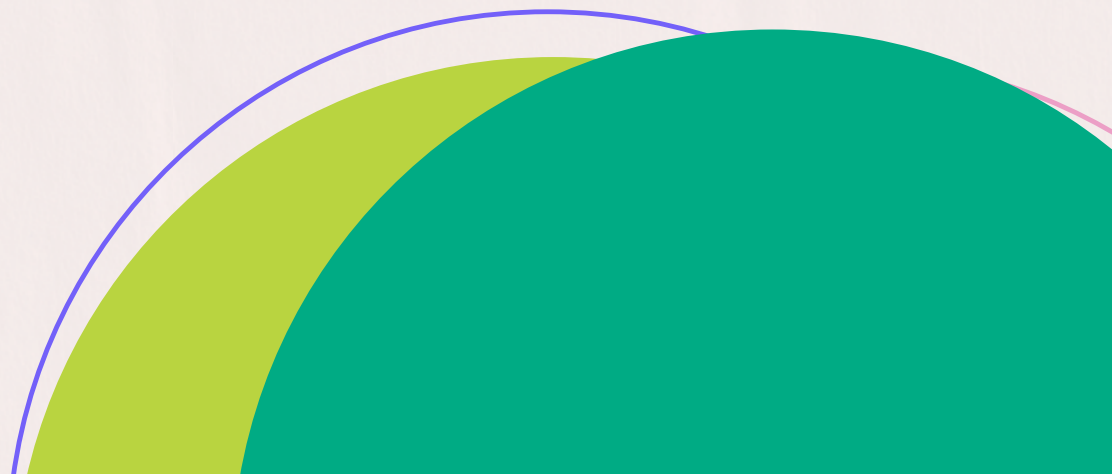# 4. How our model meets the government's criteria

The government's criteria for local government reorganisation has been a key pillar in the development of our proposal for Hampshire and the Isle of Wight.

Supported by a strong history of collaboration across the region, our proposal responds to local needs and challenges with a clear focus on transformation and best practice to deliver high-quality public services.

Our approach is financially sustainable and resilient to rising demand to deliver improved outcomes for our communities. By aligning new councils with established population centres, our model protects local identity and strengthens place-based decision making.

4. How our model meets the government's criteria

Criteria one: a proposal should seek to achieve a single tier of local government for the whole area

In identifying the most effective unitary configuration for the region, our approach has prioritised balance – structuring new councils around the anchors of the four principal population centres and economic areas of Southampton, Portsmouth, Winchester and Basingstoke.

We have discounted options that create significant disparities between the proposed unitary councils, such as imbalances in tax base, population size, and GVA (gross value added). Our thorough analysis, backed by strong evidence, has been strengthened by place-based insights. This ensures that the impact of the proposed new unitary authorities is analysed from both a local and regional perspective, with a clear focus on outcomes and benefits.

Our four new mainland unitaries will deliver:

1. **Economic leadership:** strong local leadership tailored to the unique opportunities and challenges of each economic area, with bespoke strategies to drive growth.

2. **A focus on place, infrastructure and housing:** shaping and delivering the physical foundations to support sustainable development and growth, aligned with local priorities.

3. **Innovation and economic development:** creating the conditions for an innovative business environment, focused on growth and innovation, leveraging and scaling excellence.

4. **Strong communities with the skills of tomorrow:** investing in people and developing the skills needed in each of the economic areas to maximise their growth potential and support equal living standards and opportunities.

5. **Ensuring financial sustainability and continuous improvement:** using balanced unitaries which build on our distinct areas to reduce operating costs and deliver efficient services tailored to local requirements.

The table below outlines the various quantitative metrics that we used during the options appraisal. This table also highlights the assessment factors aligned to government criteria.

Assessment Factor	Metric	Option 1				Option 2				Option 3			
		U1	U2	U3	U4	U1	U2	U3	U4	U1	U2	U3	U4
Sensible economic area	Gross Value Added (GVA) per Capita	£45,957	£32,696	£37,186	£28,005	£45,957	£32,992	£35,606	£28,005	£45,957	£32,267	£37,568	£27,576
	Unemployment Rates	3.29%	2.91%	4.62%	4.12%	3.29%	2.75%	4.21%	4.12%	3.29%	3.11%	4.46%	4.08%
	Gross disposable household income per head	£25,546	£27,687	£19,950	£21,130	£25,546	£28,182	£21,979	£21,130	£25,546	£28,944	£21,406	£21,496
Tax base	Council Tax base	152333	233472	116921	174170	152333	160117	190276	174170	152333	193124	147113	184326
	Business rates total rateable value (£m)	£422.51	£633.33	£421.27	£481.74	£422.51	£438.00	£616.60	£481.74	£422.51	£492.77	£550.77	£492.80
Sensible geography	Geographic Area (sqkm)	888 km2	2,555 km2	130 km2	196 km2	888 km2	1,803 km2	882 km2	196 km2	888 km2	2,418 km2	215 km2	248 km2
Housing supply	Latest Housing delivery test measurements (2023)	148%	126%	76%	44%	148%	136%	76%	44%	148%	131%	78%	47%
	Council owned dwelling stock per 1000 residents	0.45	18.94	41.10	32.46	0.45	13.42	38.12	32.46	0.45	18.60	38.59	30.95
Local needs	Level of deprivation	0.07	0.07	0.10	0.11	0.07	0.06	0.09	0.11	0.07	0.07	0.08	0.09

Key	Option 1	Option 2	Option 3
Unitary 1 - North Hampshire	Basingstoke and Deane, Hart and Rushmoor	Basingstoke and Deane, Hart and Rushmoor	Basingstoke and Deane, Hart and Rushmoor
Unitary 2 – Mid Hampshire	East Hampshire, New Forest, Test Valley, Winchester	East Hampshire, Test Valley, Winchester	East Hampshire, New Forest, Test Valley, Winchester
Unitary 3 – South West Hampshire	Eastleigh, Southampton	Eastleigh, New Forest, Southampton	Eastleigh, Southampton, plus boundary changes to include parts of New Forest and Test Valley
Unitary 4 – South East Hampshire	Fareham, Gosport, Havant, Portsmouth	Fareham, Gosport, Havant, Portsmouth	Fareham, Gosport, Havant and Portsmouth, plus boundary changes to include parts of East Hampshire and Winchester

Economy and tax base

Hampshire and the Isle of Wight's different economies are home to approximately 130,000 businesses, having experienced a healthy bounce-back after the pandemic dip. This has grown by around 11% over the previous five years to 2024. This is largely due to our key sectoral strengths across our major industries that have experienced notable growth. This includes the defence, digital and technology, agriculture and tourism sectors, amongst others.

We are well positioned to scale our established and emerging industries as we have aligned each of the four proposed new mainland unitaries with a distinct economic area. This structure will enable more focused, locally responsive strategies to drive growth that benefits everyone.

In analysing the options, we focussed on creating a balanced configuration of equally sized new councils, each of which would be able to focus on promoting growth in its own area. Key indicators, such as council tax bases and business rates total rateable value, were included in the metrics when assessing balance between unitaries in potential options, as a fundamental measure of the new authorities' ability to source income.

Our four new mainland unitary proposal enables each distinct unitary, as well as the wider Hampshire and the Isle of Wight area, to harness strong partnerships with the business community and other key partners. This will deliver proactive, place leadership and ensure each area is well position to seize economic opportunities when they arise.

Major industries

The economies across Hampshire and the Isle of Wight are both diverse and distinct, capitalising on local skills, infrastructure, and network partnerships. Each economic area contributes unique strengths. Structuring new unitaries around these distinct economies will enable:

- **Focused economies strategies:** with tailored economic visions, streamlined planning and a targeted inward investment and business support approach.
- **Strong identity and influence:** by aligning economic strengths, areas will position distinct growth zones with greater leverage in funding bids.
- **Unlocking business growth:** simplified engagement with local government, coordinated investment, access to a larger and integrated talent pool, and more consistent planning and regulatory arrangements.

For example, Basingstoke in north Hampshire, serves as a key business hub with strong links to London via the M3 corridor. It is home to technology firms, data centres, and logistics operations, supported by a skilled workforce and business parks like Basing View. There is a high demand for IT and engineering skills, with local colleges and training providers offering STEM (science, technology, engineering and mathematics) and vocational pathways aligned with employer needs. Its GVA and productivity is amongst one of the highest nationally comparably and the potential for further growth is huge.

Joining Basingstoke and Deane, Rushmoor and Hart as part of a North Hampshire unitary, would allow the area to draw on its shared industry base across technology, aerospace, defence, and financial sectors. The location of the proposed North Hampshire council is seeing increased interest from the film sector with studios in Farnborough alongside the international conference centre which is increasingly attracting national events out of London including the British Motor show and DPRTE, the UK's premier defence procurement and supply chain event. This creates a complementary business ecosystem that supports innovation, supply chains, and skilled employment, facilitated by a mobile workforce across North Hampshire. The economy of the area has a GVA of £19.2 billion, and unlike the rest of Hampshire, points out of Hampshire into Berkshire, Surrey and towards London. Businesses in North Hampshire see the huge potential a new unitary council focused on the area would have as a catalyst for the massive growth potential it has. The existing councils already collaborate on areas such as waste management, street cleaning, and digital infrastructure, laying the groundwork for unified economic and spatial planning, development and investment as part of a new authority.

Winchester serves as a hub for key public administration, education, creative, and tourism industries. Establishing a Mid Hampshire unitary authority would integrate high-tech innovation, sustainable rural enterprise, and cultural-heritage tourism, providing a broader platform for sustainable growth

and business innovation in complementary industries. This expansion would also encompass the thriving market towns across Mid Hampshire, further enhancing regional development and economic opportunities.

Portsmouth's economy is anchored in defence, engineering, maritime, and digital innovation, driving a strong demand for engineering and digital skills, such as cyber security. This demand is supported by educational networks, including the University of Portsmouth. A South East unitary authority would create a robust economic zone, integrating major industries like maritime logistics, defence and security, aerospace, advanced manufacturing, and digital innovation within a unified investment and skills framework. A South East authority will align further and higher education curriculums with local employers, simplify inward investment and export support for Solent firms, unify investment strategies for cross-cutting infrastructure, and enhance connectivity across all sectors.

Southampton, known for its established maritime logistics and life sciences industries, also boasts a growing manufacturing base, particularly in aerospace and pharmaceuticals. The skills required align with maritime, engineering, and bioscience sectors. The University of Southampton and Southampton Solent University support research and development, especially in marine and environmental sciences. Similar to the South East, a South West unitary authority would align further education and university programmes, such as Southampton's National Oceanography Centre and Eastleigh College, and coordinate capital budgets to upgrade port infrastructure (Freeport). It would also accelerate improvements at the M27 junction and provide opportunities to address the wider city's housing needs through the One Horton programme.

Case Study: Building a coastal economy

Southampton Water's coastal location cannot be underplayed. Ideally located on the south coast close to major shipping lanes linking the UK to European and global markets, Southampton is Britain's Gateway to the World. The port is the UK's number one hub for deep sea trade and a critical link in supply chains serving businesses and manufacturers throughout the UK. As a designated Freeport it supports 45,600 jobs and contributes £2.5 billion to the nation's economy. As an example, through sectors such as automotive and with EV supply-chains the Port supports 11,700 jobs in the West Midlands alone. Connectivity and infrastructure are critical through the Port, Southampton Airport, or via the M27 and M3 north and to London, or via direct rail links to the national railway network for both freight and passengers.

Creating a new coastal powerhouse is a major opportunity for our region that would result in a more strategic, unified position for business and infrastructure investment, higher GVA (gross value added), improved labour market outcomes such as employment and wages, productivity and export led growth.

Currently this significant asset base and associated manufacturing and logistics industries cover a clear geographic area spanning three local council areas, including New Forest District Council, Eastleigh Borough Council and Southampton City Council.

Case Study: Aerospace and Defence in North Hampshire

The aerospace and defence sector are widely acknowledged as a critical driver of economic growth in Farnborough, across North Hampshire and into neighbouring areas such as Surrey. Work is already underway with regional partners and multi-national businesses to help realise the opportunity of place-led sector growth. The sector assets are local, such as Farnborough Airport, Farnborough International Exhibition and Conference Centre and regional business partners like Farnborough Aerospace Consortium, but their outlook and operations are global. Future growth will come by working collaboratively across the North Hampshire unitary area and with the wider strategic authority so that we align investment, innovation assets, and infrastructure to maximise regional and national impact.

Travel infrastructure

Hampshire and the Isle of Wight is strategically positioned along two of England's busiest east-west corridors - the M3/A303 and M27/A27. The A31 from Guildford to Winchester also plays an important role in that economic area. The M3/A34 provides the north/south link across Hampshire. There are five key rail lines: South West Main Line, the West of England Line, the Portsmouth Direct Line, the Alton Line and the Wessex Main Line. The rail networks in Hampshire and the Isle of Wight mirror the four mainland distinct economies, with large rail stations situated in Basingstoke, Southampton Central, Portsmouth and Southsea, Portsmouth Harbour and Winchester.

Southampton Airport has its own rail station and is near the M3/M27 junction. These transport routes connect its urban centres, ports, and airports. The region's two major sea gateways, the Port of Southampton and Portsmouth International Port, handle over £45 billion in trade annually, while Southampton Airport and Farnborough Airport facilitate passenger and business travel.

Basingstoke benefits from the M3, A33, and the Reading–Basingstoke rail line to support its logistics and tech parks, with a borough-wide Local Cycling and Walking Infrastructure Plan (LCWIP) approved in March 2023 to extend cycle routes into town and business estates. Journeys to London are 35 minutes from Farnborough Main with Farnborough North and Aldershot providing direct routes to Gatwick.

Winchester is strategically located on the M3 corridor and South Western Main Line.

The New Forest is well connected through to the west and north by rail and road, and towards the Isle of Wight via ferry, while also being pivotal along the M27-A31 corridor linking South West Hampshire to Dorset and beyond. There are also several train stations including Brockenhurst and Totton.

Portsmouth benefits from the M275/A3, Portsmouth Direct Line, and multiple ferry links to neighbouring areas (Gosport, Isle of Wight and Hayling) with coastal road and rail upgrades focusing on tunnel refurbishments (Devil's Punchbowl) and city-centre bus prioritisation to support its naval dockyards and visitor economy. The £48 million Bus Service Improvement Plan grant and the work on the South East Hampshire rapid transit system support access across the proposed area.

Southampton, which also has a direct ferry link to the Isle of Wight and has seen transformation of transport services, supported by an £18.5 million Transforming Cities Fund award, is delivering active-travel zones, Park & Ride expansion, and a new travel hub to integrate bus, rail and walking routes.

Transitioning to four new unitaries on the mainland would align travel geographies, working with the new Mayoral Combined Authority as the new Transport Authority, enabling place-based transport planning, investment and better delivery on the ground. This shift would bring holistic benefits to Hampshire and the Isle of Wight, including economies of scale in highways maintenance, shared ticketing systems, digital journey-planning platforms, and on-demand community transport. Improved outcomes could also be unlocked:

- **North Hampshire** could pool capital budgets for M3 junction upgrades, coordinate the Reading–Basingstoke and Waterloo–Farnborough timetable integration, and secure better bus franchising across commuter corridors to London and the Thames Valley.
- **Mid Hampshire** could develop a unified strategy for connectivity improvements, especially in Test Valley where there are fewer transport links with just the A303 running through Andover east-to-west and the A34 running south through Winchester. There are opportunities to enhance rural bus networks and implement a cross-district Local Cycling and Walking Infrastructure Plan linking villages to Winchester's station and employment hubs, improving access to surrounding areas.
- **South West Hampshire** could deliver a seamless Solent transport network, integrating Southampton West Park and Ride, Airport–City rapid transit, Eastleigh rail upgrades, and ferry-bus integration under one authority to boost port-driven freight and cruise tourism.
- **South East Hampshire** could streamline A3/A27 corridor management, enhance the Portsmouth Direct Line, improve Gosport ferry-bus-cycle interchanges and ferry access to the Isle of Wight, creating a single inward-investment offer for Solent and defence sector connectivity.
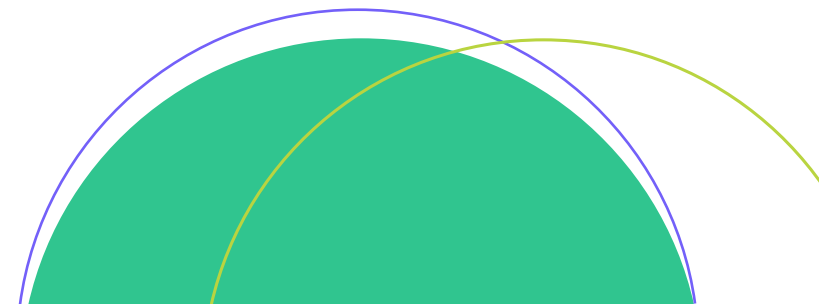
Case Study: Transforming Cities Fund

The Transforming Cities Fund has been used to develop Southampton West Park and Ride in partnership with University Hospital Southampton NHS Trust. Southampton City Council has continued to work together cross-boundary with Hampshire County Council on bus partnerships and in developing plans for Southampton Mass Rapid Transit (MRT), which are feeding into an infrastructure pipeline.

One example is creating a Park and Ride to serve Southampton. This has been a long-held transport policy aspiration for Southampton as a means of reducing car-based trips into the City Centre and other busy places such as the hospital. The City Council saw that this could be achieved by having a viable and affordable public transport route with a parking facility close to a major access route into the city.

In designing the service, it was important that the route from the designated park and ride car park to the end destination would need to improve bus priority to make journey times attractive and reliable. The car park at Adanac Park forms part of a wider Health Campus and is located on the boundary between Southampton and Test Valley. The development of the project required joint working between Southampton, Test Valley Borough Council and Hampshire County Council. The three authorities worked together through the development management process to ensure that planning permissions timescales and approvals aligned.

Working together in this way allowed a staff only weekday park and ride service to the hospital to be operated by the hospital trust, and from September 2025 Southampton City Council will run a city centre service.

Case Study: Blackwater Valley Transport Advisory Committee

Rushmoor and Hart are part of the Blackwater Valley Transport Advisory Committee which includes districts from Surrey and the two upper tier authorities. As part of the development of their current Local Plans Hart and Rushmoor worked closely on impacts on M3 junction 4A and the transport improvements associated with Hartland Village on the Hart/Rushmoor border. Rushmoor and Hart also engaged in preparation of Hart's Local Cycling and Walking Infrastructure Plan to align with the already adopted Rushmoor LCWIP. Coordination of Basingstoke, Hart and Rushmoor on M3 junction impacts of higher housing delivery has been identified in discussions between the three authorities as a key area of work moving forward for a new North Hampshire unitary council.

Case Study: Solent Transport

In 2019, over 3.2 million daily trips in the Solent area were managed through key transport points. Solent Transport, a partnership of local transport authorities, aimed to improve transport infrastructure in the region. It included Hampshire County Council (until they left earlier in 2025), Isle of Wight Council, Portsmouth City Council, and Southampton City Council. Since 2007, these councils collaborated with other local bodies and transport operators, forming the Transport for South Hampshire, later rebranded to Solent Transport. This unique partnership supported city growth in South Hampshire, driven by strong leadership and collaboration with the transport industry.

Solent Transport acted as a unified voice for transport, securing over £300 million in infrastructure investment, supported by the Solent Sub-Regional Transport Model (SRTM) developed in 2011, and improved partnership working arrangements which Solent Transport enabled. In 2018, Southampton, Portsmouth, Hampshire and Isle of Wight councils were shortlisted for the Department for Transport's Transforming Cities Fund, receiving significant funding to improve transport infrastructure. The parallel Future Transport Zone programme, funded by the Department for Transport, aimed to enhance transport services and innovations in the Solent area, with Solent Transport receiving £28.8 million for a four-year programme which delivered a number of innovations including the award-winning Breeze transport super-app.

Effective partnerships and cross-border collaborations are crucial for the city's success, benefiting businesses, residents, scholars, and tourists. Portsmouth and the Isle of Wight have worked with Hampshire County Council to deliver major transport projects, such as the A3 "Star" Bus Priority corridor and the Transforming Cities Fund Programme, which are part of a broader vision for a South East Hampshire Rapid Transit network. Portsmouth City Council maintains strong links with the Department for Transport, National Highways, Network Rail, and the Train Operating Companies. The city received significant Bus Service Improvement Plan funding, totalling £48 million, which has led to a 41% growth in passengers over the past two years, achieving the best post-COVID performance in the UK. These improvements benefit Portsmouth and the surrounding districts of Havant, Fareham, and Gosport. The success of these initiatives highlights the importance of genuine partnerships and institutional trust, which are essential for future developments across Hampshire and the Isle of Wight.

Travel to work

The area's travel-to-work ecosystem is supported by a network of motorways (M3 and M27), rail corridors, bus networks, ferries, and active-travel routes. In the four major population centres of Basingstoke, Winchester, Portsmouth, and Southampton, commuting patterns often cross the existing small district boundaries, leading to fragmented services. Establishing four new unitary authorities on the mainland based on these four centres would align governance with actual travel patterns, enabling seamless planning, integrated ticketing, and targeted investment to enhance connectivity and economic resilience across the region.

- In the proposed North Hampshire unitary, commuters primarily use the M3 corridor and the Reading–Basingstoke and Waterloo–Farnborough rail lines to travel to Basingstoke and London.
- Mid Hampshire's travel-to-work flows follow the A31/A34 and South Western Main Line into Winchester, supported by rural bus services and active-travel links.
- The proposed South West unitary is defined by the M27 motorway, the Southampton–Eastleigh rail corridor, and ferry-bus connections around the Solent.
- Meanwhile, the South East unitary relies on the M27/A27/A3(M), Portsmouth Direct Line, and ferry-bus interchanges.

By forming four new mainland unitary authorities aligned with travel-to-work zones, that can work with the new Mayoral Combined Authority, several benefits will be achieved through integrated transport planning, targeted infrastructure investment, streamlined services (such as bus networks), and enhanced data-driven decision-making. This includes:

- **Reduced journey times and congestion:** Faster, more frequent and better-coordinated bus and rail services that mirror actual travel to work patterns around the four mainland economic areas, along with targeted road upgrades, will reduce peak-hour delays.
- **Enhanced labour-market access:** Reliable cross-existing district commuting will open up wider job markets, benefiting both employers and workers.
- **Economic resilience:** Streamlined transport governance under the four new unitaries focused on the actual economic areas on the mainland will lower barriers to investment in key employment zones.
- **Environmental gains:** Fewer vehicle miles travelled, increased public-transport ridership, and expanded active-travel infrastructure will help reduce carbon emissions.

Housing and homelessness

This model is designed to meet the specific needs of these areas. While meeting housing need as defined by the Government's standard methodology is a priority, we face challenges due to multiple constraints including flood risk, multiple nature conservation designations and protected landscapes. These make it harder to find land for development and plan locally. However, with careful planning and local decision-making, we will overcome these challenges and ensure sustainable housing development supported by new infrastructure that aligns with the region's diverse needs and environmental considerations.

More than 22% of Hampshire's area is covered by nature conservation, with planning designations covering 49%. This is especially the case in the New Forest, with approximately 75% of the existing district falling within the New Forest National Park boundary. There are additional challenges experienced at a local level, impacting the ability to meet housing targets. Some areas have either virtually no green or brownfield land left (Portsmouth, Southampton and Gosport), impacted by airport zones or national landscapes (Basingstoke and Deane and Fareham), or face expensive viability hurdles on brownfield and small-site infill (Winchester, East Hampshire and Rushmoor).

Environmental factors also cause constraints across Hampshire and the Isle of Wight, particularly in coastal areas. Rural authorities, such as Test Valley and the New Forest, depend on limited windfalls or piecemeal greenfield releases, while affluent areas struggle to build genuinely affordable homes.

