been failure...²⁸

A further answer on the same day said that unitarisation had helped North Yorkshire Council to save money:

For North Yorkshire Council, established in April 2023, unitarisation has enabled the council to manage financial pressures through structural changes and service transformation which are expected to achieve more than £40 million in savings by March 2026.²⁹

The criteria accompanying the government's statutory invitation to reorganise said that:

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.³⁰

Political leaders in Surrey, in particular, have expressed strong concerns on this subject. Surrey County Council's leadership has expressed support for unitary local government and a devolution deal. However, among its district councils, Woking Borough Council issued a section 114 notice in 2023, and Spelthorne, Runnymede and Guildford borough councils also hold substantial debt. The Local Government Chronicle reported that Tim Oliver, the leader of Surrey County Council, had raised the possibility of the government writing off those debts in full or in part in Surrey's application to join the Devolution Priority Programme.³¹ Similar concerns have also been raised by Essex County

²⁸ [PQ HL 3873 2024-25](#), 22 Jan 2025. See also [PQ HC 26838 2024-25](#), 5 Feb 2025

²⁹ [PQ HC 24229 2024-25](#), 22 Jan 2025

³⁰ MHCLG, [Local government reorganisation: invitation to local authorities in two-tier areas](#), 6 Feb 2025

³¹ Caitlin Webb, [District debt drives reorganisation resistance](#), Local Government Chronicle, 27 Jan 2025

Council regarding high debt levels held by Thurrock, which is a small unitary council neighbouring Essex.³²

³² See Essex County Council, [Extraordinary meeting 10 Jan 2025](#) full council papers, paragraph 4.11

3 Restructuring: Government policy 2010 to 2024

3.1 Support for restructuring

The 2010-15 coalition government ruled out any restructuring of local government. Eric Pickles, the Secretary of State for Communities and Local Government from 2010 to 2015, famously said that he kept a pearl-handled revolver in his desk for anyone who mentioned local government restructuring.³³

Lord Heseltine's 2012 report [No Stone Unturned](#) proposed a fully unitary system of local government for England. The government rejected this recommendation, saying that it would prefer "authorities not to be distracted by structural change".³⁴

After Mr (now Lord) Pickles's departure from the government in 2015, the government's stance changed. The then Secretary of State, James Brokenshire MP, said in an interview with the *Local Government Chronicle* in May 2018 that the government would consider proposals for unitary authorities:

There is a clear space and scope for unitary authorities. Obviously it is seeing where there is a need for that and yes, there are proposals on the table that my predecessor had been considering and I will now be looking at.

It's [looking at] how we are best able to deliver quality, sustainable services for local government and the best model for doing that ... where devolution and unitary authorities can seek to make a difference then I do want to advance that agenda.³⁵

In 2018, Rishi Sunak, then Minister for local government, indicated the government's thinking on the need for 'local support' for unitarisation:

the Government have already considered that there have been a range of ways to demonstrate [a] good deal of local support. Other areas have engaged electoral and polling agencies to conduct representative polling, county and district council members—who represent people in different areas—have voted and extensive engagement exercises and consultation processes have happened ... We would like to see a good deal of local support, which we

³³ [HCDeb 21 Oct 2010 c1155](#): see also [HCDeb 12 Nov 2012 c8](#)

³⁴ DCLG, [Government response to the Heseltine Report](#), Cm 8587, 2013, p.54; [HCDeb 12 Nov 2012 cc7-8](#)

³⁵ David Paine, "[James Brokenshire: 'Clear space and scope' for more unitaries](#)", *Local Government Chronicle*, 2 May 2018

assess in the round across the whole area—from business, the voluntary sector, public bodies and local communities. We do not mean unanimous agreement from all councillors, stakeholders, councils and residents. However, we expect as much consensus from councils as possible.³⁶

By 2020, the government's stance was more clearly supportive of unitary restructuring. An answer to a Parliamentary Question in April 2020 stated:

In a two-tier area, effective joint working between county and district councils is essential, especially at this time of national emergency.

However, the Government recognises that unitary councils can facilitate more integrated decision-making, better service delivery, greater local accountability and empowered local communities.³⁷

An answer to a Parliamentary Question in June 2020 suggested that the government was considering a restructure of local government:

Simon Hoare: To ask the Secretary of State for Housing, Communities and Local Government, what the maximum population size is in which a single unitary authority should operate.

Simon Clarke: These plans will include restructuring our local institutions to deliver these outcomes, establishing more mayors and more unitary councils the populations of which will depend on local circumstances but as a rule of thumb are expected to be substantially in excess of 300k-400k.³⁸

In October 2020, the Secretary of State for Communities and Local Government, Robert Jenrick, issued formal invitations to councils in Cumbria, North Yorkshire and Somerset to submit proposals for unitary restructuring.³⁹ The invitation required an outline proposal by 9 November 2020, and a final proposal by 9 December 2020. The proposal required proposed new unitary authorities to be in the population range of 300,000 to 600,000 “or such other figure that... could be considered substantial”.

The government received two proposals each from Somerset and North Yorkshire: in each case, one was for a county-wide unitary authority and the other was for two unitary authorities. For Cumbria, four proposals were received (see section 5.1 below).⁴⁰

The invitation to North Yorkshire was also extended to York City Council, and the invitation to Somerset was also extended to North Somerset and Bath & North East Somerset councils. These three councils were already unitary

³⁶ [HCDeb 22 May 2018 c337WH](#)

³⁷ [PQ 901983 2019-21](#), 28 Apr 2020

³⁸ [PQ HC61744 2017-19](#), 29 Jun 2020

³⁹ MHCLG, [Invitations to submit proposals for unitary local government in Cumbria, North Yorkshire and Somerset](#), 9 October 2020; see also [HCWS 502 2019-21](#), 12 October 2020

⁴⁰ MHCLG, [Consultation on proposals for locally-led reorganisation of local government in Cumbria, North Yorkshire and Somerset](#), 22 Feb 2021. See also [HCWS 785 2019-21](#), 22 Feb 2021

authorities: the implication was that they were free to become part of wider units created by a restructuring process.⁴¹

3.2 Restructuring decisions in 2021

On 21 July 2021, the government announced its decisions on restructuring in North Yorkshire, Somerset and Cumbria. North Yorkshire and Somerset were each to become a single unitary authority. Cumbria was to be restructured into two unitary authorities. In each case, the first elections to the new authorities took place in May 2022, and they assumed their full responsibilities in April 2023.⁴² Robert Jenrick, then Secretary of State for Housing, Communities, and Local Government, said that the criteria for the decision were that:

for a proposal to be implemented, that proposal is likely to improve local government and service delivery across its area; commands a good deal of local support as assessed in the round overall across the whole area of the proposal; and any unitary councils to be established have a credible geography.⁴³

Mr Jenrick also explicitly linked restructuring to government policy on devolution of power within England:

...we remain committed to devolving power to people and places across the UK. We are open to devolution where there is strong local leadership, whether supported by two tier local government, unitary structures or various joint arrangements. Our plans for doing this and strengthening local accountable leadership will be set out in the forthcoming Levelling Up White Paper.⁴⁴

The Local Government Chronicle reported expressions of support and opposition from each of the affected areas on 21 July 2021.⁴⁵

A written statement on 12 October 2020 outlined the government's position on restructuring:

Locally-led changes to the structure of local government, whether in the form of unitarisation or district mergers, can be an appropriate means of improving local service delivery, saving taxpayers' money and improving local accountability. However, restructuring is only one of the different ways that councils can streamline and make savings. Joint working with other councils and partners can take a variety of forms ranging from adopting joint plans, setting up joint committees, sharing back office services or special purpose vehicles to promote regeneration. Such joint working may extend across

⁴¹ [HCWS 502 2019-21](#), 12 October 2020

⁴² [HCWS 234 2021-22](#), 21 Jul 2021

⁴³ [HCWS 234 2021-22](#), 21 Jul 2021

⁴⁴ [HCWS 234 2021-22](#), 21 Jul 2021

⁴⁵ Jessica Hill, Jonathan Knott and Nick Golding, "[Confirmed: new unitaries to be formed in council reorganisations](#)", Local Government Chronicle, 21 Jul 2021. See also MHCLG, [Next steps for new unitary councils in Cumbria, North Yorkshire and Somerset](#), 21 Jul 2021

county boundaries. Indeed, councils' general power of competence under the Localism Act 2011 makes it easier for councils to get on with sharing services.

The Government will not impose top-down restructuring of local government and will continue to follow a locally-led approach for unitarisation where councils can develop proposals which have strong local support. This has been the Government's consistent approach since 2010, when top-down restructuring was stopped through the Local Government Act 2010.⁴⁶

In early 2021, in response to a Parliamentary Question on the possibility of further future restructuring, the government said that it would not impose a "top down" approach to local government restructuring:

There is no question of any top down review or imposition of Government solutions. The Government believes that locally-led changes to the structure of local government can be an appropriate means of improving local service delivery, saving taxpayers' money and improving local accountability, and is clear that any reform of an area's local government, where there is strong local support for the principle of a unitary structure, is most effectively achieved through locally-led proposals put forward by those who best know the area.

The Government is aware that there is interest in a number of areas across the country about developing proposals for unitary local government. It is clear, however, that the pandemic has rightly necessitated resources across Whitehall and in local government being re-allocated to tackling Covid-19 and on economic recovery, and this must be Whitehall's and town halls' number one priority at present.⁴⁷

3.3 Restructuring criteria

In the later 2010s, much of the debate around restructuring in England focused on the optimum population of any new local authority. The tone of the debate favoured economies of scale: merging multiple smaller authorities together to form a larger one.⁴⁸

The then Secretary of State, James Brokenshire, made a written statement on 22 July 2019, which set out the criteria used by the then government to assess requests for restructuring:

I confirm that I will assess any locally-led unitary proposal that I receive against the criteria for unitarisation which we announced to Parliament in 2017 and which I and my predecessor have consistently used since then. These criteria state that subject to Parliamentary approval a proposal can be

⁴⁶ [HCWS 502 2019-21](#), 12 October 2020

⁴⁷ [HL PQ12728 2019-21](#), 9 February 2021

⁴⁸ Efficiency and economies of scale concerns also underlay three district council mergers in 2019: West Somerset and Taunton Deane; Forest Heath and St Edmundsbury; Waveney and Suffolk Coastal. See the Library briefing paper [Local government in England: structures](#) for more details.

implemented, with or without modification, if I conclude that across the area as a whole the proposal is likely to:

- improve the area's local government;
- command a good deal of local support across the area; and
- cover an area that provides a credible geography for the proposed new structures, including that any new unitary council's population would be expected to be in excess of 300,000.⁴⁹

These criteria were superseded by the invitation to two-tier councils issued on 6 February 2025.⁵⁰ These criteria repeated criteria set out on 7 November 2017 by the then Secretary of State, Sajid Javid.⁵¹ They were also in line with guidance provided to councils in Northamptonshire following the publication of the Caller report in February 2018.⁵²

This guidance did not mention a maximum population size for unitary authorities. The October 2020 invitations (see section 4.1) referred to a maximum population of 600,000 but also allowed for alternatives where evidence was made available. A Parliamentary Question answered in September 2020 was circumspect on this point.⁵³

In a publication in 2018, associated with the restructuring in Northamptonshire, The Ministry of Housing, Communities and Local Government (MHCLG) said that its views on population size were informed principally by [a report from the consultancy Shared Intelligence](#) in 2016, and a 2006 report from the University of Cardiff entitled [Population size and local authority performance](#) (see section 8.2 for more details of the latter report).⁵⁴

3.4

Devolution in England

The impetus towards unitary restructuring in the 2010s was associated with the government's policy of English devolution (see the Library briefing [Devolution to local government in England](#) for further details). This is also true of the restructuring invitations of 2025.

⁴⁹ [HCWS 1790 2017-19](#), 22 July 2019

⁵⁰ MHCLG, [Local government reorganisation: invitation to local authorities in two-tier areas](#), 6 Feb 2025

⁵¹ [HCWS 232 2017-19](#), 7 Nov 2019

⁵² MHCLG, [Invitation to submit a proposal for a single tier of local government in Northamptonshire](#) (PDF), 27 Mar 2018. The 'Caller report' is MHCLG, [Inspection into the governance of Northamptonshire County Council](#), 27 Mar 2018, led by the former local authority chief executive Max Caller. For more information on the events leading up to reorganisation in Northamptonshire, see the Library briefing [Local authority financial resilience](#).

