

# Devolution and Local Government Reorganisation

Sherfield English  
Parish Assembly

# Proudly serving 1.4 million residents

## Our services



**Children's social care** – Supporting **11,425 children** with social care.



**Adults' health and care** – Providing long-term support to **20,400 residents** and supporting carers and adults in care.



**Public health** – Promoting and protecting the population's health.



**Waste disposal** – Encouraging recycling, diverting **94.1%** of our waste from landfill.



**Education** – Teaching **135,000 pupils** in Hampshire's **458 schools**.



**Economic development and skills** – Supporting our **62,000 businesses** and enabling further growth in Hampshire's **£44.4bn economy**.



**Transport infrastructure** – Managing **5,500 miles of roads** and **1,750 bridges/structures**.

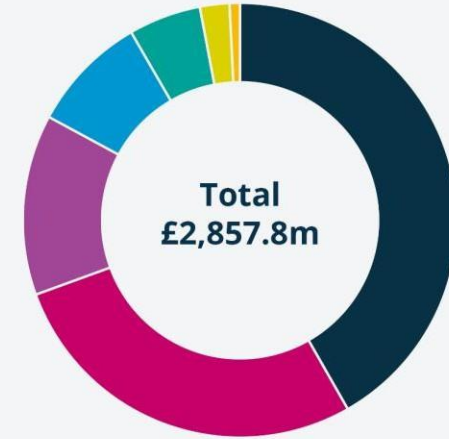


**Countryside** – Managing **3,600 hectares** of land for people and nature.



**Registration** – Registering **21,500 births and deaths** and **12,000 ceremonies and preliminaries**.

## How our 2024-25 budget was spent



- **£1,192.9m**  
Schools and Early Years: Funding is provided by Government and ringfenced
- **£791.8m**  
Looking after vulnerable adults and public health
- **£384m**  
Looking after vulnerable children and families
- **£250.3m**  
Services for all (including £42.5m for highways and £65.6m for waste)
- **£153.8m**  
Running the County Council and other costs
- **£62.8m**  
Capital financing
- **£22.2m**  
Hampshire's economy and future

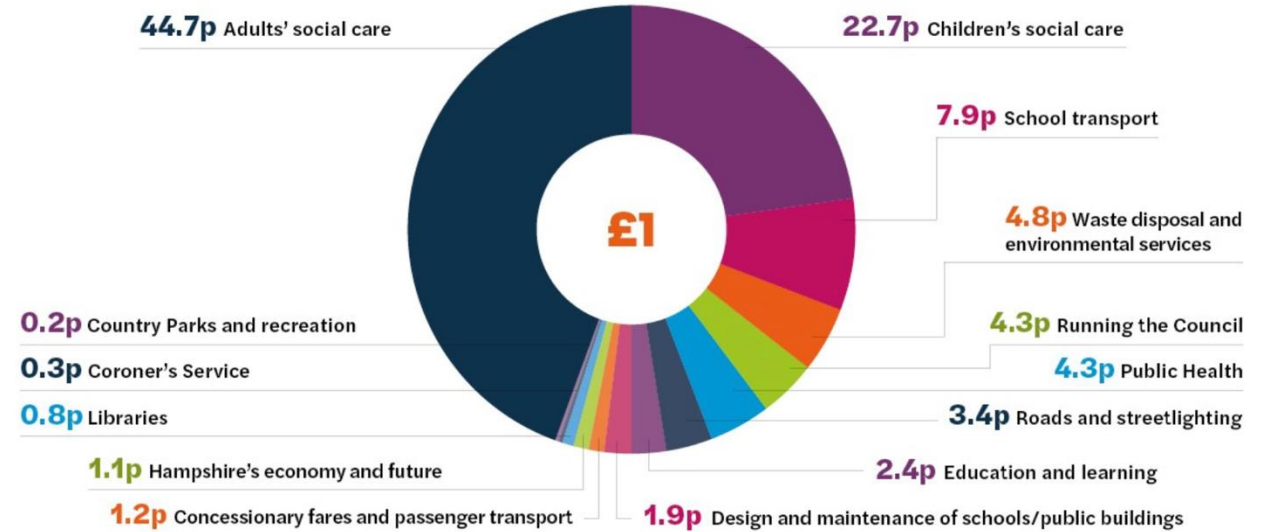
# The Money

**£3.1 billion**

The Council's total budget for 2025/26

**£1,609.83**

Our 2025/26 Band D council tax



We also provide schools and early years at a cost of £1.3bn, fully funded by a grant from central Government.