These current challenges result in shortfalls against five-year land supplies, protracted section 106/Community Infrastructure Levy negotiations, slim development margins on high-density schemes and pressure from appeals related to greenfield growth. This is shown in the diagram below which demonstrates the extent of the challenge across Hampshire and the Isle of Wight.

Designated sites and protected landscapes across Hampshire and the Isle of Wight
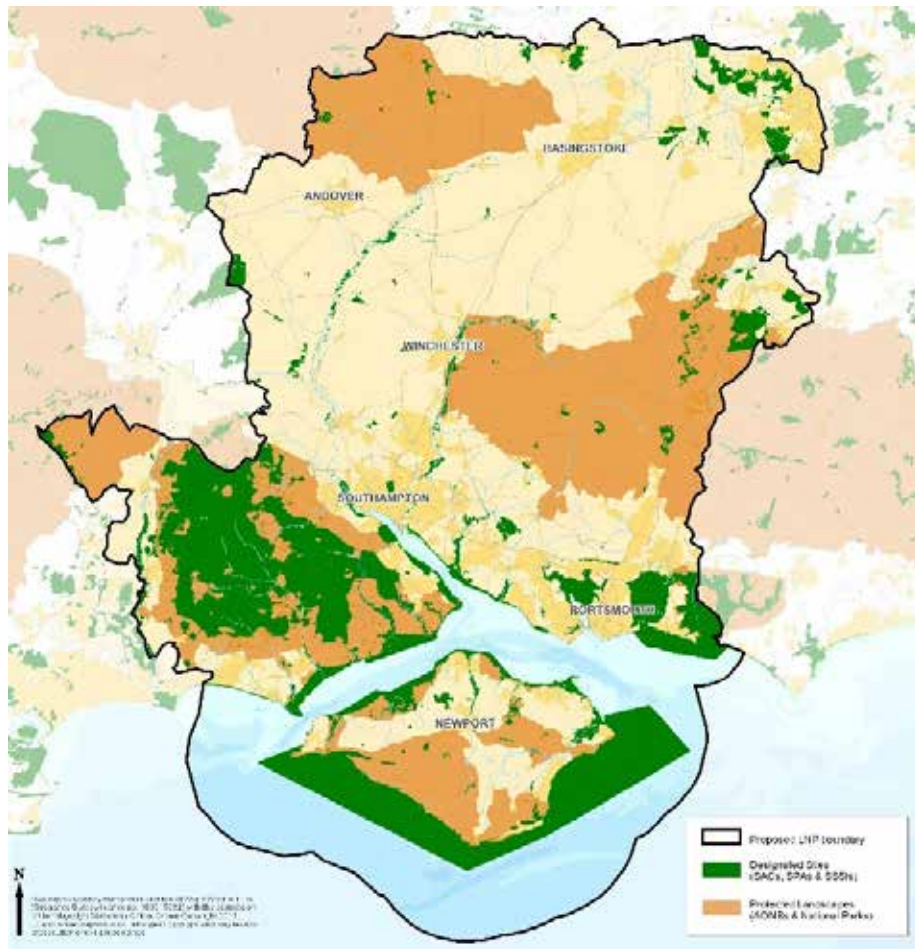
Focused governance in each of the four new mainland unitary authorities will facilitate more coherent and strategic planning policy, particularly in areas such as housing delivery. This approach supports pooled infrastructure levy receipts, single points of contact for developers and the supply chain, and clearer management of the five-year land supply. Together, these measures would accelerate the delivery of homes better aligned with local needs:

- In a **North Hampshire unitary**, a single local plan and enabling approach will unlock garden community sites and establish consistent developer contribution rates. This would enhance the deliverable land supply and expedite Section 106 and CIL agreements to provide the necessary supporting infrastructure.

- A **Mid Hampshire unitary** will balance the natural capital of the area's unique environment (including, options 1 and 3, two national parks and two national landscapes) with regeneration and intensification of their market towns, rural infill and strategic allocations (including new settlements). By planning the growth of communities strategically across this area, opportunities can be taken to maximise the delivery of new infrastructure to unlock development opportunities to meet a variety of different needs in this rural setting.

- The **South West unitary** will coordinate brownfield intensification, residential releases near airports, and the timing of urban extensions within a single strategy, focusing on the viability of high-density schemes.

- In the **South East unitary**, there will be some opportunities to integrate coastal planning with waterfront regeneration and infill targets. This would align flood-risk mitigation investments with the delivery of new homes.
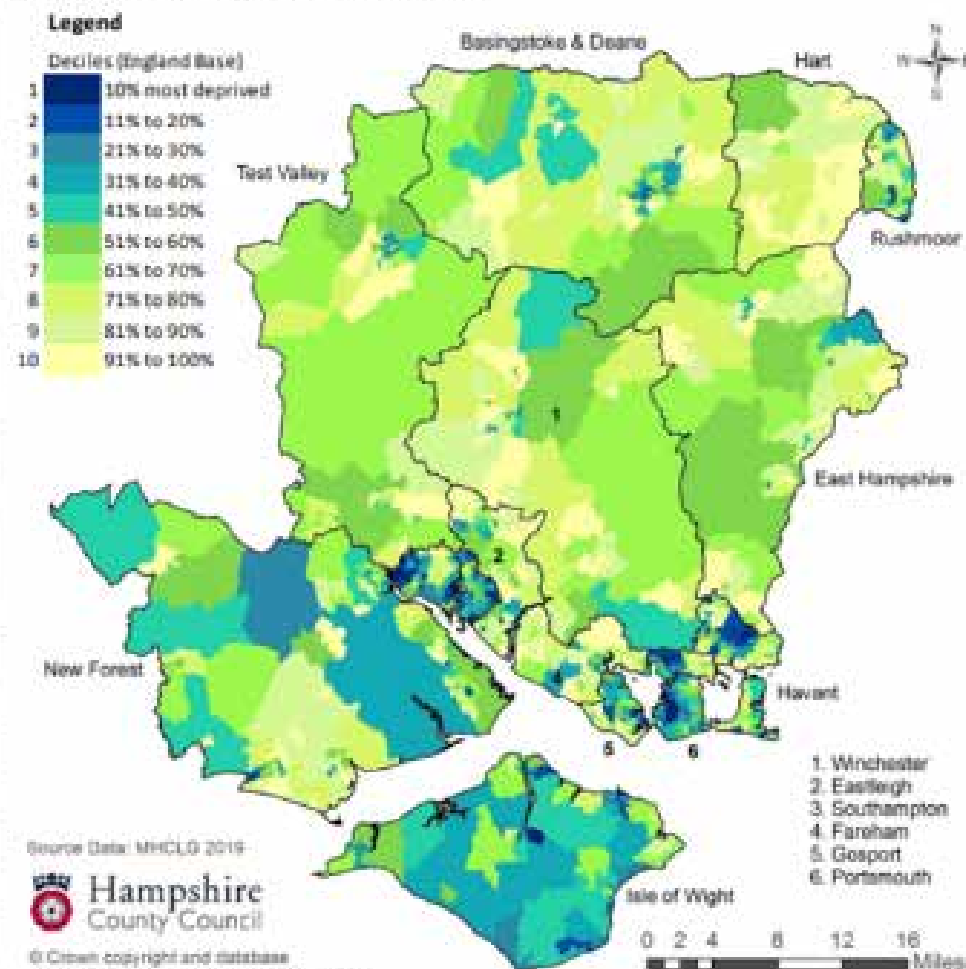
The 2019 Index of Multiple Deprivation

Income | Employment | Health & Disability | Education, Skills & Training | Barriers (Housing & Services) | Crime | Living Environment

The Indices of Deprivation is the collective name for a group of 10 indices that all measure different aspects of deprivation, although the most widely used of these is the Index of Multiple Deprivation (IMD). The IMD is a combination of the seven indices shown above to give an overall score for the relative level of multiple deprivation experienced in every neighbourhood in England. There are 32,844 areas (lower super output areas) in England. They are ranked with 1 most deprived.

Area (Number of LSOAs in each area are in brackets)	No. of LSOAs in the 10% Most Deprived areas in England (% of LSOA in brackets)	No of LSOAs in the 11%-20% Most Deprived areas in England (% of LSOA in brackets)
Hampshire & Isle of Wight (1,194)	44	81
Hampshire Economic Area (1,105)	41	72
Hampshire County area (832)	7	33
Isle of Wight (89)	3	9
Portsmouth (125)	15	15
Southampton (148)	19	24
Basingstoke and Deane (109)	0	1
East Hampshire (72)	0	0
Eastleigh (77)	0	1
Fareham (73)	0	0
Gosport (53)	1	7
Hart (57)	0	0
Havant (78)	6	17
New Forest (114)	0	3
Rushmoor (58)	0	3
Test Valley (71)	0	1
Winchester (70)	0	0

LSOA are census based population areas of between 1,000 and 3,000 residents.

Legend

Deciles (England Base)
1 - 10% most deprived
2 - 11% to 20%
3 - 21% to 30%
4 - 31% to 40%
5 - 41% to 50%
6 - 51% to 60%
7 - 61% to 70%
8 - 71% to 80%
9 - 81% to 90%
10 - 91% to 100%

Source Data: MHCLG 2019

Hampshire County Council

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1. Winchester
2. Eastleigh
3. Southampton
4. Fareham
5. Gosport
6. Portsmouth

0 2 4 8 12 16 Miles

Our community-aligned and focused new unitaries will be able to plan and deliver at a scale, remaining close to local priorities and requirements. Larger, one-size-fits-all solutions, cannot be applied to housing in Hampshire and the Isle of Wight due to specific place-based factors, and there is a risk posed from a larger unitary model in which remoteness blunts responsiveness and the ability to deliver. Through our four new mainland unitaries, local plans and delivery can effectively address the mix of green-belt, national landscapes, brownfield and flood-risk constraints in each area.

Placing further pressure on already stretched housing resources is the increasing challenge of homelessness across the region. Increasing numbers of people in temporary housing and those experiencing rough sleeping are diverting affordable housing stock into emergency use. This reduces the availability for general allocation and drives up reliance on costly solutions such as bed and breakfast placements and spot-purchased hotels.

The scale and nature of homelessness challenges vary across the region. For example, in deprived areas within Portsmouth, Southampton and Gosport, annual homelessness acceptances range from 200 to 650 households, with year-on-year increases and have risen between 10 and 20% year-on-year. Temporary accommodation figures in these areas range from 150 to 400 households, up 8 to 15% year-on-year.

While urban areas face increased pressure, pockets of deprivation exist throughout Hampshire and the Isle of Wight. Deprivation is not the only factor driving homelessness across the area, with health and social care, rural isolation and flood-risk also contributing to local issues.

Our four new mainland unitary councils, aligned to the distinct population centres and economic areas and the way people live their lives within Hampshire and the Isle of Wight, would better understand and respond to local housing challenges – enabling more targeted, innovative and sustainable solutions.

Pooling affordable housing contributions and aligning local best practice approaches to homelessness prevention, rough-sleeper outreach and temporary accommodation procurement to local demand and land availability are some of the ways through our proposal will improve outcomes for our communities. A place-based approach at this scale optimises resource pooling but also allows the new unitaries to specialise in local issues while keeping decision-making close to communities.

This place focused model of new unitary councils enables more effective prevention, delivering healthy land-supplies and stable housing delivery by tailoring policy to local market conditions and community needs. There is a risk through aggregating on a larger scale into even larger unitary councils that local voices will be diluted, slowing down homelessness responses and housing allocations.

Case Study:
Local based housing solutions to build sustainable communities

Ensuring local based housing solutions for residents in sensitive and protected landscapes across the proposed Mid Hampshire unitary area is an established key strength. Balancing a shared commitment for growth with the responsibilities to ensure that the natural environments are protected and enhanced, work is progressing around ambitious growth strategies with a diverse mix of scale and type of sites throughout both urban and rural areas.

Mid Hampshire existing councils are already leaving no stone unturned in rising to the challenges of meeting housing needs, while also being mindful of the unique characteristics of the geography, particularly its internationally recognised chalk streams, national parks, and the flora and fauna throughout. Over the last ten years, Mid Hampshire has enabled a significant uplift in housing delivery across the geography, despite the challenges caused by COVID-19 and the short-term impacts of addressing nutrient neutrality since 2020.

Housing delivery across Mid Hampshire from 2014/15 to 2023/24
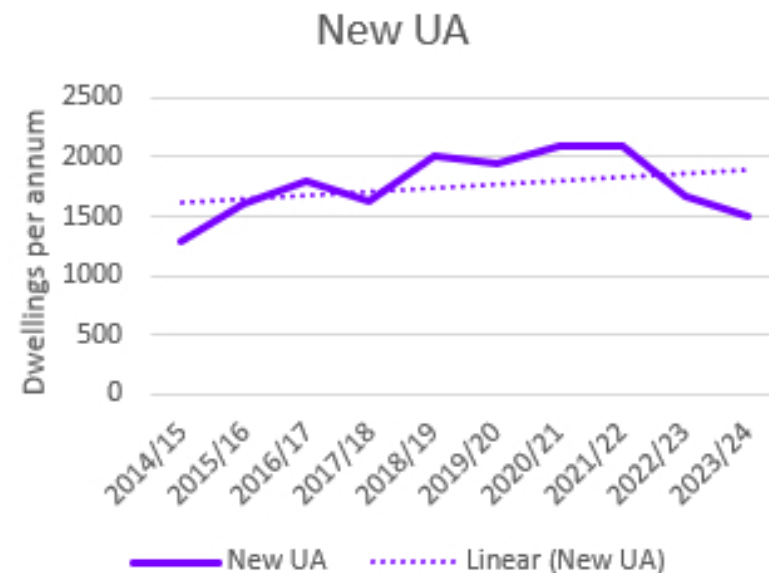
Working through the Civic University partnership with the University of Southampton, in-depth research has shaped an approach that identifies and addresses the often-expressed concerns about increased housing in smaller settlements. This enables sensitive development that strengthens local communities and allows generations to remain in the communities they identify with, especially within national parks and national landscapes. This is set alongside a positive approach to exception sites to provide local housing for local people in rural areas.

The shared geography has led to significant collaboration as Mid Hampshire innovates to find solutions to unlock growth. Recent examples include mitigation works to secure nutrient neutrality and recreational disturbance mitigation. Working with partners in the national parks and landscapes, Mid Hampshire recognises the intrinsic value that the national parks and landscapes have for existing and future residents, including their natural capital and green growth opportunities.

In delivering new growth, Mid Hampshire has been successful in delivering infrastructure and associated services that support communities in living sustainably. Mid Hampshire has been working closely with the NHS and other partners to ensure that new community infrastructure (e.g., halls/ surgeries) is designed to be adaptable to changing needs. Opportunities to use developer contributions and other funding available have been maximised to help create and sustain communities. Examples include community developer workers and upgrades to village halls.

A commitment to tackling the climate crisis runs through Mid Hampshire's approach to delivering sustainable communities, with emerging policies seeking to respond to the challenges of delivering net-zero carbon development. Winchester City Council's Local Plan, currently at examination, includes requirements for Passive House build, with emerging local plans promoting LETI energy efficiency and the concept of 15-minute neighbourhoods to ensure sustainability. In addition, groundbreaking work to ensure nutrient neutrality through upgrades to small-scale wastewater treatment works enables development on sites otherwise blocked and protects internationally recognised chalk streams.

The new Mid Hampshire unitary would be the corporate landlord to around 10,000 households and would continue its commitment to affordable/social housing provision through established success in securing Homes England and MHCLG grants and LAHF funding. With a flexible approach to local authority-led building, leading the way in securing s106 sites to boost delivery, a housing company providing housing for key workers, and buying off-plan from developers to ensure the provision of social housing. Strong partnerships exist with the Registered Provider sector, with several large RPs securing affordable housing on key strategic sites. Finally, there is a commitment to carbon reduction to tackle the climate emergency

Case Study: Partnership for South Hampshire (PfSH)

The Partnership for South Hampshire (PfSH) has been established for over 20 years and currently represents 11 authorities in South Hampshire, including those represented in the south of Mid Hampshire, South East and South West Hampshire unitary clusters, and covering the main local housing markets in the area. Over this period, in-order to support housing delivery, the PfSH authorities have agreed:

Successive spatial planning strategies

These set out a common strategic approach and agree a distribution of housing and employment development needs, the latest being the Spatial Position Statement, December 2023. They form a key part of the evidence to demonstrate that individual councils are working together to address strategic planning matters. This is a requirement under the statutory 'duty to co-operate', so forms an important part of preparing local plans which can pass their examination and be adopted.

The most recent Spatial Position Statement (December 2023) agreed a distribution for 65,000 homes. It also identified a number of broad areas of search for growth, to be considered further through local plans. Previous versions of PfSH's planning strategies have been instrumental in helping to bring forward new strategic sites, such as at Welborne (north of Fareham), identified for 6,000 new homes in the Fareham local plan.

Common approaches to the delivery of environmental measures

These are measures required under the habitat regulations, to fully mitigate the effects of increased recreational pressures on the Solent (the 'Bird Aware' programme) and nutrients in the Solent.

The schemes have been devised in close partnership with Natural England, and with other affected authorities in the Solent area. They have overcome significant regulatory

barriers by creating a shared and practical approach which can be implemented by developers in-order to protect internationally important environmental designations and enable development. This work has put South Hampshire in a leading position in addressing these issues.

Common Evidence / Sharing of Information

PfSH has prepared successive Strategic Flood Risk Assessments, a Green Infrastructure Strategy and Integrated Water Management Study. It also acts as a single point of contact for strategic dialogue on development issues with transport and other infrastructure providers. This work has secured efficiencies and a better shared understanding of strategic issues.

Overall, these approaches have all facilitated housing delivery by supporting a strategic and 'joined up' approach, providing the evidence to support the progression of local plans and facilitate the delivery of development in accordance with the habitat regulations.

PfSH is determined to ensure that this successful record of joint working is carried forward into the new structures to be created through local government reorganisation.

Rural geographies

Rurality in Hampshire and the Isle of Wight presents a distinct set of pressures that creates and challenges in meeting the needs of many residents. Around 75% of land, home to approximately 300,000 people out of over 2.1 million, is classified as rural, yet communities and local authorities often lack the critical mass and budgets to sustain services on the ground.

Public transport in rural areas is sparse and expensive to operate, resulting in unequal access to services. Broadband and mobile coverage also adds to current inequalities, cutting people off from jobs, education and tele-health. The small-scale nature of settlements means higher per-capita costs to deliver housing, social care and healthcare, further driving inequalities in access and outcomes compared to urban areas. With ageing populations, flood-risk zones and National Park constraints, there are issues when trying to attract investors and developers or retain skilled workers, compounding isolation and service shortfalls.

These dynamics contribute to deprivations and inequalities across rural areas: longer emergency service response, delayed hospital and social care access, rising loneliness, fewer affordable housing options and limited employment opportunities beyond agriculture, tourism or care work. Young people in rural areas face significant barriers to accessing local employment opportunities, contributing to outward migration and weakening long-term community resilience.

Our four new mainland unitary councils align boundaries with rural catchments and how people live and work. By creating new unitaries that can focus on their specific priorities and

challenges, each authority would be able to work with the new Mayoral Combined Authority to:

- Pool and prioritise transport budgets to extend rural bus, mini-bus and demand-responsive services, and fund community-led volunteer schemes.
- Coordinate digital infrastructure upgrades to deliver broadband and 5G, using streamlined planning and investment.
- Consolidate housing strategy to inlock small-site rural exception schemes, aligning s106/infrastructure levy receipts and fast-track affordable homes.
- Embed multi-agency rural support hubs combining social care, health outreach and mental wellbeing services, avoiding duplication across the area.

There is a high likelihood that these challenges will get lost if aggregated into a bigger unitary model, creating further division and inequalities. Our four new mainland unitaries would be responsive to local needs, enabling rural focused decision making and working with residents to bring better outcomes that would be lost in a larger scale structure.

Case Study: Test Valley's Approach to Rural Connectivity and Economic Growth

Rural connectivity is a critical factor in ensuring that communities remain sustainable and resilient. Test Valley Borough Council has played an important role in creating the conditions for this to happen through a range of initiatives, based on local need, both with a community and economic focus. In 2011, Test Valley Borough Council engaged the LGA to help develop a model that would empower councillors to become catalysts for change in their communities. The council has developed a 'community councillor or front line' model to provide local communities with the resources and support required to achieve real impact and build community capacity/ resilience. In Test Valley this form of neighbourhood empowerment has seen significant investment in our rural communities through community led action planning. The infrastructure established, such as community hubs, has been much more than bricks and mortar. Communities

have been provided with the means to look after their own and ultimately it is at local level, where the power of prevention will reduce demand for public services. An example of this is the creation of a new Broughton Community Shop which helps combat rural isolation and where accessing services is difficult. This hub provides a combination of village shop, post office, café, and digital workspace to improve connectivity and meet the daily needs of surrounding villages, as well a supporting the local tourist economy.

Our approach has extended to investment in the rural economy including the creation of business support grants, to increase productivity and job creation, and Rural Net Zero Business grants. Community grants have supported facility improvement projects to increase their resilience and sustainability. The Net Zero Pilot Demonstrator is example in increasing resilience in the agricultural sector. This was a national first which trialled new farming techniques on two farms with the joint aims of maintaining crop productivity through reduction in fertiliser use therefore reducing input costs and reduced nitrate impact on river courses.

Council tax and business rates harmonisation opportunities

Our proposed reorganisation into four new mainland unitary councils presents a significant opportunity to address long-standing disparities in council tax levels. The financial modelling underpinning this proposal does not assume council tax harmonisation in its breakeven analysis as any decision to harmonise council tax levels would rest with the new Shadow Authorities. However, there is a potential additional revenue of £128 million over 10 years through harmonisation. This predominantly relates to the uplift in the council tax referendum threshold (or cap) from 3% for a borough/ district council to 5% for a unitary council. This represents a substantial fiscal lever that could be used to support local investment and service transformation.

In parallel, there is also opportunity to strategically manage the total business rates. With a current average of £422 million across the four new unitaries for each option, there is opportunity to create a platform for more consistent and equitable economic planning, enabling each unitary to align business rate strategies with local economic priorities while contributing to a more balanced and resilient regional economy. By aligning governance with distinct economic geographies, our new councils will be better positioned to unlock growth, attract investment, and ensure that business rates income is reinvested in ways that reflect the needs and ambitions of each area.

Together, these opportunities underscore the potential of our proposal not only to streamline governance and improve service delivery tailored to local needs in each area, but also to unlock new fiscal tools that support long-term financial sustainability and local empowerment.

Criteria two: unitary councils that are the right size to achieve efficiencies, improve capacity and withstand financial shocks

Like many areas across the country, councils across Hampshire and the Isle of Wight are struggling with rising demand for adult social care and children's services, alongside inflationary pressures that are increasing overall operating costs. The two-tier system in part of the region exacerbates these financial challenges by maintaining parallel teams, separate IT platforms, and duplicated back-office functions, which diverts resources away from frontline services.

Hampshire County Council faces a budget gap of £136 million, rising to £206 million in 2027/28 and £281 million in 2028/29. The county council has acknowledged that even if they were able to balance their budgets in the short term, it would still likely lead to a S114 notice in the future. Without genuine transformation, the county council's budget gap is likely to widen due to unachieved savings and continued growth in demand and spend.

In contrast, Southampton, one of the two existing city unitaries, has transitioned to a self-sufficient position, having previously used £39.3 million in exceptional financial support (EFS) to set a balanced budget. Through transformation initiatives and targeted government funding, Southampton has been able to balance spend without needing new EFS for day-to-day spending in 2025/26. Portsmouth, the other existing city unitary, continue to manage its finances effectively and has never applied for EFS.

