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Local Government Reorganisation: The importance of keeping growth at its heart

Insights from
31ten and Metro Dynamic's
Senior Leaders Virtual Roundtable

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Introduction

As the momentum behind Local Government Reorganisation (LGR) gathers pace, it presents opportunities to reshape local leadership, strengthen strategic capacity and create authorities better suited to future challenges.

But it also raises a critical question:

How do places maintain momentum on growth and economic development while navigating structural change?

To explore this challenge, 31ten and its partner Metro Dynamics, convened a virtual roundtable bringing together senior leaders with direct experience of local government reorganisation, devolution and growth delivery. Drawing on lessons from previous reorganisations and current reform programmes, participants reflected on the practical realities facing councils entering the next phase of local government change.

A clear consensus emerged:

> *"Growth can't be something we come back to once reorganisation is finished. It has to be at the heart of the conversation from day one."*

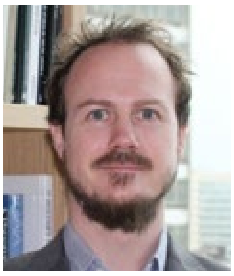
The discussion highlighted both the risks and opportunities presented by LGR, and identified practical steps leaders can take to ensure growth remains a central priority throughout transition.

Session speakers:

Rahul Rana
Director
31ten

Alex Gardiner
Director
Metro Dynamics

Isobel Brown
Programme Director
Enterprising Cumbria



Nick Glover
Head of Future Economy
Oxfordshire County Council

All quotes included in this paper are anonymous at the request of attendees.

Lessons from previous reorganisations
What experience tells us

Participants who have lived through previous large multi-faceted reorganisations reflected on the lessons that mattered most.

While every area is different, many of the challenges were strikingly familiar.

1 Growth can easily become overshadowed

Reorganisation creates enormous demands on political and officer capacity. Unless growth is deliberately protected, it risks becoming secondary to transition activity.

2 Decision-making can slow down

Periods of uncertainty often create hesitancy around investment, infrastructure and regeneration projects. Delays can undermine confidence among investors, businesses and delivery partners.

3 Partnerships become more important

During transition, trusted relationships often matter more than formal structures. Existing partnerships provide continuity and help maintain momentum.

4 Governance creates stability

Places that maintained strong growth governance arrangements were better able to sustain focus and delivery through organisational change.

5 Keep thinking beyond Day One

Successful reorganisations focus not only on creating a new authority but on defining the future economic ambitions of the place.

6 Reorganisation creates opportunity

Where growth remains central to the process, LGR can become a catalyst for stronger investment propositions, better collaboration and more strategic economic leadership.

> *The challenge isn't just creating a new council. It's making sure the economy doesn't stand still while you're doing it.*

Growth is not an optional extra

Throughout the discussion, participants returned to a simple but important point - growth underpins everything else local government is trying to achieve.

Economic growth creates jobs, attracts investment, supports higher wages and strengthens confidence in place. It provides the foundation for long-term prosperity and resilient communities.

Yet growth can sometimes be viewed as a discretionary activity when organisations are under pressure.

Roundtable participants challenged this assumption.

Growth was consistently described not as a competing priority but as one of the primary reasons for undertaking reorganisation in the first place.

> *Growth brings investment. Investment brings better jobs, better wages and greater confidence in a place.*

The implication is clear. LGR should not simply create new structures; it should create better conditions for growth.

The risk of losing focus

One of the strongest themes to emerge from the discussion was the danger of distraction.

The practical demands of LGR are substantial. Governance design, staffing structures, assets, finance, service integration and programme management inevitably consume significant leadership attention.

Participants identified several common risks:

- Political bandwidth being absorbed by transition issues
- Reduced organisational capacity for growth activity
- Slower decision-making
- Uncertainty around investment priorities
- Loss of momentum across regeneration programmes
- Reduced confidence among partners and investors

Several contributors noted that businesses and investors rarely distinguish between organisational change and economic ambition. What matters externally is whether a place continues to demonstrate confidence, clarity and momentum.