⁵³ [PQ 93690](#) 2019-21, 25 Sep 2020

⁵⁴ MHCLG, [The proposed reorganisation of local government in Northamptonshire](#), 2018, p10

In legal terms, devolution to local government in England does not require local government restructuring. However, debates over local ‘bids’ for devolution and for restructuring have frequently overlapped. Many local areas seeking devolution deals in 2015/16 also commissioned consultants to investigate the potential for savings from restructuring.

In a speech on 7 July 2020, Simon Clarke, the then Minister for Local Government, said that unitary restructuring would be a precondition for any new devolution deals agreed by the government.⁵⁵ The text of this speech was subsequently withdrawn from the MHCLG website.⁵⁶ Mr Clarke said:

The White Paper will also redefine the way in which local government serves its communities by establishing the unitarisation of councils as a vital first step for negotiating these mayoral devolution deals in the future.

A move to unitarisation will streamline the delivery of good governance...

Place local government on a more sustainable financial and population footing...

Inject more accountability into our democratic structures...

And save money that can be re-invested in those communities.

I say this very conscious of the immense contribution of all tiers of local government during this crisis.

Unitarising at the right scale can preserve the best of district councils’ strong relationship with local communities...with the more strategic geography of the county councils.

⁵⁵ For further information on devolution deals, see the Library briefing paper [Devolution to local government in England](#).

⁵⁶ Nick Golding, “[Read the Simon Clarke devo speech the ministry doesn’t want you to see](#)”, Local Government Chronicle, 17 Jul 2020

4 History of unitary restructuring in England

4.1 The Local Government Review: 1992-95

In 1992 the then Secretary of State, Michael Heseltine, established a Local Government Commission to review all local authorities in Great Britain. The intention was to establish whether ‘structural change’ – i.e. a move to a unitary structure – was desirable. Government guidance stated that the Commission “should recommend a structure which, in its view, best combined cost effectiveness with a reflection of community identities and interests”.⁵⁷

The legislation required any structural change proposed to have regard to the need:

- (a) to reflect the identities and interests of local communities; and
- (b) to secure effective and convenient local government.⁵⁸

The Local Government Commission’s initial recommendations supported unitary status in most areas. Updated guidance issued in 1993 stated that “the Government expects that [the continuation of the two-tier structure] to be the exception, and that the result will be a substantial increase in the number of unitary authorities in both urban and rural areas”.⁵⁹

This provision was challenged by Lancashire County Council via judicial review during 1994. The High Court ruled that this direction was unlawful, and the guidance was reissued with those words removed. The number of proposed unitary authorities was scaled back in the Commission’s final recommendations. In the end, 46 new unitary authorities were created via this review (see Appendix 1).

4.2 The 2007-09 review

In 2006 the Labour government published a white paper entitled [Strong and prosperous communities](#). This proposed permitting unitary restructuring in

⁵⁷ Department of the Environment, Policy Guidance to the Local Government Commission for England, 1993, p3

⁵⁸ [Local Government Act 1992](#), section 13 (5)

⁵⁹ Department of the Environment, Policy Guidance to the Local Government Commission for England, 1993, p2

response to local demand. The proposals were implemented by the [Local Government and Public Involvement in Health Act 2007](#). This Act introduced an application-based process for unitary status. Criteria for proposals for new unitary authorities were published in a document entitled [Invitation to councils in England to make proposals for new unitary structures](#). This document stated:

- i) the change to the future unitary local government structures must be:
 - affordable, i.e. that the change itself both represents value for money and can be met from councils' existing resource envelope; and
 - supported by a broad cross section of partners and stakeholders; and
 - ii) those future unitary local government structures must:
 - provide strong, effective and accountable strategic leadership;
 - deliver genuine opportunities for neighbourhood flexibility and empowerment;
- and
- deliver value for money and equity on public services.⁶⁰

Twenty-six proposals were submitted to the government, of which sixteen were accepted for consultation. Nine new unitary authorities were launched in April 2009 (see Appendix 1 for details).

Following a further review by the Local Government Boundary Commission for England, three further unitary councils were to be created, in Norwich, Ipswich and Exeter. This process was halted by the coalition government following the May 2010 General Election via the [Local Government Act 2010](#).⁶¹

This review saw two judicial reviews of decisions to abolish district authorities, both of which were unsuccessful. Local referendums were also held in three of the affected county areas:

- **23 Jan 2007:** referendum in three districts of Shropshire on proposals for a unitary Shropshire council:
 - **Shrewsbury:** 70% vote against unitary Shropshire
 - **Bridgnorth:** 86% voted against unitary Shropshire (turnout: 46.5%)
 - **South Shropshire:** 57% against unitary Shropshire (turnout: 42%)⁶²

⁶⁰ DCLG, [Invitation to councils in England to make proposals for new unitary structures](#), 2006, p9

⁶¹ More information on the review process with regard to Exeter, Norwich and Ipswich is available in the [Library research paper on the Local Government Bill 2010-12](#).

⁶² [HCDeb 22 Jan 2007 c1238](#)

- **11 June 2007: referendum commissioned by all seven district councils in the Durham County Council area.** 76% voted in favour of the status quo, on a turnout of some 40%.⁶³
- **19 June 2007: referendums commissioned by all five district councils in Somerset on a unitary authority for Somerset:**⁶⁴

Table 1: Somerset referendum results

Council	Yes	%	No	%	Turnout
Mendip	7,853	20.2	31,073	79.8	47.7%
Sedgemoor	6,840	15.8	36,412	84.2	50.3%
South Somerset	9,955	17.3	47,628	82.7	46.2%
Taunton Deane	7,155	18.4	31,708	81.6	47.7%
West Somerset	3,048	20.3	11,933	79.7	53.9%

4.3

Reviews in the late 2010s

Three county areas moved to unitary status between 2019 and 2021. Two originated with a local request, and the other resulted from serious financial failures. These changes were ad hoc rather than part of a wider, sustained impetus towards unitary local authorities.

Dorset

In late 2016, councils in Dorset submitted proposals for the creation of two unitary authorities: one for Bournemouth, Christchurch and Poole, and one for the remainder of Dorset. The Secretary of State stated that he intended to implement the proposals in a Written Statement on 26 February 2018,⁶⁵ and an order implementing them was made on 25 May 2018.⁶⁶ The first elections to the new authorities took place in May 2019.

Having initially assented to the merger, Christchurch Borough Council later opposed it. It held an advisory referendum on the proposals in December 2017. 84% of votes opposed the change, on a turnout of 53%.⁶⁷ Christchurch also pursued an unsuccessful judicial review of the merger decision.⁶⁸

⁶³ Michael Chisholm and Steve Leach, *Botched business: the damaging process of reorganising local government 2006-08, 2008*, p101

⁶⁴ BBC, "[County votes against one council](#)", 19 June 2007. Detailed figures supplied by personal communication to the author.

⁶⁵ [HCWS 486 2017-19](#), 26 February 2018

⁶⁶ See the [Bournemouth, Dorset and Poole \(Structural Changes\) Order 2018](#) (SI 2018/648)

⁶⁷ [HL Deb 23 May 2018](#) c1042

⁶⁸ See [R \(Christchurch\) v MHCLG](#), EWHC 2126 (2018)

Buckinghamshire

Buckinghamshire County Council made a proposal for a unitary county in late 2016. Separately, the four district councils in the area proposed two unitary councils, one for the area of Aylesbury Vale District Council and another covering the area of the other three district councils (Wycombe, South Buckinghamshire and Chiltern).

The Secretary of State made a Written Statement on 1 November 2018 stating that a unitary county structure would be implemented.⁶⁹ An order was made on 22 May 2019.⁷⁰ The first elections took place in May 2021, postponed from May 2020 due to the coronavirus pandemic.

A report from the Local Government Chronicle stated that Buckinghamshire CC commissioned a telephone poll of Buckinghamshire residents from Opinion Research Services. 67% of respondents supported a two-unitary pattern of local government rather than a unitary county council.⁷¹

Northamptonshire

Following a well-publicised period of financial difficulties during 2018, Max Caller, a former local authority chief executive, produced a [critical Best Value report on Northamptonshire County Council](#) in February 2018. Amongst other points, this report recommended restructuring of the county area into two unitary councils.

The Secretary of State wrote to the chief executives of all the local authorities in Northamptonshire on 27 March 2018, inviting a proposal for a move to a unitary structure under section 2 of the 2007 Act. The invitation ruled out a proposal for a unitary county.

In August 2018, the authorities submitted a proposal for two unitary authorities, West Northamptonshire and North Northamptonshire. The Secretary of State made an order implementing the changes on 13 February 2020.⁷² The first elections to these authorities were to have been held in May 2020, but were then delayed to 2021 due to the coronavirus pandemic.

⁶⁹ House of Commons [HCWS1058 2017-19](#), 1 November 2018

⁷⁰ See the [Buckinghamshire \(Structural Changes\) Order 2019](#) (SI 2019/957)

⁷¹ Jon Bunn, "[Bucks districts seize on survey results which casts doubt over county unitary](#)", Local Government Chronicle, 20 April 2018

⁷² See the [Northamptonshire \(Structural Changes\) Order 2020](#) (SI 2020/156)

5 Previous restructures: Evaluation

5.1 Financial savings: Evaluation

Some high-level figures have been published indicating the savings resulting from previous restructuring processes in England. It is difficult to isolate the financial effects of the restructuring from the effects of other changes and savings taking place at the same time. Additionally, no formal evaluations are available of the financial impacts of restructuring of specific authorities.

EY (formerly Ernst & Young) modelled the financial impacts of unitary restructuring across England in a report published in 2016. This included some details from the five county areas that became unitary authorities in 2008-09. It stated that each of the five new councils had saved £20-28 million per year after restructuring (see Table 2 below).⁷³

Table 2: Estimated savings by county unitaries created in 2009

Unitary	Projected saving	Estimated savings achieved
Cornwall	£17m	£25m
Wiltshire	£18m	£25m
Northumberland	£17m	£28m
Durham	£22m	£22m
Shropshire	£20m	£20m
Total	£94m	£120m

A response to a Parliamentary Question from 2010 suggested that, across all authorities where restructuring took place in 2008-09, the total budget saving for the 2009-10 financial year was estimated at £159.1 million.⁷⁴ This figure is likely to have been arrived at by comparing the total net expenditure of the new authorities in 2009-10 with that of their predecessors in 2008-09.

⁷³ Ernst & Young, [Independent Analysis of Governance Scenarios and Public Service Reform in County Areas](#), 2016, p62. A document published by Leicestershire County Council in 2014 published the same figures for three counties, but gave figures of £14 million for Wiltshire and £38 million for Durham. The reason for this discrepancy is unclear.

⁷⁴ [HCDeb 9 Feb 2010:c882W](#)

The 2012 Heseltine Review, [No Stone Unturned](#), quotes a number of figures from Wiltshire Council regarding the costs and savings of the creation of a unitary authority:

The transitional costs of creating the unitary Wiltshire Council were £18 million. This compares to a saving of a total £68 million between 2009 and 2013. Back office costs now only comprise 9% of Wiltshire Council's budget as opposed to 19% for its predecessor bodies. The new authority has achieved procurement savings of £36 million through increased buying power and stronger market position. Wiltshire Council has found that customers find accessing its services considerably easier with much less confusion about who is responsible for what. The council is also now in a much stronger position to support economic growth and improve the future prospects of residents and businesses.⁷⁵

Professors Michael Chisholm and Steve Leach state that the DCLG estimated annual savings of £75 million resulting from the creation of five unitary counties in the 2006-08 reorganisation. They critique this figure extensively, suggesting that around half of that amount would be a more accurate estimate. They also state that the estimated transition costs during the creation of those unitary counties, a one-off sum of £77 million, was likely to be an underestimate, and suggested that a more rigorous evaluation of the costs would have led the restructures that took place to fail the government's affordability criteria.⁷⁶

NLGN's 2014 report [As Tiers Go By](#) expanded on the figures from the 2009 restructures:

The size of the financial dividend appears to be closely related to the number of districts that were abolished.