(2<sup>nd</sup> lowest County Council Tax in England)

# Our financial challenge

- We have around 30 older people every month who were funding their own social care but run out of money and become our responsibility. That is 360 per year at £1,000 per week.... £18.7m extra costs in a full year.
- In the last year, the number of Younger Adults needing a care package of more than £3,000 per week has more than doubled. That is 78 extra people each costing at least £156,000 per year.... A total of £12.2m.
- Since 2011 the percentage of the population over 85 years old has increased by 31% to 3.52%.... by 2030 this is expected to be at least 4.40%. These are typically the residents that most need our help.
- The number of children's social care referrals has more than tripled since 2011, requiring significant investment in new social workers, we added £7m to next years budget to deal with this.
- The number of Education Health and Care Plans issued in 2015 was 3,884, for the current year it is 17,314.... This has increased the costs of school transport for SEN children from £8m to £75m per annum.
- In 2019 we had one child in our care whose package cost was greater than £0.5m, in the current year we have 37. The cost to Hampshire of just these 37 children is some £26m per annum.

# Financial backdrop:

The current model of Local Government is not sustainable

- Current funding models mean that funding cannot keep pace with rising costs
- Efficiency improvements and structural changes are important
- Wider reform is also required to redefine how services are funded and delivered



The number of **care home residents** needing financial support is currently **increasing by 360 people each year**, with a **cost-increase of £18.7 million per year**.



In the last decade, the cost of **school transport for SEN children** has **increased from £8 million to £75 million**, and is still increasing.

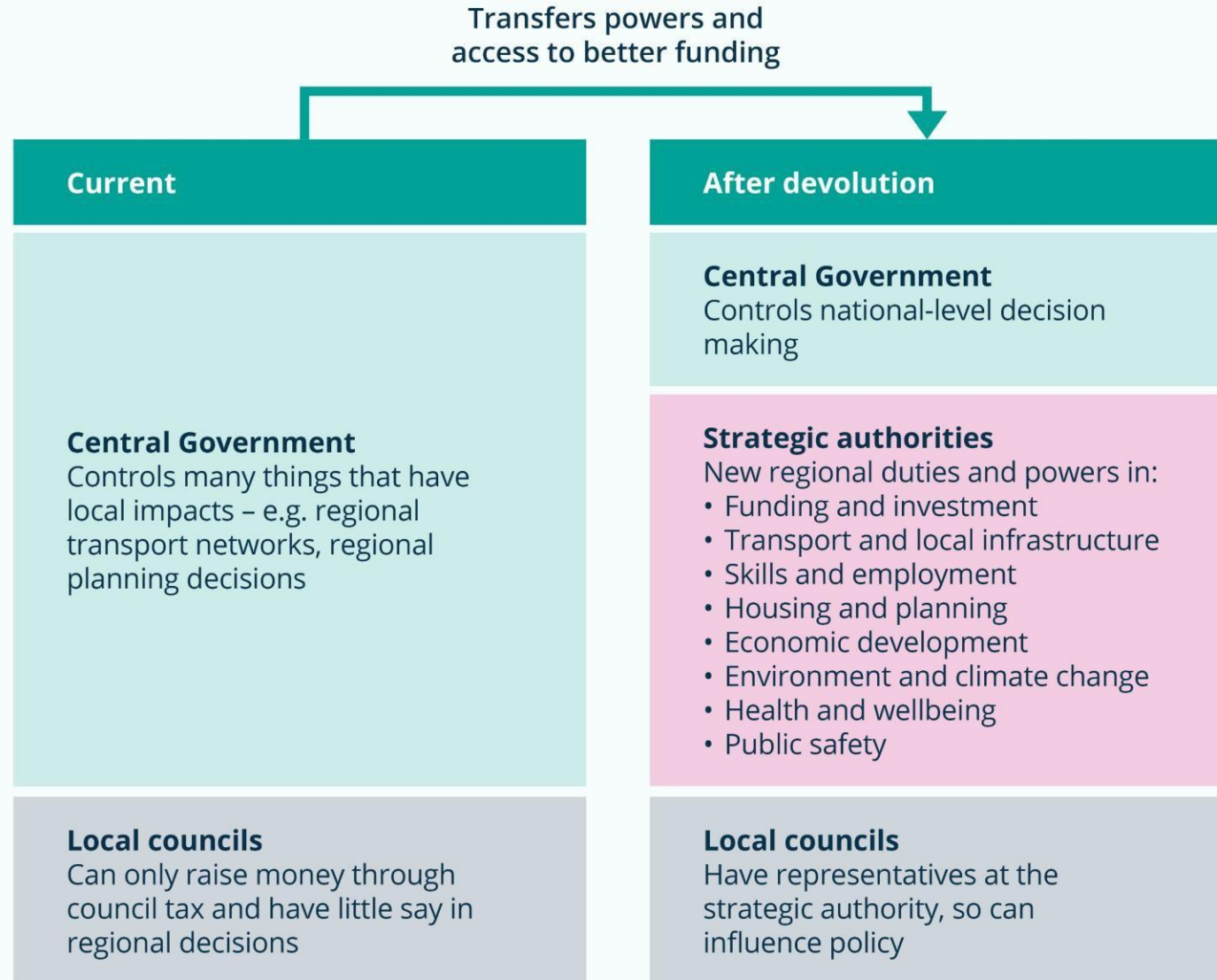
The 5% council tax increase this year will add £40.1 million

