COUNCIL

Wednesday, 24 September 2025

Attendance:

Councillors Present

Achwal S (Chairperson)

Gordon-Smith Latham Achwal V Learney Aron Lee Bailey-Morgan Miller Batho Morris Becker Murphy **Bolton** Pett Brook Pinniger **Brophy** Porter Chamberlain Reach Clear Rutter Cook Scott Small Cramoysan Cunningham **Thompson** Cutler Tippett-Cooper Tod Eve

Eve Tod
Godfrey Wallace
Horrill White
Laming Williams

Langford-Smith

Apologies for Absence:

Councillors Bennett, Power, Warwick, Westwood and Wise

Recording of Meeting

1. <u>MINUTES OF THE ORDINARY MEETING OF THE COUNCIL HELD ON 9 JULY</u> 2025

RESOLVED:

That the minutes of the Ordinary meeting of the Council held on 9 July 2025 be approved and adopted.

2. **DISCLOSURE OF INTERESTS**

Councillors Porter, Tod, Wallace and Williams each declared disclosable pecuniary interests in respect of agenda items due to their role as Hampshire County Councillors. However, as there was no material conflict of interest, they

remained in the room, spoke and voted under the dispensation granted on behalf of the Audit and Governance Committee to participate and vote in all matters which might have a County Council involvement.

Councillor Pett declared a disclosable pecuniary interest in respect of agenda items due to his role as Council's representative on the South Downs National Park Authority. However, as there was no material conflict of interest, he remained in the room, spoke and voted under the dispensation granted on behalf of the Audit and Governance Committee to participate and vote in all matters which might have a South Downs National Park Authority involvement.

3. ANNOUNCEMENTS FROM THE MAYOR, LEADER AND CHIEF EXECUTIVE.

The Mayor referred to recent engagements and then announced his forthcoming charities events.

The Leader then announced that the Independent Planning Inspector for the Winchester District Local Plan had recently published her initial findings following the recent examination hearings. The Inspector has indicated that the Plan is likely to be capable of satisfying the necessary steps before adoption, subject to some modifications. The Inspector had highlighted that the council's approach to un-met housing need and duty to cooperate, was sound. Local energy efficiency standards had been included in the Plan, that went beyond current Building Regulations and had been accepted. The Leader reported that this was all very positive news for the district as an adopted Local Plan would help control unplanned development on greenfield sites achieved via planning appeals, and the additional environmental protections would help the council's priorities in this area. He commended the Strategic Planning Manager and his team, and all officers involved, for their achievements. The Council then reciprocated with applause.

The Chief Executive announced apologies for the meeting.

4. QUESTIONS FROM MEMBERS OF THE PUBLIC

There were no Questions before Council.

5. QUESTIONS FROM MEMBERS OF COUNCIL

With the leave of the Mayor, the Leader firstly introduced Report CL176.

The Leader explained that the process of Local Government reorganisation began on 5 February 2025 with a statutory invitation from the Minister and required a submission to Government by Friday 26 September. It was acknowledged that the process, criteria, and timeline were imposed by the government, but that a response from the Council was required.

The Leader outlined the next steps as follows:

The government would review submissions and undertake public consultation on all those that meet the specified criteria, likely between November and January 26. A final decision would be made by the Minister by March 2026. He stressed that a failure to submit a proposal would mean the Council's preferred option would not be considered. He stated that that Hampshire County Council intended to submit its own proposal to merge Winchester with Basingstoke and Deane, Hart, Rushmoor, and East Hampshire, and this would proceed regardless of this council's decision.

The decision before the Council was whether to submit its own proposal, referred to as "Option Two" in the submission document prepared by twelve councils across Hampshire and Isle of Wight. Option Two proposed a new unitary council for incorporating the districts of Winchester, Test Valley, and East Hampshire, had been supported by residents during the engagement process. The Leader stated his belief that this proposal met all government criteria. It was the result of a collaborative effort involving other councils and external experts, was underpinned by robust financial methodology, and was informed by extensive public engagement.

