

REPORT TITLE: LOCAL GOVERNMENT RE-ORGANISATION: FINAL PROPOSAL FOR HAMPSHIRE AND ISLE OF WIGHT

25 SEPTEMBER 2025

REPORT OF CABINET MEMBER: Cllr Martin Tod, Leader of the Council

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WARD(S): ALL

PURPOSE

On February 5, 2025, the Government selected Hampshire and the Solent to be part of its Devolution Priority Programme (DPP) to create a Strategic Authority and elected Mayor in 2026.

On the same day, the Secretary of State for Housing, Communities and Local Government wrote to request that all principal councils in Hampshire bring forward proposals for Local Government re-organisation (LGR) with the interim plan considered by this Council in March 2025 and final proposals to be submitted by 26 September 2025.

Following the final submission, all proposals that meet the prescribed criteria will be subject to public consultation by the Government. Ministers will then decide their preferred option for LGR in Hampshire and Solent, and lay legislation in Parliament with the most ambitious timetable leading to the new Unitary Councils taking legal effect from 1 April 2028.

This report presents the final proposal '*close enough to be local, big enough to stay strong*' prepared by 12 local authorities in Hampshire and Isle of Wight. The report asks Cabinet to consider the document, the comments made by Council at its meeting of 24 September and determine whether to submit the proposal to Government. It also asks that Cabinet determine support for Option 2 of the proposed new unitary authority geographies for Hampshire and Isle of Wight.

In addition, Council are asked to agree that in the event of minor changes being necessary to the proposal, 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.

RECOMMENDATIONS:

1. That views of council are reviewed by Cabinet following the consideration of the submission 'close enough to be local, big enough to stay strong' at Full Council 25 September 2025.
2. To approve the full proposal to government at Appendix 4, including the council's primary support for Option 2 within the proposal, for submission to Government by the 26 September 2025 deadline
3. Note 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 which 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. Note that council has agreed that in the event of minor changes being necessary to the proposal, 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.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 The Government has required all two tier areas to bring forward proposals for a single tier of local government in their area and it is expected that Shadow Unitary Councils will be formed in 2027 and a new Unitary Council formed in 2028.
- 1.2 The Council Plan 2025 – 2030 will continue to provide the strategic framework for Winchester City Council until that date.

2 FINANCIAL IMPLICATIONS

- 2.1 The Chief Financial Officers from the 12 council's worked collaboratively with KPMG to populate a financial model based on previous LGR cases-for-change from across the country. The lived experience from the previous LGRs shaped assumptions and formed the base for the forecast costs and savings of this proposed reorganisation. The model underpins the business case and includes estimates of:
 - a) ongoing, net efficiency savings (from forming 4 new councils from the existing 14 in mainland Hampshire).

- b) disaggregation costs (of splitting up existing councils, services and systems);
 - c) implementation costs (the one-off costs of setting up new unitary authorities)
- 2.2 The business case demonstrates scenarios where all modelled options deliver a positive net financial benefit, with projected net annual savings of £63.9m across all the unitary councils (in the base case). These savings are made up from a range of efficiencies, consolidations and rationalisations of the workforce, contracts and assets required to deliver services as four new mainland unitary councils.
- 2.3 The annual savings shown in the business case are net of ongoing costs resulting from inefficiencies caused by the disaggregation of the upper tier, county council services currently delivered across the existing eleven districts and subsuming them into the four new mainland unitary councils. Where existing unitary councils exist in the south-west and south-east of county, the disaggregation costs reflect that expertise and infrastructure already exists in these areas; making the incorporation of the disaggregated county council services simpler than for the new mid-Hampshire and north-Hampshire unitaries.
- 2.4 The business case also demonstrates that despite the ongoing disaggregation costs, the one-off implementation costs of £128.2m (or £133m with additional boundary change costs) have a breakeven point in the third year of the unitary councils operating.
- 2.5 Where possible, the financial modelling data and forecasts used (e.g. service costs, reserves, funding, council tax harmonisation etc.) have been aligned to those used in the HCC & EHDC business case.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The English Devolution White Paper set out an expectation that all two-tier areas and those with small neighbouring unitaries such as Hampshire will develop proposals for reorganisation.
- 3.2 In his letter to council leaders of 5th February 2025, the Minister for Local Government and English Devolution outlined that the Secretary of State for Housing, Communities and Local Government, in exercise of his powers under Part 1 of the Local Government and Public Involvement in Health Act 2007 ('the 2007 Act'), invited any principal authority in the area of the county of Hampshire, to submit a proposal for a single tier of local government.
- 3.3 This may be one of the following types of proposal as set out in the 2007 Act:

- Type A – a single tier of local authority covering the whole of the county concerned
- Type B – a single tier of local authority covering an area that is currently a district, or two or more districts
- Type C – a single tier of local authority covering the whole of the county concerned, or one or more districts in the county; and one or more relevant adjoining areas
- Combined proposal – a proposal that consists of two or more Type B proposals, two or more Type C proposals, or one or more Type B proposals and one or more Type C proposals.