If we accepted that savings are driven by horizontal integration between district services, then the figures below would suggest that each abolition saves about £4.5m. On this basis, reorganising all of the remaining 27 two tier areas as county unitaries on their existing boundaries would save between £680m-£904.5m.

The upper end of this range is probably very optimistic. Some large counties would need to be broken up into at least two unitaries, reducing the likely saving. It should also be noted that these figures are largely based on data from the late 2000s, a time when councils employed many more staff and, critically, before most districts had started to share their managers and integrate their services.⁷⁷

⁷⁵ Lord (Michael) Heseltine, [No Stone Unturned in pursuit of growth](#), Department of Business, Innovation and Skills, 2012, p.52

⁷⁶ Michael Chisholm and Steve Leach, *Botched Business: the damaging process of reorganising local government 2006-2008*, 2008, p.85-6

⁷⁷ Simon Parker and Claire Mansfield, [As Tiers Go By](#), NLGN, 2014, p14-15

Financial analysis of previous restructures

Professor Rhys Andrews, of the University of Cardiff, analysed financial data from the first few years of the unitary authorities created in 2008-09. He found that savings were, thus far, limited to administrative functions:

...aside from ‘back-office’ savings, the anticipated improvements in financial performance do not appear to be coming through as the new organization structures gradually become ‘bedded-in’. Nonetheless, extending the timeframe of the study would be necessary to affirm this interim conclusion.⁷⁸

This finding echoes the findings of a 2018 literature review by Antonio Tavares (see section 8.4), although Tavares’s work concerns mergers between authorities at the same local government ‘tier’, whilst Andrews’s concerns unitary restructuring.

Andrews also noted that new county unitary authorities had built up their reserves during the process of restructuring, and that subsequently reserve levels in those authorities had returned to a lower level than the pre-restructuring position of their predecessors.

In a follow-up paper in 2016, Professor Andrews analysed further data from the unitary authorities created in 2008-09. The findings indicated different trends in performance for different service areas following restructuring, suggesting no single optimal size for a multi-purpose local authority. His study found:

- a linear positive scale effect for Key Stage 2 pupil achievement and bus service timeliness;
- a linear negative scale effect for road maintenance and sport participation;
- a u-shaped relationship for children’s social care referrals and secondary education performance;
- an inverted u-shaped relationship for waste recycled.⁷⁹

A ‘linear positive effect’ means that performance tends to be better in larger authorities, whilst a ‘linear negative effect’ means the opposite. A ‘u-shaped relationship’ implies that very small and very large authorities tend to perform better than ‘middle-sized’ authorities, whilst an ‘inverted u-shaped relationship’ means the opposite.

Andrews’s findings imply a strong case for greater integration of different services, whether through restructuring or collaboration:

⁷⁸ Rhys Andrews, “Vertical consolidation and financial sustainability: evidence from English local government”, *Environment and Planning C: Government and Policy*, 2015, 33, p1538

⁷⁹ Rhys Andrews, *Quantitative Analysis of the Service Performance of Non-Metropolitan Local Authorities*, unpublished report, July 2016, p10

...the structural reorganisation of two-tier governance into a series of single-tier units have resulted in improvements in social care performance for established and new unitary authorities. This may reflect the fact that, unlike county councils, unitary authorities are responsible for housing services and disabled facilities grants and may therefore be able to better coordinate services for vulnerable people within the areas that they serve.The result could therefore point towards the relative merits of local government reorganisation in relation to social care services or at the very least greater integration of relevant services in two-tier areas.⁸⁰

Andrews's paper also suggested that population density, distinct from population per se, could have an impact on local authority performance. Population density has received comparatively little attention from academics and commentators (though see section 8.4). Andrews's analysis of the data suggests that:

On population density, however, the results of this study show a stronger correlation between density and service performance. The pattern of findings for population density indicates that rural non-metropolitan authorities have better performing adult and children's social care services than their urban counterparts, and that they are also recycling more of the waste that they collect.⁸¹

5.2

Restructuring processes: Evaluation

2009 lessons learned paper

The then Department for Communities and Local Government (DCLG) published a 'lessons learned' paper in 2010 following the restructuring process of 2008-09. It identified the following issues:

- Ideally, the first elections to any new body should take place ahead of the date of the reorganisation, so that initial strategic and budget planning is shaped and directed by newly-elected councillors instead of councillors from councils facing abolition. This was particularly urgent where a county council was being disaggregated;
- Where early elections were not held, a joint implementation executive should be formed from the 'outgoing' councils, with the council leading the implementation having a majority on the executive;
- Government should clarify its approach to staffing issues at an early stage, to minimise the loss of experienced staff to retirement or redundancy. To this end, a clear approach to managing vacancies in the new authorities is also essential;

⁸⁰ Ibid., p11-12

⁸¹ Ibid., p12

- Ideally, the new authority's chief executive should be appointed soon after the new authority's first meeting, and then permitted to assemble their team;
- The implementation executive should have a role in the setting of the final budgets of the 'outgoing' councils, to avoid decisions that impact adversely on the new councils. The government may make regulations restricting outgoing councils' actions in matters like contracts and land disposal without the assent of the implementation executive.

Reviews of previous restructuring processes

EY's 2016 report noted a number of lessons that had featured in a previous review of restructuring processes by the Society of Local Authority Chief Executives:

- Ensure there is a completely fresh start in order to create a separation between the old and new organisations
- Ensure there is a quality plan in place. Quality is considered to be more critical than the length of the planning process itself
- Recruit the right people early on, starting with the chief executive, and ensure they are used in the right way from the very beginning
- Create a strong vision and objectives for the new organisation and ensure a focus is put on achieving the outcome and goals that have been outlined
- Put appropriate time and resources into getting the finances right
- Effective communication throughout the reorganisation process
- Work closely with councillors to ensure there is a strong and supportive relationship
- Draw on the experiences and lessons learned from those that have reorganised previously.⁸²

The Audit Commission produced a number of reports around the reorganisation processes of 1992-96. In its report *All Change: Managing Local Government Reorganisation and Beyond*, the Commission made a number of recommendations for the transition at the point of a restructure. These included timely appointment of the chief executive and senior management of the new authority; preparing a support programme for the first elected members of the new authority; ensuring that sufficient accommodation is available for staff; and drawing up a project plan for managing the first year of the new authority. They noted in particular that:

⁸² Ernst & Young, [Independent Analysis of Governance Scenarios and Public Service Reform in County Areas](#), 2016, p63

The final few weeks before reorganisation are those when the risks to services and probity are greatest: when service standards are most under threat, financial controls are most likely to break down and equipment goes missing. It is also the time when authorities that are being abolished may be tempted to use up budgets or make spending decisions in a way which commits incoming authorities...⁸³

In a further guidance publication, *Seize the Day*, the Audit Commission noted that restructuring can provide an opportunity to remodel the way in which the new authority provides services, “thinking about services from the perspective of the recipient not the provider, and accelerating the move away from the traditional focus on service provision”.⁸⁴ Such changes are less easy to introduce once a new organisation has begun to bed down.

Seize the Day also noted the importance of harmonising standards where services previously carried out by multiple authorities become the responsibility of a new unitary authority. This also includes policies on matters such as fees and charges, waiting lists, and recovering debts; and staff terms and conditions.

Effects of the restructuring process

A few commentators have suggested that disputes arising during the process of restructuring can offset any positive effects arising from the long-term outcomes. In their analysis of the 2008-09 reforms, Andrews and Boyne found that:

The short-term consequences of restructuring are negative... leading to a sharp deterioration in the performance of a group of restructuring organisations. ... our evidence suggests that structural change incurs short-run costs, not only in extra expenditure but also in lower performance.⁸⁵

In a separate review of the 2008-09 reforms, Phil Swann, of the consultancy Shared Intelligence, stated:

It is clear from the interviews on which this research is based that the nature of the process for designing and agreeing unitary arrangements can have a significant impact on a successor council's performance. In several cases district councils “fought” vigorously for unitary status in the face of entrenched opposition from the county. This often created a legacy of sour relationships.⁸⁶

In 2014, the New Local Government Network also noted some evidence that restructuring affected the quality of services whilst it is under way:

⁸³ Audit Commission, *All Change: Managing Local Government Reorganisation and Beyond*, 1996, p39

⁸⁴ Audit Commission, *Seize the Day*, 1996, p16

⁸⁵ Rhys Andrews and George Boyne, “Structural change and public service performance; the impact of the reorganisation process in English local government”, *Public Administration* 90:2, 297-312, 2012, p309

⁸⁶ Phil Swann, [Learning the lessons from local government reorganisation](#), Shared Intelligence, 2016, p19

...it has become apparent that reorganisation damages public service performance in the short term. Councils preparing for unitary status in 2006-8 saw a significant drop in scores on the comprehensive performance assessment.⁸⁷

Nevertheless, UK and international studies have also found evidence of services improving after mergers or restructurings have taken place (see section 8 below).

⁸⁷ Simon Parker and Claire Mansfield, [As Tiers Go By](#), NLGN, 2014, p18

6 Proposals for unitary authorities: 2017-22

This section collates media reports on proposals for unitary local government from different areas of England. It includes background to the most recent restructuring processes at the time of writing, in Cumbria, North Yorkshire and Somerset.

Inclusion in this section does not guarantee that a local authority submitted a restructuring proposal to the government, or even that a proposal was drafted. In many areas, county and district councils have held opposing views on the matter, with counties more likely to propose large unitary authorities and districts more likely to oppose restructuring.

6.1 Cumbria

The Local Government Chronicle reported in February 2020 that the then minister, Jake Berry, had met local authority leaders in Cumbria and proposed a combined authority for the county area plus a restructure into two unitary authorities, broadly for ‘north’ and ‘south’ Cumbria.⁸⁸

Cumbria’s population is in the region of 500,000, meaning that any two unitary authorities covering the county area would have less than the government’s then preferred minimum population of 300,000 (see section 3.2). Previously, the county council wrote to the government supporting reorganisation into a unitary authority in December 2018.⁸⁹ Their case referred to an options report produced by EY in 2015. This suggested annual savings of £21.8-£28.3 million if a single unitary authority were created in Cumbria.⁹⁰

The invitation to submit proposals in late 2020 attracted four proposals, all of which were put out to consultation by the government.⁹¹ Cumbria County Council proposed a county-wide unitary authority. Barrow and South

⁸⁸ Jessica Hill, [“County offered devo deal with reorganisation and outsourced care services”](#), Local Government Chronicle, 4 Feb 2020. A ‘Morecambe Bay’ authority, bringing together northern Lancashire together with Barrow-in-Furness, historically an exclave of Lancashire, would not have been an option under this offer.

⁸⁹ BBC, [“Cumbria council merger proposals sent to government”](#), 21 December 2018; see also Cumbria CC [cabinet agenda and reports](#), 20 December 2018, pp209-215

⁹⁰ Ernst & Young, [Cumbria County Council: Strategic Financial Case for Local Government Reorganisation in Cumbria](#), January 2015

⁹¹ MHCLG, [Consultation on proposals for locally-led reorganisation of local government in Cumbria, North Yorkshire and Somerset](#), 22 Feb 2021

Lakeland proposed merging with Lancaster City Council to form one unitary authority, with the remainder of Cumbria forming another. Allerdale and Copeland proposed merging with Carlisle to form one unitary authority, with the remainder of Cumbria forming another; whilst Carlisle and Eden proposed merging with Allerdale to form one unitary, with the remainder of Cumbria forming another.

In July 2021, the government stated that it had decided upon the third of these options: one unitary authority covering Carlisle, Allerdale and Copeland, and one covering Barrow, Eden and South Lakeland.⁹² These were respectively named Cumberland, and Westmorland and Furness.