We believe this demonstrates that four new place-focused unitaries, serving a population of 400,000 to 600,000 each can achieve even greater efficiencies and improvement through transformation and innovation while remaining close to the communities they serve.

Our proposal outlines that four new authorities on the mainland is the most viable way to establish financially sustainable structures, ensuring that reorganisation and devolution lead to economic growth and high-quality service delivery built for the long-term, linked to the wider public sector reform agenda. Our four new unitaries model will unlock efficiencies, improve capacity and withstand financial shocks by:

- Empowering each authority to manage its entire budgetary process from start to finish.
- Centralising procurement, including IT, highways maintenance, and social care placements.
- Enhancing transformation teams across each distinct area to achieve savings from service redesign tailored to local needs and secure post-vesting day milestones.
- Unifying capital and revenue planning to ensure major projects are funded from a strategic envelope tailored to local requirements, rather than a broad model that overlooks specific resident, community, and local ecosystem requirements.
- Leveraging local relationships to support key localised service provision and service integration and transformation through a total place based approach, building and scaling capacity across distinct areas.
- Fostering competitiveness within the supplier market

as unitary authority's cover balanced geographical and population areas.

- Enabling growth and increasing financial resilience in major and emerging industries by forming unitary structures that focus on the distinct economic areas and industries, such as defence, maritime, agriculture, and digital. Local interventions can enhance diverse economic areas across rural and urban settings, positively impacting the local economy, skills, and employment and generating significant income.

- Ensuring the best democratic representation for each new unitary with balanced populations connected to distinct communities, reducing current councillor numbers by 40%, and reviewing member allowance schemes across Hampshire and the Isle of Wight.

- Ensuring the size of the organisation is proportionate to the services that are being delivered by enhancing operational efficiency and delivering more impactful roles.

- Reviewing and rationalising the property portfolios to ensure alignment with each authorities' overall objectives and community needs, optimising the return on assets.

- Enhancing customer contact facilities by ensuring the needs of residents are met through proportionate customer engagement services, including developing self-service digital channels alongside driving operational efficiencies and improving overall customer satisfaction.

- Consolidating the fleet portfolios to realise route efficiencies and minimise environmental impact through sensible geographies for each of the unitaries.

While larger unitary models may offer greater scale, they risk prioritising short-term financial gains at the expense of local

responsiveness, diluting local voices and stifling the economic specialisms that underpin local resilience. There is also a risk that simply consolidating Hampshire County Council's existing liabilities under a smaller number of roofs will make the deficit even more unwieldy, rather than addressing underlying issues in focused, place-based structures.

Our new four mainland unitaries strike a balance - being large enough to deliver and benefit from financial efficiencies, such as s106 and infrastructure levy receipts, streamlined procurement, staff rationalisation and reduced duplication, while remaining closely connected to local areas.

By aligning our new unitaries with local economies, we can tailor fiscal strategies to local growth sectors, safeguard reserves against demand-driven shocks in adult social care and maintain the democratic accountability that ensures key public services remain responsive to local needs. The four new mainland unitaries will be genuinely connected to their communities and able to realise the opportunities of focused, place-based prevention, commissioning and transformation in high-cost areas such as adult social care.
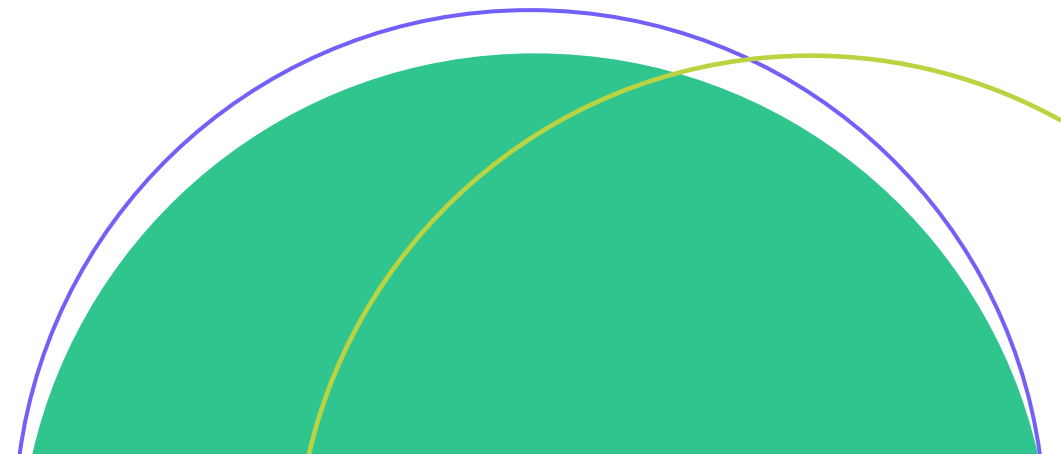
Approach

During our options appraisal process, we assessed each option against government criteria 2 to determine whether they were the right size to achieve efficiencies, improve capacity and withstand financial shocks. As well as the detailed financial case, which includes a detailed assessment of each option, we first established the viability using a variety of metrics, informed by public sources as well as council s151 officers. This data was then ratified with them to ensure data and analysis was accurate. The purpose of this initial piece of work was to determine options with appropriate balance and ensuring that, for example, one unitary was not left with an unviable position that would be detrimental to their financial sustainability.

Metrics covered a number of assessment factors as part of the options appraisal aligning to government criteria 2, including population, transition costs, financial efficiencies, establishing a firmer financial footing and council debt.

Please see page 54 for more information on the proposed areas for each unitary option.

Assessment Factor	Metric	Option 1				Option 2				Option 3			
		U1	U2	U3	U4	U1	U2	U3	U4	U1	U2	U3	U4
Population size	Average unitary 2028 Predicted Population	407,465	598,823	423,221	554,741	407,465	417,159	604,885	554,741	407,465	484,546	510,102	582,137
Potential financial efficiencies	Gross Central Service Costs (000s)	£29,231	£32,268	£27,418	£21,533	£29,231	£23,827	£35,858	£21,533	£29,231	£26,265	£31,348	£23,604
	Gross Staff costs (000s)	£160,045	£233,392	£194,684	£292,728	£160,045	£161,906	£266,170	£292,728	£160,045	£188,304	£229,395	£303,104
	Gross Costs of IT licenses (000s)	£6,097	£7,664	£7,304	£8,974	£6,097	£5,230	£9,737	£8,974	£6,097	£6,209	£8,417	£9,315
	Gross Costs of Third Party spend (000s)	£360,555	£534,507	£538,622	£451,513	£360,555	£367,563	£705,565	£451,513	£360,555	£430,206	£618,740	£475,696
	Gross Funding from Council Tax and Business Rates (000s)	-£283,198	-£413,739	-£233,629	-£348,846	-£283,198	-£284,460	-£362,908	-£348,846	-£283,198	-£333,660	-£295,093	-£367,461
	Social Care Ratio	86.84%	86.84%	87.43%	91.33%	86.84%	86.84%	87.37%	91.33%	86.84%	86.84%	87.40%	91.22%
Establishing firmer financial footing	Budget gap 26/27 (000s)	£42,078	£55,047	£16,669	£33,532	£42,078	£38,293	£33,423	£33,532	£42,078	£44,507	£24,761	£36,979
Council debt	Ratio of financing costs to net revenue stream %	0.41%	2.77%	15.03%	6.14%	0.41%	1.88%	11.74%	6.14%	0.41%	2.66%	13.02%	5.94%

Population

The three variants of our four new mainland unitary model creates balanced populations across each unitary, reflecting each distinct economic area and local identity. The following table outlines the 2023 and forecasted 2028 population sizes for each proposed unitary under options 1, 2 and 3.

Our proposal creates the right sized unitary structures which focus on place-based prevention and public sector reform, tailored to the distinct requirements of our communities. We want the future of critical services and local government to focus on outcomes, quality services and the capacity to deliver through strong local leadership.

		Option 1		Option 2		Option 3	
		2023 population	2028 population	2023 population	2028 population	2023 population	2028 population
U1	North	394,648	407,465	394,648	407,465	394,648	407,465
U2	Mid	570,739	598,823	395,341	417,159	460,889	484,546
U3	South West	397,060	423,221	572,458	604,885	480,839	510,102
U4	South East	532,519	554,741	532,519	554,741	558,590	582,137

Summary of financial sustainability

Our proposal enables efficiencies to be gained by our four new mainland unitaries through a comprehensive review of the existing structures and processes to identify opportunities which are achievable. Our four new mainland unitaries will drive efficiencies, capacity and wider public sector reform through sustainable structures linked to distinct identity and requirements.

The following represents a summary of our financial case which is also set out in full in section 7:

- **Implementation and disaggregation costs:** One-off implementation costs by year 3 for Options 1 and 2 are estimated at £128.2 million (base) and £155.5 million (high), with additional annual disaggregation costs of £17.9 million (£19.7 million in High). For Option 3, there are one-off implementation costs of £133.0 million (base) and £160.3 million (high), primarily driven through the additional complexities and costs of disaggregating with boundary changes.

- **Recurring savings:** By year 3, the reorganisation is projected to deliver annual recurring savings (net of existing partnerships) of £81.8 million in the base case and £111.5 million in the high case across options 1, 2 and 3. These savings represent 2.2% and 3.0% respectively of the combined net revenue budget of £3.8 billion.

- **Payback and net benefit:** Payback is achieved within 3.0 years (2.3 years in high), with an annual net financial benefit of £63.9 million (£91.8 million in high) by year 4 for Options 1 and 2. In Option 3, Payback is achieved in 3.1 years in the base case (2.3 years in high) with the same annual net financial benefit as Options 1 and 2.

- **Comparative viability:** All three modelled options (Options 1, 2, and 3) deliver a positive net financial benefit, with Option 3 incurring slightly higher implementation costs due to boundary changes but achieving similar long-term savings.

Hampshire County Council alone is forecasting a gross budget gap of £136 million by 2028/29 and with pressures to rise to £281 million. There is an expectation that the county council will look to reduce this budget gap as much as possible prior to vesting day. The forecasted gross budget gaps of all other councils by 2028/29 totals £42 million. However, if there are any residual budget gaps post vesting day, the recurring savings of £81.8 million (base case) and £111.5 million (high case) projected from our proposal would contribute to closing residual budget gaps across the new unitary authorities. By enabling more efficient, place-based service delivery, the new councils would be better positioned to manage financial pressures and reinvest in post-reorganisation transformation, supporting long-term financial resilience and sustainability.

As of 31 March 2025, there are £1,779 million of total usable reserves. It will be up to each new authority to determine how to use its resources to fund the cost of reorganisation which is likely to be through a mixture of use of reserves and capital receipts to support the transformation.

Case Study: Ten years of environmental health success

Since formalising their Environmental Health Partnership in 2014, Fareham and Gosport Borough Councils have exceeded all expectations of joint working. What began as a trial to save £50,000 each has delivered over £450,000 in its first year alone, thanks to a strategic restructuring later honoured with an iESE Transformation Award, and a further £77,000 between 2014 and 2023.

By pooling staff, assets and expertise, the partnership has driven continuous efficiencies while enhancing service quality, flexibility and customer focus. Today, environmental health teams in both boroughs deliver the same high standards at no additional cost to residents, even as everyday prices rise, demonstrating the power of place-based collaboration to protect public health and the local environment while generating significant value for money.

Case Study: Financial Efficiencies - Coastal Partners

The service has a clear vision to manage coastlines, improve community resilience and enhance the natural environment and has a strong capital programme in excess of £500 million. Through 'growing their own', the service is a high performing multidisciplinary team reducing reliance on consultancy support. They also perform as an intelligent client, commissioning multi-million-pound projects delivering high quality outcomes for our communities with significant measurable efficiencies of over £11 million.

The shared service is now a mature partnership that demonstrates strong governance delivering under a Section 113 Local Government Act agreement placing staff at the disposal of each of the partner councils. The partnership operates an equitable fee structure where those with most need contribute more but also receive the most benefit. Clear business planning and excellent communication is a hallmark of the success of the service which has led to national sector recognition through various awards. By working as 'One Team for One Community' across all borders, the service demonstrates an efficient use of staff, increased confidence that key objectives will be achieved and has a strong track record of project delivery with more staff delivering more projects more efficiently for a lower cost to the partner authorities saving £4million in operational costs since its inception.

Working side-by-side with the five local authorities and in line with their corporate strategies, vast cost savings, shared resources, and knowledge pool benefits are realised. The partnership approach has promoted 'swimming together' rather than in lanes to deliver something greater than the sum of its parts. The agile approach and proven success of the model can be easily scaled to deliver well for the proposed new unitary authorities following local government reorganisation under a new flood, coast and environment service. Through cross-boundary working, the partnership also maximises its presence which leads to greater fund generation opportunities, a wider network and increased influence in the sector. The team is at the forefront of lobbying for a more cohesive sector approach, nationally and locally, that will help councils deliver more realistic outcomes for coastal communities.

In Portsmouth, the Southsea Coastal Scheme is the UK's largest local authority-led Flood and Coastal Erosion Risk Management (FCERM) scheme. It stretches for 4.5km and will reduce the risk of flooding and erosion to more than 10,000 homes and 700 businesses. The £200m project will revive and rejuvenate the Southsea seafront through significant public realm improvements, all while delivering a world-class flood defence system to protect the city for the next 100 years.

Examples of how these efficiencies are achieved:

- *Realised through single officer attendance at meetings or lead on objectives with mutual benefits to represent the interests of a wider geography or multiple organisations rather than sending separate representatives.*

- *Capacity building where upskilling of colleagues can enable cost effective and focussed working on specialist functions avoiding unnecessary periods of development if working in isolation or avoiding the costs of commissioning through external specialist suppliers.*

- *Having a larger portfolio and pipeline of projects spread over several organisation and geographies provides the confidence to recruit additional staff and invest in their development whilst also creating a trusted and sought after brand which is attractive to the recruitment market ensuring we attract and retain the most capable and dedicated colleagues in the sector.*

The investment in growing our own staff and nurturing the commitment to the service has also created high performing teams seeing increased confidence key objectives will be achieved and a track record for delivery. The experience gained through bidding, securing funds and delivery in a complex sector has helped the service gain national recognition and seek out innovation driving for constant improvement. The expertise and techniques developed also provide wider organisational benefits whether this be through shared use of UAV/Drone technology or Laser Scanning for surveys and images or sharing project management approaches to reporting. Working across more authorities has also helped the service take a more strategic approach to procurement

where they have led on Frameworks for Professional Services and Minor Civil Engineering Works being utilised by a number of local authorities. The service is ambitious and sees the opportunity of working across more larger unitary authorities within a combined authority as an opportunity to provide even stronger and resilient services for our communities.

With coastlines, communities, and the environment under increasing pressure from rising seas, more frequent and powerful storms, Coastal Partners is a driving force in practical, experienced, and specialist coastal management. Building on these excellent examples of innovative partnership working, our four mainland and Isle of Wight unitary model is well placed to continue driving efficiencies and improving outcomes for their diverse communities, whilst providing value for money.

Criteria three: how unitary councils will prioritise the delivery of high quality and sustainable public services to citizens - including perspectives on key service design challenges and transformation opportunities

The assumption that two or three even larger 'mega-unitaries' will automatically deliver superior services and financial efficiencies is not supported by current evidence and previous reorganisations that delivered no consistent uplift in service quality. When existing unitaries are divided into balanced populations and compared using Ofsted, CQC, and tenant satisfaction metrics, smaller and mid-sized authorities (similar to our proposed new unitaries) often match or outperform their larger counterparts, challenging the argument for large-scale aggregation.

For instance, adult social care is often cited as a prime example of scale-driven reform. However, analysis shows that while scale can offer benefits in commissioning capital-intensive or specialist services and negotiating digital infrastructure deals, scale alone is not the determining factor in delivering high quality care. True excellence in care and outcomes for residents is driven by deep local connections, understanding people's needs within coherent communities, co-producing preventative services with neighbourhood partners and maintaining local relationships that larger unitary configurations cannot replicate.

Analysis indicates that smaller unitary structures are not more vulnerable to financial instability or service failure. In fact, councils serving smaller populations have achieved twice as many "outstanding" Ofsted inspection outcomes for children's

services when compared with larger populations and were equally likely to achieve top CQC ratings for adult social care. Tenant satisfaction data also supports this trend, with smaller structures often delivering better housing outcomes through an intense focus on local housing conditions and community engagement and delivering better experiences without the overheads associated with large, aggregated structures.

This also aligns with evidence from elsewhere about the successes of placed focused approaches such as the Wigan Deal. In Appendix 6 this is set out in more detail in a report by Collaborate for Social Change called '*The bigger you go, the less you know - Why place-based, relational approaches to public services must be core to Local Government Reorganisation*'. This report demonstrates how place-based and neighbourhood approaches can reduce demand and make services more effective through building better relationships with local people and communities, by giving them more power over the decisions that affect them and greater access to the resources local government and other partners hold. Focusing on a scale of place that people identify with, enabling community power, and investing in preventative, relational, and asset-based ways of working, all have the potential to improve outcomes as well as enable better use of resources and sustainable cost reductions for the long term.

Our proposed four new mainland unitaries, built around the way people live their lives, embodies this place-focused governance and neighbourhood delivery. This model would allow councils to capture local intelligence, nurture micro-provider networks, and prioritise prevention over crisis management, consistently outperforming those driven by larger top-down strategic remits. Initiatives such as the

Mockingbird Fostering Model and Regional Care Co-operative demonstrates how hyper-local care provision can be scaled. Success is driven at a local level through democratic proximity, relational delivery, and the flexibility to tailor services to distinct local dynamics. In this proposal, scale is not about viewing residents as numbers but about aligning Hampshire and the Isle of Wight's distinct boundaries with the lived realities of our communities, ensuring services are co-designed locally and delivered responsively to meet local needs. There is no better example to demonstrate the importance of building structures that are tied to the communities which they distinctly represent and serve than the 10-year health plan for England, known as Fit for The Future. It makes it clear that the future of health and social care lies in hyper-local, neighbourhood-centred delivery rather than distant, one-size-fits-all bureaucracies. By championing care as locally as possible, from in-home visits to neighbourhood health centres, and making digital the default front door for appointments, diagnostics and self-care, the plan relies on councils that know their communities inside out, understanding travel-to-work patterns, deprivation hotspots and the voluntary and clinical networks already in place.

Our four new mainland unitaries, built around our four population centres, aligns to real economic and social geographies, and can co-invest in digital infrastructure, target prevention in high-risk wards and co-design services with Integrated Care Board neighbourhood teams, ensuring that early-intervention screening, personal health budgets and wrap-around support hit the right doorsteps at the right time. Fit For The Future shows that scale without proximity doesn't drive better outcomes.

Current service delivery in Hampshire and the Isle of Wight

Hampshire and the Isle of Wight partially operates under a two-tier system where Hampshire County Council is responsible for adult and children's social care, public health, education, highways, transport planning, waste disposal, and strategic services. Meanwhile, 11 district and borough councils manage local housing, planning, environmental health, leisure, and waste collection services. Alongside this Portsmouth, Southampton and the Isle of Wight function as existing unitary authorities, providing the full spectrum of county and district services under one roof.

Each of the areas within Hampshire and the Isle of Wight are unique in terms of geographical landscape and economy, leading to diverse needs across the region. Reorganising around the anchors of distinct population centres and economic areas and place-based requirements is essential and we have begun developing what future service delivery will look like after local government reorganisation. The future structure of local government will be integrated with wider public sector reform and designed equitably to ensure effective service delivery, focusing on prevention and outcomes tailored to local requirements.

Approach

Each reorganisation option was assessed against government criteria 3 in our options appraisal, focussing on the future of high quality and sustainable services for citizens. This would be later complimented through service design workshops to identify challenges and transformation opportunities (see next section). Several metrics were used to perform a comprehensive analysis, to determine whether options were viable based on balance and sustainability for both the unitary and future of Hampshire and the Isle of Wight as a whole. Across all three of our variations of our four new mainland unitaries, the difference between unitary figures were minimal (for example, 0.99% versus 1.15% of number of older adults in adult social care % total population when assessing Option 1 and Option 2), demonstrating balance. This can be seen in the table below.

Assessment Factor	Metric	Option 1				Option 2				Option 3			
		U1	U2	U3	U4	U1	U2	U3	U4	U1	U2	U3	U4
Crucial service protection	Number of older adults in adult social care % total population	6.21%	6.10%	5.31%	5.22%	6.21%	6.38%	5.45%	5.22%	6.21%	6.23%	5.46%	5.19%
	Number of adults in adult social care % total population	0.64%	1.10%	0.96%	0.92%	0.64%	1.03%	1.05%	0.92%	0.64%	1.09%	1.01%	0.92%
	Number of children in children's social care % total population	0.51%	0.57%	0.88%	0.88%	0.51%	0.52%	0.83%	0.88%	0.51%	0.55%	0.85%	0.86%
	Number of registered pupils with SEND as % total population	4.73%	4.84%	4.80%	4.69%	4.73%	4.40%	5.13%	4.69%	4.73%	4.72%	4.95%	4.68%
	Proportion of children in relative low-income families (under 16s)	10.94%	11.74%	19.78%	19.73%	10.94%	10.65%	18.40%	19.73%	10.94%	11.42%	18.88%	19.32%
	Proportion of children in absolute low-income families (under 16s)	9.16%	9.91%	16.69%	16.61%	9.16%	8.96%	15.55%	16.61%	9.16%	9.64%	15.93%	16.27%
	Gross Environmental and regulatory services spend (000s)	£40,904	£67,563	£33,418	£60,409	£40,904	£43,695	£57,286	£60,409	£40,904	£53,798	£44,233	£63,360
	Gross Highways and transport services spend (000s)	£22,890	£23,984	£15,796	£33,161	£22,890	£17,060	£22,720	£33,161	£22,890	£19,399	£19,399	£34,202
	Homelessness per 1,000 households	0.77	0.70	0.92	2.47	0.77	0.68	0.86	2.47	0.77	0.70	0.89	2.39
	Rough sleeper count	8	13	26	18	8	11	28	18	8	11	27	18
	Households on housing register (or waiting list) per head of population	0.02	0.01	0.03	0.01	0.02	0.01	0.02	0.01	0.02	0.01	0.03	0.01
	Numbers of households in TA per 1,000 population	0.77	2.51	2.32	4.14	0.77	1.70	2.91	4.14	0.77	2.31	2.62	4.01

Service design workshops

Through a comprehensive process, council chief executives identified key service areas to explore as part of our transformation journey, building future services around our four new mainland and Isle of Wight unitary model. This process was guided by our vision for the future in Hampshire and the Isle of Wight and key design principles. The areas of focus identified were adult social care, children's services, education, economic growth, strategic planning and regeneration, waste management, customer and digital, highways and transport and housing and homelessness.

These sessions brought together representatives from all 12 councils alongside external advisers, fostering a collaborative environment to generate ideas on opportunities for the transformation journey that our proposal provides. Each workshop then formed its own ongoing 'working group' that continues to collaborate, contributing to implementation planning and broader transformation efforts.

There are significant opportunities to enhance service delivery across Hampshire and the Isle of Wight from both financial and service perspectives. Our four new mainland and Isle of Wight unitary model provides the strongest platform for achieving this, ensuring that service design is tailored to local communities and prioritising those that might be overlooked in even larger unitary councils. The remainder of this section focuses on our four new mainland unitaries with section 5 setting out the transformation opportunities for the Isle of Wight council which would remain an independent island authority.

Building on the momentum of our design workshops, we will draw on valuable insights, including recommendations from LGA peer reviews, both during the reorganisation process and as we move forward.