3.4 Proposals must be submitted in accordance with paragraphs 1 to 3:

1. Any proposal must be made by 26th September 2025.
2. In responding to this invitation an authority must have regard to the guidance from the Secretary of State set out in the Schedule to his letter of 5th February 2025 and to any further guidance on responding to this invitation received from the Secretary of State.
3. An authority responding to this invitation may either make its own proposal or make a proposal jointly with any of the other authorities invited to respond.

3.5 In support of this formal invitation, local authorities were asked to submit an Interim Plan on or before 21 March 2025, in line with the guidance in the annexe attached to the letter of 5 February 2025.

3.6 Part 1 of the 2007 Act (Section 7) explains that, where the Secretary of State has received a proposal in response to an invitation he may, by order, implement the proposal, with or without modification or decide to take no action. The Secretary of State may not make an order implementing a proposal unless he has consulted every authority affected by the proposal (except the authority or authorities which made it), and such other persons as he considers appropriate.

3.7 The decision regarding the submission of a proposal for a single tier of local government under Part 1 of the Local Government and Public Involvement in Health Act 2007 is an executive function. The report and recommendation from Council to Cabinet complies with the provisions of the Local Government Act 2000 and the Local Authorities (Functions and Responsibilities) (England) Regulations.

3.7 Following receipt of legal advice by the Unitary Authorities, it should be noted that Option 3 referred to in the main document will be referred to Option 1A in the final version of the submission and accompanying appendix. Those councils which support a change to district boundaries to create a new unitary council – currently shown as Option 3 – must support Option 1A which 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.

- 3.8 The Council's Monitoring Officer confirms that all relevant legal implications have been taken into account.

4 WORKFORCE IMPLICATIONS

- 4.1 Local government reorganisation proposals have significant resourcing implications for all local authorities in Hampshire and there will be a need for support and advice to staff in the lead up to, and post implementation of the new authorities.

- 4.2 Should the Secretary of State agree to implement a proposal, significant preparatory work will have to be carried out in order to ensure that the appointment and/or transfer of staff into the new authorities is legally compliant and in line with relevant guidance and best practice.

- 4.3 In the lead up to the go live date for the new authorities there is a risk that staff turnover increases as staff seek to secure alternative roles elsewhere. Where vacancies exist, it may become increasingly difficult to fill these roles. This will be kept under review.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 No specific implications have been identified at this stage although future arrangements are likely to have a significant impact on the council's property and assets.

- 5.2 All property and assets in the council's ownership on the vesting day for the new unitary authority will transfer to that authority by operation of law pursuant to a structural changes order made by the Secretary of State under S7 of the 2007 Act.

6 CONSULTATION AND COMMUNICATION

- 6.1 The council has undertaken extensive engagement with residents, stakeholders, partners and town and parish councils as set out in paragraph 15 of the report.

- 6.2 The Government will review the proposals received and then undertake public consultation on all those proposals that meet the defined criteria. The timescales for that consultation and onward timetable for decision were requested from MHCLG on 10 July 2025 and following publication of national guidance it is anticipated that public consultation will take place before December 2025, but this has not been confirmed.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 Although the final geography of the emerging unitary councils does not overtly consider environmental and carbon considerations in its design, a key aspect of service design for new unitary councils will be to determine their approach to carbon reduction and climate and nature actions.

8 PUBLIC SECTOR EQUALITY DUTY

- 8.1 An Equality Impact Assessment has been undertaken to support the proposal for change and is included in the submission.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 Publicly available data sources and data harvested from local authority records has been utilised to prepare the final submission. There has been no use of data at an individual level.

10 RISK MANAGEMENT

- 10.1 Such a fundamental change to public sector services over a two-year timescale will have to be carefully planned and programme managed to ensure critical services are maintained and that the new Unitary Authority is 'safe and legal' on day one. The transition and implementation plan will be governed through an agreed programme methodology for each unitary proposal with additional governance arrangements at a Hampshire and Isle of Wight geography in order to properly prepare the close down of existing councils and stand new unitary councils. This complex programme management will include risk management considerations.

11 SUPPORTING INFORMATION:

Introduction

- 11.1 In December 2024, the Government published the English Devolution White Paper: "Power and Partnership: Foundations for Growth," which outlined a model for local government based on strategic authorities alongside unitary councils. Through this white paper, the Government aims to bring about an end to the two-tier local government arrangements of separate county and district councils, with unitary councils forming the delivery arm of local government underneath the new strategic authority. A statutory invitation letter was received on 5 February 2025 (Appendix 1)
- 11.2 The proposed Hampshire and the Solent Mayoral Strategic Authority will oversee functions such as strategic growth, spatial development, transport, housing and police and crime. The new unitary councils will form the constituent members of the strategic authority.
- 11.3 Following the publication of the White Paper and the government's subsequent announcement that Hampshire and the Solent would join the

Devolution Priority Programme, which aims to establish mayor-led strategic authorities by May 2026, the Leader and Chief Executive have been collaborating with councils across Hampshire and the Solent to respond to the Government's devolution initiative and begin work on proposals for local government reorganisation (LGR).