Maintaining a clear and consistent growth narrative throughout transition was therefore viewed as essential.

> *"The outside world doesn't stop because local government is reorganising."*

Protecting growth through transition
Ring-fence priority projects and investment pipelines

A major theme that emerged from the discussion was the need to actively protect growth activity during reorganisation.

Participants reflected on previous transitions where economic development programmes had stalled as organisations became consumed by structural change. Others described the benefits of identifying critical projects early and ensuring they remained visible throughout the transition period.

A clear message was evident from those who have been through reorganisation:

Do not assume growth projects will continue automatically.

Instead, as a council, you should deliberately identify:

- Strategic regeneration projects
- Major infrastructure investments
- Employment and skills programmes
- Investment opportunities
- Enterprise and innovation initiatives
- Place-shaping projects critical to future prosperity

These should be actively monitored and protected through transition.

> *"You need to know which projects really matter and make sure they don't disappear into the reorganisation process."*

Several participants highlighted the importance of maintaining an active pipeline of investable propositions and making key decisions before uncertainty begins to affect delivery.

Growth programmes should continue moving forward, even while governance structures evolve around them.

A shared growth plan creates continuity

Alongside protecting existing projects, participants emphasised the importance of having a clear growth framework.

Successful places understand their assets, identify their opportunities and make deliberate choices about where to focus investment.

A shared Local Growth Plan can provide continuity throughout transition by helping partners answer three critical questions:

1 What are our strongest assets?

Places need a clear understanding of the economic strengths, sectors, institutions, infrastructure and natural assets that create competitive advantage.

2 Which projects matter most?

Not every opportunity can be prioritised equally. A growth plan helps identify those investments capable of delivering the greatest long-term impact.

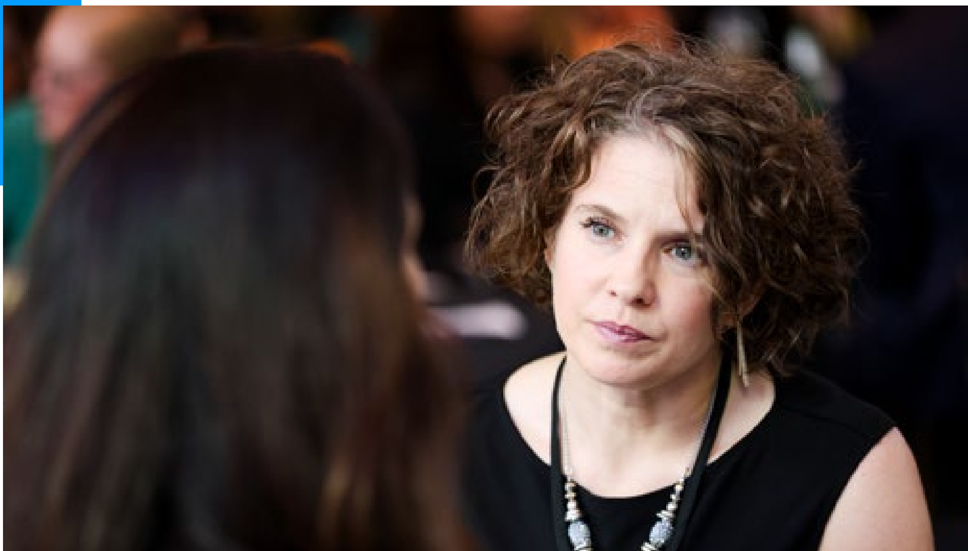
3 Where should resources be focused?

Growth plans provide a framework for aligning public investment, partner activity and future funding opportunities.

> *"Understand your place. Understand your assets. Then be clear about what you're trying to deliver."*

Participants repeatedly highlighted the value of moving beyond broad aspirations towards a clearly prioritised pipeline of projects and propositions.

In periods of uncertainty, clarity becomes a strategic advantage.