Adult social care

The adult social care (ASC) landscape in Hampshire and the Isle of Wight is complex, with many challenges experienced from both a national and local level. The population across the place is ageing, with 17.2% of residents aged 70 and over, compared to 13.7% nationally. In the Isle of Wight, this number is significantly higher at 21.5%. Rushmoor is also forecast to see one of the largest increases in over-75s of approximately 33% by 2030. In addition, there are pockets of deprivation, with 8.3% of householders classed as fuel poor in 2022 (approximately 13.5% on the Isle of Wight).

In terms of current service provision, Hampshire and Isle of Wight Integrated Care Board oversees strategic planning and resource allocation for health and care services. Frimley Integrated Care Board currently delivers services in part of North Hampshire. With the ICB boundary review comes the opportunity to align the ICB with the combined authority boundary. This sentiment has been strongly supported through our partnership sessions which included representatives from Hampshire and Isle of Wight ICB. We are continuing to work with the ICB to align their changes with our proposal to maximise the opportunities for joint redesign, integration and transformation.

Portsmouth, Southampton and the Isle of Wight deliver adult social care as part of their existing responsibilities, with place-based partnerships in place across the existing unitary

authorities to bring integrated teams together to understand the needs of the population, agree plans to meet those needs, develop strong partnerships and implement solutions.

The existing Hampshire, Isle of Wight, Portsmouth, and Southampton Safeguarding Adults Boards work together to develop policies and guidance for protecting vulnerable adults. Spend on adult social care as a percentage of total council spend is approximately 35%, with several factors contributing to a large cost-base, including transport, residential and home care, specialist support for complex needs, hospital discharge support and temporary accommodation for vulnerable adults.

Ahead of CQC inspections, Hampshire County Council and Portsmouth City Council each highlighted strengths and areas for improvement. Hampshire pointed to strategic planning, integrated care, safeguarding, and digital innovation as key strengths, while noting workforce challenges, financial pressures, and delays in hospital discharge as areas needing focus. Portsmouth identified strengths in person-centred care, digital tools, carer support and integration, but highlighted issues with service transitions, direct payments, and waiting lists for improvement.

Key challenges

Adult social care faces mounting pressures from rising costs, market fragility, and rural service delivery challenges, worsened by an ageing population and high demand for complex care, especially learning disabilities and mental health support. Currently, fragmented commissioning and poor alignment between Hampshire County Council and local district services hinder integrated care, with gaps emerging around transitions, homelessness support, and community health. Workforce

instability and leadership turnover adding strain, while the existing extra care housing model is increasingly unfit for purpose, contributing to discharge delays and inadequate service access in deprived communities.

Existing collaboration and good practice

Health and social care integration focuses on aligning primary care, community services, and adult social care to improve service delivery. Initiatives such as Healthworks support independent living and strategies for dementia care and workforce planning. Collaborative partnerships, particularly with Hampshire Hospitals NHS Foundation Trust and local stakeholders, enhance service delivery through joint efforts like the Andover Vision and Health Hub. Housing and community support are reinforced through multi-agency forums and co-located roles that address mental health and social challenges, supported by initiatives like Hampshire Home Choice. Public health priorities are shaped on prevention models and setting local health priorities with Integrated Care Boards.

Safeguarding and safety are addressed through multi-agency partnerships and networks, aligning with Safeguarding Adults Board priorities. Community resilience is built through networks and co-location initiatives to improve service delivery.

Good practice includes integrated health and social care efforts to reduce inpatient admissions and support housing pathways, partnerships for homelessness prevention, and community-based support through funding for disability charities and citizen advice.

Future plans

A transformative service delivery model for adult social care would be best achieved through our four new mainland unitaries. Our proposal emphasises the importance of being close to residents and distinct communities, ensuring that services are tailored to meet local needs effectively which is crucial to adult social care and health:

- **This model enables budgetary savings, including the alternative use of Hampshire County Council assets**, such as libraries, community hubs, and disused clinics, which could be reinvested directly into prevention programmes like homelessness outreach and reablement focused on the specific needs of each of the four areas. This is an approach already followed by Portsmouth City Council.

- **Data becomes a guiding tool, with local analytics teams embedded within each unitary** to monitor care quality and demand in real time. This allows for the identification of hospital discharges, rural transport issues, and targeted learning-disability placements. Open-book partnerships with local providers ensure transparency on costs and outcomes, supporting self-funders with tailored options and generating new income streams that enhance overall service quality.

- **Long-term resource efficiency is achieved through a place-based, multi-disciplinary approach focused on the specific needs of the area.** NHS colleagues, adult social care and children's services, housing officers, education leads, and voluntary-sector partners developing tailored local solutions at the neighbourhood level. Creative commissioning with local staff and volunteer networks creating delivery models that build community resilience, avoiding costly statutory interventions. This approach previously worked effectively in Portsmouth through the previous Clinical Commissioning Group model and the new unitaries can enable this to be better replicated within the ICB model.

- Our four new mainland unitaries unlocks **better use of shared assets** by maintaining local stewardship, community solutions, and agile collaboration, enabling more effective and community-focused management. Over the implementation window, each authority would map its critical infrastructure, such as Lymington Hospital, Andover Hills Hub, Basingstoke and North Hampshire Hospital and supported-living blocks, New Forest's mobile clinics, and Fareham's homelessness shelters, into an integrated prevention network aligned with the NHS's 10-year plan.

- This approach **embeds shared risk management, with councils underwriting care needs and co-financing capital projects.** The four new mainland unitaries would work collaboratively with partners under a leadership culture that emphasises cross-organisational learning and rapid innovation through a total place approach. This model ensures that services are not only efficient and effective but also deeply rooted in the communities they serve, fostering resilience and empowerment, making it a superior choice over a larger, mega-unitary model.

Our four new mainland unitaries would deliver adult social care services that are efficient, responsive and deeply rooted in place which provides the best opportunities for cost-effective, high quality services. It balances scale with proximity, harnesses data and partnership power, and prioritises a prevention-first culture tailored to local needs. The alignment of our proposal with the NHS 10-year plan is

strong, complementing and prioritising neighbourhood health services, moving to digital channels, prevention, co-production of care plans and stronger partnership working between local authorities, the ICB and the voluntary sector. By staying close to our residents and their distinct communities, we build a stronger, fairer, more sustainable future for adult social care and better outcomes for our communities.

Case Study: Portsmouth Provider Partnership (P3)

P3 is a collaborative initiative designed to enhance the coordination of health and care services in Portsmouth. It brings together a diverse range of organisations including Brunel Primary Care Network, Healthwatch Portsmouth, Island City Primary Care Network, HIVE Portsmouth, NHS Hampshire and Isle of Wight, Portsdown Primary Care Network, Portsmouth City Council, Portsmouth Hospitals University NHS Trust, Portsmouth North Primary Care Network, Portsmouth South Coast Primary Care Network, Solent NHS Trust, and the South Coast Alliance. The partnership aims to support the wellbeing, care, and health needs of the city's residents through effective collaboration and innovation.

Before P3 was established, Portsmouth faced significant challenges, primarily the need for better coordination of health and care services to support the wellbeing and health needs of Portsmouth's residents. Additionally, there was an ambition to move toward place-based commissioning, which required a more integrated approach to service delivery. To address these challenges, P3 focused on sharing experiences, collaborating,

and innovating for the benefit of the communities and neighbourhoods it serves, sponsoring projects aimed at improving services for residents and fostering a culture of continuous improvement and adaptation.

The partnership has achieved several notable improvements, including the development of a Health Inclusion Service at Brunel Primary Care Network to deliver primary care health interventions to the homeless population, the establishment of a Weight Management Hub to provide psychological support for patients undergoing weight management treatment, and the testing of a Breathlessness Diagnostic Hub in partnership with the Targeted Lung Health Check programme. This hub supports two primary care networks with spirometry testing and reduces pressure on primary care. Additionally, P3 has implemented 10 health kiosks in GP practices, allowing patients to ask health questions, get their blood pressure and other vital signs taken, request oral contraception, NHS health checks, diabetes appointments, and more. The partnership has also developed an 18-month Physical Activity Improved Lifestyles (PAIL) project to improve access to and support sustained engagement in exercise and physical activity for individuals living with mental health issues. The partnership is currently working on community help desks in two areas of the city (following research about digital exclusion for some residents) and community connection for residents who use substances to support their recovery journey. In addition, there is an ongoing bid to work on implementation of a neighbourhood health and care model as part of the 10-year health plan.

In our four new mainland unitary model, there is opportunity to capitalise on the success of P3 by sharing its method and model of working. This approach would enable more effective decision-making around scarce resources, informed by local resident-led research in distinct communities. By growing place-based relationships and ambition, we can gain delegation of resources for commissioning from ICB/LA, rooted in the communities served. This ensures that work makes a difference and can be tailored to utilise local assets, resources, skills, and meet local needs effectively.

Children and young people

Delivering children's services across Hampshire and the Isle of Wight presents significant challenges. Despite Hampshire County Council receiving 'outstanding' ratings from Ofsted, there is a developing, complex and fragmented landscape that is exerting increasing pressure on both finances and outcomes both short and long term. Hampshire's population of those aged 15 and under accounts for 17.8% of the total population, compared to 18.5% nationally. The percentage of residents in the Isle of Wight aged between 10 and15 years old has decreased from 7.0% in 2011 to 6.0% in 2021, while those aged four years and under dropped from 4.6% to 4.0%. More broadly, the 0 to 19 population in Hampshire is approximately 22%, and the 0 to 25 population is around 27%. This highlights the need to build strong pathways and transition services for young people with SEND into adult support services, which would be a focus of our new unitary authorities.

Winchester and parts of East Hampshire has seen the steepest decline in younger cohorts, while Basingstoke and Deane and Fareham have shown the largest increase in numbers of children (partly driven by new residential development). There is a differential rate of children living in poverty across Hampshire, concentrated around the cities of Southampton (33.3%) and Portsmouth (23.9%) and approximately 30% on the Isle of Wight, this compares to a national rate of 31%.

In Hampshire and the Isle of Wight, children's services are delivered through a large network of health and social care initiatives. The Hampshire and Isle of Wight ICB provides essential health-related services, including mental health support, school nursing, and specialist care. In part of North Hampshire, Frimley Health and Care ICB extends its services, while Portsmouth, Southampton, and the Isle of Wight offer a range of support, such as early help, respite care, and services for looked-after children, fostering, youth support, and safeguarding. The Children's Community Nursing Service in Southampton and Portsmouth offers specialist paediatric nursing care for children with complex health needs, supporting families in their homes.

The Hampshire, Isle of Wight, Portsmouth and Southampton (HIPS) Safeguarding Children Procedures provide a multi-agency framework to maintain consistent safeguarding practices across Hampshire, the Isle of Wight, Portsmouth, and Southampton.

Children's services accounts for a large percentage of council budgets (e.g. 34.2% of total Hampshire County council budget). This is largely driven by increasing costs and demand pressures, specifically increased demand for safeguarding, child protection, looked-after children, SEND support services, and high costs related to residential care, recruiting and retaining social workers with rising salaries and agency staff expenses.

There are number of key themes from Ofsted children services (ILACS) inspections. Hampshire County Council is noted for its strong safeguarding and social work practices, innovative family help model, stable care for children, and leadership-driven continuous improvement. Portsmouth excels in outstanding safeguarding and early help services, strong multi-agency collaboration, stable foster care placements, and committed leadership. Southampton is praised for its strong leadership, effective safeguarding, high-quality support for children in care, and holistic services for children with disabilities. The Isle of Wight demonstrates effective safeguarding, stable leadership, high-quality care for children, and a commitment

to early intervention, following its transition to an independent children's services model.

In terms of areas for improvement, Hampshire County Council requires improvement in the quality and uptake of return interviews for missing children and improved oversight of private fostering arrangements. Portsmouth requires better support for care-experienced young people, especially the most vulnerable, in accessing employment, education, and training, and ensuring they are aware of their entitlements and health histories. Although a recent focus visit from Ofsted in February 2025 recognised significant improvements in this area. Southampton faces challenges in placement sufficiency, timely health assessments, and support for unaccompanied asylum-seeking children, as well as strengthening private fostering oversight. The Isle of Wight needs to improve partner agency involvement in child protection strategy discussions, amplify children's voices in decision-making, enhance oversight of key processes, and address high caseloads in safeguarding teams.

Key challenges

Financial constraints and increased services costs are placing pressure on councils in Hampshire and the Isle of Wight, particularly in SEND, leading to in-year and cumulative deficits as a greater number of children and young people require Education and Health Care Plans and higher costs per student. Even with substantial investment, there are insufficient school and specialist places and educational outcomes for these children have not improved.

Frontline workers face high caseloads in some areas, exacerbating workforce challenges and affecting outcomes for children. The high number of children in care highlights the need for alternative interventions. Safety issues, such as youth violence and domestic abuse persist, revealing vulnerabilities in service delivery. Effective multi-agency collaboration and information sharing are needed to manage risks, while health and education inequalities continue to impact children's outcomes.

Existing collaboration and good practice

The Mockingbird Fostering Model and Regional Care Co-operative is an example of enhanced support for foster families and local authority collaboration. Safeguarding efforts are bolstered by partnerships and networks in some areas that focus on shared learning and resources, involving children in developing safeguarding initiatives and maintaining strong relationships with the Multi-Agency Safeguarding Hubs (MASH).

In some areas, public health services are integrated with children's services, working closely with the ICBs to improve service delivery. Education and school collaborations are strengthened in parts through partnerships, while housing services work jointly to enhance outcomes for children. Regional improvement is driven by the Southeast Sector Led Improvement initiative, and parental involvement is encouraged through the SEND Parent Carer Forum and Children's Partnership Board.

Best practices include the Family Safeguarding Model, which engages families in safeguarding interventions, and the Community Councillor Model, which directs funding into local services. Family hubs unify support for families, and the voice of the child is prioritised in decision-making. Health services collaborate effectively in some areas with local health hubs, and education initiatives like Eastleigh Borough Council's not in full time education, employment or training initiative which has successfully reduced NEET rates.

There is strong practice around enhanced safeguarding through the front door conversational model and strong engagement with secondary schools. Relational and restorative practices focus on relationship-based approaches, while risk management strategies implement place-based deterrents and reduce residential care placements. Multi-agency collaboration assists service delivery, and specialised models support neurodiverse children and reintegrate them into their homes. Finally, there are good examples of quality practice interventions and manageable workloads, with targeted support for vulnerable populations, including children seeking safety and asylum.

We are aware that MHCLG is currently working with DfE and DHSC colleagues on principles for partnership working and will take those into account during the service design phase, while also proposing to join the strong partnerships currently in existence across the region.

Future plans

At the Hampshire County Council level, decisions about children and young people are often centralised at a very large scale. However, this can mean that local options and interventions are overlooked, leading to unnecessary contacts and referrals. More localised structures promote consistency and accountability, reducing the need for intensive oversight and encourages managed risk taking. This approach would enable more responsive and personalised care for children and families.

The strength of our four new mainland unitaries lies in their ability to support deeply local, strength-based approaches. Communities naturally form around families, friendship groups, schools, faith-based organisations, sports clubs, and local businesses. When a unitary council aligns with these organic communities, it is better positioned to build meaningful relationships – something often lost in larger council structures. Additionally, essential services like housing and voluntary support are typically present at the local level, making them more accessible and easier to integrate as part of a locally focused, total place approach. Through our four new mainland unitaries,

we would unlock the following transformation opportunities which would not be achievable through even larger unitary councils:

- Fostering **workforce development and implementing new delivery models that emphasise collaboration** and mutual aid. By creating, strengthening and reinforcing new and existing localised teams, a new holistic practice model would facilitate stronger partnerships with other agencies, ensuring a more cohesive approach to service delivery. We would build on the local family help teams, maintain the existing MASH arrangements whilst working to develop locally relevant MASHs, using the learning from the Isle of Wight model. We would, in the development of the front door and early help services, also seek support and draw learning from Portsmouth, in respect of whom Ofsted said, in their last report, *"Impressive early help services are a strength and have improved since the last inspection in 2018. Well-designed and resourced integrated support services are commissioned to deliver an excellent range of services and interventions through five family hubs across the city..."*

- Our approach would focus on locally tailored solutions, that **removes past unnecessary two-tier barriers and supports a comprehensive through-care strategy from prevention to resolution**. The focus on localisation and place-based service delivery will allow services to be truly designed around the specific needs of families and children in their communities.

- Integration and collaboration are key components of our proposal, with **opportunities to merge housing and social care at a local level, thereby improving outcomes and prevention intervention efforts for children and families**. Strengthening connections and empowering local education leaders, voluntary and community leaders, schools, and civil society to co-create and collaborate, it would enhance the overall service framework by focusing on the total place for local communities.
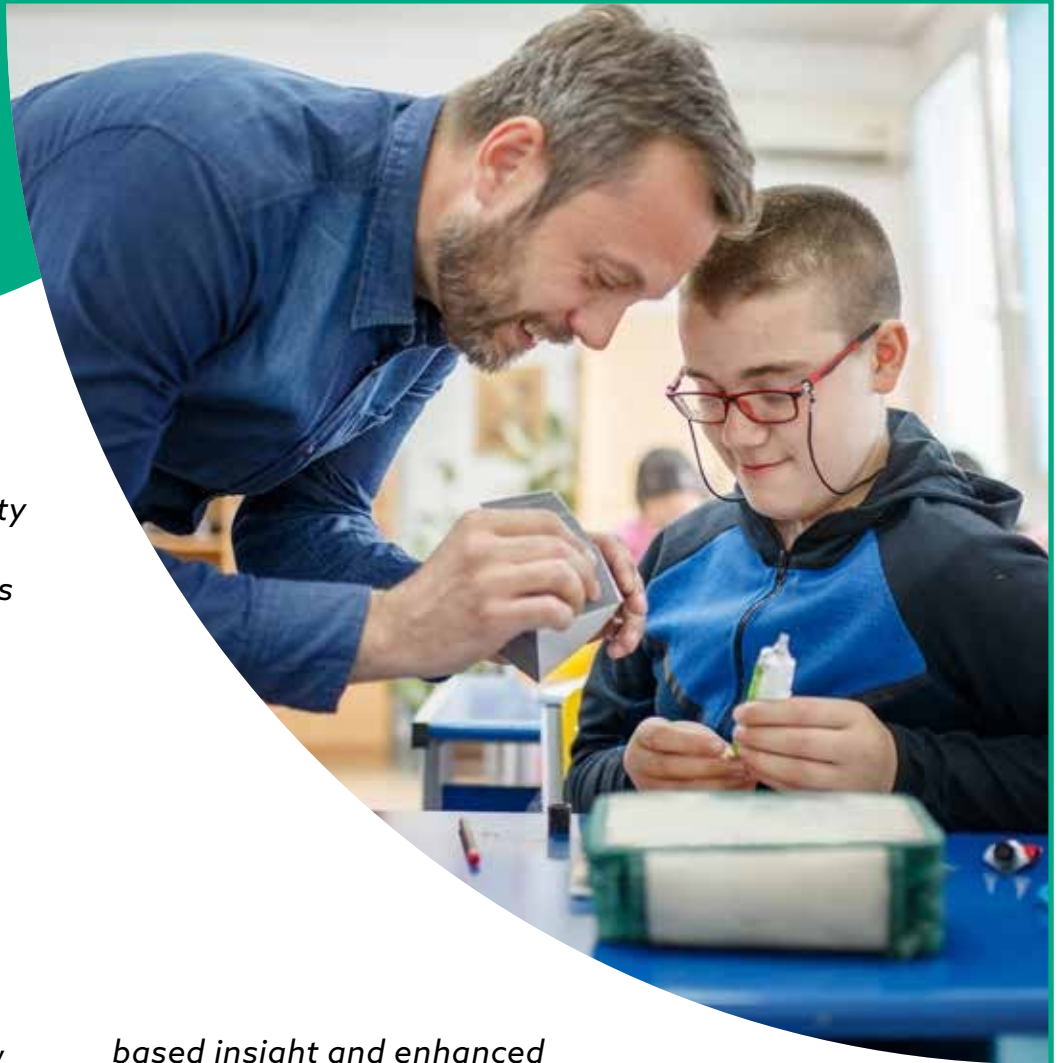
- Our proposal also **prioritises prevention and early intervention and inclusion, promoting a shared responsibility to use local resources effectively.** By targeting interventions at a preventative local level and using retained funds, the model would address issues earlier, ultimately leading to better outcomes for children, young people and families linking in with the Families First Partnership Programme / children's social care reforms.

- Our proposal would **tap into the existing areas of excellence and partnerships across Hampshire County Council and the three unitary councils of Southampton, Portsmouth and Isle of Wight**. In particular, while Hampshire County Council currently administer the Adopt South partnership and the National Secure Welfare Coordination Unit, it is proposed they would transfer to one of the existing unitary councils, with the newly formed councils utilising their services and joining the Adopt South partnership. We are aware of Hampshire County Council's plans to replace the existing Swanick Lodge secure children's home with a larger unit proposed in Fareham and would support our colleagues in the newly formed South East unitary council to continue with and bring forward that plan.

Fostering across the region is currently delivered via the South East Partnership, with all current upper-tier councils across the region part of that partnership. The new councils would propose to join that partnership on formation.

Case Study: Isle of Wight Children's Multi-Agency Safeguarding Hub (MASH)

After a decade-long partnership with Hampshire County Council, in February 2024 the Isle of Wight Council embarked on the challenging journey of establishing its own children's services, including a locally developed Multi-Agency Safeguarding Hub (MASH).

In spring 2024, the Isle of Wight conducted a rapid options appraisal and decided to house the MASH in County Hall Newport, initiating implementation in September and going live by the end of February 2025. As a result, social workers, police officers, and health professionals, all fully focused on Island children and families, now work together under one roof on the island. This co-location, supported by rigorous project management and a deep understanding of local needs, has significantly helped the multi-agency face to face conversations relating to decision making and the approach to local safeguarding interventions. This success story, driven by close collaboration, place-based insight and enhanced information-sharing, includes learning for local government reorganisation, managing risk through transition, building on local expertise, and the opportunities of bringing partners together.

Education

Existing unitary authorities in Southampton, Portsmouth, and the Isle of Wight each play distinct roles in delivering education services, tailored to the needs of their communities. Hampshire County Council, meanwhile, supports a network of schools and students across a much broader area, focusing on accessibility through managing admissions, transport, and free school meals.

Southampton City Council emphasises school improvement and special educational needs and disabilities outreach through its Inclusion Partnership, which has successfully reduced permanent exclusions and supports numerous educational settings. Portsmouth City Council collaborates with the Portsmouth Education Partnership to improve literacy, numeracy, attendance, and digital inclusion, leading to notable improvements in Key Stage 2 outcomes. Meanwhile, the Isle of Wight Council focuses on high aspirations and special educational needs and disabilities excellence, with a strategy for 2024 to 30 that aims to provide a rich curriculum and sustainable infrastructure. Their efforts have resulted in an increase in Early Help Care (EHC) plans, highlighting their dedication to supporting students with special educational needs from an early age. There are also examples of place-based pupil planning at a time where there is an increased demand in secondary schools, but decreased demand in need in primary settings, while maintaining strong inclusive practices.

When viewed holistically, the Ofsted landscape across Hampshire and the Isle of Wight is considered to perform above national averages. However, there is a mixed reality across our four proposed areas, with both strengths and areas for improvement. Challenges remain in equitable access to high-quality quality of education, particularly in rural areas, and addressing the needs of students with special educational needs and disabilities.

Key challenges

Existing councils across Hampshire and the Isle of Wight are facing several educational challenges that impact both the quality and accessibility of education. In some areas, education outcomes at the end of Key Stages 2 and 4 are notably below national levels, highlighting a need for targeted interventions to improve student performance. The High Needs Block of the Dedicated Schools Grant (DSG) is under significant pressure, reflecting the growing demand for resources to support students with special educational needs. Health and wellbeing initiatives, particularly those involving the NHS to address issues like obesity, require more collaboration. The voice of young people also needs to be strengthened to ensure their experiences and perspectives are considered in decision-making.