Elections to shadow authorities took place in May 2022, with the new authorities taking on their powers from 1 April 2023. Labour formed a majority in Cumberland, and the Liberal Democrats in Westmorland and Furness. Both authorities then said that they did not wish to pursue a devolution deal with an elected mayor for Cumbria, which had previously been mooted.⁹³

Subsequently, Cumbria was included in the 2025 Devolution Priority Programme (see section 2.1 above). This is expected to lead to the election of a mayor in May 2026.

6.2

North Yorkshire

North Yorkshire County Council published a press release on 13 July 2020, which stated that it would pursue options for restructuring alongside a devolution deal.⁹⁴

York City Council, which was already a unitary authority, opposed any changes to its own boundaries.⁹⁵ The government's invitation, in October 2020, to North Yorkshire to submit a restructuring proposal was also extended to York City Council.

The Local Government Chronicle then reported that the district councils in North Yorkshire were opposed to a single county-wide unitary and launched a campaign to seek a "people-centred alternative".⁹⁶ A report in early November 2020 suggested that many of the district councils supported two

⁹² [HCWS 234 2021-22](#), 21 Jul 2021

⁹³ Megan Kenyon, "[MPs call for a mayor for Cumbria](#)", Local Government Chronicle, 30 Sep 2022

⁹⁴ North Yorkshire County Council, "[North Yorkshire to consider reorganisation for devolution](#)", 13 July 2020

⁹⁵ York City Council, [A Mayoral Devolution Deal for York and North Yorkshire](#), July 2020; see also York City Council, [Reporting of Agreeing of the 'asks' to submit to Government for consideration of a Devolution Deal for York and North Yorkshire](#), 23 July 2020, p4-5

⁹⁶ Martin George, "[North Yorks districts campaign for alternative to unitary 'mega council'](#)", Local Government Chronicle, 5 August 2020

unitary authorities, in the east and west of the North Yorkshire area, whilst Hambleton DC opposed reorganisation entirely.⁹⁷

In February 2021, the government consulted on two responses to its call for proposals in autumn 2020. One was a county-wide unitary authority, proposed by North Yorkshire County Council. The other was submitted by several district councils. Ryedale, Scarborough and Selby district councils would merge with York (currently a unitary authority) to form one unitary authority. Another unitary authority would be formed by the remaining district councils: Harrogate, Craven, Hambleton and Richmondshire.⁹⁸

In July 2021, the government announced its support for a single unitary authority for North Yorkshire.⁹⁹ Elections to the shadow authority took place in May 2022, and it took on its powers from 1 April 2023. Subsequently, the new North Yorkshire Council and York City Council agreed a devolution deal with the government, published in August 2022. David Skaith was then elected as the first mayor of York & North Yorkshire in May 2024.

6.3 Somerset

In 2018, the (then) six chief executives of the county and district councils in Somerset commissioned an independent report from a consortium led by the consultancy Ignite.¹⁰⁰ Officials from North Somerset and Bath & North East Somerset, both unitary authorities, were also included in discussions. The report was published in February 2020 and identified a number of options: no change; reformed ways of working within the current council structures; a single unitary for Somerset; and two- and three-unitary options.

The latter options would have included merging North Somerset and Bath & North East Somerset with parts of the county council area. Both these councils were included in the government's October 2020 invitation to submit a proposal for a unitary pattern of government.

The report estimated annual savings from the single unitary option at £35-47 million, with one-off implementation costs of £82 million.¹⁰¹ It estimated £57-80 million in annual savings from a two-authority option, which would have implementation costs of £111 million; and £45-67 million annual savings from a three-unitary option, with implementation costs of £111 million.

Following the publication of the report, Somerset County Council [wrote to the Secretary of State](#) to ask him to invite a submission proposing a move to

⁹⁷ Jessica Hill, "[District breaks rank over North Yorkshire reorganisation bid](#)", Local Government Chronicle, 10 Nov 2020

⁹⁸ MHCLG, [Consultation on proposals for locally-led reorganisation of local government in Cumbria, North Yorkshire and Somerset](#), 22 Feb 2021

⁹⁹ [HCWS 234 2021-22](#), 21 Jul 2021

¹⁰⁰ Ignite et al, [The Future of Local Government in Somerset: an options appraisal](#), February 2020

¹⁰¹ *Ibid.*, p39

unitary status. In July 2020, the county council published a business case for a single unitary authority.¹⁰² It also launched a website, [One Somerset](#), to promote the case for a single unitary authority.

Somerset's four district councils issued a statement on 30 July 2020 opposing a single unitary authority:

The district councils do not believe a unitary council is right for Somerset because a Unitary Council would lead to:

- Millions of pounds of taxpayers' money being spent on changing structures and paying for redundancies
- Staff unable to focus on the task of delivering for communities and instead dividing attention to new structures and whether they have got a role
- A "one size fits all" approach to services, with everything centralised in Taunton and decisions not taken by local communities with the knowledge of what is best for local communities
- The running down and closing of district services to fund the endless growth in costs of adult and children's services
- And then, in a few years' time, there will still be financial problems and poor levels of service because the real community issues that cause demand on services have not been tackled.

There is no evidence that the unitary councils that have been created have produced the financial savings they were forecast to save and many have left a "democratic deficit" being distant from the communities they are meant to serve.¹⁰³

On 20 August Somerset's districts published an alternative plan, supporting one unitary covering the district areas of Sedgemoor and Somerset West & Taunton, and another for Mendip and South Somerset.¹⁰⁴ This plan was submitted to the government's call for proposals, and it was subsequently included in the government's consultation alongside Somerset County Council's proposal for a county-wide unitary authority.¹⁰⁵ The issue of reorganisation in Somerset was the subject of a Westminster Hall debate in December 2020.¹⁰⁶

The four district councils held a referendum in May – June 2021 asking voters to choose between a single unitary and their two-unitary plan. On a turnout of

¹⁰² Somerset County Council, [One Somerset: business case for a new single unitary council for Somerset](#), July 2020

¹⁰³ Mendip DC, [Working together for the future of Somerset: A joint statement from Somerset's district councils](#), 30 July 2020 either

¹⁰⁴ BBC, ["Rival unitary authority idea for Somerset branded a 'U-turn'"](#), 13 Aug 2020

¹⁰⁵ MHCLG, [Consultation on proposals for locally-led reorganisation of local government in Cumbria, North Yorkshire and Somerset](#), 22 Feb 2021

¹⁰⁶ [HCDeb 2 Dec 2020](#) c156WH&ff

25.6%, 65.3% of voters chose the two-unitary plan and 34.7% chose a single unitary authority.¹⁰⁷

In July 2021, the government announced its support for a single unitary authority for Somerset.¹⁰⁸ Elections to the new authority took place in May 2022, and it took on its powers from 1 April 2023.

6.4 Lincolnshire

Reports in mid-2020 indicated that discussions were taking place regarding a devolution deal for 'Greater Lincolnshire'. This would cover the area of Lincolnshire County Council, plus the unitary councils of North Lincolnshire (based in Scunthorpe) and North-East Lincolnshire (Grimsby). The latter two areas were historically part of Lincolnshire, but were located within the area of Humberside County Council between 1974 and 1998.

A devolution deal was agreed for this geographical area in March 2016.¹⁰⁹ This was rejected in November 2016 by votes in Lincolnshire County Council and North Kesteven District Council, and it was then withdrawn by DCLG.¹¹⁰ A successor devolution deal for the same area was then agreed in November 2023, with the first mayoral election scheduled for May 2025.¹¹¹

Lincolnshire County Council sought to postpone its elections scheduled for May 2025 in anticipation of proposing to restructure the county council area into one or more unitary authorities. However, the government did not agree to postpone those elections.

6.5 Lancashire

Various plans were reported for restructuring in Lancashire in 2019 and 2020, alongside plans to establish a non-mayoral or a mayoral combined authority. A number of the plans would include changes to Blackburn with Darwen, and Blackpool. These two authorities became unitary in the 1992-95 restructuring, having previously been district councils within Lancashire.

On 29 July 2020 the BBC reported a 'secret' restructuring plan to divide Lancashire into three unitary areas:

¹⁰⁷ South Somerset DC, [Voters choose Stronger Somerset – results of local poll are announced](#), 7 Jun 2021

¹⁰⁸ [HCWS 234 2021-22](#), 21 Jul 2021

¹⁰⁹ HM Treasury, [Greater Lincolnshire Devolution Deal](#), 16 Mar 2016

¹¹⁰ Lincolnshire County Council, [“Council Leader intends to say ‘no’ to a Mayor for Greater Lincolnshire”](#), 11 November 2016

¹¹¹ See DLUHC, [Greater Lincolnshire devolution deal 2023](#), Nov 2023

- Central and southern parts of the county - Preston, South Ribble, Chorley and West Lancashire
- A western and northern area - Blackpool, Wyre, Fylde, Lancaster and Ribble Valley
- And the east - Blackburn with Darwen, Burnley, Rossendale, Hyndburn and Pendle.¹¹²

This plan included merging both Blackburn with Darwen, and Blackpool, into larger unitary authorities. This plan followed earlier indications that the then government would only accept a devolution bid from Lancashire that included local government restructuring.¹¹³

The five authorities in the third of the groups above had written to the Secretary of State in February 2019 proposing a unitary authority covering that area.¹¹⁴ Blackburn with Darwen repeated the proposal in October 2019. However, by that time Burnley, Pendle and Hyndburn had withdrawn their support following changes in political control. Pendle councillors remained opposed to restructuring, and to a mayoral combined authority, in July 2020.¹¹⁵ Burnley passed a motion in mid-July opposing restructuring under any circumstances.¹¹⁶

A report in the Chorley Guardian suggested that Wyre BC had made approaches, in late July 2020, to the other councils listed in the second of the three groups above. This followed a meeting in mid-July between all Lancashire councils to discuss options, which ended without agreement.¹¹⁷

In addition, proposals were submitted to the 2020-21 consultation on restructuring Cumbria that would have united Lancaster City Council, in the north of Lancashire, with Barrow and South Lakeland district councils in a 'Morecambe Bay' unitary authority. The government rejected these proposals in its decision on Cumbria in July 2021.

Lancashire, Blackpool and Blackburn with Darwen subsequently negotiated a 'level 2' devolution deal with the Sunak Conservative government, which was launched in February 2025.¹¹⁸ The Labour government's written statement in February 2025, announcing its Devolution Priority Programme, also said:

The Government will also continue to work closely with Lancashire, who are already committed to reviewing their devolution arrangements by the autumn,

¹¹² BBC, "[Lancashire councils face abolition in shake-up](#)", 29 July 2020

¹¹³ Jessica Hill, "[Lancs leaders told to reorganise if they want devo](#)", Local Government Chronicle, 21 February 2020

¹¹⁴ Sarah Calkin, "[Lancashire councils launch unitary call](#)", Local Government Chronicle, 28 February 2019.

¹¹⁵ "[Pendle councillors discuss proposals for Lancashire Combined Authority](#)", Pendle BC, 13 July 2020

¹¹⁶ Dominic Collis, "[Burnley Council moves to safeguard itself in any combined authority plan](#)", Burnley Express, 18 July 2020

¹¹⁷ Paul Faulkner, "[Lancashire leaders meeting ends in acrimony, as councils continue down difficult road to devolution](#)", Chorley Guardian, 22 July 2020

¹¹⁸ See LCCA, [The launch of the new Lancashire Combined County Authority](#), 6 Feb 2025

including steps to deepen their existing arrangement. This review will consider all options available for the area, including aligning with the Devolution Priority Programme timeline for mayoral devolution.¹¹⁹

6.6 Leicestershire

Leicestershire County Council began exploring options for restructuring in mid-2018.¹²⁰ The county council's preference then was for a single unitary on its own boundaries. This has been opposed by Leicestershire's district councils. Leicester City Council, and the historic county of Rutland, have been unitary since 1996: both were previously district councils within Leicestershire.

The county council then considered a [report recommending a single unitary council](#) in October 2018. This was opposed by the Conservative MPs in Leicestershire.¹²¹ The county council then published [a further 'blueprint' in October 2019](#), which concluded that a single unitary would save £30 million per year, and a two-unitary model would save £18 million per year. Implementation costs would be £18-19 million in either case. The report does not specify a pattern of boundaries for the two-unitary model.