- 11.4 In depth stakeholder interviews were held with the leaders and chief executives of councils across Hampshire and the Solent as part of the early work to understand the opportunities and challenges for LGR across the area. Meetings and workshops were also held with key council Members and officers, to understand priorities and develop ways to evaluate future options.
- 11.5 Initial longlisting workshops were held with leaders and chief executives to discuss and define the options that would be collectively pursued, alongside the development of the eight principles that formed the collective interim plan for LGR. This interim plan was submitted on behalf of all principal councils on 21 March 2025, supported by this Council (appendix 2).
- 11.6 Work has continued since the interim feedback received in May 2025 (appendix 2) with this report containing the final proposal which must be submitted by 26 September 2025.

12 Preparation of the final proposal

- 12.1 The letter of 5 February 2025 set out six criteria the government will utilise to assess proposals for LGR. They are:
 - A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.
 - Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.
 - Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.
 - Proposals should show how Councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views.
 - New unitary structures must support devolution arrangements.
 - New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.
- 12.2 The letter also set out a range of guidance for councils to consider in developing proposals. This highlights that councils should work together to ideally reach consensus on a proposal for new unitary councils for each county area rather than submit competing proposals where possible.

- 12.3 Since the English Devolution White Paper was first published, Winchester City Council has hosted and taken part in several workshops for Council Leaders and Chief Executives across Hampshire to consider how we can work together and the possible ways forward.
- 12.4 KPMG were commissioned by Basingstoke and Deane Borough Council on behalf of all the 15 councils in Hampshire and the Isle of Wight to assess the options for unitary councils against the six criteria set out in the letter from the Minister and to support the development of an interim plan to submit to government by the 21st of March deadline and then a full proposal.
- 12.5 Winchester City Council worked collaboratively with all the other councils in Hampshire and the Isle of Wight to try to reach consensus on an interim plan to submit to government supported by KPMG. This work was coordinated through a weekly Chief Executive Group and regular Council Leaders Group meetings and workshops. In the short time available it was not possible to reach consensus amongst all the 15 existing councils in Hampshire and the Isle of Wight to any proposal for new unitary councils to replace the current structure of local government. As such, this early work led to the creation of an interim plan based on a sensible set of guiding principles and a process for continuing to all work together, where possible, towards a full proposal. The interim plan (appendix 2) was approved by all 15 councils and submitted to government on the 21st March.
- 12.6 The government provided feedback on the interim plan which has been used to inform the work carried out since including the development of the full proposal to government (appendix 3).
- 12.7 Since the interim plan submission in March, all 15 councils, supported by KPMG worked collaboratively to carry out a detailed appraisal of the options for unitary Councils against the government criteria and the agreed guiding principles through an evidence driven process involving 44 metrics utilising a large amount of economic, community, service and financial data. This process appraised 8 options in depth for between 2 and 5 unitary councils to replace the existing Councils. The analysis focused on identifying balanced, resilient and financially sustainable unitary models that would deliver improved outcomes for residents, reflect local identities and best meet the government criteria.
- 12.8 That initial work was completed in May and the assessment showed that 4 new unitary Councils for mainland Hampshire with the Isle of Wight remaining an independent island authority would best meet the government criteria and the guiding principles agreed by all 15 councils in the interim plan. The appraisal process is set out in detail in the full proposal to government and supporting appendices.
- 12.9 Following this appraisal process, Hampshire County Council and East Hampshire District Council withdrew from the joint process to pursue an alternative proposal. It is understood from previously published papers that a proposal for a local government framework with three unitary councils for

mainland Hampshire with the Isle of Wight remaining separate as an island unitary is likely to be submitted.

Gosport Borough Council subsequently withdrew from the joint process as they could not support any option in principle.