Supporting mainstream schools to manage the complex needs of children is crucial, as is addressing the growing mismatch between secondary school place availability and the growth in student numbers, intensified by cross-boundary demand. At the same time, funding for school improvement initiatives has been reduced, placing additional strain on already stretched school budgets. There is a rising demand for early years and specialist places, which the current infrastructure struggles to meet. In some areas of South Hampshire, shortages in secondary school places are already forcing children to travel long distances. The number of children who are severely absent, attending less than 50% of the time, is increasing,

alongside the rising complexity of student needs. Access to the curriculum for citizenship activities is limited, and there is a growing demand for early years childcare places. Alternative provision, such as those operated by Hampshire County Council like Hants Outdoors, is under pressure to accommodate diverse needs. Additionally, the number of young people not in education, employment, or training (NEETs) aged 16 to 18 is rising, further emphasising the need for comprehensive educational and vocational support through collaboration with education providers and local employers.

From a financial perspective, projections have shown that home-to-school transport costs for Hampshire County Council may rise to approximately £70 million in the year ending 2025/26. Staffing costs and recruitment challenges are also adding to budget pressures, along with increased special educational needs and disabilities and additional support costs. Finally, per-pupil funding is decreasing aligned to declining enrolment on the Isle of Wight, compounded by fixed costs and operational costs that are remaining unchanged or increasing.

Existing collaboration and good practice

In Hampshire and the Isle of Wight, education provision is strengthened through a network of collaborative initiatives and shared best practices. Programmes such as the Southeast Sector Led Improvement Programme (SESLIP) and local ASEND Partnership Boards focus on improving educational outcomes and supporting children with special educational needs and disabilities. Local authority collaborations, such as the Portsmouth Education Partnership and strategic growth efforts in Test Valley, enhance educational services and infrastructure.

Protocols like the Fair Access Protocol promote equitable access to education, while data sharing aids in strategic planning. Relational Practice Leadership training for schools and local authority leaders in Portsmouth is helping to reduce school exclusions and headteacher collaboration is contributing to improved school attendance.

Good practices include the SEND Alternative Provision (SENDAP) Change Programme which supports language development, and initiatives to reduce exclusions and out-of-city placements for special educational needs and disabilities students. Resource allocation is optimised through strategic planning in some places with quality assurance ensuring good quality alternative education provision.
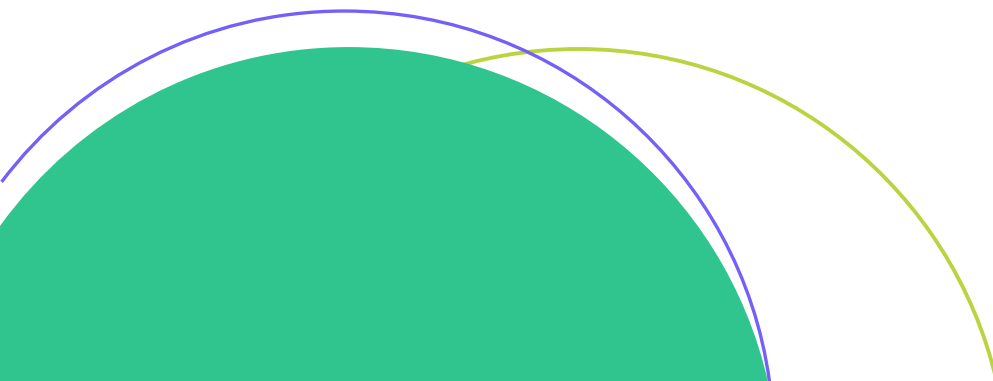
Future plans

Our four new mainland unitaries would foster localised governance and collaboration, which is crucial for addressing current educational challenges. A number of key opportunities, that our four new unitaries will realise, have been outlined below:

- **Developing a consistent and enhanced educational offer across all unitaries** driven by their local needs, ensuring equity of voice and opportunity for all children, including those with complex needs. By investing in inclusive and well-resourced schools, the model supports children who require specialist provisions, thereby addressing the pressure on the High Needs Block. Inclusion will be a key focus for our new mainland unitaries, especially given the recent increase in school suspensions which disproportionately affect poor and disabled students.

- **Collaboration and co-production are central to this approach,** with strengthened partnerships with ICB and other agencies ensuring a holistic approach to education and health services. Engaging and working with local education leaders (early years, schools, colleges) will also be essential to address local challenges and make the system inclusive and responsive to children and families, advocating the voices of young people.

- **Using technology and innovation,** including AI to enhance Education, Health, and Care Plans and improving IT infrastructure for better service delivery. Improved information sharing across agencies supports this effort, addressing issues like obesity through robust health and wellbeing initiatives.

- **Resource allocation and investment are targeted to our distinct unitary areas,** with capital investment in infrastructure supporting educational needs and ensuring equitable distribution of resources. This approach incorporates local identity and supports community resilience, addressing the mismatch between secondary school place availability and student growth.

- **Workforce development is prioritised, with training tailored to the place** and specialist teaching resources enhancing staff capacity and resilience. This supports schools in managing anti-social behaviour and improving educational outcomes, particularly in areas where education outcomes are below national levels.

- **Community and family-centred approaches are integral, with local plans reflecting and strengthening community identity.** This addresses the rising demand for early years and specialist places, as well as the need for comprehensive educational and vocational support for young people not in education, employment, or training.

Our four new mainland unitaries provides an adaptable and locally responsive framework to enhance education quality, accessibility and outcomes across Hampshire and the Isle of Wight.

Case Study: Portsmouth Education Partnership (PEP)

The Portsmouth Education Partnership (PEP) was established in 2016 to unite system leaders across Portsmouth in driving school improvement and fostering collaboration amidst the government's push towards full academisation. This initiative aimed to maintain a unified educational community, involving Portsmouth City Council, 14 Multi Academy Trusts, teaching school and subject hubs, the DfE Regions Group, religious dioceses, various educational institutions, and the voices of children, young people and parents.

Previously, Portsmouth faced challenges such as persistent underperformance in educational outcomes, a critical Ofsted inspection, and the risk of fragmentation due to increasing academisation. The pandemic further impacted attendance, behaviour and mental health, compounded by issues like the cost of living crisis, recruitment and retention challenges, and the growing number of children with special educational needs and disabilities (SEND).

To address these challenges, the PEP was formed as a strategic partnership with a shared vision and priorities, led by sub-groups chaired by school leaders. A performance dashboard was developed and school improvement capacity was increased through collaboration with various partners. The PEP brand aligned existing initiatives, and a three-year strategy was published. Portsmouth City Council encouraged schools to join strong MATs, while continuing to support LA maintained schools. During the pandemic, existing systems facilitated effective communication and response to changing demands. In 2020, MATs agreed to fund an independent chair for the PEP, bringing healthy challenges to all partners. In 2022, Portsmouth was designated a Priority Education Investment Area, with the PEP driving project priorities. All schools participated in areas like literacy, maths, attendance, digital, and CPD, celebrated at the PEP Annual Conference.

The initiative led to a significant increase in schools with good or outstanding judgements, from 77% in 2016 to 95% in 2025. Educational outcomes at Key Stages 2 and 4 are improving, with the gap between Portsmouth and national averages narrowing. Collaboration and alignment between training and priorities have improved, shaping strategies for inclusive practice and supporting schools in meeting all children's needs.

Success factors include a shared vision and values, organic partnership development, inclusive membership, strong leadership, and effective use of data for decision-making and funding. Local government reorganisation could capitalise on this success by fostering inclusive partnerships, using data strategically, supporting shared accountability, encouraging organic collaboration, adopting strategic leadership roles, and facilitating peer support and challenge among MATs.

Economic growth, strategic planning and regeneration

Economic development, strategic planning, and regeneration was identified as being a priority to explore throughout the development of our proposal, given its importance in achieving sustainable and thriving communities. Government priorities focus on driving inward investment, creating jobs, supporting local businesses and accelerated housing and infrastructure delivery to boost economic prosperity. It is important that work in these policy areas will link with the new Mayoral County Combined Authority and the work that they will need to deliver through Local Growth Plans and associated documents such as the Spatial Development Strategy.

Infrastructure planning is central to supporting growth. Strategic investment in transport, utilities and other essential services will ensure communities are well-connected and equipped to handle development. Efficient public transport systems, reliable and well-maintained roads and robust utility networks are essential for facilitating economic activity and improving residents' quality of life.

Addressing housing needs and promoting affordable housing are also key components of strategic planning. A sufficient and diverse supply of affordable housing helps build inclusive communities and prevents displacement. Additionally, integrating housing development with transport and other local services through strategic urban planning helps manage sustainable growth. Environmental protection and sustainability are integral to these efforts, with a focus on reducing carbon emissions, encouraging renewable energy use and protecting natural resources.

By cultivating a thriving business environment and developing a skilled workforce tailored to the unique needs of each of the economic areas, our four new mainland unitary councils will attract new enterprises and encourage the expansion of existing ones, enhancing employment opportunities and economic growth and resilience.

Our proposal enables focus on the distinct sectors within each of their geographies and a more targeted and effective response to implement the government's Industrial Strategy. If the areas are too large, the distinctiveness of local economies are lost and there is a risk every sector becomes a priority.

For example, the North Hampshire economy is more orientated towards Surrey and London, which is also true of transport. The current Hampshire County Council area can appear to demonstrate a high level of self-containment. However, this is simply due to the scale of the authority which masks the distinct geographies operating beyond their boundaries. A similar fundamental problem would occur if a three unitary mainland model was pursued given the huge size and geography of those unitaries.

Key challenges

Through our series of collaborative workshops with service leads, a number of existing challenges were identified. In some areas, strategic planning is hindered by a lack of coordination and comprehensive strategic systems, compounded by issues like land availability and environmental capacity. Infrastructure and connectivity are also concerns, with challenges related to energy network capacity, transport connectivity, and specific issues like the M3 J12. Improving transport networks, including rail, road, and public transport, is essential for enhancing regional connectivity and supporting economic growth.

Environmental and geographical constraints, such as the flooding, multiple nature conservation designations and protected landscapes, present unique challenges for development. Coastal erosion, rising sea levels, and air and water quality issues further complicate environmental management. Economic and industrial challenges include the vulnerability of land-based industries to climate change and concerns about town centre regeneration viability. Resource limitations, such as a shortage of qualified planners and funding challenges, affect infrastructure planning and delivery. While communication across the county is good, there is a need for better collaboration on planning beyond boundaries. Demographic issues, like an ageing and shrinking populations in some areas, impact workforce availability and economic development, necessitating a balance between development and environmental preservation.

Existing collaboration and good practice

Across Hampshire and the Isle of Wight, collaboration and good practice in economic development, strategic planning, and regeneration is evident through various initiatives. There are examples of significant collaboration in planning and environmental management, with shared evidence and strategies for local plans, and efforts like Suitable Alternative Natural Green Spaces (SANG) provision and nutrient neutrality. Partnerships such as Bird Aware and the Solent Mitigation Partnership focus on environmental conservation and sustainable development. Joint service delivery is also a key feature, with councils like Fareham, Gosport and Portsmouth (and soon to be Havant) alongside similar arrangements for

Hart and Rushmoor, and Southampton and Eastleigh, working together in building control partnerships and also informal planning collaborations, enhancing efficiency and resource sharing.

Economic and tourism development is enhanced in some areas by collaborative efforts, such as the Hampshire-wide Local Visitor Economic Partnership and initiatives between Havant and Portsmouth to promote tourism. These partnerships build on regional strengths to attract visitors. Transport and infrastructure planning is coordinated through groups like Solent Transport, facilitating regional connectivity and supporting growth. The Greenprint Network and collaborations with universities focus on green recovery and sustainability, aiming for environmental resilience and sustainable economic growth. Effective communication and relationship building are central to these efforts, fostering a cooperative environment for addressing regional challenges and opportunities. Initiatives like Bird Aware Solent, which has become an award-winning integral part of regional planning, exemplify the success of these collaborative and sustainable practices.

North Hampshire's economic geography relates substantially outside of Hampshire and the Solent. Basingstoke, Rushmoor and Hart have strong economic and transport connections north towards Reading and to London. Rushmoor forms part of the Blackwater Valley area to the east in terms of both transport and economy. This is reflected in the cross-boundary Blackwater Valley Advisory Group for Public Transport.

The creation of our four new mainland unitaries, focused on each of their economic areas, would better address both economic and transport issues. The risk of creating even larger unitaries not orientated to the local economic geographies is

that the current sub-optimal working will continue. The current challenges will not be addressed and the full growth potential of the areas will never be realised.

Future plans

Our four new mainland unitaries offer significant opportunities to enhanced economic development, strategic planning and regeneration focused on each of the four population centres and their economic areas. The new local plans that would be prepared by each of the new unitaries would need to be broadly consistent with the Spatial Development Strategy that will be prepared by the new Strategic Authority. By aligning our new unitary councils with the economic areas and the way people live and work, greater focus would be placed on initiatives that will make the most difference. This will mean challenges would be addressed and the opportunities for future growth and improving our place would be maximised through:

- **Enhanced strategic planning and coordination**, allowing for a more focused approach to the specific challenges and opportunities of each of the four areas. By aligning resources and expertise with priorities tailored to local requirements, the areas can better address pressures and meet their diverse needs, ensuring that planning is both strategic, better coordinated and more effective. Our four new mainland unitaries best reflect functional economic areas, housing and market areas, and enables coordination on issues where there is commonality.

- **Improved infrastructure coordination and resource management** are key benefits of our model. With more effective delivery of services and development projects focused on each of the four economic areas,

our new unitaries can enhance in-house regeneration and development teams with the financial capacity to undertake transformative projects. Our approach ensures that infrastructure and resources are managed efficiently, supporting sustainable growth and development at the local level.

- **Enhanced place-based strategies for transport, skills, housing, planning, and health**. By aligning areas with similar opportunities and challenges and larger budgets, our four new mainland unitaries would adopt comprehensive approaches to tackle issues like unemployment and health disparities. Our four new mainland unitaries ensure that the distinct economic needs are not submerged into even larger entities. The place-based focus allows for tailored solutions that address the unique needs of each area, promoting equity and inclusivity.

- **Strategic funding and investment are better enabled under this model, as it allows for pursuing funding bids that align with long-term strategic needs in each of the four new unitary areas** rather than them getting lost in larger areas under even bigger unitary councils. This leads to more sustainable and impactful investments, supporting each area and the region's growth and development goals. Additionally, the introduction of regional planning and spatial development strategies provides a framework for sensible growth targets and development plans, helping local planning authorities set achievable goals for each of their areas. Basing four new mainland unitaries on economic areas means that the new authorities will be able to most effectively engage with the Strategic Authority and bring together the strategic needs of their area working in a focused way with those that have shared interests.

For example, North Hampshire and South Hampshire have sectoral interests in defence and aerospace which are distinct from other parts of Hampshire. The work of the previous Enterprise M3 Local Enterprise Partnership demonstrated clearly the need for digital infrastructure spanning North Hampshire and East Surrey. However, this was not pursued when the LEP was dissolved and a pan Hampshire approach adopted under Hampshire County Council.

- **Transformative regeneration and place-making efforts are also more feasible** with each of the four new mainland unitaries adopting targeted approach for their places. This enables the focused delivery of ambitious projects that larger unitary councils may struggle to implement, moving beyond masterplanning to actual execution on the ground. Work with housing associations and Homes England in strategic partnerships looking at bringing forward innovative funding approaches shows how this could work and with other sub regional towns outside of Hampshire. These approaches are difficult to pursue at a district level as they require scale, however unitaries at the size we are proposing have enough place focus to pursue such initiatives and enough scale to facilitate funding and achieve transformative regeneration.

- **Sector development and the skills pipeline** must also be central to the region's future planning. As the new council economies evolve, particularly in high value-added sectors like defence, aerospace, maritime and tech, decision making must enable coordinated investment in the future workforce across our distinct unitary areas. Working with further education and higher education providers, local employers, and business clusters, our four new unitary councils will be

better positioned to align skills pipelines with sector growth opportunities. This includes targeted training programmes, apprenticeships and investment in centres of excellence that support priority sectors that whilst most relevant to the unitary areas have relevance across Hampshire and the Isle of Wight.

Unlike even bigger unitary councils, where there would be huge population numbers over geographical areas that are not aligned to functional economic areas, people and communities, our four new mainland unitaries offer a balanced solution that ensure a placed based approach while driving regional collaboration on key cross cutting issues, ensuring that development is both strategic and responsive to local needs.

Case Study: Winchester-Test Valley Planning Partnership

Since 2018, Winchester City Council and Test Valley Borough Council have operated under a formal "Duty to Cooperate," culminating in their August 2024 Statement of Common Ground (SoCG). Rather than each authority fighting through separate evidence bases and plan-making timetables, they jointly identified and resolved strategic cross-boundary issues – from meeting a combined housing need of 13,565 dwellings over the plan period to nutrient neutrality across the Solent and Itchen SAC catchments, employment land provision and shared infrastructure requirements.

By pooling technical studies, consulting together at Reg 18 and harmonising policies, they have kept both local plans firmly on track for Regulation 19 submission in early 2026, avoiding the six to 12-month delays that bespoke, unaligned plans often incur.

Waste management

Currently, across Hampshire's 11 district and borough councils, household waste collection operates on a classic two-tier model. Each authority is responsible for kerbside collection for mixed recycling, food waste and residual black bag waste, with optional subscription garden-waste services in most areas, but not disposal. Hampshire County Council acts as the waste disposal authority for the 11 districts. On the Isle of Wight, and in the two unitaries of Portsmouth and Southampton, the councils combine and are responsible for both collection and disposal roles, enabling them to tailor service levels to the islands and cities' unique demographic and geographic needs.

Hampshire County Council, working alongside the unitaries, through the long-standing Project Integra partnership, fulfil their disposal responsibilities through a long-term public private partnership entered into in 1999, with its contracting partner Veolia. This arrangement has enabled significant waste infrastructure to be developed and put into use across the region including three energy recovery facilities, two materials-recovery facilities as well as composting plants, transfer stations and a network of household waste recycling centres.

However, the councils need to continue to meet rising service standards, such as DEFRA's mandatory weekly food waste collections and new Extended Producer Responsibility requirements against a backdrop of flat or falling budgets, aging MRFs and depots, vehicle and staffing shortages, contamination issues, geographic constraints in dense urban streets and dispersed rural or island communities (exacerbated by seasonal tourism peaks) creating an urgent need for capital, digital and partnership investments through Project Integra

to modernise services. Further information related to these challenges are explored below.

The inter-authority agreement, refreshed in April 2024, aimed to make some progress on these challenges through revision to cost sharing and operational responsibilities arrangement across the 14 councils, helping to balance rising treatment costs, drive contamination reduction and prepare for the next wave of Extended Producer Responsibility requirements.

Key challenges

Councils across Hampshire and the Isle of Wight face both local and county-wide challenges in delivering effective waste services. Infrastructure and logistics issues arise from inconsistencies at waste transfer stations and inadequate coverage of household waste recycling centres, particularly in the north. This results in logistical difficulties, such as limited site capacity, outdated facilities, and long travel distances for waste delivery. Financial and contractual constraints add to the problem, with costs associated with changes, the end of disposal contracts, and uncertainty over future funding arrangements, like Extended Producer Responsibility payments, posing significant financial hurdles. The lack of procurement competition due to fixed timelines further complicates matters. Governance and alignment issues also hinder progress, as conflicts between waste collection authorities and Hampshire County Council create challenges in decision-making and service design due to differing views.

There are also operational challenges, such as an ageing fleet and low recycling rates in some areas. Additionally, there are difficulties with collection frequency, bin coordination, and resource allocation beyond routine operations. Regulatory and reform pressures add another layer of complexity, with the timelines and costs associated with initiatives like Simpler Recycling, along with imminent deadlines for waste reform, creating pressure to align these changes with the Environment Act's requirements to half waste levels by 2042. Public perception and engagement are also affected, as negative resident perceptions about booking systems and access to recycling centres, along with varying charges for services like garden waste, impact public satisfaction and engagement.

Existing collaboration and good practice

Regional collaboration among local authorities, such as Portsmouth, Gosport, Fareham, and Havant, continue to play a crucial role in facilitating decision-making and strengthening relationships between waste teams. Project Integra, despite facing challenges as a result of the county council and collection authority dynamics, serves as a platform for sharing knowledge and best practice. Recent improvements, such as the tripartite partnership which enhances waste disposal collaboration, have strengthened cooperation and alignment. Joint contracts and partnerships, such as the joint waste contract between Basingstoke and Deane and Hart, demonstrates effective benefits of collaborative service delivery, optimising resources and improving efficiency. Community-focused initiatives such as the Community Furniture Project, supported by Basingstoke and Deane, which repairs and resells household items while offering skills development and job training opportunities to volunteers.

There are also strong examples of good practice in waste management, particularly on customer engagement and satisfaction monitoring using customer portals and digital platforms. Technology such as Bartec in-cab systems is playing a vital role to understand operational data to drive decision making. Strategic direction is also being guided by joint governance groups, ensuring alignment across partners and a shared focus on outcomes. Collaboration and communication are enhanced through shared communications and learning from others which improves service delivery and community engagement. Additionally, health and safety are prioritised through groups such as the CASH and Ops group, which promote a common approach. The group's efforts have been recognised by national bodies like the Waste Industry Safety and Health (WISH) Forum.

Future plans

Through our four new mainland unitaries, we would be able to build on the existing good practices and collaboration across our future unitaries, while addressing some of the key challenges identified below:

- Our proposal will promote **economies of scale through joint procurement and shared resources across similar geographies,** driving cost savings and improved buying power. Maintaining a local focus with economies of scale, our model enables tailored services that meet specific needs, such as urban and rural requirements, without the inefficiencies of a much larger, centralised system. This balance ensures relevance and effectiveness.

- New facilities like public anaerobic digestion plants and "super depots" would **enhance service delivery and create**

income opportunities. Embracing technology across the region, tailored to local requirements, would improve performance and accountability, which may be overlooked by new unitaries with a much larger footprint.

- **Collaboration and partnerships are strengthened** because of connection, understanding and proximity with local networks, including disposal partnerships and cross-border collections which enhance service efficiency and resilience.

- **Service alignment and simplification reduce customer confusion and improve satisfaction** by providing consistent collection services and a single point of contact.

- Our model's **adaptability and responsiveness ensure that local waste infrastructure can quickly adapt to challenges,** keeping services responsive to local needs, improving resilience and sustainability.

Our four new mainland unitaries enhances waste provision by balancing economies of scale with local focus, enabling efficient joint procurement, tailored waste collection services to local requirements, and strategic infrastructure investments that address specific community needs.

Case Study: Joint waste collection – Basingstoke and Hart

In October 2018, a joint waste collection contract was launched to serve 125,000 households across Basingstoke and Deane Borough Council (BDBC) and Hart District Council (HDC). Managed by the Joint Waste Client Team (JWCT) within Basingstoke and Deane, this contract was recently extended to September 2033. The service is contracted to Serco, with support from smaller charity partners like the Community Furniture Project. Prior to this, the councils faced challenges in maintaining service provision amidst limited resources and budgets, particularly for smaller authorities like Hart. They also had to navigate new legislation, such as simpler recycling processes and the introduction of food waste services, while dealing with uncertainties around Extended Producer Responsibility (EPR) and future Material Recovery Facility (MRF) infrastructure, all while the current contract was nearing its end.