The Leader set out the submission was a positive plan that created a logical set of four mainland authorities while treating the Isle of Wight as a special case and proposed that it remained a single island unitary. Its aim was not only to protect essential services during the transition but to use unitarisation to deliver better long-term outcomes for residents. The choice presented to council was to either agreeing this submission and supporting this preferred option or, by doing nothing, accepting the imposition of other, less desirable, outcomes.

Council then turned to the 8 questions which had been received, which were all heard at the meeting along with associated supplementary questions. The questions received and their response were subsequently set out on the council's website.

6. LOCAL GOVERNMENT RE-ORGANISATION FINAL SUBMISSION (CL176)

The Leader introduced the Report prior to Council hearing Questions submitted by Councillors (agenda item 5).

The Mayor invited questions from Council on Report CL176 and its appendices.

In summary, the following matters were raised, and each were responded to by the Leader:

- A question was raised as to whether it would be appropriate to pause the process, given perceived gaps in the government's criteria and a number of external unknowns.
- 2. An explanation was sought for the significant difference between the savings forecast in the Council's proposal (£63.9m) and the loss forecast in Hampshire County Council's proposal (over £31m).

- 3. Clarification was requested on whether Cabinet members had seen the detailed financial modelling for disaggregation and implementation costs.
- 4. A question was asked as to whether there were any areas where the proposal was considered weaker when assessed against the government's six criteria.
- 5. Clarification was sought on how a decision on council groupings could be reached without Cabinet having seen detailed financial forecasts for the proposed new authorities.
- 6. A question was asked about the inherent risks within the financial model being used, particularly in light of its previous application in the Cumbria reorganisation.
- 7. An explanation was sought as to why a four-unitary model had not been modelled, as it might have been more cost-effective.
- 8. A question was asked regarding what backup plan was in place for parts of the Winchester district that were included in the proposals of other councils.
- 9. Clarification was sought on whether concerns raised by Hampshire County Council about alleged "incorrect statements" in the report would be addressed before its final submission.

Council the proceeded to debate the matters in the report. In summary, the following matters were raised:

- 1. It was stated that the choice was to either refuse to participate in the process or to act responsibly by submitting the preferred Option Two.
- 2. Option Two was supported as it would keep local government closer to communities, create a unitary of a viable size, and group similar rural areas together.
- 3. A request was made to ensure the historic mayoralty of Winchester was retained in any new structure.
- 4. Concern was expressed about the lack of access for all councillors to the detailed financial data underpinning the proposal, which was felt to be essential for making a fully informed decision.
- 5. The significant discrepancy between the financial forecasts of the Council's proposal and the Hampshire County Council proposal was highlighted as a major concern.
- 6. It was argued that the process was not a choice but had been imposed by government, and the proposal represented the best collective effort of 12 councils to create a logical plan within that framework.

- 7. The need for councillors to place trust in the professional judgement of the twelve Section 151 officers who had produced the financial case was noted.
- 8. Concern was expressed regarding the Hampshire County Council proposal regards the creation of authorities that would be among the largest in the country by population, spread over vast geographical areas, and therefore not truly local.
- 9. The consultation process undertaken by the district councils was contrasted favourably with that of the County Council, which was described as not offering residents a genuine choice.
- 10. It was argued that the new unitary authorities would not be 'greenfield' as they would inherit existing staff, services, and expertise from all predecessor councils.
- 11. Option Two was described as the "least worst case" in what was seen as a flawed, top-down process.
- 12. The significant "democratic deficit" that would be created by having fewer councillors representing much larger populations was raised as a recurring point of concern.
- 13. A counter-argument was made that for upper-tier services, the new arrangements could be considered more local, as residents would have more councillors representing them at that level than at present.
- 14. A desire for more detail and transparency was voiced, not to cause delay but to enable better understanding and judgement.
- 15. The reliance on financial models was questioned, with concern expressed that savings were being overestimated and disaggregation costs underestimated, drawing parallels with the experience in Cumbria.

Throughout the debate, council recognised the effort and commitment shown by council officers to prepare the proposal under very tight deadlines.