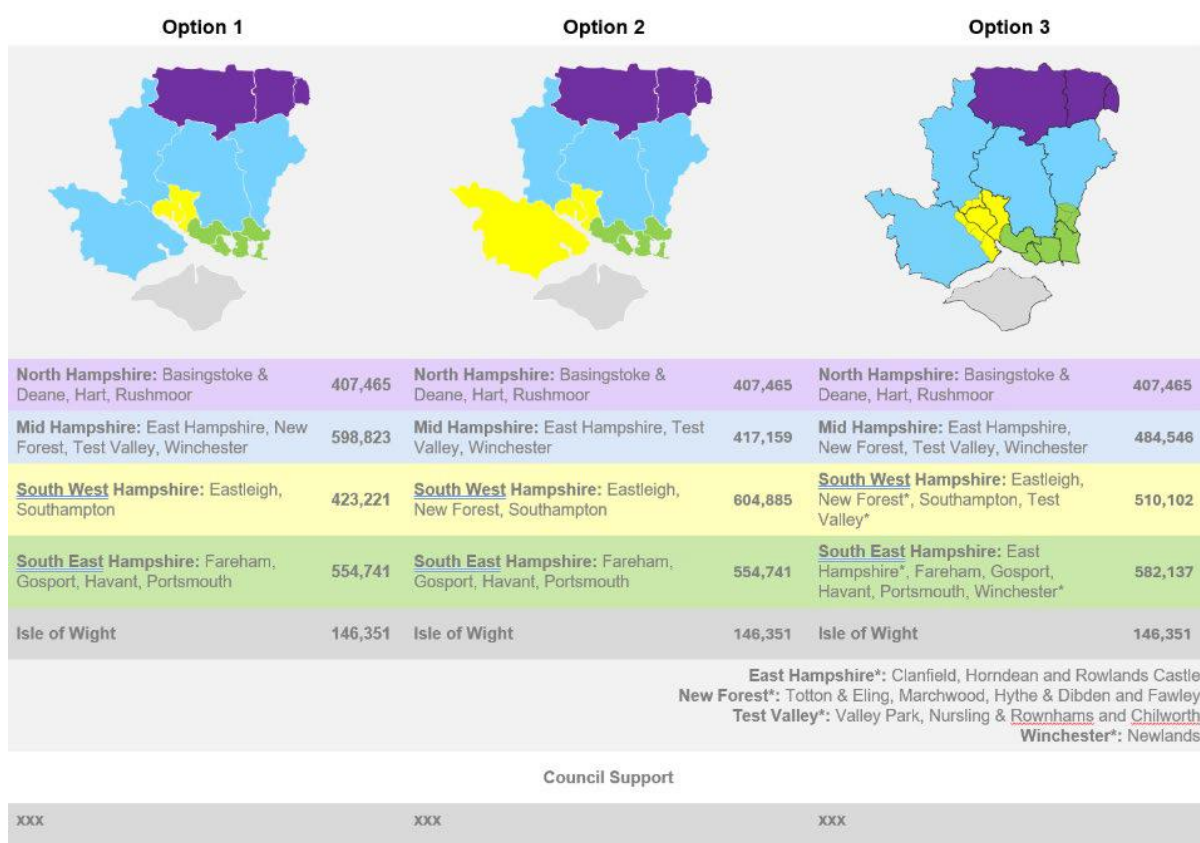
Hampshire County Council, East Hampshire District Council and Gosport Borough Council have been briefed on the proposed submission.

12.10 The remaining 12 councils, encompassing the 3 existing unitary councils and 9 district and borough councils, have utilised data along with partner and resident feedback, supported by workshops to scope future service design to develop a full proposal for government. This submission represents the collaborative work of:

- Basingstoke and Deane Borough Council
- Eastleigh Borough Council
- Fareham Borough Council
- Hart District Council
- Havant Borough Council
- Isle of Wight Council
- New Forest District Council
- Portsmouth City Council
- Rushmoor Borough Council
- Southampton City Council
- Test Valley Borough Council
- Winchester City Council

12.11 This full proposal sets out three variations of four-new mainland unitaries with the Isle of Wight remaining an independent unitary council. Each variation is based on establishing a unitary council centred around the four major urban economies and population centres of Southampton, Portsmouth, Winchester and Basingstoke.

12.12 All three options create a Mid Hampshire Unitary Council encompassing Winchester City Council, Test Valley Borough Council, East Hampshire District Council with variations across the options that include all, part or none of New Forest District Council. Two of the options are based on using district boundaries as building blocks – which is the governments preference in the guidance - whilst the third includes potential boundary changes. The three variations are shown in the diagram below:



It should be noted that for ease of reference Appendix 5 has been included that shows the emerging geographies listed as Option 1, Option 2 and Option 1A.

- 12.13 Despite some differing views for elements of the three variations, principally around where the New Forest should be part of in the future new unitary configurations, the 12 councils have consistently worked collaboratively through an inclusive and equitable approach to develop a robust full proposal to government. The proposal has been informed by extensive engagement with communities and partners which is included in the full proposal with an overview of the responses related to the Mid Hampshire proposal at paragraph 15 in this report.
- 12.14 Once final proposals are submitted on the 26th September, the government will then consult on proposals received that meet their established criteria. We expect this consultation to happen during November and December 2025 with the government then deciding on which proposals to implement in early 2026 – before the pre-election period for the Mayoral elections. Structural Change Orders, which is the legal process to create the new councils, will then need to go through parliament, which is likely to happen in autumn 2026.
- 12.15 There would then be elections to the shadow authorities for the new unitary Councils in May 2027. Those shadow authorities run alongside the existing councils who are still responsible for service delivery (with certain financial limitations), but the Shadow Councils will oversee the implementation of the

new unitaries and their role is defined in the Structural Change Order. The new Unitary councils come into being on 1 April 2028 and all existing councils are replaced at that date.