To address these challenges, both councils collaborated on a shared initiative to explore future operating models, costs, recycling rates, and carbon impacts as the initial contract term concluded. This collaborative effort aimed

to ensure a seamless transition and continued service provision. The extension of the shared contract eliminated the need for separate procurement processes. For new services like food waste collection, both councils jointly procured vehicles and caddies, and launched a unified communications campaign. The caddy design included a QR code linking to a shared food waste information page. Efficiencies of scale were achieved through joint efforts, such as transitioning collection fleets from diesel to Hydrotreated Vegetable Oil (HVO) to reduce carbon emissions. A single contractor management team and shared vehicles for services like bulky collections further streamlined operations. Monthly client team reports provided consistent performance reporting across the contract.

Key to the success of this initiative was a robust governance structure with clearly defined roles and responsibilities. The JWCT met monthly with portfolio holders from each authority, while the contract was overseen by a Joint Governance Group (JGG) meeting quarterly, and a Waste Partnership Board (WPB) meeting biannually. The JGG, comprising officers and councillors from both authorities, ensured unified oversight and a shared vision for the contract. All joint working arrangements were formalised in a legal Inter Authority Agreement (IAA).

The success of this joint contract model offers valuable insights for local government reorganisation. By adopting a similar structure across the four new unitary authorities, economies of scale can be maximised while maintaining local focus. Unified communications campaigns across household waste collection, Household Waste Recycling Sites (HWRS), schools, businesses and shops promote localised behaviour change. Reducing authority boundaries allows for rebalancing future collection contracts over a larger area, reducing capital and revenue expenditure on vehicles and crews. Larger infrastructure and operational needs across Hampshire and the Isle of Wight could be managed through similar IAAs, with equal input and ownership from all parties or one party acting as a lead on behalf of others.

Customer and digital

Delivering customer-focused, digitally enabled services are central to meeting residents' expectations and driving operational efficiency. Our residents expect high quality services and timely responses to their queries to reflect good value for taxpayers' money. True innovation and transformation require a deep and ongoing understanding of local community needs and issues. Applying blanket one-size-fits-all solutions through even larger unitary councils risks overlooking local needs. Through our four new mainland unitaries, we would harness the full potential of real time data and resident feedback to tailor our services to community requirements, with a focus on prevention by quickly responding to emerging issues. For example, the creation of a Mid Hampshire unitary will make better use of the existing network of community hubs across our network of market towns to enable effective rural access.

Key challenges

Key issues include a significant digital skills gap among staff and residents, which hampers workforce resilience and data skills development. The complexity and accessibility of numerous systems create barriers for customers, compounded by limited control over some outsourced services. Increasing demand and complex situations strain resources, necessitating savings while requiring investment in transformation. Organisational silos hinder collaboration and data visibility, while procurement practices need to be more customer focused. Service accessibility, particularly for county council services, special educational needs and disabilities, and out-of-hours services, remains problematic. Addressing these challenges requires a comprehensive approach to improve service delivery and meet community needs.

Existing collaboration and good practice

While there are many challenges, existing councils across Hampshire and the Isle of Wight have identified effective collaboration and good practices. Shared services and resources, such as contact centres and legal services, streamlined operations and reduced costs, while digital and IT collaborations align technological strategies across councils. Joint management of public services, including waste and crematorium operations, exemplifies cooperative service delivery. There are also examples of election and governance collaborations to ensure coordinated electoral processes, and networks like the Hampshire and Isle of Wight Customer Service Network which focuses on customer service and internal functions.

Examples of good practice include centralised customer service through shared service centres and a unified CRM system, a comprehensive digital strategy framework, and efforts to enhance digital accessibility and inclusivity. Data management initiatives, such as the Data Academy and robust security practices, underscore a focus on data integrity. Collaborative practices with the Local Government Association and participation in pilots foster a culture of continuous improvement. Finally, community engagement initiatives, such as the Youth Hub and "Here for Hart" directory, demonstrate a commitment to supporting residents and fostering community connections.

Future plans

Our four new mainland unitaries present a transformative opportunity for customer and digital services, focusing on creating an enhanced digital infrastructure for each new

unitary that offers a single view of residents and enables better prevention and service delivery focused on local needs. They will have strong connections with their distinct communities, ensuring that digital and wider services are tailored to each communities' requirements. This would include:

- **Promoting cultural innovation by establishing, customer-centric cultures in each unitary that embraces digital transformation** from the outset, reducing single points of failure and enhancing digital service delivery through resource pooling.

- **Existing digital strategies extending, enhancing and integrating more easily, facilitating a cohesive approach.** We would scale digital solutions, balancing efficiency with local relevance and improving customer confidence through simplified and integrated services focused on local requirements.

- **Streamlined system integration would reduce complexity, enhancing the overall customer and staff experience.** Our priority would be to reduce confusion and duplication, transforming customer digital channels and fostering customer-centric authorities.

- **Geographical relevance and accessibility being emphasised, ensuring services are easily accessible and tailored to local communities and diverse customer need.** Our proposal would balance economies of scale with local connection, ensuring efficiency while maintaining a close relationship with residents.

- **Building financial resilience, enabling investment in critical services that improve community outcomes**. Simplified customer journeys would enhance the customer experience by reducing the complexity of navigating fragmented services.

It is critical that transformation is applied in the context of the areas we serve, remaining close enough to understand and address the diverse needs of our communities.

Case Study: Eastleigh Borough Council - Digital transformation with a customer-centric approach

Eastleigh Borough Council's digital transformation has led to significant positive outcomes, particularly through the implementation of the Salesforce CRM platform which now supports around 75% of the council's business applications. This shift has drastically reduced reliance on outdated legacy systems like Lagan and IDOX. The comprehensive Customer 360 view ensures that all customer interactions are linked to a single record, providing a seamless and cohesive experience for both customers and staff. The MyAccount portal further enhances this by offering a consistent user interface across all interactions.

A notable achievement is the development of a fully in-house housing management solution on Salesforce, delivered more efficiently than procuring off-the-shelf products. This initiative underscores Eastleigh's ability to innovate and adapt quickly, reducing costs and increasing service delivery speed. By embracing a "Cloud First" policy, Eastleigh has modernised its IT infrastructure, enabling the reuse of components such as payments and bookings across multiple services, leading to enhanced operational efficiency and service quality.

Highways and transport

Hampshire County Council and the existing unitary authorities are responsible for the management of the highway, overseeing a large network of roads and transport services, focusing on maintenance, traffic management and public transport improvements. Their aims are to enhance road safety, reduce congestion and promote sustainable transport options, such as cycling and public transport.

The district and borough councils work with the upper tier authorities to support delivery, with the amount of support varying by district, but in some cases, this extends to funding some local bus and community transport services. They work on projects that address local traffic issues, improve road conditions, and support public transport initiatives. District and borough councils often attempt to collaborate with the county council to align their efforts with broader regional transport strategies as well as seeking to ensure that new development outlined in local plans can be delivered and supported by appropriate infrastructure.

Key challenges

Managing highways and transport services across Hampshire and the Isle of Wight presents a range of challenges. Ageing infrastructure is a significant concern, with many roads and bridges requiring investment to meet modern standards. At the same time, there is also a growing demand for sustainable transport solutions to reduce carbon emissions and improve air quality which includes promoting public transport, cycling and walking. Technological integration is another challenge, as implementing new technologies like smart traffic systems and electric vehicle infrastructure is crucial for future-proofing the transport network. However, this requires coordinated planning and investment. Additionally, transport infrastructure must be resilient to the impacts of climate change and adapted to withstand increased flooding and extreme weather events.

In some areas, inconsistent management of parking and network planning across different authorities hinders collaboration and leads to a lack of alignment. This results in fragmented decision-making and complicates efforts to create an effective transport strategy. Additionally, efforts to decarbonise transport fleets are impacted by infrastructure and funding constraints, particularly in rural areas, where resources are limited and fleet electrification lacks coordination.

Strategic planning and investment in housing and transport are not well-coordinated in some instances, impacting growth and development. Furthermore, there is evidence of limited emphasis on social value in infrastructure projects, with insufficient local engagement and collaboration. Inequitable funding and resource allocation, along with disjointed service design and delivery, add to these challenges, highlighting the need for more integrated and customer-centric approaches to transport planning and infrastructure development tailored to local requirements.

Existing collaboration and good practice

Despite some of these challenges, some examples of effective collaboration and good practice exist across Hampshire and the Isle of Wight. One notable example is the vision-led planning approach adopted by Southampton and Eastleigh. By using a single evidence base, Southampton and Eastleigh have been able to develop local plan allocations with broad agreement, ensuring a coordinated approach to regional development. Southampton and Portsmouth's emphasis on social value in infrastructure projects further exemplifies collaborative efforts, as delivery contracts are used to meet local goals such as green contributions and workforce development. Information sharing and best practices are also a focus, with Portsmouth and Southampton collaborating on the Future Transport Zone initiative, which has brought together four authorities working to optimise resources to deliver a programme of nationally significant trials of various innovative approaches to transport.

Cross-boundary transport initiatives, such as the South East Hampshire Rapid Transit programme, highlight successful collaboration between Portsmouth and Southampton. This programme adopted a cross-boundary 'city region'/ travel to work area approach to secure funding from the Transforming Cities Fund, showcasing effective regional cooperation. Strategic planning and investment are further supported by the Solent Transport Prospectus and the TfSE Strategic Investment Plan, which set out agreed regional transport infrastructure/ investment strategies for the Solent area and the south east of England more widely.

Other examples include Portsmouth's enhanced partnership with local bus operators, supported by a £52 million Bus Service Improvement Plan. This programme focuses on improving connectivity, ticketing, and infrastructure, and is being delivered through strong operator relationships and effective public sector service delivery. The Coastal Partners model, involving Portsmouth, Havant and Gosport, is as an example of effective regional collaboration in delivering flood defences, influencing national policy. Additionally, shared procurement and resource utilisation efforts, such as Southampton's legal support for Portsmouth's contracts, highlight practical approaches to resource sharing and cost efficiency, further strengthening regional collaboration.

Future plans

Our distinct communities and landscape across Hampshire and the Isle of Wight mean there are differing challenges which requires a focused approach by each new unitary who genuinely understands local requirements. Our four new mainland unitaries enable this and will be critically important to improve equity of access and opportunity for residents, underpinned by effective travel infrastructure. This includes:

- **Transport and infrastructure plans focussed on their distinct communities and economic areas.** This would ensure that we can genuinely support economic growth and housing delivery that is representative of the residents we serve, leading to improved outcomes for all.

- **By consolidating resources and aligning funding with strategic growth plans, discrepancies in funding distribution would be addressed, ensuring more equitable resource allocation, particularly benefiting rural areas.** Our approach would help overcome current funding constraints and support balanced development.

- **Focused and coordinated service design and delivery, that promotes climate resilience and customer-centric design.** This would speed up road adoption and infrastructure delivery processes, making them more efficient and responsive to community needs. Additionally, aligning transport and housing planning would reduce inefficiencies and enable more sustainable travel patterns and modal mix that supports development as well as priorities such as improved non-car accessibility and reduced emissions from transport.

- **Unified parking and network management, bringing together efforts across authorities and improving collaboration.** Our model ensures that local interventions are effectively implemented, enhancing the overall efficiency of transport networks. Furthermore, comprehensive fleet and decarbonisation strategies would be developed by coordinating fleet procurement and electrification efforts, particularly in rural areas, advancing decarbonisation goals.

- **Streamline community and school transport systems,** addressing financial concerns and promoting more sustainable approaches.

- **Strategic planning and investment alignment** would also be enhanced, supporting long-term growth and development through a focused approach to each area's opportunities and challenges. By redefining infrastructure delivery contracts, we would improve social value outcomes, focusing on local resource use, green contributions and workforce development.

- **Improve the processes for scheduling and delivering capital programmes, reducing administrative burdens and accelerating project timelines.** This would lead to more efficient infrastructure delivery, ensuring that projects are completed on time and within budget, ultimately benefiting the entire region.

In summary, through our four new mainland unitaries, we have the opportunity to enhance highways and transport services by more focused strategies and improving integration and collaboration around our four economic and population centres, ensuring transport and infrastructure plans are representative of the requirements of distinct areas and effectively support economic growth and housing delivery.

Case Study: Solent Transport - Micro-Consolidation Hub Trial

The Micro-Consolidation Hub Trial is part of the Solent Future Transport Zone Logistics programme. The project aims to enhance the quality of life in the Solent area by reducing large vehicle traffic and improving company efficiencies through the use of e-cargo bikes. The trial, located in Winchester, is fully funded by the Future Transport Zone initiative, covering costs such as parking bay leases, installation, decommissioning, and hub management for 12 months. Key preparatory steps have included securing planning permission, insurance discussions and finalising agreements between stakeholders.

The project relies on effective collaboration between local councils, transport authorities and the private sector. It involves comprehensive risk assessments, legal agreements and insurance coverage to mitigate potential challenges. The trial's success relies on the timely completion of installation works, expected to begin in September 2025, and effective communication strategies to align with the Winchester's "going greener faster" initiative.

Housing and homelessness

Councils deliver housing and homelessness services within a tight national framework shaped by the Homelessness Reduction Act 2017 and government housing targets. District housing teams deliver free advice, assessments and personalised housing plans, working in partnership with organisations such as Two Saints, to provide 'housing first' and supported accommodation that tackles complex needs and supports the transition into independent living. Southampton City Council works with organisations such as No Limited Advice Centre to run drop-in hubs offering showers, laundry, digital access and youth support alongside statutory case work for prevention, relief and rough-sleeping outreach. Portsmouth's Housing Needs Advice and Support team combines face-to-face advice, duty-to-refer protocols, priority-need assessments and emergency placements, while collaborating with local churches and charities to expand supported housing options. On the Isle of Wight, the Single Homelessness Pathway and rough sleeping teams coordinate services such as mother-and-baby units, priority need determinations and rural outreach.

Homelessness rates (per 1,000 households between April and June 2024) averaged at 1.1 across Hampshire and the Isle of Wight, with Portsmouth (4.76), Rushmoor (1.41) and Southampton (1.17) reporting rates above this average. Rough sleeper numbers are mostly concentrated within the cities of Southampton and Portsmouth, while multiple councils have levels above the 2.41 average for households in temporary accommodation outside the cities (per 1,000 households April to June 2024), including New Forest (4.08), Isle of Wight (3.56), Fareham (2.99) and Test Valley (2.81). The landscape is mixed across Hampshire and the Isle of Wight when assessed against 2023 housing delivery targets. There are multiple constraints that exist as demonstrated below, including limited greenfield land and coverage of National Parks (e.g. New Forest), a predominance of brownfield sites with high remediation costs, areas already densely populated (e.g. Southampton, Portsmouth) and steep build cost inflation. There are vast differences in housing delivery (2023 measurements), with Portsmouth (26%), Gosport (31%), Southampton (50%) and Fareham (55%) falling below the 99% average across all of Hampshire and the Isle of Wight. Hart (197%), Winchester (171%), Rushmoor (147%), Test Valley (144%) and Basingstoke and Deane (131%) are examples of councils who have over-performed on delivery targets.

Key challenges

Beyond the broader challenges outlined, councils face other significant challenges in delivering effective housing and homelessness services. For example, the scarcity of affordable private rented housing limits accommodation options for those in need while large scale centralised commissioning across Hampshire, such as for domestic abuse services, hinders the ability to tailor services to local needs, affecting community-specific challenges. There are also challenges around maintaining existing council housing to meet the anticipated new Decent Homes Standards and addressing issues with disabled facilities grants are ongoing concerns.

Interdepartmental relationships, particularly between existing housing and adult services, pose coordination challenges, affecting the delivery of comprehensive support services. The limited supply of land, especially in rural areas and cities, hampers the delivery of affordable housing and the attraction of new registered providers. In addition, the shortage of

temporary accommodation and slow turnover rates lead to increased emergency accommodation spending and difficulties in managing housing needs effectively.

Furthermore, rising levels of complex needs among the population are increasing demand for intensive support services. At the same time, adult social care services that adequately address the highest support needs for homelessness remains a challenge. Finally, non-stock holding councils face challenges in delivering affordable housing due to limited opportunities to effectively use section 106 contributions.

Existing collaboration and good practice

There are a number of initiatives and partnerships across councils driving improvements in housing provision and homelessness prevention. Collaborative responses to specific issues, such as the Make Every Adult Matter Rough Sleeper service and the coordinated approach to domestic abuse support in Basingstoke and Hart, demonstrate targeted efforts to address pressing challenges. There are ongoing examples of engagement with the community and voluntary sectors, including partnerships with charities like Trinity and collaborations around refugee support in Basingstoke and Eastleigh. In addition, efforts to influence systemic change and break existing barriers, particularly in adult and children's social care, telecare, and community safety, aim to address broader societal issues and enhance service effectiveness. Another example relates to geographical collaboration, such as shared services between Portsmouth, Gosport, Fareham and Havant, building on regional strengths and resources, while cross-agency protocols and partnerships, like the Hampshire-wide

duty to refer and the Social Inclusion Partnership in Basingstoke, facilitate collaboration across different sectors. The use of data-driven prevention initiatives in some areas, such as using artificial intelligence to predict those at risk of homelessness, demonstrates a proactive approach, and regular communication and best practice sharing through forums assist with ongoing learning and process improvements. Additionally, there is opportunity to enhance consumer standards across the social housing portfolio. This could be achieved by building on existing good practice and the strong performance demonstrated by councils such as New Forest which is currently meeting the new regulatory standards and reports an impressive 84% tenant satisfaction rate.

Good practice examples include developing effective housing policies and frameworks for affordable homes, supported by strategic housing groups and collaboration with registered providers. Education and awareness initiatives, such as those in colleges, aim to equip young people with the knowledge to secure and maintain housing. Examples of responsive and flexible service delivery is evident in some areas with embedded mental health practitioners and accommodation for ex-offenders (AFEO). The emphasis on shared objectives and a collaborative culture supports effective service delivery and homelessness prevention. Integrated approaches, involving partnerships with NHS mental health services, community groups, and local councils, facilitate comprehensive support through multi-disciplinary teams. Similarly, proactive prevention and early intervention efforts focus on reducing rough sleeping and minimising the use of temporary accommodations. Strategic use of funding, such as grants from better care funding and the housing revenue account (HRA), supports initiatives like hospital discharge and affordable housing.

Future plans

Effective housing and homelessness services are intrinsically linked to other key areas, particularly the provision of social care, addressing poverty and health and wellbeing and the need to work in a focused and collaborative way at a local level to enable prevention and meet needs. This is core to our four new mainland unitaries and the only way to effectively address challenges and improve outcomes.

- Our model would **enable place focused commissioning and procurement** as cost-effective strategies to increase service capacity and improve outcomes in each of the four areas.

- **By creating integrated, community-based delivery models with partners,** services would be tailored to local needs through a total place approach, ensuring they remain connected to local communities and maximise the ability to meet specific needs.

- **Our proposal would achieve economies of scale by optimising resources** across the four new mainland unitary areas and reduce duplicative functions.

- **Enhanced housing development** focused on the opportunities in each of the four economic areas and the potential to become a social landlord are key opportunities, alongside innovative approaches to homelessness that integrate support from various services tailored to local requirements.

- **Improved outcomes by providing increased opportunities for staff development and retention,** which is critical for building a skilled workforce who can act upon local community requirements effectively and drive the required transformation.

- **Services are tailored to local geographies,** building on existing local good practice that would be scaled, while enhancing community and voluntary sector engagement.

- **Developing innovative housing delivery models** that incorporate proven best practices and are specifically designed to meet the unique needs of each community, all while ensuring compliance with regulatory standards.

Underpinning our proposal is the importance of local solutions and partnerships, ensuring services remain relevant and appropriate to specific local needs, and allows for unitary service delivery models that recognise locality without becoming too large where inflexibility and generalisation will occur.
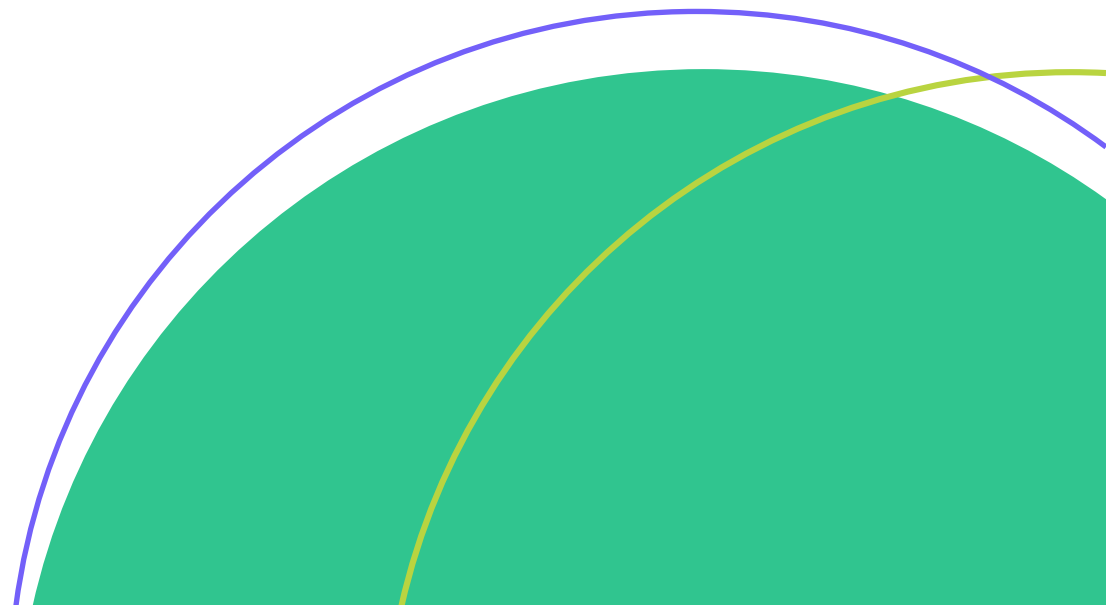
# Case Study: Basingstoke and Deane Social Inclusion Partnership (SIP)

Established in 2015 in response to potential funding cuts by Hampshire County Council (HCC), the social inclusion partnership has evolved into a dynamic coalition of local stakeholders dedicated to reducing homelessness and rough sleeping. The partnership facilitates strategic discussions, planning and information sharing among statutory, voluntary, community, faith groups and private sector partners. It has successfully implemented initiatives such as the Making Every Adult Matter (MEAM) program, a Real Change campaign to raise awareness and funds and a winter night shelter that adapted to virtual support during COVID-19. The SIP's success is attributed to its focus on community engagement and the organisational capacity of Basingstoke and Deane Borough Council (BDBC) to foster strategic relationships. This innovative approach has seen previously high level of rough sleeping reduced to consistently close to zero.

Complementing the partnership, Basingstoke and Deane Borough Council has developed a unique devolved funding and commissioning model, a rarity for a second-tier authority. This model, initially created to mitigate the impact of funding reductions, has become a primary vehicle for driving improved outcomes in homelessness support services as well as significant budgetary efficiencies from the initial HCC model. It has enabled Basingstoke and Deane to lead and influence the sector locally and nationally, enhancing accountability, data gathering and service delivery. The model's success offers opportunities to expand innovative commissioning practices across North Hampshire, particularly services which do not deliver the same high-level outcomes for residents and stakeholders that have demonstrably been achieved under Basingstoke and Deane's commissioning model. This expansion aligns with the forthcoming requirements of the Supported Housing (Regulatory Oversight) Act 2023, which mandates local authorities to develop a Supported Housing Strategy. Through these initiatives, Basingstoke and Deane demonstrates a commitment to creating bespoke, person-centred homelessness support pathways, ensuring vulnerable individuals do not return to the streets.