The Leader confirmed that he would take the matters raised during the meeting forward for Cabinet's consideration. He thanked councillors for their considered debate, acknowledged the concerns regarding the level of financial detail provided and gave the following summary

- He believed that the long-term success of any re-organisation, designed to last for 50 years, depends more on fundamental design principles than on immediate financial projections. The key criteria for a successful outcome are creating authorities that are coherent in terms of geography, economy and housing delivery linked to recognised communities.
- 2. He emphasised that the current system was financially unsustainable, and no re-organisation model can fully resolve the underlying funding gap.

- a) The 'do nothing' option would lead to a projected £2 billion financial shortfall at Hampshire County Council over the next five years.
- b) By 2028/29, the combined forecast deficit for all authorities was approximately £320 million (£280 million for Hampshire County Council and £42 million for other authorities).
- 3. He clarified that the projected savings do not eliminate the deficit but merely reduce it. For example, the proposed £63 million in savings would lower the £320 million deficit but would not immediately create a surplus. This fundamental problem in local government finance remains.
- 4. He asserted that the financial projections should be treated as a comparative "decision-making tool". The Council was operating within strict rules imposed by central government regarding the size of authorities, the timetable, and the overall process. Therefore, the chosen proposal represents the best, or as suggested during debate the "least worst," option available within these significant constraints.
- 5. Failure to submit the Council's preferred option would be a significant tactical error. If the Council did not submit its proposal, other less desirable options for Winchester will be the only ones considered by the government. This would leave proposals on the table that include:
 - a) Unwanted boundary changes to district areas.
 - b) The potential for a unitary council that grouped together local areas such as Southwick, Denmead, or Whiteley with northern areas such as Aldershot and Farnborough.
- 6. His interpretation of the debate was that a majority of councillors:
 - a) Broadly support submitting Option 2 as the preferred option for this council
 - b) Understand that not submitting a proposal was effectively a vote in favour of one of the alternatives, less preferred options from other councils.
- 7. The Leader confirmed he would take the following key points forward to the Cabinet meeting for consideration:
 - a) The ongoing concerns held by councillors regarding the financial details and modelling.
 - b) The broad support for submitting Option 2 as the Council's preferred way forward.
 - c) A commitment to continue advocating for important issues as the process continues, including:

- Achieving the right number of councillors for effective representation.
- Ensuring that risk and environmental considerations are integrated into the next stage of the process.
- 8. Effective service design and financial modelling once the final structural configuration was determined. He concluded that, despite the challenges, the proposed plan was the right way forward and offers the best possible outcome for the residents of the district and the wider county for the next 50 years.

Following a request from a member, at the discretion of the Mayor, council were invited to indicate their preference to support submission of the proposal and therefore support for Option 2 by way of a show of hands. The majority of members indicated their agreement although a number of members abstained and a number of members did not indicate their preference or otherwise.

RESOLVED:

- 1. That the Cabinet report of 25 September 2025 be noted, and it be noted that that Cabinet will consider the comments of Council as summarised by the Leader as set out above.
- 2. That it be noted that Cabinet is asked to approve the full proposal to the Government of the proposals for local government reorganisation in Hampshire and Isle of Wight at their meeting on 25 September 2025 and in doing so, pending consideration of the views of council, indicates this councils support for Option 2 of the proposed new unitary authority geographies for Hampshire and Isle of Wight.
- 3. That it be noted that a final version of the proposal is under preparation following external legal advice which details that Option 3 will be referred to as Option 1A. Option 1A is Option 1 as the core option but this is wholly conditional upon a formal request to Government as part of the Council's submission to undertake a modification to permit Option 1A as outlined in the proposal documents.
- 4. That it be agreed that in the event of minor changes being necessary to the submission, if they are agreed by all 12 councils, that the Leader, in consultation with the Chief Executive is authorised to agree such amendments on behalf of Winchester City Council.

7. CHANGES TO COMMITTEE MEMBERSHIPS

There were no changes to committee memberships for Council to note.

The meeting commenced at 6.30 pm and concluded at 9.20 pm