13 The Proposal: Close enough to be local – big enough to stay strong

- 13.1 All the three options included in the full proposal at appendix 4 meet all the government criteria and are based on having a unitary council focused on each of the four major population centres and economies of Southampton, Portsmouth, Winchester and Basingstoke with the Isle of Wight remaining an independent unitary council as now. This fully aligns with previous Minister of State for Local Government and Devolution, Jim McMahon MP OBE's, view of the important role cities and larger towns play as 'economic or academic' anchors for designing new unitary councils.

In a letter to council Leaders on 12 September 2025, the new Minister, the Rt Hon Steve Reed MP, OBE states ... *The English Devolution White Paper set out our plans to support local government reorganisation swiftly and effectively. We are committed to creating strong, sustainable unitary councils that represent their communities, deliver vital public services, and improve outcomes for residents...*

As such it does not appear that a national change of intent is likely at this stage.

- 13.2 The full proposal sets out that these four new unitary councils on the mainland, would best meet the government's criteria and best serve our communities into the future by:

- Driving economic growth and housing delivery
- Delivering high quality and sustainable public services with a focus on innovation and transformation to improve outcomes for communities
- Achieving significant savings while being large enough to be financially sustainable
- Unlocking and maximising devolution arrangements, working effectively alongside the Isle of Wight Council and the new elected Mayor for Hampshire and the Isle of Wight, as constituent members of the strategic authority
- Effectively engaging, empowering and serving their local communities by providing opportunities for residents to shape local decisions.

- 13.2 The four new unitary Councils on the mainland vary in population and centre around a population size of 500,000. They are right sized to provide significant scale in service delivery and will reduce costs accordingly while still being connected to the communities they serve. Importantly they will ensure

services are tailored to respond to local needs and improve outcomes for residents.

- 13.3 The full proposal also sets out that the Isle of Wight meets the criteria of exceptional circumstances to remain as an existing island unitary authority due to its unique local identity and geography. This place-based rationale is coupled with the fact most services and infrastructure would need to be duplicated on the Island, were they to be run from a unitary council on the mainland. However, the full proposal also ensures that any genuine opportunities for collaboration with the four new unitary councils on the mainland are maximised. This will include an enhanced partnership whereby the Isle of Wight Council works closely alongside the four new mainland unitaries to explore each opportunity they progress for transformation and innovation, as they move forward through implementation of the full proposal and beyond, to see how they could be applied to the Island either on a shared basis or individually.

14 The National Criteria

- 14.1 Section 4 of the full proposal sets out how the proposal for four new mainland unitaries, and, the three options being put forward, deliver strongly on each of the government criteria. It also set out in detail in section 5 why the Isle of Wight Council should continue to remain an existing island unitary aligned to the government criteria as requested in the feedback from government on the interim plan. However, the summary below provides an overview of the key strengths in line with the criteria, highlighting why the four-new mainland and Isle of Wight unitary proposal is the best option for the future of Hampshire and the Isle of Wight.

Local government reorganisation criteria	The four-new mainland and Isle of Wight unitary proposal
Criteria 1: <i>A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.</i>	• Balanced configuration: Ensures equitable distribution of resources by avoiding disparities in tax base, population, and GVA among new unitary councils. • Tailored governance and leadership: Strong local leadership with strategies customised to the unique geographies of each unitary area to drive economic growth, high quality service delivery and improved outcomes • Economic development and innovation: Creates a focused environment for business innovation and economic growth by leveraging strengths and fostering partnerships tailored to the needs of the different economic areas. • Infrastructure and housing: Prioritises shaping infrastructure and addressing housing needs with tailored approaches to support delivery and meet local requirements.

	• Transport and connectivity: Aligns travel geographies with unitary boundaries to enable integrated transport planning, improving connectivity, and reducing congestion. • Community and skills development: Invests in people to build an inclusive workforce, addressing skills gaps and raising living standards to support growth ambitions. • Rural and local engagement: Addresses unique rural challenges and enhances local engagement by aligning governance with community identities and travel-to-work patterns.
Criteria 2: <i>Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.</i>	• Financial sustainability: Addresses current financial challenges by reducing duplicated functions in the two-tier system, centralising back-office support, and empowering each authority to manage its budget based on local needs through place focused transformation and innovation, thereby improving financial resilience. • Efficiency and improving capacity: Brings together capital and revenue planning and enhances transformation teams, the proposal achieves savings through transformation and service redesign tailored to local needs, improving overall service delivery. Recognising that Portsmouth and Southampton have already made many of these efficiencies. • Economic growth and local focus: Enables enhanced economic growth by forming unitary structures around distinct economic areas, ensuring opportunities are realised and challenges addressed to maximise economic potential. • Population balance: Creates balanced new unitary structures that reflect economic areas and local identities.
Criteria 3: <i>Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.</i>	• Local connections and community focus: Effectiveness of services, particularly in areas such as adult social care, is driven by local connections and understanding community needs. The proposal includes co-producing services with local partners through a total place approach and maintaining local relationships which large unitaries cannot replicate. • Place-based governance: Captures local intelligence and prioritises prevention. The proposal aligns services with the lived realities of