6.7 Hertfordshire

PriceWaterhouseCoopers produced a report for Hertfordshire County Council in February 2020, which was subsequently published in July 2020. This report estimated annual savings of £34.3 million from creating a single unitary authority in Hertfordshire, and £24.3 million for a two-unitary option.¹²² The latter would merge the district councils of Dacorum, Hertsmere, Three Rivers, St Albans and Watford into one authority, and Stevenage, Welwyn Hatfield, Broxbourne, North Herts and East Herts into another.

The report also includes an annual savings figure of £142.2 million estimated to arise from unitary restructuring and "a stretch case of transforming the council".¹²³ The idea of a single unitary authority for Hertfordshire aroused opposition from Hertfordshire's district councils.

¹¹⁹ [HCWS 418 2024-25](#), 6 Feb 2025

¹²⁰ Jessica Hill, "[Fresh bid for mayoral CA overshadowed by restructuring row](#)", Local Government Chronicle, 14 Feb 2020. There have been occasional reports in 2019-20 suggesting that the county councils in Leicestershire, Nottinghamshire and Derbyshire are seeking an 'East Midlands' devolution deal.

¹²¹ Rob Cusack, "[County's Tory MPs seek immediate end to reorganisation plan](#)", Local Government Chronicle, 2 Nov 2018

¹²² PwC, [Local Government Reform in Hertfordshire](#), February 2020, p35

¹²³ Ibid.

6.8 Nottinghamshire

Nottinghamshire County Council published [a report from Deloitte in December 2018](#) on reorganisation options. This concluded that a single unitary authority for the county council area would save £27.1 million per year, compared with £16.4 million for a two unitary option.

In September 2020 the Local Government Chronicle reported that Nottinghamshire was again considering a bid for unitary status, alongside further suggestions that Nottingham City Council was considering an attempt to extend its boundaries to include neighbouring parts of Nottinghamshire County Council's area. Nottingham's urban area extends outside the current city council boundaries into Gedling and Broxtowe.¹²⁴

6.9 Essex

A number of different plans have emerged from Essex. Local government in Essex currently consists of Essex County Council and twelve district councils, alongside two unitary authorities (with relatively small populations) in Thurrock and Southend-on-Sea. Suggested options include:

- A combined authority for the district councils of the Association of South Essex Local Authorities (ASELA). This would have included Basildon, Castle Point, Rochford and Brentwood district councils, plus Thurrock and Southend, but not Essex County Council. A report in August 2020 suggested that the government had indicated privately that it would not support this plan;¹²⁵
- A combined authority for Essex, covering multiple unitary authorities.¹²⁶ ASELA's members have rejected this option, whereas opinion in the remainder of the county is split;¹²⁷
- Unitary authority proposals have also emerged from Colchester BC (with Braintree, Tendring, and possibly Chelmsford),¹²⁸ following indications from Basildon DC in late 2019 and in mid-2020 that they could seek unitary status.¹²⁹ The Local Government Chronicle reported merger

¹²⁴ Jessica Hill, "[Plans for new East Midlands CA and three counties restructuring gather pace](#)", Local Government Chronicle, 9 Sep 2020

¹²⁵ Your Thurrock, "[Government appears to throw out 'secret' combined authority plan](#)", 2 Aug 2020

¹²⁶ Gavin Jones, "The importance of a Greater Essex combined authority", Municipal Journal, 20 Aug 2020

¹²⁷ Jessica Hill, "[Row erupts over county's plans for Greater Essex combined authority](#)", Local Government Chronicle, 21 Aug 2020

¹²⁸ Jessica Hill, "[Colchester leader suggests new powerhouse unitary authority](#)", Local Government Chronicle, 26 Nov 2019

¹²⁹ Toby Emes, "[County council bosses 'no longer oppose' Bas-exit](#)", Basildon Canvey and Southend Echo, 7 Jul 2020

discussions between Basildon DC and Thurrock UA in February 2021, with Basildon having reportedly abandoned aspirations to unitary status on its own.¹³⁰

Greater Essex was accepted on to the government's Devolution Priority Programme in 2025. This will entail a first mayoral election in May 2026. Essex, Southend and Thurrock have begun discussions regarding unitary restructuring alongside the mayoralty, working towards a pattern of between three and five unitary authorities covering their collective area.¹³¹

6.10 Other council areas

Surrey

A report in July 2020 stated that Tim Oliver, the leader of Surrey County Council, had approached the government proposing a single unitary council for Surrey.¹³² In response, Surrey's district councils launched a campaign called 'Putting Residents First'. According to the Local Government Chronicle, district leaders were supportive of restructuring, but into two or three unitary authorities instead of a single one for the whole of Surrey.¹³³

Surrey County Council subsequently agreed a level 2 devolution deal with the Sunak Conservative government.¹³⁴ The Labour government's February 2025 written statement stated that Surrey would be required to reorganise to form at least two unitary authorities in order to pursue a mayoral devolution deal. For this reason, the government agreed to Surrey's request to postpone its elections scheduled for May 2025.

Warwickshire

In August 2020 Warwickshire County Council discussed a report entitled [Local Government Reform in Warwickshire: A Strategic Case for Change](#). This proposed a single unitary council for Warwickshire. A report from Deloitte suggested that this merged council could become a unitary authority, with the remainder of the county area forming a further unitary authority.

Gloucestershire

In Gloucestershire in August 2020, the six district councils suggested a restructure of the county area into two unitary authorities. One would cover

¹³⁰ Jessica Hill, "[New 'powerhouse' unitary in South Essex proposed](#)", Local Government Chronicle, 17 February 2021

¹³¹ See Essex County Council, [Extraordinary general meeting](#), 10 Jan 2025

¹³² Nick Golding, "[Surrey leader 'seeks country's biggest unitary'](#)", Local Government Chronicle, 10 Jul 2020

¹³³ See Jessica Hill, "[Districts decry county's 'Tesco bulk buy approach' to reorganisation](#)", Local Government Chronicle, 20 Aug 2020

¹³⁴ DLUHC, [Surrey Level 2 devolution framework agreement](#), 6 Mar 2024

the area of Gloucester, Forest of Dean, and Stroud district councils; and the other would cover Cheltenham, Tewkesbury and Cotswold. Gloucestershire County Council has opposed this idea.¹³⁵

Oxfordshire

Oxfordshire County Council considered the possibility of unitary status in the mid-2010s. Ernst & Young produced a report on the financial implications of restructuring in January 2015.¹³⁶

Three councils in Oxfordshire – Oxfordshire County Council, and Vale of White Horse and South Oxfordshire District Councils – submitted a proposal for a unitary county council in Oxfordshire in March 2017. The plan was opposed by Cherwell and West Oxfordshire District Councils and Oxford City Council. This was one of a number of proposals for unitary councils and combined authorities in the area.¹³⁷ These included proposals for district-based unitaries crossing into Northamptonshire and Gloucestershire: one idea was to merge Cotswold DC and West Oxfordshire DC into a single unitary.

In August 2018 it was reported that further consideration of restructuring in Oxfordshire was being ‘paused’.¹³⁸

Hampshire

Hampshire County Council launched a consultation on establishing a county-wide unitary authority in August 2016. Discussions took place in late 2016 between district councils in the Solent area and [district councils in the ‘Heart of Hampshire’](#) (the north and east of the county). PriceWaterhouseCoopers produced [a number of reports for the district councils](#) in late 2016.

¹³⁵ BBC, [“Gloucestershire unitary authority plans ‘nuts’”](#), 23 Aug 2020

¹³⁶ Ernst & Young, [Oxfordshire County Council: Strategic Financial Case for a Unitary Council](#), November 2014

¹³⁷ Previous proposals were summarised in Jon Bunn, [“The long and winding cul-de-sac of Oxfordshire reorganisation”](#), Local Government Chronicle, 29 Mar 2018

¹³⁸ Rob Cusack, [“Oxfordshire unitary decision paused by ministers”](#), Local Government Chronicle, 1 Aug 2018

7

Rationales for restructuring

Debates on the creation of unitary authorities offer a number of rationales for replacing two-tier structures with unitary structures. This section summarises the main rationales used in the current debate in England: efficiency; simplicity; and cost savings/economies of scale. This section does not analyse the strength of those rationales. This is a matter of judgement in a very complex policy environment.

An answer to a Parliamentary Question on 22 January 2025 indicated that the 2024 Labour government's support for restructuring is based on a report published in 2020 by PriceWaterhouseCoopers, [Evaluating the importance of scale in proposals for local government reorganisation](#):

Vikki Slade: To ask the Secretary of State for Housing, Communities and Local Government, whether her Department has made an assessment of the total cost of the Government's plans for local authority re-organisation.

Jim McMahon: The English Devolution White Paper sets out the overall case for local government reorganisation, including referencing the 2020 PwC report, "Evaluating the importance of scale in proposals for local government reorganisation", for the County Councils Network, which estimated that reorganisation of the then 25 two-tier areas to a single unitary structure would have a one-off cost of £400 million, with the potential to realise £2.9 billion over 5 years, with an annual post-implementation net recurring saving of £700 million.¹³⁹

7.1

The use of evidence

There exists considerable academic and policy research, both in the UK and internationally, on the appropriate population size and structure of local government (see section 8). However, research cannot prove that a particular structure, population, or geographical pattern of local government is inherently superior. Patterns of local government across the rest of the world are extremely diverse. They are dependent on the surrounding political culture, the role and functions of local authorities, and the geography and culture of the state in which they exist.

Current UK debates can often conflate two separate lines of argument: one, that a unitary structure is superior to a two-tier structure, and two, that larger units of local government are superior to, and/or more effective than, smaller units. The latter argument is a more familiar one in an international

¹³⁹ [PQ HC 24794 2024-25](#), 22 Jan 2025

context. The majority of developed states have merged many smaller local government units into larger ones during the last 40 to 50 years (see section 9.1), and there is a considerable international literature on the effects of local authority mergers on efficiency and accountability.

Efforts to reduce the number of tiers of local government are far less common internationally. Equally, little research is available exploring the effectiveness of one tier of local government as against multiple tiers. A 2016 report from the Organisation for Economic Co-operation and Development (OECD) notes that multi-tier local government is the norm internationally: of 101 countries studied, 31 had a single tier of sub-national government, 47 two tiers, and 23 three tiers.¹⁴⁰

It is important to bear this distinction in mind when understanding the current debate on single-tier local government in England. For instance, it would be possible in principle to make a case in favour of unitary local government, while opposing the creation of very geographically large unitary authorities on other grounds.

7.2

Effectiveness/efficiency

A system of unitary local government would replace multiple political leaderships and senior officer teams, and thus multiple strategies and perspectives, with a single local government perspective for a given area. Some have argued that this could reduce local conflicts and disagreements which can detract from service delivery. A paper by Richard Boyle, [Re-shaping Local Government](#), for the University of Cork in 2016, noted a number of generic arguments for merging local authorities:

The reasons put forward for merger and amalgamation are generally that it represents an effective method of enhancing the operational efficiency of local councils, improves their administrative and technical capacity, generates cost savings, strengthens strategic decision-making and fosters greater political power.¹⁴¹

Rhys Andrews and George Boyne's 2006 paper *Population Size and Local Authority Effectiveness* suggested that:

...unitary local government, in principle at least, enables more cohesive and integrated leadership; it ensures clearer accountability and clarity over responsibilities, thus supporting stronger customer focus. It also follows that in principle at least it is more efficient because it lessens the scope for duplication and overlap – for example – in relation to back-office administration – it allows for a reduction in the number of senior management

¹⁴⁰ OECD, [Subnational governments around the world: structure and finance](#), 2016, p10. The 'subnational governments' studied include regional / state levels in federations: so, for instance, Germany would be described as having three tiers of sub-national government, with its Länder, counties, and municipalities.