Governance matters
Creating a prosperity or growth board

If one lesson stood out above all others, it was the importance of governance.

Participants repeatedly described the value of creating dedicated spaces where growth remains the primary focus throughout reorganisation.

Whether described as a Prosperity Board, Growth Board or strategic partnership, the principle was the same.

Effective governance should:

- Bring together councils and key partners
- Create a neutral space for collaboration
- Maintain focus on economic outcomes
- Survive organisational transition
- Provide visible leadership and accountability
- Coordinate delivery across organisations

> *You need somewhere people can continue talking about the economy while local government is understandably focused on creating the new authority.*

Several speakers reflected on arrangements that successfully brought together local government, business, education and wider partners around shared economic priorities.

Such structures help ensure that growth remains visible while councils concentrate on delivering a safe and effective transition.

Importantly, participants stressed that governance should focus on delivery rather than simply discussion.

The most effective boards create momentum, prioritise investment and maintain accountability for outcomes.

Partnership working will become more important

A consistent theme throughout the discussion was the importance of collaboration.

Reorganisation may reduce the number of councils, but participants expressed the mportance of continued partnership working.

Growth increasingly depends on collaboration between:

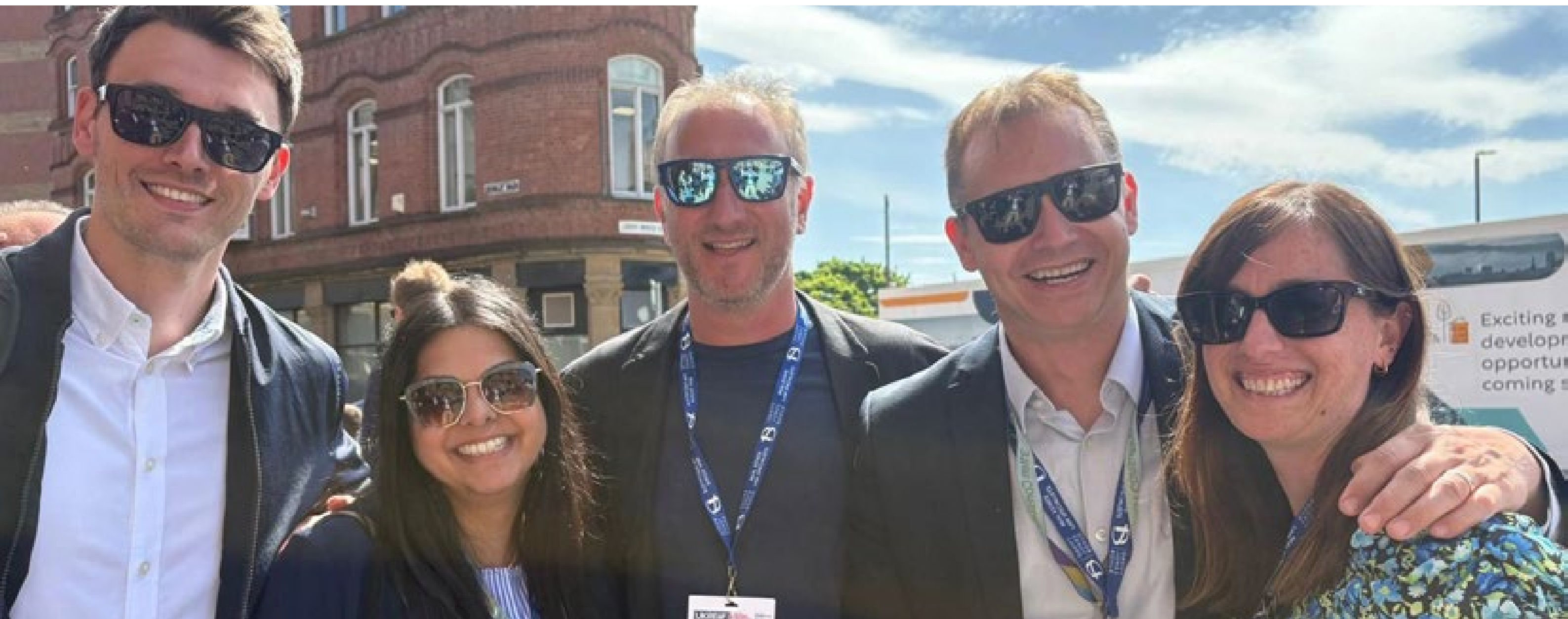
- Local authorities
- Businesses
- Universities and colleges
- Infrastructure providers
- Combined authorities
- Government agencies