	communities, ensuring they are delivered responsively. • Service design and transformation: The proposal is based on creating genuinely new unitaries through a comprehensive approach to service design, focusing on high-quality and sustainable services. The proposal has prioritised collaboration and transformation opportunities, ensuring services are tailored to local needs. The Isle of Wight Council, whilst remaining independent, will have a transformation partnership with the new unitaries to ensure opportunities are maximised for the Island where appropriate. • Adult social care: Our model focusses on localised neighbourhood service delivery, budgetary savings, supported by data-driven decision-making. It aligns with the NHS 10-year plan, focusing on prevention and community resilience. • Children and young people: Promotes localised governance and collaboration, addressing educational challenges and supporting children with complex needs. Our proposal emphasises prevention, early intervention, and community-centred approaches. • Economic Growth and Strategic Planning: Aligning services with local economic and social geographies, fostering collaboration and co-investment in infrastructure. • Public sector reform: Aligns with the wider public sector reform agenda, focusing on place-based prevention and tailored collaborative service delivery to meet community needs effectively in each of our areas
Criteria 4: <i>Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views.</i>	• Collaborative working: Extensive collaboration among 12 Councils over six months, involving key stakeholder groups and regular meetings with leaders, chief executives, Section 151 officers, monitoring officers, directors and heads of service. This collaborative approach ensures that the proposal is robust, evidence-based, and informed by a wide range of perspectives. • Informed by local views: The proposal is shaped by a jointly commissioned work by the 12 councils and engagement with local people and partners. The joint survey was conducted to gather views from residents, businesses, and

	community groups, ensuring that the proposal reflects public sentiment and priorities. A series of workshops have been held with businesses and partners including from the public, voluntary and community sector and town and parish councils. Discussion have also been held with local members of parliament. This has been supported by engagement work from each council in their locality which has created a proposal that prioritises community identity and future-proofs local government to effectively respond to local needs. • Travel for work and leisure activities: Builds on our strong travel-to-work ecosystem, supported by motorways, rail corridors, bus networks, ferries, and active-travel routes. The future unitary Councils are aligned with key population and economic centres as anchors, providing opportunities to streamline travel services. • Local identity: Recognising and preserving the unique character and contributions of the North, Mid, South East, and South West areas and the Isle of Wight. Each area has distinct geographic, historical, economic and cultural identities, which are actively preserved and empowered through the proposal.
Criteria 5: <i>New unitary structures must support devolution arrangements.</i>	• Strategic planning and local delivery: The proposal supports the emerging Combined Authority with five unitary councils as constituent authorities. This structure enables strategic planning and coordination for nearly 2.2 million people, with long term security of effective local service delivery through right sized unitary councils. • Effective decision-making: With five constituent members to work with the Mayor, our model provides a strong foundation for decision-making at a strategic level coupled with effective democratic representation of local people. • Balanced new unitary authorities: Populations between 400,000 and 600,000 of the new unitaries, ensuring balanced representation and avoiding democratic deficits. The proposal also includes the Isle of Wight, emphasising balanced representation and collaboration with non-constituent members like NHS bodies and National Parks.

Criteria 6: <i>New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.</i>	• Enhanced local representation: Right sized unitary authorities, allow for governance that is more tailored and representative whilst maintaining sustainable services. This approach will enable local leaders to understand and address the unique challenges and opportunities within their areas whilst benefiting from the efficiencies of a larger delivery area. • Improved service delivery: Aligning governance structures with local needs and engaging local stakeholders in decision making, means our proposal will deliver services more effectively and efficiently. This will allow for the customisation of services to better fit the specific requirements of each community, leading to improved outcomes in areas such as education, healthcare, and infrastructure. • Proposed councillor ratios: Future indicative councillor ratios are designed to support the individual demands of the four-new mainland unitary configurations and the communities they serve. The proposed configurations aim to optimise the number of councillors to ensure effective representation and governance, maintaining the critical role of ward councillors as community advocates and enabling local groups and parishes effectively engage with the unitary council. The Isle of Wight would continue with its existing councillor numbers. • Enhanced neighbourhood working and governance: A hyper local place-based approach will see enhanced neighbourhood engagement and delivery models. The new Councils will co-design with communities and local partners, appropriate neighbourhood governance arrangements that best meet local requirements for each area. This will deliver decision making at the lowest effective level to speed up delivery, tailored to each community's needs.
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15 Communications and Engagement