¹⁴¹ Richard Boyle, *Re-shaping Local Government*, 2016, p4

posts, and it promotes better co-ordination through easier linkages within one council than between the tiers.¹⁴²

A review of restructuring processes in Australia and New Zealand said:

...The process of consolidation can generate a focus that transcends individual local government boundaries and encourages councils to operate in a broader context – one that is more regional or system-wide – and enables them to relate more effectively to central governments.¹⁴³

7.3

Simplicity

Commentators have argued that few members of the public understand the division of responsibilities between county and district councils. For instance, Jonn Elledge, on the CityMetric website, said:

The arguments in favour of unitarisation are simple. Firstly, it's more comprehensible: If your rubbish bin wasn't emptied, you no longer need to remember whether that was a failure of your district or your county. With only one council, it must be that council's job – and by the same token, there's less room for buck-passing from the councils themselves.¹⁴⁴

PriceWaterhouseCoopers' 2020 report on restructuring and scale noted the idea of the "inherent simplicity associated with operating a single organisation":¹⁴⁵

It has been a common refrain that the two-tier system of local government can sometimes cause confusion for residents as they are unsure which authority to contact for specific services. Any reorganisation, either two-tier collaboration or structural change in local government should consider how to best enable clear communication and guidance in accessing services.¹⁴⁶

The think tank ResPublica published a report in 2017 entitled [Devo 2.0: the case for counties](#), in which they stated that:

Joint working between smaller units of government ... [involves] divergent incentives, multiple layers of responsibility and slow, sometimes obstructive, decision making processes between tiers with different or overlapping roles. These are very difficult to solve in an informal way.¹⁴⁷

¹⁴² INLOGOV, *An Independent Review of the Case for Unitary Status*, 2006, p15

¹⁴³ Aulich, C. M. Gibbs, A. Gooding, P. McKinlay, S. Pillora and G. Sansom (2011), *Consolidation in Local Government: A Fresh Look*, Broadway, NSW: Australian Centre of Excellence for Local Government, p10

¹⁴⁴ Jonn Elledge, [The British government wants more mayors and fewer councils in England](#), CityMetric, 30 Jul 2020

¹⁴⁵ PwC, [Evaluating the importance of scale in proposals for local government reorganisation](#), County Councils Network, 2020, p8

¹⁴⁶ PwC, [Evaluating the importance of scale in proposals for local government reorganisation](#), County Councils Network, 2020, p40

¹⁴⁷ Phillip Blond, Tom Follett and Mark Morrin, [Devo 2.0: the case for counties](#), 2017, p22-23

Weaknesses exist in many two-tier local government areas (those based on county and district councils). These structures often add to public confusion, create fragmented and sometimes competing local leadership, and lead to duplication, inefficiency and coordination failures in service delivery. A way of removing these weaknesses is the introduction of unitary (single tier) local government...¹⁴⁸

7.4 Costs and modelling

Many advocates of unitary local government suggest that it would enable public money to be saved. This would result from combining multiple organisations into one, saving on administrative overhead costs and reducing duplication. This argument has featured regularly in debates on local government restructuring for 30-40 years. For instance, Lord Heseltine, in [No Stone Unturned](#) (2012), said:

Changing to a unitary model of local government will not be easy. It will naturally be uncomfortable for those involved, it may be disruptive in the short term and it will take time. But it would be a mistake not to persevere. The costs of the two-tier system are simply unsustainable. The advantages in increasing effectiveness and freeing resource for the benefit of communities will outweigh the pain.¹⁴⁹

The case for economies of scale is linked to the idea that local authorities have an optimum population size. As noted, this idea has been influential within government in recent years (see section 2.2). Most research evidence is equivocal on whether cost savings are available from merger of local governments into larger units (see section 9.1).

Modelling of restructuring in England

A 2016 report [Independent Analysis of Governance Scenarios and Public Service Reform in County Areas](#) from EY (formerly Ernst & Young) modelled total savings available from restructuring all two-tier areas in England to become unitary. They found that restructuring into a single unitary authority per county area would save £621-781 million per year across the whole of England. Restructuring into two unitary authorities per county area would save £361-520 million per year, and three unitary authorities per county area would save £98-266 million per year.

EY also modelled the transition costs of each option (see section 9.3 below). Single unitaries would cost £277-393 million to implement across the whole of England; the two-unitary option £371-519 million; and the three-unitary option £401-585 million. Subtracting the implementation costs from the annual savings produces a figure of £2.37-£2.86 billion for net savings over a five-year

¹⁴⁸ See, for example, [Explanatory memorandum to the Exeter and Devon \(Structural Changes\) Order 2010 and the Norwich and Norfolk \(Structural Changes\) Order 2010](#), p11

¹⁴⁹ Lord Heseltine, [No Stone Unturned: in pursuit of growth](#), HM Treasury, 2012, p52

period across the whole of England. They also modelled the financial effects of sharing support services; merging district councils but retaining a two-tier system; and creating three unitary authorities and a combined authority in each county area. The option of single county unitary authorities saved the most of all the options.

PriceWaterhouseCoopers produced a report in 2020 which estimated that a move to unitary authorities on county boundaries in all two-tier areas in England would save approximately £2.9 billion over a five-year period, equating to some £600 million per year – or £25 million per year per county area. Similarly, EY estimated savings over a five-year period at £2.37 to £2.86 billion in 2016.¹⁵⁰ Both of these reports were published by the County Councils Network. They included estimates for alternative patterns of reform, such as introducing two or three unitary authorities in each county area.

The savings projected in these reports are based on modelling, which requires certain assumptions. Each of the reports detail the methodology used. The figures produced by these two reports are similar to estimates of annual savings provided by a number of single-tier authorities that were created in England in 2008-09 (see section 5.1).

In contrast, Ruth Dixon and Thomas Elston from the University of Oxford have suggested that the potential for further efficiencies from structural reform in England is limited:

...economies of scale appear to represent a “phantom” promise of reform, beloved of those looking for a quick fix with an intuitive, if superficial, appeal.

Yet the outputs of multiple research projects suggest that, whether by amalgamation or by collaboration, economies of scale are much harder to achieve in practice than in theory within the already very large English council system. Instead, we suggest that reforms should be targeted to the local context and subject to public debate.¹⁵¹

Some reports note the challenges experienced by the creation of smaller unitary authorities, where services previously run at a county level have been split into multiple ‘parts’. They refer to this process as ‘disaggregation’, and suggest that it increases the transition costs of restructuring in comparison to a move to a county-level unitary authority.¹⁵²

¹⁵⁰ PriceWaterhouseCoopers, [Evaluating the importance of scale in proposals for local government reorganisation](#), County Councils Network, July 2020; and Ernst & Young, [Independent Analysis of Governance Scenarios and Public Service Reform in County Areas](#), 2016

¹⁵¹ Ruth Dixon and Thomas Elston, [“Local government reorganisation: The debate is intense but is the case for reform proven?”](#), Room 151, 24 Sep 2020

¹⁵² See, for instance, Phil Swann, [Learning the lessons from local government reorganisation](#), Shared Intelligence, 2016, p17; PriceWaterhouseCoopers, [Evaluating the importance of scale in proposals for local government reorganisation](#), County Councils Network, July 2020, p13

8 Alternatives to restructuring

This sub-section provides some detail of alternative routes suggested for achieving efficiency, simplicity and cost savings without local government restructuring.

8.1 Tensions and simplicity

Academics and commentators have argued that the case for larger authorities on simplicity grounds is unproven. Professors Colin Copus and Steve Leach of De Montfort University, in a report for the District Councils Network in October 2020, stated:

Public confusion is not confined to the allocation of responsibilities between counties and districts ... There are combined authorities, police and crime authorities, local enterprise partnerships, national park authorities, health commissioning bodies and many other agencies providing public services ... The confusion experienced by the public in the shire counties at the time of the Banham Commission did not, with very few exceptions, prevent them for expressing an overwhelming preference for the continuation of the existing system when presented with unitary alternatives.¹⁵³

In an unpublished paper from 2016, Professor Rhys Andrews, of the University of Cardiff, suggested that the case for more than one tier of local government was that “a multi-tier system facilitates competitive and political pressures that force local authorities to perform to a high standard. In particular, a two-tier system may generate intra-tier competition, and thereby elicit additional public scrutiny that can exert downward pressure on costs and upward pressure on performance”.¹⁵⁴

Professor Michael Chisholm of the University of Cambridge has suggested that suggestions of ‘tensions’ between county and district authorities might reflect “genuine differences of interest between areas and differing judgements about priorities, [arising from] a propensity to interpret conflicts as a fault of structure and the habits of bureaucracies rather than as reflecting a basic spatial differentiation of society and hence interests that could not always be congruent”.¹⁵⁵

¹⁵³ Steve Leach and Colin Copus, [Bigger is not better: the evidenced case for keeping ‘local’ government](#), District Councils Network, October 2020, p16-17

¹⁵⁴ Rhys Andrews, Quantitative Analysis of the Service Performance of Non-Metropolitan Local Authorities, unpublished report, July 2016

¹⁵⁵ Michael Chisholm, Structural reform of British local government: Rhetoric and reality, 2000,p.17

The 2006 white paper [Strong and Prosperous Communities](#), which led to the 2006-08 round of unitary restructuring, also invited two-tier areas to submit plans for ‘pathfinder’ status, with the aim of clarifying and simplifying two-tier local government:

The goal for continuing two-tier areas is to achieve:

- unified service delivery models, with service users having no need to understand whether the county, district, or other service provider is responsible;
- stronger leadership for place shaping;
- shared back-office functions and integrated service delivery mechanisms.

This might involve significant change. Accordingly, we would like county areas in which all the councils are committed to developing a radically improved two-tier approach to come forward to be pathfinders, pioneering innovative governance arrangements that:

- enhance strategic leadership, neighbourhood empowerment, value for money and equity;
- command a broad cross-section of support; and
- are affordable, representing value for money and meeting any costs of change from councils’ existing resources.¹⁵⁶

8.2 Economies of scale

A Cardiff University report from 2006 highlighted that the effects of the scale at which local government services are delivered varies between services (see section 9.2 for more discussion of this report). This finding confirmed observations made by Travers, Jones and Burnham for the Joseph Rowntree Foundation in 1993, and also aligned with evidence provided to the Redcliffe-Maud Commission in the late 1960s.¹⁵⁷

It could be argued, on this basis, that a two-tier system of government can reflect identifiable differences in the optimal scale for service delivery. Services can be delivered at a more local level where appropriate, and over a broader geography where the potential for economies of scale can be demonstrated. This type of idea has affinities with the ‘correspondence

¹⁵⁶ DCLG, [Strong and prosperous communities](#), 2006, p64. See also DCLG, [Invitation to councils in England to make proposals for new unitary structures](#), 2006, pp21-24, for details of the invitation to two-tier areas to submit pathfinder proposals.

¹⁵⁷ Steve Leach and Colin Copus, [Bigger is not better: the evidenced case for keeping ‘local’ government](#), District Councils Network, October 2020

principle’ – that the size of a local government should correspond to the area that benefits from the services that it runs.¹⁵⁸

Copus and Leach’s 2020 report suggests that demands for larger authorities are based upon the belief that:

...there is some optimal size for councils which provides maximum efficiency and effectiveness and reduces cost. As we shall see this argument is based on two false premises:

- that there is an optimum population size for local authorities
- that there is one dominant role for local government – that of a service provider or overseer of public services.¹⁵⁹

8.3

Effectiveness and collaboration

Collaboration between districts and counties has been a feature of English local government for many years. Local authorities in England have general powers to share services and to exercise functions on one another’s behalf without needing permission from government, facilitating collaboration (see the Library briefing paper [Local government: alternative models of service delivery](#)).

The Local Government Association published a report in August 2020 entitled [The drivers of collaboration](#). This highlighted the importance to collaboration of trust at all levels of collaborating organisations, flexibility over how relationships worked, and the importance of both formal structures and informal ways of working. The report emphasised that effective collaboration was not easy and constant work is required to maintain relationships:

First, focus remorselessly on communities, people and place. Second, remember that the language used can set the tone. Third distinguish between the county as a place, and a collection of places, and the county council as an institution. And finally, encourage more movement of officers between counties and districts.

At the end of the day, however, the historically hierarchical nature of government in England can place both counties and districts in a particular mindset about how they relate to one another. This in turn creates barriers to collaboration from both a top down and a bottom up perspective.¹⁶⁰

The All-Party Parliamentary Group for District Councils published a report on collaboration between district councils in 2017. This report provides a number

¹⁵⁸ This principle originates from *Fiscal Federalism*, a seminal study from 1972 by the American academic Wallace Oates.