Strong relationships create resilience during periods of uncertainty.

Several contributors emphasised the importance of creating neutral spaces where partners can work together around shared economic objectives.

> *Nothing builds trust like delivering things together.*

Places entering reorganisation should therefore regard relationship-building as a critical component of growth delivery.



Devolution and reorganisation - a rare opportunity to rethink growth

The senior leaders around the table highlighted the importance of viewing LGR within the wider context of devolution.

Many areas are simultaneously navigating structural reform, greater local powers and new opportunities for investment.

This creates a rare chance to rethink how growth is delivered.

Potential benefits include:

- Greater strategic influence
- Stronger investment propositions
- Better alignment between infrastructure and growth
- Improved coordination across larger geographies
- A clearer voice with government

However, these benefits are not automatic.

The discussion repeatedly returned to the need to focus on outcomes rather than structures.

> *"People won't judge success by whether the organisational chart works. They'll judge it by whether their place is thriving."*

Growth provides the shared objective that can align these reforms and help realise their potential.

What senior leaders should do now

The discussion concluded with a clear set of actions for leaders preparing for reorganisation:

Understand your place

Build a robust evidence base around your area's economic strengths, opportunities and challenges. Use a Local Growth Plan to identify priority sectors, strategic assets and the projects that will have the greatest long-term impact.

Set a clear long-term strategy

Develop a shared vision for growth that extends beyond organisational transition and provides confidence for residents, businesses, investors and partners.

Maintain partner relationships

Invest in collaboration and shared delivery. Strong relationships between local authorities, business, education and other partners will provide resilience during periods of change.

Focus on delivery

Maintain momentum behind the projects that matter most. Ring-fence critical programmes, protect investment pipelines and ensure strategic growth activity continues throughout transition.

Use your assets

Understand and maximise the assets that make your place distinctive, whether physical, economic, environmental, cultural or institutional. And use them to create investable propositions and drive growth.

Create a space for collaboration

Establish governance arrangements, such as a Prosperity or Growth Board, that bring partners together, maintain focus on economic outcomes and provide continuity throughout reorganisation.

Speak to government with one voice

Develop a consistent and compelling narrative about your place's ambitions, priorities and investment opportunities to strengthen relationships with government and increase confidence among investors and partners.

Conclusion

Local Government Reorganisation presents both challenge and opportunity.

The operational demands are substantial, but the strongest message from this discussion was that growth must not become a casualty of the process.

The places most likely to succeed will be those that:

- Keep growth at the centre of decision-making
- Protect strategic projects and investment pipelines
- Create strong governance arrangements
- Build trusted partnerships
- Focus relentlessly on delivery

Amongst the change of organisations, structures and boundaries, the need to create prosperous, resilient and thriving places remains the constant.

For leaders navigating the next phase of local government reform, growth should be one of the fundamental reasons for undertaking reorganisation in the first place.

About the virtual roundtable

This paper summarises the key themes emerging from a senior leaders' roundtable convened by 31ten and Metro Dynamics (MD). The discussion brought together practitioners with direct experience of local government reorganisation, devolution, economic development and place leadership.

31ten and MD's role was to facilitate the conversation, capture lessons from previous reorganisations and support a constructive discussion about how places can maintain momentum on growth during periods of significant change.

The insights presented here reflect the collective experience of those leading and supporting transformation across local government and place-based partnerships.

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