- 15.1 Extensive engagement has been carried out on a local and county wide basis to inform the proposal. This is set out in detail in the full proposal in sections 1, 3 and particularly section 4 (under criteria 4) and includes engagement with:

- **Residents and communities:** Extensive communication and engagement has taken place with communities across Hampshire and the Isle of Wight to explain what local government reorganisation means for them and the options being considered. On a countywide and new unitary level, support has been tested and views gathered on the proposal and what communities would like new unitary councils to look like through a series of public surveys.
- **Key partner organisations and stakeholders:** Partners, at both a countywide and new unitary area level, have played a key role in informing and shaping the proposal, through a comprehensive programme of engagement. This has included sessions with higher and further education providers, police and crime commissioners, police, fire and rescue, health commissioners and service providers, Coastal Partners and national park authorities, businesses, local members of parliament, the voluntary and community sector, town and parish councils, trade unions and staff.

15.2 A collective engagement survey was launched during July 2025 to seek the views of residents across Hampshire and the Solent on the draft proposals. This sought views on models previously identified as model H, model I and model with boundary changes. The feedback report is shown in Appendix 8 of the submission with a key summary from Winchester respondents as follows:

- Winchester residents favoured option 2 with 54% stating support or strong support for this configuration, (compared to 29% supporting option 1.)
- Only 20% supported a boundary change option, with 60% against changing boundaries.
- Feedback tells us that Option 2 is felt to be a more manageable size, which respondents say is beneficial for Winchester. Respondents expressed concern that services could become too stretched and decision making too far removed over such a large geography. However, respondents said the merging of more rural councils would bring benefit.
- Although in the minority residents in favour of boundary change felt that it could better reflect geographic reality of how people live and work.
- Respondents key concern is being 'swallowed up' by Portsmouth and fearing a city would divert resources away from rural needs.
- Feedback from other Mid Hampshire councils included 51% of East Hampshire residents stating support or strong support for Option 2 with only 24% supporting option 1.

- Only 17% of East Hampshire residents supported a boundary change option, with 51% against changing boundaries
- Option 2 was the second favoured preference for Test Valley residents at 31% support for this option, and there was a clear lack of support for boundary changes at 70% against this proposal.

15.3 Winchester City Council amplified this universal survey with detailed briefings for ward members and town and parish councils. A series of drop in events were held, targeting areas with high footfall to maximise awareness

- 7 July – [Meadowside Leisure Centre, Whiteley](#)
- 10 July – [Alresford Market](#)
- 4 July – [Wickham Square](#)
- 15 July – [South Wonston Sports and Recreation Pavilion](#)
- 21 July – [Colden Common Community Centre](#)
- 23 July – [All Saint's Church Hall, Denmead](#)
- 24 July – [Winchester High Street](#)

Deeper conversations at these sessions reaffirmed that people care about good local services and councils which support local identity and understand local needs. People expressed concern over the size of the new councils and generally supported a smaller geography.

15.4 In addition, Mid Hampshire councils commissioned deliberative engagement sessions held in each district. This externally commissioned online session was with a sample of Winchester residents. The aim was to ensure proposals reflect and are grounded in 'human' lives, interests, and needs when it comes to reorganisation. This sample of recruited residents was designed to be broadly reflective of the local population in terms of demographics (age, gender, ethnicity), with over-sampling of key groups who tend not to be represented in other forms of engagement, such as young people, to make sure a wider range of opinions were heard. This sample also included people who received adult social care services, people who were living with a disability or long-term health condition, a range of housing situations from social housing, living in assisted accommodation and homeowners, plus differing levels of household income. The sessions sought a deeper insight into residents' views into what's important to them when considering future councils.

- In **Test Valley**, **rural character and community spirit** of their towns and villages was valued. They supported simplification and efficiency but emphasised the need for **local decision-making and responsiveness**.

- **Winchester** participant's feedback was **similar** with an ask for a connected joined up approach, efficient services, ensuring local voices are meaningfully heard and that services are **designed and rooted locally to best serve local communities**.
- **Local identity and culture, and community spirit** in their local area was highly valued. Winchester participants support a centralized and simplified approach as long as local needs were met and community voices were heard in decision making.
- **Concerns were raised that services may not be tailored specifically enough for local populations in larger councils.**
- **New Forest residents**, including those in Waterside, **expressed a strong Forest rooted local identity**.

15.5 All Parish and Town Councils in the Winchester district were invited to share their views during the development of the proposals through regular liaison meetings. Given one model proposed boundary changes largely to the southern border of Winchester district, focussed discussions took place with those potentially affected local councils of Whiteley, Boarhunt, Southwick and Widley, Denmead and Newlands.