Case Study:
Winchester City Council
- innovative multi-agency
collaboration for
housing stability

After Hampshire County Council decided to cut £249,000 in annual funding for a 29-bed supported housing contract, Winchester City Council (WCC) quickly launched a program to find new homes for the affected residents. This effort involved working closely with each household, using a team that included a clinical psychologist, to address behaviours that could lead to homelessness and help them become ready for tenancy. The residents were relocated to a variety of housing options, including other supported housing, independent living through the housing register, family reconnections and temporary accommodations like bed and breakfasts until permanent solutions were found. Support was provided from existing resources as needed. This approach demonstrated that better outcomes for households can be achieved at a lower cost to the public sector, improving their life chances. The success of this initiative highlights the effectiveness of focused, multi-agency collaboration at the local level, which could be even more efficiently managed by a unitary council capable of delivering locally sensitive services.
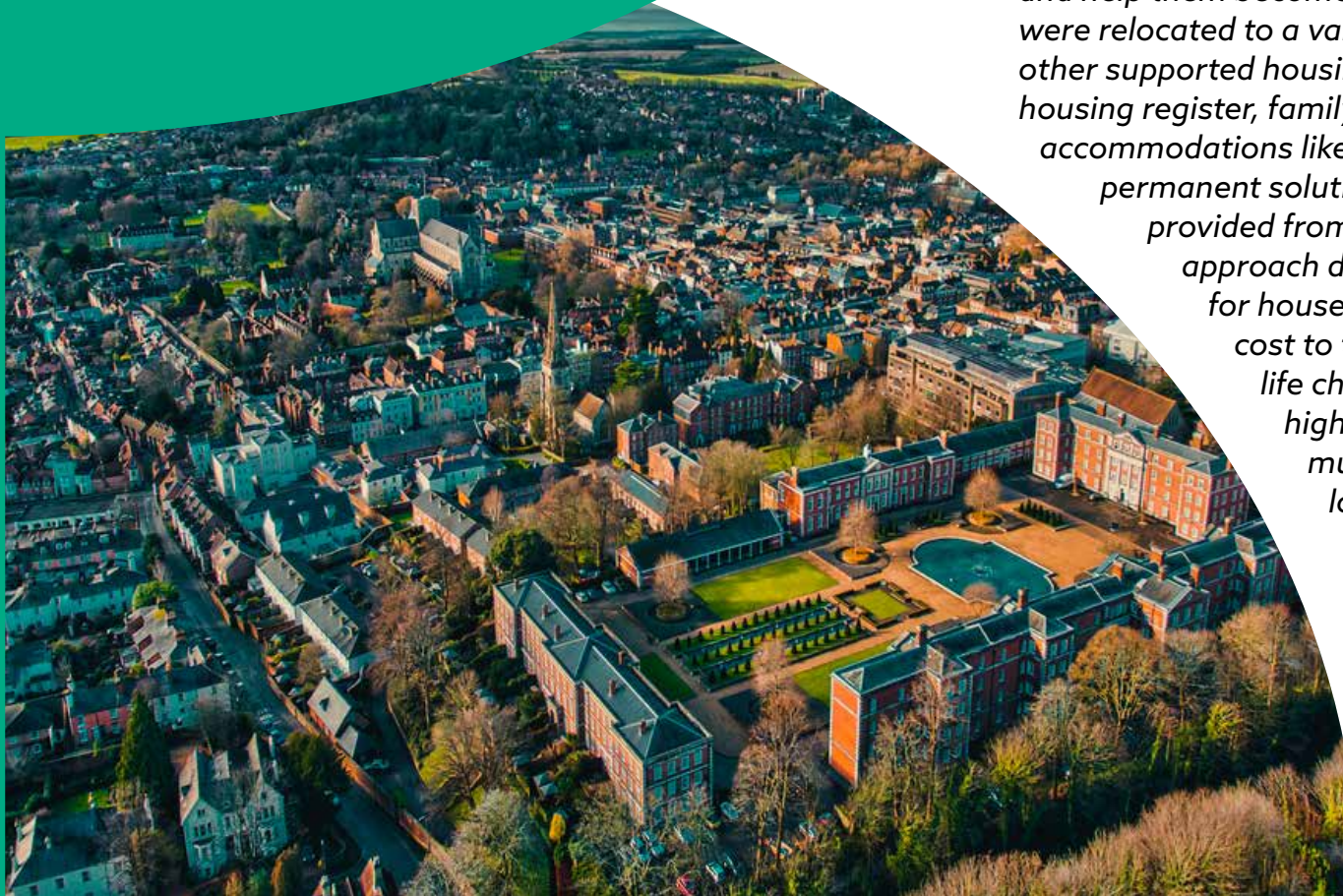
Criteria four: how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views

Working collaboratively

In section 2, we outlined the comprehensive collaborative process undertaken initially by the 15 existing councils in Hampshire and the Isle of Wight (now 12 councils) to assess the options for unitary councils against the government criteria and locally agreed guiding principles using an evidence-led approach:

- **Appraisal outcome:** We identified the four new unitary mainland model with the Isle of Wight remaining independent as the most balanced solution and continued collaboratively, as the 12 existing councils to develop this, after three councils withdrew from the joint process.
- **Joint programme of work:** We ran coordinated workstreams across councils covering engagement, finance, service design, and governance.
- **Engagement:** We engaged leaders, officers, residents, and partners, including VCSEs and businesses, through surveys, workshops, and regular meetings.
- **Service Design:** We held eight workshops to explore transformation in high-cost services like social care, housing, and transport.

- **Democratic approach:** We reviewed councillor ratios and neighbourhood governance to support effective local representation.
- **Financial sustainability analysis overview:** We analysed costs, savings, and financial resilience across scenarios to support decision-making.
- **Financial sustainability outputs:** We confirmed the four new mainland unitaries deliver long-term savings and strong transformation potential.

Our evidence-led, collaborative and inclusive process led to the emergence of the four mainland and Isle of Wight unitary model as the best way forward for Hampshire and the Isle of Wight.

Following the outcome of the options appraisal process, Hampshire County Council, East Hampshire District Council and Gosport Borough Council formally left the joint process. The remaining 12 councils have continued to work closely together across several key groups as follows:

- **Leaders and Chief Executives:** The 12 leaders and chief executive have worked collaboratively together to guide the process, test emerging ideas and agree the best approach for Hampshire and the Isle of Wight.
- **Section 151 Officers:** The Section 151 working group has coordinated financial data collection and overseen the development of the financial case working with our advisers at KPMG. They have met regularly to test and validate assumptions to ensure our financial case is evidence led and robust.

- **Monitoring Officers:** Monitoring Officers and Electoral Service teams have explored the best options for future democratic arrangements and governance for our proposal.
- **Directors and Heads of Service:** Working alongside specialist advisers, and service leads across key areas have shaped transformation and innovation opportunities central to our approach to local government reorganisation.

This structured collaboration across all tiers of leadership and service delivery has been a central part of shaping a model that reflects the collective ambition of the councils involved through a technically robust and democratic approach.

We have also continued to engage with the three councils who left the joint process. Gosport Borough Council, whilst favouring the status quo, has continued to work collaboratively with us and provide input throughout the development of our proposal. We are grateful to them for their collaborative approach.

We have also made a collective effort to engage collaboratively with Hampshire County Council and East Hampshire District Council to get their views to inform our own proposal. We arranged a special workshop with them to test their views on our emerging work, but they were unwilling to discuss them with us, and we were instead directed to a report they were later going to be publishing for their Cabinet and Council meetings. While this approach from them has been unexpected and disappointing, we remain committed to encouraging open dialogue and collaboration with them as the local government reorganisation process progresses.

Despite this, the 15 existing councils within Hampshire and the Isle of Wight have committed to sharing data throughout this process, as requested by government. This has enabled us to analyse options and develop our proposal based on a consistent set of data.

Informed by local views

Residents have played a crucial role in shaping the future design of local government and ensuring that our proposal effectively serves them to achieve improved outcomes is the top priority for us.

To gather residents' perspectives, a public engagement survey was conducted throughout July across the Hampshire and the Isle of Wight area. This survey collected feedback on the broader proposed options through Have Your Say Today - Our Place Our Future. The survey received a total of 13,336 responses, representing one of the highest response rates for a Commonplace-hosted engagement of this kind, with particularly strong participation from New Forest, Test Valley, and Winchester, as well as robust input from all other council areas.

Across the region, residents consistently expressed a deep sense of pride in their local areas (76% of all respondents said they feel proud of their local area), with high levels of satisfaction regarding access to green spaces, the natural environment, and the unique character of their communities.

Residents placed a premium on the delivery of high-quality, accessible public services (89% of respondents said 'very important' or quite important'). There is a clear expectation that councils should prioritise essential services such as adult social care, education, waste and recycling, road maintenance,

and public transport. Access to care services is a top priority across all council areas (7.9/10 weighted average score), reflecting concerns about an ageing population and the need for robust support for vulnerable residents.

While many residents value their area's connectivity, especially in urban and peri-urban councils, there are widespread concerns about the adequacy of public transport, road maintenance, and traffic congestion. Rural areas, in particular, highlighted issues with infrequent or inaccessible public transport, making it harder for residents to access services and employment.

There is a strong desire for local decision-making, with residents wanting councils to reflect the identity of their communities and ensure that decisions are made as close to residents as possible. While many recognise the need for efficiency and collaboration, there is a clear preference for governance structures that empower local voices and avoid the dilution of local representation. 87% of respondents agree that "it is important that my council reflects the identity of my local community". Many respondents, especially in rural and semi-rural areas, express concerns that much larger councils could dilute local identity, reduce accessibility to services, and make it harder for residents to influence decisions.

A key takeaway from the engagement is the widespread concern that being part of a much larger unitary, or one that does not fit with a community's distinct geography, will dilute local identity, reduce accessibility to services, and make it harder for residents to influence decisions. Respondents across rural, semi-rural, and edge-of-city areas consistently express a desire for councils that are 'local enough to understand and respond to their needs, but big enough to be sustainable.'

There is strong resistance to artificial groupings that combine communities with little in common, and a clear preference for governance structures that reflect real geographies, travel patterns, and community identities.

The insights gathered through this engagement directly informed Leaders and Chief Executives discussions and decisions, ensuring that our proposal is grounded in the lived experiences and preferences of local people.

As well as direct engagement with residents and council staff, we have actively engaged with key partner organisations and stakeholders. This has included workshops and meetings with representatives from police, fire and health services, Coastal Partners and National Parks, businesses, the voluntary and community sector and town and parish councils, to understand their views on potential opportunities and challenges, options for reorganisation, including benefits and weaknesses of those options in the context of the delivery of critical services. We are grateful to them all for helping to inform our proposal.

The proposed new unitary areas in our proposal have also been engaging with residents, businesses, voluntary and community groups, members of parliament, education providers and town and parish councils to gather more local views and preferences. We have provided a summary below of the work that each area has carried out to gather local views:

North Hampshire engagement

The three existing councils in North Hampshire have carried out a comprehensive programme of engagement to inform our proposal. This includes:

- An open public survey running on the three council websites.
- A research company running interviews with residents.

- Workshops with businesses, public sector partners and service providers, voluntary and community groups and parish & town councils.
- Discussions and briefings with local members of parliament.
- A range of regular individual discussions with partner organisations and service providers.
- In Rushmoor a series of roadshows over a two-week period engaged directly with 980 residents.
- Regular staff and union briefings.

Discussions and feedback have generally been incredibly positive across all groups with:

- The public survey results, based on over 1500 responses through the council websites, showing over 70% support for a North Hampshire Unitary as opposed to only 7% support for a larger unitary council option with approximately 20% not supporting either option or don't know.
- Local members of parliament are very supportive of our proposal and its alignment with people's sense of place and the opportunities it provides to improve services for communities.
- Businesses welcome the unique opportunity a North Hampshire unitary council provides to drive and enable further economic growth so that the area maximises its huge potential. For example, the creation of a new unitary council for North Hampshire is supported by the Chambers of Commerce, and businesses of all sizes.
- Public sector partners and service providers are excited by the prospect of having a unitary council focused on North Hampshire, providing all local government services, who they can work collaboratively with to integrate and transform

services. For example, a range of positive discussions have been held with the ICB and Hospital Trust about the significant opportunities for service redesign. Similarly, all three existing councils currently have the same waste collection provider, two of the councils through a shared contract, and the provider has already started work on how this could be brought together into a single arrangement and the opportunities for savings and wider service innovation such as through having artificial intelligence enabled cameras on the waste vehicles, which travel on every road regularly, meaning they can pick up road defects early such as pot holes forming, leading to earlier fixing and efficiencies.

- Further educations providers are looking forward to the opportunity that a North Hampshire unitary provides to work in a more holistic way to improve educational opportunities and skills development.
- Voluntary and community groups are really positive about the opportunity to work with a new North Hampshire Unitary to co-design a new commissioning strategy and the future neighbourhood arrangements. For example, the three current voluntary infrastructure / representative organisations have already started discussions on how they can work even more closely together on a North Hampshire basis in advance of a new North Hampshire unitary being created.
- Parish and town councils are very keen on having a unitary council focused on the specific needs of North Hampshire. For example, they want to work with the new council to develop a collaborative ongoing partnership including informing future service design and working alongside the new council to co-design the future neighbourhood governance arrangements to ensure decisions are taken at the most effective level.

- Rushmoor's series of roadshows did highlight amongst some residents within Rushmoor a lack of understanding of the local government reorganisation process and the loss of the existing borough council. It is recognised that the engagement work is an ongoing process and there is more to do, particularly in certain areas, to increase understanding of reorganisation and the benefits that will bring.
- Staff have been positive throughout about the improvement this can bring for our residents and the opportunities to work more holistically across wider services. Both staff and the union have welcomed the regular opportunities to put forward their views and help to shape our proposal.

Mid Hampshire engagement

Three of the existing councils in Mid Hampshire; New Forest District Council, Test Valley Borough Council, and Winchester City Council have undertaken a comprehensive and inclusive programme of engagement to inform the proposal.

This includes:

- Deliberative engagement with residents across all three council areas, designed to explore lived experiences, local priorities, and aspirations for future local government.
- An open public survey running across the 12 councils.
- A research company conducting interviews with residents.
- Workshops with businesses, public sector partners and service providers, voluntary and community groups, and parish & town councils.
- A range of regular individual discussions with partner organisations and service providers.
- Regular staff and union briefings.

Each council commissioned deliberative workshops to ensure the voices of residents were central to shaping the proposal. These sessions explored what good local government looks like, how services should be delivered, and what principles should guide reorganisation.

Key themes emerging across all three areas include:

- Strong local identity and pride in place, with residents emphasising the importance of nature, heritage, and community.
- A desire for efficient, seamless service delivery that feels reliable and offers value for money.
- A clear expectation that decision-making must be rooted in local knowledge, with transparency and accountability.
- Support for place-based services that reflect the unique needs of each community.
- Recognition of the benefits of a unitary structure, but only if it retains local agility and responsiveness.
- In New Forest, the Waterside Engagement Project also provided a rich, place-sensitive narrative of communities such as Totton, Hythe, Marchwood, Holbury, and Calshot. Through creative and qualitative methods - including mapping and deep listening. It captured the emotional, cultural, and ecological identity of the area. Residents expressed a strong desire for governance that reflects their Forest-rooted identity, protects environmental assets, and supports meaningful local decision-making. The project highlighted the importance of designing administrative boundaries that respect lived experience and cultural coherence.
- In Test Valley, residents valued the rural character and

community spirit of their towns and villages. They supported simplification and efficiency but emphasised the need for local decision-making and responsiveness.

- Winchester participants expressed a need for a connected joined up approach, efficient services, ensuring local voices are meaningfully heard and that services are designed and rooted in the local area, to best serve local communities. Concerns were raised that services may not be tailored specifically enough for local populations. Local identity and culture, and community spirit in their local area was highly valued. They support a centralised and simplified approach as long as local needs were met and community voices were heard in decision making.

- These insights have directly shaped the guiding principles for our proposal, ensuring it reflects the lived experiences and aspirations of Mid Hampshire communities.

- Discussions and feedback have been incredibly positive across all groups, with:

- Businesses welcoming the opportunity to work with a council focused on Mid Hampshire's economic potential. Chambers of Commerce, the Federation of Small Businesses, and local enterprises have expressed support for the proposal. Partners in the Waterside Steering Group including the Solent Freeport, Exxon Mobil and Associated British Ports Ltd have also been involved in discussing the options for the New Forest.

- Public sector partners, educational establishments and service providers enthusiastic about the opportunity to integrate and transform services. Colleagues across New Forest and Mid Hampshire keen to build on their regional work to support growth and skills opportunities appropriate to a non-urban centred model.

- Town and Parish Councils have been a significant partner group. They are eager to work with the new council to co-design neighbourhood governance arrangements and ensure decisions are taken at the most effective level. Their deep local knowledge and community connections make them essential to shaping future service delivery and local democracy.

- Staff and unions have engaged consistently and have been positive about the options that promote the interests of communities in the areas they serve. Both staff and unions have recognised the opportunity to work more holistically across services and improve outcomes for communities. They have welcomed regular engagement and the chance to shape the proposal.

South East engagement

Portsmouth, Fareham and Havant have carried out a comprehensive programme of engagement to inform our proposal. This includes:

- An open public survey and/or residents survey within each council area.
- A research company running interviews with residents.
- A range of regular individual discussions with partner organisations and service providers.
- Regular staff and union briefings.

Discussions and feedback have been incredibly positive across all groups with:

- Portsmouth City Council undertook a residents' survey between 20 and 30 June. Over 3,900 residents participated and 82% of respondents disagreed with Portsmouth being included in LGR proposals. However, a majority of residents (61%) who expressed a preference of authorities to merge with agreed that if forced to take part in the reorganisation plans, Portsmouth City Council should merge with Fareham, Gosport and Havant Borough Councils.
- The Havant residents survey, a representative sample survey of 1,249 face to face interviews conducted between 8 May and 4 July 2025, found that the places in Hampshire that residents visited/had most connections with was either Havant or Portsmouth. Reasons for visits connections in Portsmouth included shopping (62%), socialising (45%) and work/business (18%).
- The Havant residents Survey gathered data on what residents defined as their local area with many citing their local town or village (68%). In addition, over three quarters (79%) cited it was very or somewhat important to have local political representation.
- Over 800 Fareham residents took part in an LGR survey with a strong majority (81%) wanting to see the wards of Locks Heath, Park Gate and Sarisbury retained within the SE Hampshire Unitary Authority's boundary.
- Havant have run a series of public meetings across the borough to engage with any resident to ask questions about the future direction of local government. These sessions have been well attended and allowed for a range of views and opinions to be shared.
- Hundreds of residents have been engaged with in person as part of the Let's Talk Fareham Roadshow 2025. Discussions have highlighted that issues such as continued quality service provision, Council Tax levels, local political representation and the potential for improvements to services such as local road maintenance and schools' provision are of particular importance.
- Portsmouth City Council ran an update and consultation session with the Community Wellbeing Alliance in July. This brought together 3rd sector partners from across Portsmouth with many organisations supporting wider geographies. Portsmouth City Council, and colleagues from Southampton City Council and the Isle of Wight Council also engaged with the Solent Growth Partnership Business Representative Board on LGR. Discussions about LGR have also been held with key partners that Portsmouth City Council works with.
- Regular updates have been provided on our social media channels and dedicated sections on our websites to inform and engage the public with respect to our LGR plans as they have been developed.

- Staff have been regularly briefed throughout about the improvement this can bring for our communities and the opportunities to work more holistically across wider services. Both staff and the union have welcomed the regular opportunities to put forward their views and help to shape our proposal. Portsmouth City Council have undertaken regular management team, Councillors and All Staff briefings on LGR.
- Portsmouth City Council has also worked to raise awareness of the topic and opportunities to engage through local media including issuing four press releases. Media coverage generated is estimated to have been seen more than 700,000 times.

South West engagement

Across the South West there has been a significant programme of engagement with residents, businesses, partners and staff in addition to the region-wide survey. The insight gained has been used to inform the development of proposals for new unitary authorities in our area. This includes:

- Senior engagement with strategic partners across the area including major businesses, and public sector partners.
- Engagement with local MPs.
- Staff, councillor and trade union briefings.
- Full council debates and briefings on LGR, and the proposed options.
- Engagement workshops with voluntary and community sector partners.
- Regular news updates on social media channels, website and council email bulletins.
- Out of home digital opportunities across the city.
- Email from the economic development team to the

Renaissance members requesting they share with their networks.
- Eastleigh Borough Council carried out additional engagement under the banner "A Place for Everyone" focused on residents in the South West Hampshire area who had previously signed up to research panels.
- The work included a dedicated survey and three online focus groups - one with residents from three different areas in South West Hampshire. These explored where people lived and worked, how they travelled, where they spent their free time, and the services they used across the wider Southampton, Eastleigh, Waterside and southern Test Valley area. Residents were also asked about their sense of local identity and their views on the proposed changes to council boundaries. Engagement included explaining the process and drivers for local government reorganisation, as well as providing available information on the options under consideration, how and why these are being developed. Feedback has consistently supported the principle of four new unitary authorities on the mainland plus the Isle of Wight retaining its current arrangements as a way to ensure councils are large enough to be sustainable but small enough to respect and retain local identities.
- Businesses appreciate the chance to highlight economic ties between Southampton, the port, and the South West authorities.
- Strong engagement with our LGR updates across social media platforms.
- Southampton City Council, Portsmouth City Council, and the Isle of Wight Council had a positive and productive LGR session with the Solent Growth Partnership Business Representative Board.

- Voluntary sector partners, for example though workshops held with Southampton Voluntary Services (SVS), welcomed the opportunity for Local Government Reorganisation to streamline and redesign processes across the region in collaboration with residents and service users. SVS members also stressed the need for new councils to be close to their communities and reflect local identities, giving support to the four-mainland unitary model.
- Staff and local trade unions have appreciated updates on the reorganisation process and what it might mean for the areas they serve. Discussion has focused on the options for reorganisation, the impact it might have for improving service delivery and how to handle the transition process sensitively and make it successful for staff.
- All Eastleigh town and parish councils have received regular briefings on local government reorganisation from the Borough Council and have played an active role in communicating with residents about the process.
- Major local partners and employers including Eastleigh College, Hampshire Cricket Club and Southampton Airport have also been briefed.

It is recognised that there is still a lack of public understanding and, as the regional survey demonstrates (with less than 2% of the South West Hampshire areas' residents responding), limited interest in local government reorganisation at this stage. Having worked through the details of building the case, a further, appropriately timed engagement programme that builds understanding to clearly articulate the local, regional and national opportunities that creating a strong South West unitary provides is in development.

Isle of Wight engagement

Alongside the county-wide local government reorganisation survey, the council has:

- Held a range of discussion with partner organisations.
- Provided updates to staff and unions.
- Engaged with businesses through networks and partnerships.
- Provided updates to town and parish councils.

Feedback through engagement has been supportive of the Island being retained as a separate unitary authority, with understanding of the unique island and cultural identity, whilst understanding the challenges that being an Island brings. There is also an understanding that wider partnership working to ensure that the council can focus resource and capacity on delivering local services is a potential opportunity.

We have used this insight, shared data analysis and evaluated potential impacts on communities, services, and economies. This shared effort between Hampshire and the Isle of Wight's existing councils has led to the creation of a proposal that prioritises community identity, future proofs local government and will effectively deliver improved outcomes.

Travel for work and leisure activities

Hampshire and the Isle of Wight benefits from a strong travel-to-work ecosystem, supported by a comprehensive network of motorways (M3, M27), rail corridors, bus networks, ferries and active travel routes. Each of our new four new mainland unitary councils are anchored around the key population and economic hubs of Basingstoke, Winchester, Portsmouth and Southampton, which serve as major commuter destinations

for surrounding communities. Unlike larger, less connected models, our four new mainland unitaries proposal supports a more localised alignment of services with actual travel patterns, facilitating tailored integration and investment that can be more responsive and effective than the broader, less flexible approach of even larger unitary councils over bigger geographies.