¹⁵⁹ Steve Leach and Colin Copus, [Bigger is not better: the evidenced case for keeping ‘local’ government](#), District Councils Network, October 2020, p4

¹⁶⁰ LGA, [The drivers of collaboration](#), 2020, p11

of examples of district councils sharing services, motivated by cost and efficiency considerations. The report says:

The creation of collaborative arrangements between districts, without legal complication, is an effective way to adapt and respond to increasing pressures to cut costs and improve efficiency in a context of austerity. Collaboration facilitates the pooling of resources, avoids duplication of functions and enables savings without reducing the quality of services.¹⁶¹

The report also draws attention to local authorities' capacity to collaborate on different geographies for different purposes, referring in particular to functional economic areas (FEAs).¹⁶² It suggests that ad hoc collaboration between local authorities may provide greater benefit for economic policy-making than merging units via a restructuring process.

The report also provided a number of examples of district councils collaborating with other bodies, such as NHS bodies, police authorities, universities, voluntary groups and central government agencies. In assessing the critical ingredients of successful collaboration, it reflects the LGA's 2020 report, citing trust, a shared sense of place, a shared sense of purpose and political will.¹⁶³

¹⁶¹ APPG for District Councils, District council collaboration and devolution in England, July 2017, p13

¹⁶² Functional economic areas are statistical units derived from analysis of data on matters such as travel-to-work patterns, housing markets, leisure markets and other economic flows.

¹⁶³ Ibid., p17

9 Restructuring: Research

9.1 Introduction

This section summarises UK and international research and evidence on the known effects of local authority merger processes. It addresses the question of economies of scale; the organisational impacts of change; and the effects on local democracy and representation.

The vast majority of research on local authority mergers concerns mergers of small local authorities into larger units, not merging multiple tiers of local authority into a single-tier structure. There are very few examples of states seeking to reduce the number of tiers of local government, either in part as in the UK, or via a comprehensive programme.

In contrast, most states in Europe have undertaken some merger of local authorities in recent decades (see Appendix 3). The UK is not unusual in this regard. However, the UK stands out as having a very high average local authority population size, either before or after reforms. Table 3 below shows the average population size, and average population per councillor, of a selection of European states.¹⁶⁴

Table 3: Population size and representative ratios in a sample of European countries

Country	Population (millions)	Lower tier councils	Average population per council	Total Cllrs ('000s)	Persons per councillor
France	67	36,500	1,800	515	130
Spain	47	8,100	5,800	65	720
Germany	83	12,013	6,900	200	410
Italy	60	8,000	7,500	100	600
Belgium	11.5	581	18,700	13	880
Sweden	10	290	34,400	46	220
Netherlands	17	390	43,500	10	1,700
Denmark	6	98	61,000	5	1,200
England	56	315	177,700	17	3,300

¹⁶⁴ ResPublica, [Size doesn't matter: the arguments for place-based devolution](#), October 2020, p25. See also *Local Public Sector Reforms in Times of Crisis: National Trajectories and International Comparisons*, eds Sabine Kuhlmann and Geert Bouckaert, Springer, 2016

9.2

Economies of scale

The evidence that larger authorities reliably achieve economies of scale is equivocal, both in the UK and elsewhere.

UK evidence

A study led by Rhys Andrews, at the University of Cardiff, examined the effects of local authority population size on service provision, and on authorities' scores in the former Comprehensive Performance Assessment (CPA) regime, in 2006. The study took place in advance of unitary restructuring in a number of parts of England in 2007-09.

The study found some evidence of impact of local authority size on performance, though this varied between services and was smaller for the larger-spending services such as education, social care and housing. The authors found that:

- size has little impact on CPA scores
- one half of the measures of service inspection show a size effect
- a majority of the measures of consumer satisfaction are significantly influenced by size
- population size makes a difference to over one third of the Best Value Performance Indicators
- around three quarters of the value for money measures are influenced by local authority size
- population size has an effect on two thirds of the measures of administrative overheads.

5. These size effects comprise a variety of linear positive (30% of significant results), linear negative (14%) and non-linear relationships (54%).

6. The impact of population size varies across services, and between measures of performance for the same service.

7. The importance of size effects by service is as follows, in descending order: Leisure & Culture; Benefits; Housing; Environment; Social Services; Education. Thus the biggest spenders in local government show the weakest size effect.¹⁶⁵

Paragraph 5 in the above quote means that, in some cases, better performance was associated with larger authorities ('linear positive' relationships), whilst in others it was associated with smaller authorities ('linear negative' relationships). The research also found evidence of 'u-shaped' relationships in certain service areas. That is, a larger population

¹⁶⁵ Rhys Andrews and George Boyne, Population Size and Local Authority Effectiveness, DCLG, 2006, p5

was associated with poorer performance for certain services up to a certain population point, after which the performance improved: thus very large and very small councils scored better on performance in certain service areas. It also found evidence of 'inverted u-shaped' relationships, where performance was higher for councils with population sizes nearer the median and lower for very large and very small councils. The researchers conclude:

The big picture is that size makes a difference to corporate and service achievements in local government. Beneath this, however, lies a much more complex set of small pictures: the direction and form of size effects is highly variable. Our results are, therefore, consistent with prior research in this field: the relationship between population size and performance remains a complex mosaic of insignificant, positive, negative and non-linear effects. This is not surprising in multi-functional organisations that are judged on a variety of dimensions and measures of performance.¹⁶⁶

A Joseph Rowntree Foundation study from 1993 found very little relationship between measures of local authority performance and population levels, either in the UK or other states:

...It may be possible to show a link between population size and costs or effectiveness in some parts of some services, the relationship is by no means all one way, and there are other factors which probably matter much more ... The political culture and management style of a county, district or borough are widely accepted as being most important in determining how efficient and effective an authority is.¹⁶⁷

The authors' broad conclusion is:

It does not appear possible to argue a conclusive case for a strong and one-directional link between population size and efficiency or effectiveness. There are some services or functions or specialised parts of some functions or services where population size does have a measurable effect in determining costs or effectiveness. But there is on one size-range which performs better than others across the whole range of services. It is not possible to say larger authorities perform, on the whole, better than smaller... The combined weight of other factors affects performance more than does size.¹⁶⁸

The District Councils Network's 2020 report [Power in Place](#) suggested that proposals for large, county-based unitary authorities could find achieving projected savings challenging for a number of reasons, including:

- the analysis assumes savings reducing 90 to 100 councillors in each new county unitary, but counties pursuing county unitary bids are proposing having many more councillors than that. There are similar uncertainties with the staffing assumptions.
- the costs of moving to new county unitary models do not include the large potential costs of growing the role of local town and parish councils

¹⁶⁶ Ibid., p31

¹⁶⁷ Tony Travers, George Jones and June Burnham, The impact of population size on local authority costs and effectiveness, Joseph Rowntree Foundation, 1993, p22

¹⁶⁸ Tony Travers, George Jones and June Burnham, The impact of population size on local authority costs and effectiveness, Joseph Rowntree Foundation, 1993, p. 4

which feature in the bids of county unitary proposals, genuine efforts to bolster the role of hundreds of local councils in each county would not be cheap.

- the savings indicated through models on spreadsheets are challenging to realise in practice requiring sufficient political and officer leadership and attention, which is difficult to guarantee given the simultaneous crisis in communities and challenges in public services.
- the drive for savings into county unitary councils will put at risk a range of discretionary services, currently provided by district councils, which are important to residents and business in localities. The saving assumptions might already include the loss of these important services.¹⁶⁹

International evidence

International research has found some evidence of economies of scale arising from the merger of local governments, but no evidence that mergers will reliably lead to cost savings. In 2002 Joel Byrnes and Brian Dollery, at the University of New England in Australia, reviewed several studies investigating the evidence of economies of scale in larger Australian local governments. Some studies showed evidence of economies of scale, some showed evidence of diseconomies of scale, and others showed evidence of ‘U-shaped cost curves’ (i.e. very small and very large authorities exhibiting higher costs).¹⁷⁰

Enid Slack and Richard Bird, at the University of Toronto, analysed the merger of six lower-tier councils into Toronto City Council in 2008. They concluded that the merger had improved financial resilience in the new single council, and given Toronto a stronger voice in economic development matters. They stated that no visible cost savings had been achieved, and participatory forms of governance had reduced.¹⁷¹

A study led by Dr Falk Ebinger at the University of Vienna reviewed European academic literature on ‘territorial reforms’ (i.e. the merger of local authorities). They found that mergers correlated with “the improvement of task accomplishment, service quality and standing against higher administrative levels”.¹⁷² Merged local authorities were also more able to negotiate additional responsibilities and greater financial autonomy from higher tiers of government. Those are not automatic outcomes of mergers, but this finding suggests that larger local government units command greater confidence in their effectiveness from state or national governments.

¹⁶⁹ District Councils Network, [Power in Place: devolution and districts driving our recovery](#), August 2020, p19

¹⁷⁰ Byrnes, J. D. and Dollery, B. E. (2002). “Do economies of scale exist in Australian local government? A review of the research evidence”, *Urban Policy and Research* 20:4, pp.391-414.

¹⁷¹ Enid Slack and Richard Bird, [Does Municipal Amalgamation Strengthen the Financial Viability of Local Government? A Canadian Example](#), ICEPP, Georgia State University, 2013

¹⁷² Falk Ebinger, Sabine Kuhlmann & Joerg Bogumil (2019). “Territorial reforms in Europe: effects on administrative performance and democratic participation”, *Local Government Studies* 45:1, 1-23, p10

9.3

Transition costs and effects

Any restructuring process will generate one-off transition costs, associated with creating a new organisation, winding down previous ones, and/or mergers. These costs are normally greater than the annual savings of a restructuring process. Most models of the financial effects of potential restructuring therefore anticipate that a restructure can be expected to generate increased expenditure in the short term before beginning to show a net overall saving after a certain number of years. As with modelling of the potential for savings from restructuring, any models of transition costs cannot avoid depending in part upon assumptions made by the modellers.

The modelling reports published by EY (2016) and PriceWaterhouseCoopers (2020), discussed above in section 7.4, take transition costs (or ‘implementation costs’) into account in their headline figures (which indicate savings over 5 years of £2.3-£2.9 billion). EY’s report estimates implementation costs of £277-393 million for all two-tier areas in England to move to county-level unitary local government.¹⁷³ PriceWaterhouseCoopers estimate the same change costing £421 million in transition costs.¹⁷⁴

Michael Chisholm’s 2000 book Structural reform of British local government: Rhetoric and reality states that the reorganisation process of the 1990s cost a total of at least £505 million, though he stresses that data limitations make it difficult to identify an accurate figure (as noted in section 5.1 above).¹⁷⁵ He noted that the Association of County Councils, in 1992, estimated that a pattern of county-based unitaries across England would save £720 million per year, whereas a district-based pattern of unitaries would add £780 million per year to costs. He stated:

there can be no doubt that the unquantified costs of reorganisation have been considerable. There were the opportunity costs of the time and energy which were diverted from development work and the taking forward of initiatives because the immediate problems of transition had to take priority. Other uncertainties and their attendant costs arose with the transfer of assets... [and] difficulties could arise because there was uncertainty regarding the scale of the financial assets or liabilities which would be bequeathed to the successor councils.¹⁷⁶

¹⁷³ Ernst & Young, Independent Analysis of Governance Scenarios and Public Service Reform in County Areas, 2016, p30

¹⁷⁴ PriceWaterhouseCoopers, Evaluating the importance of scale in proposals for local government reorganisation, County Councils Network, July 2020, p24

¹⁷⁵ Michael Chisholm, Structural reform of British local government: Rhetoric and reality, 2000,p.109

¹⁷⁶ *Ibid.*, p123

9.4

Democratic responsiveness

Concepts

Academic theory proposes that local authorities covering larger areas or populations will tend to be less responsive to their electorates. Professors Adam Gendzwill and Ulrik Kjaer state that:

...from a communitarian perspective it is claimed that in smaller communities, proximity between members, higher socio-economic homogeneity and personal acquaintance create stronger social bonds and more opportunities to engage meaningfully in political activities. The decline-of-community school argues that in larger communities, social bonds are loosened and the sense of community and urge to participate decrease....¹⁷⁷

This suggests that merging local authorities into larger units could lead to reduced political participation and satisfaction with the political process, and reduced turnout in elections.