- Based on information provided by those Parish and Town Councils, the general view is that local people based in **Denmead, Whiteley and Wickham and Boarhunt would prefer to be in a Mid Hants Unitary rather than a South East Unitary**
- **Southwick and Widley Parish** have expressed a view that they would prefer to be in a **Mid Hants Unitary**
- **Newlands Parish Council** held a number of drop-in events and started to express a preference that they would prefer to be in a **South East Unitary** due to the close association of their community with Waterlooville (Havant Borough Council).

15.6 As can be seen from the final proposal, the only boundary change to be considered from the Winchester district would be that Newlands Parish Council transfer into the emerging South East Unitary. Through City Council work with the West of Waterlooville Forum, the council is well aware of the close association of the community with Waterlooville which is seen as the local centre.

15.7 However, LGR was an item on the agenda at the Parish Council Meeting on 11 September 2025 and the Clerk has informed the City Council's Chief Executive that there was a preference expressed by a vote in the meeting to stay with a unitary council centred around Winchester.

15.8 Therefore, while the global engagement work show a marginal preference in the respondents from Newlands to join a South East Authority, the Parish Council have not indicated support for this proposal. The Option 2 appendix clearly states that any change of district boundary should be taken at a later time through a Principal

Authority Boundary Review with its associated consultation processes and this would seem to be the appropriate way forward with respect to the Newlands Parish.

16 Indicating a preferred option

16.1 The proposal contains three options for a new unitary council geography and all three options in the full proposal include a Mid Hampshire Unitary council, but the constituent councils vary across those options. Each council is required to set out in the full proposal which geography it supports and as such council should carefully consider the full proposal and associated appendices.

16.2 Council Leaders have indicated their endorsement of the options and as such the Leader of the Council has indicated an endorsement for Option 2 in the full proposal.

Winchester strongly shares with the other councils the desire to create new unitary councils for our region that are close enough to be local and big enough to stay strong. This five-council option delivers this and is:

- *simpler to implement,*
- *geographically and economically coherent and balanced, and*
- *creates strong councils that will deliver*

In this option, all 5 councils are constructed from existing district and unitary footprints without any boundary changes and all 5 councils make sense in their own right.

Our region's two great ports partner with their neighbours to create strong councils in the south-east and the south-west.

This proposal creates a coherent – and manageably sized – mid-Hampshire authority with its focus on the rural economy and professional services.

As with all other options, it supports a northern council connecting together the high-tech industries of the M3 corridor and enabling close connection with similar economies in Surrey and Berkshire.

Finally, the unique and special nature of the Isle of Wight is reflected the continuation of its own separate council. This option is right for Hampshire and the Solent, and all the councils created are coherent and make sense for the future.

Option 2 is set out in Appendix Three of the proposal and at its core provides a new unitary council based on a geography formed from the whole district

boundaries of Test Valley District Council, Winchester City Council and East Hampshire District Council.

The Option 2 proposal sets out how it meets the national criteria and provides a coherent set of unitary councils for the geography and is supported by evidence from the main case that the proposal is financially viable. Option 2 is 'right sized' with a population of approximately 417,000 residents and has a manageable geography for delivery of services across a mixed urban/rural landscape.

Importantly, Option 2 sets out how it supports a better economic geography for the area by locating New Forest District Council with the South East Unitary through reference to travel to work patterns and recognising different housing market areas.

17 OTHER OPTIONS CONSIDERED AND REJECTED

17.1 Support an alternate proposal in the submission

The recommendation in this report is that the Council support Option 2, creating a Mid Hampshire Unitary Council based on the current full district boundaries of Test Valley Borough Council, Winchester City Council and East Hampshire District Council along with relevant disaggregated services from Hampshire County Council delivered in that geography.

Having considered the views of Council, Cabinet could determine that a different proposal in the submission be supported.

17.2 Do not support any proposal

Having considered the views of Council, Cabinet could determine not to support any proposal in the final submission, but it is inevitable that the submission will be made and that Government will determine which proposals proceed to public consultation.

Not supporting any proposal is not recommended.

BACKGROUND DOCUMENTS: -

Previous Committee Reports: -

- Council 19 March 2025: Local Government Re-organisation in Hampshire and the Solent (CL174)
- Cabinet 20 March 2025: Local Government Re-organisation in Hampshire and the Solent – Agreement to Joint Interim Plan (CAB3502)

Background Papers

- None

Appendices:

- Appendix 1: Letter from the Secretary of State - February 2025
- Appendix 2: Interim plan approved by all 15 Council's - March 2025
- Appendix 3: Interim plan feedback - May 2025
- Appendix 4: Full proposal to government including supporting appendices – September 2025
- Appendix 5: Updated option proposals