Integrated transport planning, delivering jointly with the new Strategic Authority, would strengthen connections across the areas, not only for commuters but also for visitors and residents travelling for leisure. Opportunities to provide greater ticketing clarity and co-ordinated bus and rail services would increase public transport usage, supporting a reduction in road congestion and reduced carbon emissions.

This is set out in more detail in section 4 particularly under criteria 3.

Local identity

Hampshire and the Isle of Wight is a very large and diverse region, rich in history and shaped by a unique blend of rural landscapes, coastal settlements and vibrant urban centres. This diversity of geography, history and culture has supported strong identities for the communities who call it home. The natural geography of the area, from the sparsely populated chalk downlands of central Hampshire, which separate north from south to the harbours of Southampton and Portsmouth, has long provided natural settlement centres.

Our four new mainland unitaries recognises and respects this unique character and the contribution of the North, Mid, South East and South West areas in the life of the wider region. This recognition will be evident through the active preservation and empowerment of the rich cultural identities and historic legacies that define our communities throughout this proposal.

Our proposal is focused on how people live their lives, from an economic social, cultural and leisure perspective, with a new mainland unitary council focused on each of the four major population centres and urban economies of Southampton, Portsmouth, Winchester, Basingstoke. This aligns with 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, which we agree is fundamentally important.

North Hampshire: This unitary area encompasses Basingstoke and Deane, Hart and Rushmoor councils and the towns of Aldershot, Basingstoke, Fleet and Farnborough. This area is characterised by its rolling countryside, with close proximity to the North Wessex Downs Area of Outstanding Natural Beauty, parks and urban green spaces and strong literary, aviation and military history. There are strong transport links by both rail and road towards London. This geography and historic interest combined with good transportation links supports a thriving economy in the area which, unlike the rest of the county, points out of Hampshire into Berkshire, Surrey and towards London. Basingstoke is a key anchor with its reputation as a leader in the UK's digital economy and major firms providing employment across the region with many commuting to the town. Farnborough has a significant and growing aviation, space and defence sectors and Aldershot remains a significant garrison for the military and, alongside Farnborough, has a thriving gaming sector.

Mid Hampshire: Home to Hampshire's county town of Winchester, it is one of England's oldest settlements and is a thriving area not just as a tourism hub, but also with growth in small enterprises and digital businesses. The area also includes Test Valley, renowned for its famous chalk rivers, and the New Forest, with most of its land covered by the New Forest National Park. New Forest is part of two of the three options we have evaluated. These areas, while also associated with the leisure industry, also include significant traditional industry including land-based and marine businesses, as well as four major Solent Freeport tax sites including Solent Gateway and Exxon Mobil.

South East Hampshire: The South East area of Hampshire includes the city of Portsmouth and the boroughs of Havant, Fareham and Gosport. This is a major maritime area with harbours in Portsmouth, Chichester and Langstone and the UK's only island city. The River Hamble, to the west, is internationally famous for its sailing and has been a yacht and boat building centre for centuries. The area is home to historic market towns such as Emsworth, and the area is rich in maritime and military history. There are common industrial sectors, cultural opportunities, education provision, regional retail offers and access to services for the proposed new area e.g. for health provision. The area is also home to Portsmouth Historic Dockyard (covering Portsmouth and Gosport), and a vibrant visitor economy which is fed by the surrounding area including vineyards (Wickham), regional brewers and distilleries (all) and tourism locations including being home to the Hayling Island Links Golf Course. Portsmouth was voted the UK's second coolest city to live in outside London in 2022 by the Nomads Nation website, with the visitor economy, facilities and events drawing people in from the wider region.

South West Hampshire: Southampton is the major centre for South West Hampshire, bordered by the M27 and the Solent. The region encompasses the Hampshire Basin and includes the railway town of Eastleigh and the surrounding countryside. Southampton's port is the major driver of this region's economy with significant cruise and cargo traffic. The Solent Freeport would attract significant investment of around £1 billion, leading to the creation of thousands of jobs and further boosting the local economy and providing opportunities for further investment in green technology and developments.

Criteria five: how the model will support devolution arrangements

As a region, we are delighted to have been selected for the Devolution Priority Programme (DPP) and are committed to working collaboratively on delivering the Devolution Priority Programme and local government reorganisation. Meaningful devolution will help generate local investment, drive economic growth and improve services and structured effectively, local government reorganisation could help deliver and maximise these opportunities.

Devolution in Hampshire and the Isle of Wight

The establishment of a Mayoral County Combined Authority (MCCA) for Hampshire and the Isle of Wight is a huge opportunity for the region that is best supported by creating four mainland unitaries plus the Isle of Wight to work alongside the new directly elected Mayor. This configuration provides clear strategic regional leadership, with authorities based around core urban centres, while maintaining robust, local council involvement at a suitable size and scale that could generate operational efficiencies but continue to deliver services based on publicly recognised communities.

This approach would improve coordination on any devolved funding and powers allowing responsiveness to both regional and local priorities and enable a focus to be maintained on city and town regions as the engines of growth. The four new mainland authority structure allows for a greater community voice and could also address issues like urban-rural transport imbalances and infrastructure pressures more precisely than a structure with fewer, larger councils, where more local needs can be misunderstood or at worst, overlooked.

The results of the government consultation reflect support for the new four mainland unitary approach and the Isle of Wight, with some respondents concerns around "disproportionate influence by a single or a smaller number of larger councils".

This approach also better reflects residents' desires for local accountability, community-tailored service delivery, efficient governance and meaningful engagement within a devolved framework than three larger councils, while simultaneously enabling unified strategic leadership and the different functional economic areas of Hampshire and the Isle of Wight. A smaller number of larger mainland councils would not support the urban focused growth agenda in the same way, losing the focus on the specific devolution opportunities for economic growth.

Our four new mainland unitary proposal plus the Isle of Wight, with a population of around 2.1 million people, would enable and support devolution in Hampshire and the Isle of Wight through:

- **Strategic planning and local delivery -** The strategic authority would operate with well-balanced unitaries as constituent authorities made up of the four new unitaries for mainland Hampshire and the existing Isle of Wight Council. This relationship would enable strategic planning and coordination in Hampshire and the Isle of Wight, supported by unitary councils that are focused on local delivery and connected to the needs of the local communities that they serve. To be effective, devolved arrangements need councils that are closely connected to their residents, businesses and place. The well balanced unitaries, as constituent authorities,

would be local enough to bring insight into common local priorities and opportunities which could be supported and strengthened at the strategic authority level.

- **Driving economic growth** - With four new unitary authorities on the mainland, there is much greater potential to support the new MCCA drive for growth across the region. City regions and urban areas are the basis for strong growth in this proposal, with three of the four mainland unitaries representing such areas, this is a good basis for making sure that the new authorities would support the MCCA sustainable growth ambitions. The fourth mainland authority would ensure a focus on rural and town growth needs and ambitions. The existing Isle of Wight unitary authority would ensure a focus on the growth needs of the island economy.

- **Effective decision-making -** Having well balanced constituent unitary councils provides a strong foundation for decision-making. The Mayor, when elected, would manage decision-making by chairing debate across balanced mainland constituent authorities. This provides an effective basis for consensus building, voting and decision-making and would support a strong, functional and effective strategic authority. The four new unitaries on the mainland would have populations between 400,000 and 600,000 and are well balanced across many economic and social factors. The Isle of Wight (see section 5) would also be part of the MCCA Strategic Authority with a population of 140,000 to provide effective representation on behalf of their residents. This proposal will dramatically improve the balance and governance of the combined authority for Hampshire and the Isle of Wight. Currently the largest existing council within the proposed combined authority covers 70% of the population. The proposals in this submission ensure that no council represents an excessively large proportion of

the population - with a maximum percentage of the total combined authority population in any single unitary council of around 28%. This would achieve a fair balance between the mainland authorities, a sensible number of councils to make up the combined authority, and avoid an excessive ratio between the largest authority and the smallest (Isle of Wight). This make up is critical to avoid one or two larger unitaries creating a democratic deficit regardless of how decisions are made. Configurations with a smaller number of total unitaries were discounted during the options appraisal process as the population ratios between unitaries would be more imbalanced under a mayoral strategic authority. The population ratio table below demonstrates the level of balance the four new mainland and Isle of Wight unitary configuration provides. Our approach to the strategic authority would enable closer working with non-constituent and associate members such as NHS bodies and National Parks who will play a crucial role in delivering our target outcomes and the wider public service reform agenda.

- **Strength through diversity -** An effective strategic and unitary authority relationship will be symbiotic and reduce both national and intra-region competition for funding by focusing properly on evidence informed local priorities. Our unitaries would have a common purpose through devolution but would also be able to respond effectively on behalf of the distinct communities and economies. Our proposal would drive diversity in opinion and strengthen the advice that can be provided to the future Mayor, leading to enhanced overall strategy and outcomes with a collaborative approach to delivery. The new unitary councils that cover the coast and the waterside would continue to work collaboratively to deliver sustainable growth including through the Solent Freeport. It is recognised that the mayoral strategic authority

will have oversight of the Freeport, the Enterprise Zone and major strategic planning, and the new councils would collectively support the authority in this role. The two new unitaries for North and Mid Hampshire have Basingstoke and Winchester as economic, social and cultural hubs but also encompass significant rural areas and would provide a voice for rural and agricultural communities and environmental considerations. The existing unitary authority of the Isle of Wight has Newport and Ryde as the main economic, social, and cultural hubs but also encompasses significant rural areas. This provides a voice for rural and agricultural concerns as well as a major focus on tourism and the visitor economy and other specific island requirements.

Population ratios of the three option variations of the four new mainland and Isle of Wight unitary model

Option 1		Option 2		Option 3	
North Hampshire: Basingstoke and Deane, Hart, Rushmoor	19%	**North Hampshire:** Basingstoke and Deane, Hart, Rushmoor	19%	**North Hampshire:** Basingstoke and Deane, Hart, Rushmoor	19%
Mid Hampshire: East Hampshire, New Forest, Test Valley, Winchester	28%	**Mid Hampshire:** East Hampshire, Test Valley, Winchester	20%	**Mid Hampshire:** East Hampshire, New Forest, Test Valley, Winchester	23%
South West Hampshire: Eastleigh, Southampton	20%	**South West Hampshire:** Eastleigh, New Forest, Southampton	28%	**South West Hampshire:** Eastleigh, New Forest*, Southampton, Test Valley*	24%
South East Hampshire: Fareham, Gosport, Havant, Portsmouth	26%	**South East Hampshire:** Fareham, Gosport, Havant, Portsmouth	26%	**South East Hampshire:** East Hampshire*, Fareham, Gosport, Havant, Portsmouth, Winchester*	27%
Isle of Wight	7%	**Isle of Wight**	7%	**Isle of Wight**	7%

Our progress towards devolution

We have a dedicated programme working to establish an MCCA ready for Mayoral elections in May 2026.

Our four new mainland unitary proposal for devolution presents a transformative opportunity to enhance local governance, optimise funding allocation and address the distinct needs of our communities. This model offers a solid foundation from which to build a strong, innovative future for devolution across Hampshire and the Isle of Wight.

Criteria six: how unitaries will enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment

How four new mainland unitaries will enable stronger community engagement

Our four new mainland unitaries, especially when compared to options with fewer than four mainland unitaries, are in a much stronger position to foster stronger community engagement and genuine neighbourhood engagement. By restructuring the current local government landscape into localised unitary authorities focused on each of the main population centres and the way people live, this approach would bring government closer to the people, ensuring that local voices are heard and local needs are met with greater efficiency and responsiveness.

1) **Enhanced local representation:** Each unitary authority would have a manageable geographic and demographic scope, ensuring more tailored and representative governance. This closeness to the community means that local leaders could better understand and address the unique challenges and opportunities within their areas. Residents would have more direct access to their representatives, facilitating a more participatory form of governance where community input is actively sought and valued.

2) **Improved service delivery:** With governance structures that are linked to local needs, unitary authorities would commission and deliver services more effectively and efficiently as is already demonstrated by the three existing unitary councils in Hampshire and the Solent. This approach allows 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. By reducing bureaucratic layers, resources could be allocated more directly to where they are needed most, enhancing the quality of life for residents.

3) **Empowerment through local neighbourhood initiatives and governance:** A key advantage of our proposal is its potential to empower neighbourhoods through local initiatives. By devolving powers and responsibilities, communities are given the opportunity to take charge of local projects and initiatives. This empowerment fosters a sense of ownership and pride among residents, encouraging active participation in community development and decision-making processes. Together with communities and local partners, we would co-design future neighbourhood governance arrangements that best meet local requirements in each new unitary area through a total place type approach. This would deliver decision making at the lowest effective level to speed up delivery, tailored to each of our community's needs.

By bringing governance closer to the people, enhancing service delivery, and fostering local initiatives, our proposal would create vibrant, empowered communities that are actively involved in shaping their futures.

The future democratic structures and councillor numbers

This section outlines the research carried out to inform the proposed councillor ratios, provides a summary of the current councillor arrangements and a recommendation for indicative future councillor numbers. The analysis highlights the benefits of transitioning to four new unitaries on the mainland which would deliver more effective and responsive local governance.

Summary of research conducted

Research around current councillor numbers in existing unitary authorities was completed, focusing on councillor-to-population ratios and the effectiveness of representation. The table below highlights key data from comparator councils, providing a benchmark for assessing the proposed changes:

Unitary	No. Cllrs	Population 2028	No. of electorate divisions/wards	Population per Cllr	No. Cllrs per electorate division
Somerset	110	581,145	54	5,283	2.04
Cornwall	87	578,324	87	6,647	1.00
Durham, County	98	532,182	63	5,430	1.56
Wiltshire	98	517,979	98	5,286	1.00
Bristol, City of	70	482,998	34	6,900	2.06
West Northamptonshire	93	434,349	28	4,670	3.32
Cheshire East	82	412,458	36	5,030	2.28
Bournemouth, Christchurch, Poole	76	404,050	33	5,316	2.30
Dorset	82	384,809	36	4,693	2.28
Leicester	54	379,780	21	7,033	2.57
Totals	**850**	**4,708,074**	**490**	**5,539**	**1.73**

Summary of current councillor arrangements in Hampshire and the Isle of Wight

Currently, Hampshire and the Isle of Wight is served by a total of 650 councillors across various councils, including individuals who serve on two councils. The councillor-to-population ratio varies significantly across different tiers of authority, with districts averaging one councillor per 3,391 residents and unitaries averaging one per 4,839 residents. The county council has a notably higher ratio of one per 19,126 residents.

Council	Number of Wards	Number of Councillors	Population 2028 estimates	Cllr ratio
Basingstoke and Deane Borough Council	18	54	194,247	3,597
East Hampshire District Council	31	43	134,583	3,130
Eastleigh Borough Council	14	39	148,682	3,812
Fareham Borough Council	16	32	122,677	3,834
Gosport Borough Council	14	28	84,558	3,020
Hart District Council	11	33	106,464	3,226
Havant Borough Council	12	36	129,654	3,602
New Forest District Council	26	48	181,664	3,785
Rushmoor Borough Council	13	39	106,754	2,737
Test Valley Borough Council	20	43	140,248	3,262
Winchester City Council	16	45	142,328	3,163
Isle of Wight Council	39	39	146,351	3,785
Portsmouth City Council	14	42	217,852	5,187
Southampton City Council	17	51	274,539	5,383
Hampshire County Council	76	78	1,491,859	19,126

Introducing the indicative future councillor number and ratios

Guided by the research, we have designed indicative councillor numbers for each of the proposed new mainland unitary councils, recognising that ultimately this will be determined by the Local Government Boundary Commission for England. Each of our new unitary configurations worked in small groups and using the research, Boundary Commission guidance, approach to decision making and considering the needs of the residents and the areas, developed the indicative numbers. The indicative numbers proposed, set out below, are for the long-term governance and decision making and it is understood that in the short-term other arrangements would be needed for the shadow authorities, which we would be keen to discuss with government as the process moves forward.

The councillor numbers for Isle of Wight remain unchanged as per the current arrangements. This is because the case being submitted includes the Isle of Wight remaining independent as a continuing island unitary authority.

Across the three options, there is a range of a total number of councillors from 67 for Option 1 in the South West and 99 for all options in the South East. There is an average of 88 councillors and a ratio of one councillor per 5,316 population (3,921 electorates) across all three options. These ranges and averages exclude the Isle of Wight who will remain separate under our proposal. This represents tailored approaches, numbers and ratios which fit the specific configurations within each option. There is also a reduction in total councillor numbers from 650 to 390 (average across each option).

| Council configurations | Option 1 | | | Option 2 | | | Option 3 | | | Average | | |
	Population ratio (2028)	Electorate ratio (31/03/2025)	Number of Councillors	Population ratio (2028)	Electorate ratio (31/03/2025)	Number of Councillors	Population ratio (2028)	Electorate ratio (31/03/2025)	Number of Councillors	Population Ratio	Electorate Ratio	Number of Councillors
Total Councillors	4,115	3,925	383	4,005	3,820	393	4,005	3,820	393	**4,042**	**3,855**	**390**
North Councillors	4,794	3,346	85	4,794	3,346	85	4,794	3,346	85	**4,794**	**3,346**	**85**
Mid Councillors	6,439	4,711	93	5,250	3,727	79	5,267	3,850	92	**5,652**	**4,096**	**88**
South-West Councillors	6,317	3,998	67	6,647	4,503	91	6,221	4,060	82	**6,395**	**4,187**	**80**
South-East Councillors	5,603	4,059	99	5,603	4,059	99	5,880	4,249	99	**5,696**	**4,122**	**99**
Isle of Wight Councillors	3,753	2,845	39	3,753	2,845	39	3,753	2,845	39	**3,753**	**2,845**	**39**
Ave exc low	**5,454**	**4,008**	**86**	**5,260**	**3,891**	**89**	**5,233**	**3,865**	**90**	**5,316**	**3,921**	**88**

The future of neighbourhood governance in Hampshire and the Isle of Wight

In our four new mainland unitary authorities, neighbourhood governance would be a core part of our approach, ensuring local voices remain central to decision-making, service oversight and community engagement. Our approach aligns with best practice, national policy direction and the lived realities of our communities.

The proposed neighbourhood governance would reflect the distinct identities and needs of communities across each of the new unitary footprints. They would be co-designed with partners and communities to operate at a scale that is close enough to be local, while being embedded in the wider system that is big enough to stay strong. We know from evidence (see Appendix 6) that neighbourhood scale governance promotes trust, improves outcomes and enables more effective public sector reform.

The role of neighbourhood governance would be to connect the strategic with the local, ensuring that decisions made at the unitary level are informed by granular, place-based insight. This aligns with the principles of the DCMS Civil Society Covenant, recently agreed by the government, which calls for deeper collaboration, participation and transparency between government and society.

Neighbourhood governance in each new unitary area would be empowered to influence and shape services in their locality. This includes:

- Oversight of local service delivery and performance
- Participatory budgeting and local grant-making
- Acting as a forum for co-designing services with residents and partners
- Providing a democratic route for community priorities to inform strategic planning.

This model builds on successful examples such as Local Community Networks in Somerset and Neighbourhood Partnerships in Wigan which have demonstrated how devolved governance can improve outcomes, reduce demand and build trust.

It would also play a vital role in supporting the wider devolution agenda. By anchoring neighbourhood governance within our framework for the MCA, we would ensure that local priorities are not lost in regional strategies. This dual alignment, local responsiveness and strategic coherence, would be essential to the success of our new governance model.

The specific design of neighbourhood governance in each new unitary area would be co-produced with communities and partners, including town and parish councils, during the shadow authorities phase. This would ensure flexibility and responsiveness to our local contexts, while embedding democratic innovation from the outset and maintaining pace against timelines. Over time, these arrangements would be regularly reviewed and refined to reflect changing community needs and expectations, ensuring that governance and supporting delivery remains dynamic and inclusive.

The following two case studies demonstrate differing approaches to neighbourhood governance which we would learn from. Ultimately, each of our four new mainland unitaries, along with the Isle of Wight unitary, would work closely with their local partners and communities to co-produce the specific neighbourhood governance and delivery arrangements that work best for them.

Retaining ceremonial and civic arrangements

Our proposals include applications from the constituent authorities to retain City status (for existing cities) and to retain the status of existing civic and ceremonial positions including, but not limited to, Lord Mayor or Mayor status for the different areas, Admiral of the Port for Southampton and Portsmouth and other civic and ceremonial functions. The constituent authorities would seek the retention of these civic and ceremonial roles in subsequent Designation Orders to ensure the historic and community value of these roles are recognised and retained for the benefit of the areas. We are keen to talk to the government about this as the process moves forward.

Case Study: Strengthening local democracy through neighbourhood empowerment

Across Mid Hampshire, the existing local councils have strengthened democracy over many years by empowering communities to shape their futures. From Test Valley's community-led Andover Vision and Romsey Future partnerships to Winchester's forums in their new neighbourhoods and New Forest's Totton regeneration partnership, frontline councillors are working with residents to set local priorities, co-design the future, and drive lasting change within their communities. This place-based approach, through neighbourhood empowerment, enables decisions to be made that reflect real community needs and provide the catalyst for communities to access the resources they need to deliver long-term sustainable outcomes for their place. The regeneration of Andover Town Centre is real example of this from a community-led masterplan involving thousands of people through to delivery of multi-million-pound schemes including a brand-new theatre by 2027.

Innovation in engagement and closeness to communities is at the heart of this. Methods such as citizens' assemblies and award-winning digital consultations are used to reach a more diverse range of voices than ever before and build consensus on complex issues - from local plans to health and resilience planning. Test Valley continues to build on its national reputation for its deliberative engagement work, while Winchester's lockdown-era consultation scooped two national awards. New Forest's community forums are tackling issues like emergency planning and cost of living - bringing together councillors, partners and residents in meaningful dialogue all with a focus on their communities.

There is also a deep understanding of the value of formal decision-making processes being close enough to communities through examples such as area-based planning committees. In Test Valley, a dedicated communities team directly supports frontline community councillors to deepen the presence of the principal council in local communities through their convening and facilitating role giving access to resources to get things done. At New Forest, there is an annual active grants scheme that awards £350,000 to local projects and in Winchester, neighbourhood work in its new communities has led to the creation of new governance structures, redesigned parishes and stronger local engagement at a neighbourhood level. Across each authority, this collaborative approach is strengthening local democracy, resilience, and ownership - proving that when working with their communities at a neighbourhood level, councils can deliver bold, lasting impact.

Case Study: Eastleigh Borough Council neighbourhood area working

Eastleigh Borough Council has successfully operated neighbourhood area working since the 1990s. The borough is divided into five Local Area Committees (LACs), which are made up of all the borough councillors in each area. They range in size from 6 to 12 councillors who take decisions and make representations on a wide range of council business relating to their area including:

- determining planning applications
- managing local budgets
- managing capital projects
- deciding on local priorities
- promoting local participation from residents/businesses and town/parish councils
- traffic management and environmental improvements.

LAC meetings are open to the public and are periodically attended by partner organisations including the police, local business organisations and the voluntary sector. Each LAC has a Local Area Manager who works with councillors to provide support and to set the strategic direction of the committee's work.

The LAC system offers residents the opportunity to engage with, and influence, a very local democratic forum with real powers, while for councillors it is a chance to get involved in decision-making from the very first day they are elected. It builds on the model of Local Area Boards which has been widely adopted in other parts of England by delegating real power, along with budgets that can be sizeable, to the very local level. For planning and other potentially sensitive matters, the system ensures that decisions are taken by locally elected people with a real stake in the debate. With adaptations, the LAC model could be suitable for application in new unitary authorities across Hampshire and the Isle of Wight.