A number of academic studies have set out evidence that these effects often do occur where large local authorities exist. An assessment of the rationales for, and likely effects of, restructuring proposals would need to weigh the importance of measures of democratic satisfaction against matters of cost and economies of scale. These criteria are likely to point to different conclusions as regards the optimal population size covered by a local authority.

This type of decision will inevitably be influenced by political and cultural views of the appropriate role of local authorities. If local authorities are seen primarily as deliverers of national public services, decision-makers may favour larger authorities on the grounds of effectiveness. If they are seen more as local forums for the expression of democracy and citizenship, decision-makers may prefer smaller authorities.

There is a broader question of how important it is for local authority areas to reflect 'community identity'. This concept is difficult to pin down, but it featured in the deliberations of the 1992-95 Local Government Commission, on the grounds that "evidence presented to the Commission suggests that in many cases the boundaries that were defined then were not rooted in the reality of local communities".¹⁷⁸ A further concept that can feature in these debates is 'underboundedness' – the scenario where a city-based local authority does not cover the full urban area of the city. A number of the

¹⁷⁷ Adam Gendzwill & Ulrik Kjaer (2020) "Mind the gap, please! Pinpointing the influence of municipal size on local electoral participation", *Local Government Studies*, DOI: 10.1080/03003930.2020.1777107

¹⁷⁸ Local Government Commission, *Renewing Local Government in the English Shires: A Progress Report*, 1993, p10

unitary authorities created in the 1992-95 can be described in this way: examples include Bristol, Leicester and Nottingham.

Studies of size and democratic responsiveness

Adam Gendzwill and Ulrik Kjaer compared the gap between national and local electoral turnout in some 15,000 municipalities across 12 European states (not including the UK). They found that states with larger local authorities tended to have a bigger gap between national and local turnout, suggesting that the existence of larger local authorities is linked to lower local turnout.

Joseph Drew and Brian Dollery studied community satisfaction data from 2008-10 in Victoria, Australia. They found a negative relationship between local authority population size and three measures of satisfaction (overall satisfaction, satisfaction with advocacy and satisfaction with engagement in decision-making). They also found a positive relationship between population density and these three measures of satisfaction. These findings analysed the effects of population size but not the effects of local authority mergers. The researchers cautioned that their findings were not conclusive.¹⁷⁹

A systematic review of academic findings on local authority population size and participation, by Josh McDonnell of the University of Western Australia, found a correlation between smallness of local authorities and both 'internal political efficacy' (individuals' views of their political awareness and competence) and 'external political efficacy' (individuals' views about the responsiveness of governments). He concluded that "[increased population] size has a negative effect on all forms of electoral participation included in this review – voting, contacting local officials, meeting attendance and political party activity".¹⁸⁰

On the other hand, the 2019 study led by Falk Ebinger of the University of Vienna suggests that the effect of mergers on political participation more generally – as opposed to voting – is marginal, and that some studies exist showing no significant relationship between population size and turnout in certain states (for example, Denmark, Switzerland and Norway).¹⁸¹

A review of 52 studies by Antonio Tavares of the University of Minho in 2018 found that, where mergers took place, evidence of cost savings was confined to administrative functions, and these were often offset by higher spending elsewhere in the organisation. At the same time, the quality of local authority services often improved post-merger, perhaps due to increased spending.

¹⁷⁹ Joseph Drew & Brian Dollery (2016), "[Does Size Still Matter? An Empirical Analysis of the Effectiveness of Victorian Local Authorities](#)", *Local Government Studies*, 42:1, 15-28

¹⁸⁰ Joshua McDonnell (2020) "Municipality size, political efficacy and political participation: a systematic review", *Local Government Studies* 46:3, 331-350, p344

¹⁸¹ Falk Ebinger, Sabine Kuhlmann & Joerg Bogumil (2019) "Territorial reforms in Europe: effects on administrative performance and democratic participation", *Local Government Studies* 45:1, 1-23, p13

Tavares's review too suggested that mergers led to a diminished degree of political responsiveness:

Mergers tend to depress turnout rates, decrease the number of candidates in local elections, reduce internal political efficacy, and negatively affect the level of community attachment of residents.¹⁸²

These findings align with the conclusions of Rhys Andrews of the University of Cardiff, studying early data in 2012 from the English unitary authorities created in 2008-09. Andrews also found, in a study in 2016, that some measures of service quality (children's social care and highways) rose in the unitary authorities established in 2008-09 in comparison to their predecessor councils, but established unitary authorities scored better in adult social care.¹⁸³

¹⁸² Antonio Tavares, "Municipal amalgamations and their effects: a literature review", *Miscellanea Geographica – regional studies on development* 22:1, 2018, p.13

¹⁸³ Rhys Andrews, *Quantitative Analysis of the Service Performance of Non-Metropolitan Local Authorities*, unpublished report, July 2016

Appendix 1: Unitary authorities in England

Authority	First elections	Predecessors
Isle of Wight	1995	Isle of Wight CC; Medina BC; South Wight DC
Bath & North-East Somerset	1995	Bath City Council; North-East Somerset DC
Bristol City	1995	
South Gloucestershire	1995	Kingswood DC; Northavon DC
North Somerset	1995	Woodspring DC
Hartlepool	1995	
Middlesbrough	1995	
Redcar & Cleveland	1995	
Stockton-on-Tees	1995	
East Riding of Yorkshire	1995	
North-East Lincolnshire	1995	
North Lincolnshire	1995	Scunthorpe BC; Glanford BC; Boothferry DC (part)
Hull City	1995	
York City	1995	
Luton	1996	
Milton Keynes	1996	
Derby City	1996	
Bournemouth	1996	
Poole	1996	
Darlington	1996	
Brighton & Hove	1996	Brighton BC; Hove BC
Portsmouth City	1996	
Southampton	1996	
Leicester City	1996	
Rutland	1996	
Stoke-on-Trent	1996	
Swindon	1996	Thamesdown BC
Bracknell Forest	1997	
Reading	1997	
Slough	1997	
West Berkshire	1997	
Wokingham	1997	
Windsor & Maidenhead	1997	
Peterborough City	1997	
Halton	1997	
Warrington	1997	
Plymouth City	1997	
Torbay	1997	
Medway	1997	Rochester City Council, Gillingham BC
Southend-on-Sea	1997	
Thurrock	1997	
Herefordshire	1997	Hereford & Worcester CC (part), Hereford City; Leominster (part); Malvern Hills DC (part); South Herefordshire DC
Blackburn with Darwen	1997	
Blackpool	1997	
Nottingham City	1997	
Telford & Wrekin	1997	The Wrekin

Authority	First elections	Predecessors
Central Bedfordshire	2009	Mid-Bedfordshire DC; South Bedfordshire DC; Bedfordshire CC (part)
Bedford	2009	Bedford BC; Bedfordshire CC (part)
Cheshire West and Chester	2009	Ellesmere Port & Neston BC; Vale Royal BC; Chester City Council; Cheshire CC (part)
Cornwall	2009	Cornwall CC; Penwith DC; Caradon DC; Kerrier DC; Carrick BC; Restormel BC; North Cornwall DC
Durham	2009	Durham CC, Durham City Council, Easington BC, Sedgefield BC, Teesdale DC, Wear Valley DC, Chester-le-Street DC, Derwentside DC
Northumberland	2009	Northumberland CC, Berwick BC, Alnwick DC, Wansbeck DC, Tynedale DC, Castle Morpeth BC, Blyth Valley BC
Shropshire	2009	Shropshire CC, Bridgnorth DC, North Shropshire DC, South Shropshire DC, Shrewsbury & Atcham BC, Oswestry BC
Wiltshire	2009	Wiltshire CC, Salisbury DC, Kennet DC, North Wiltshire DC, West Wiltshire DC
Cheshire East	2009	Macclesfield BC, Congleton BC, Crewe and Nantwich BC, Cheshire CC (part)
Bournemouth, Christchurch and Poole	2019	Bournemouth, Poole, Christchurch DC, Dorset CC (part)
Dorset	2019	Dorset CC (part), East Dorset DC, West Dorset DC, North Dorset DC, Purbeck, Weymouth & Portland
Buckinghamshire	2021 (postponed from 2020)	Buckinghamshire CC, Wycombe DC, Chiltern DC, South Bucks DC, Aylesbury Vale DC
West Northamptonshire	2021 (postponed from 2020)	Daventry DC, South Northamptonshire DC, Northampton BC, Northamptonshire CC (part)
North Northamptonshire	2021 (postponed from 2020)	Corby BC, Kettering BC, Wellingborough BC, East Northamptonshire DC, Northampton CC (part)
Cumberland	2023	Carlisle CC; Copeland BC; Allerdale BC; Cumbria CC (part)
Westmorland & Furness	2023	Barrow BC; South Lakeland DC; Eden DC; Cumbria CC (part)
North Yorkshire	2023	Hambleton DC; Craven DC; Harrogate BC; Selby DC; Scarborough BC; Ryedale DC; Richmondshire DC; North Yorkshire CC
Somerset	2023	Somerset West & Taunton BC; Mendip DC; Sedgemoor BC; South Somerset DC; Somerset CC

Appendix 2: Further reading

Tony Travers, George Jones and June Burnham, The impact of population size on local authority costs and effectiveness, Joseph Rowntree Foundation, 1993

Byrnes, J. D. and Dollery, B. E. (2002). "Do economies of scale exist in Australian local government? A review of the research evidence", *Urban Policy and Research* 20:4, 391-414.

Aulich, C. M. Gibbs, A. Gooding, P. McKinlay, S. Pillora and G. Sansom (2011), [Consolidation in Local Government: A Fresh Look](#), Broadway, NSW: Australian Centre of Excellence for Local Government

Enid Slack and Richard Bird, [Does Municipal Amalgamation Strengthen the Financial Viability of Local Government? A Canadian Example](#), ICEPP, Georgia State University, 2013

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Appendix 3: Restructuring worldwide

The table below lists local authority merger programmes in European and other developed states since the mid-20th century.

Source: J. Blom-Hansen, K. Houlberg, S.Serritzlew, and D. Treisman (2016), “Jurisdiction Size and Local Government Policy Expenditure: Assessing the Effect of Municipal Amalgamation” *American Political Science Review*, 110 (4), 812-831. p814


Country	Year(s)	Changes
Sweden	1952, 1969	Massive amalgamation
Norway	1960s	Massive amalgamation
Denmark	1970, 2007	Massive amalgamation
Finland	2006-11	From 431 to 336 municipalities
Iceland	2006	From 204 to 79 local units
UK	1960s and 1970s	Massive amalgamation
Ireland	2014	From 114 to 31 local authorities
West Germany	1960s and 1970s	From 24,000 to 8,000 municipalities
Former East Germany	Since 1990	Elimination of 50% of local units
Austria	1960s	From 4,000 to 2,700 local units
Switzerland	Since 1996	From 3,000 to 2,600 communes
Belgium	1970s	Elimination of 75% of municipalities
Netherlands	Since 1950	Elimination of 50% of local units
Luxembourg	2009-2017	Program to cut almost 40% of municipalities
France	1970s	From 37,000 to 36,000 communes
Spain	1977-2007	From 8,800 to 8,111 local units
Italy		No significant reduction
Greece	Since 1990s	Massive amalgamation
Turkey	2008	Planned reduction from 3,225 to 2,950 municipalities
Lithuania	1990s	Elimination of 75% of local units
Latvia	1990s	Elimination of 75% of local units
Estonia		Plans to reduce 226 units to less than 50
Canada	Since 1960s	Amalgamations
Australia	Since 1970s	From 900 to 600 local councils
New Zealand	1980s	From 200 to 74 city and district councils
Japan	1953, 1999	From 3,232 to 1,719 local units
South Korea	1990s	Wave of amalgamations

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