# Hampshire and the Solent has joined the Government's Devolution Priority Programme (DPP)



# What is a Mayoral Combined County Authority?

- The Combined Authority will not deliver services.
- Service delivery will remain the responsibility of the existing county, district and unitary councils (and the new unitary councils in the future). This includes high-risk, high-cost services that are currently delivered at upper-tier level.



# Benefits of Devolution

- A seat at the national table
- New powers and flexibilities – local taxation, Post-16 Skills
- New funding and investment – regional regeneration and growth priorities
- Simplification and consolidation of settlements – e.g. local transport funding
- Wider grant funding to support regeneration and housing delivery
- Local energy planning to support development of regional network energy infrastructure
- Significant opportunity for wider public service reform and join up



# Timeline for devolution

**May-  
August 2025**

Decisions following  
the consultation

**September-  
December 2025**

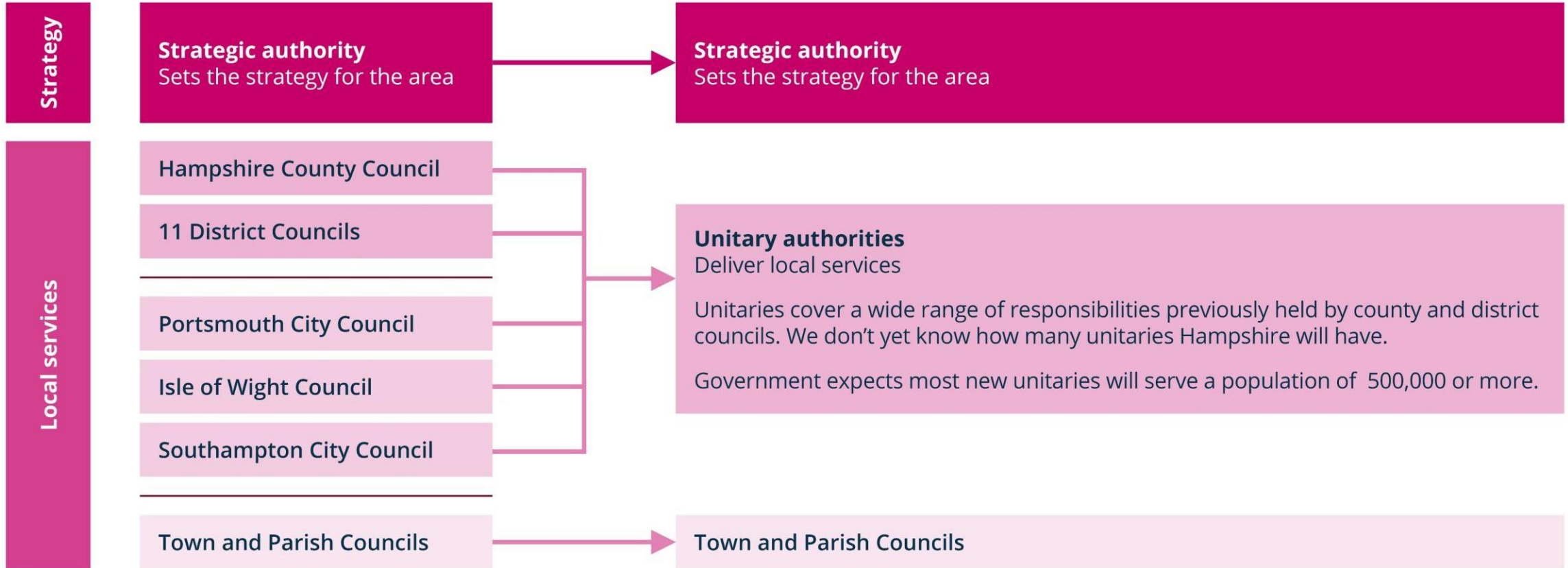
Legislation laid with  
local consent

**May 2026**

Mayoral election  
to the Combined  
County Authority

# Local Government Reorganisation: Interim Proposals

# Recap on Local Government Reorganisation (LGR)

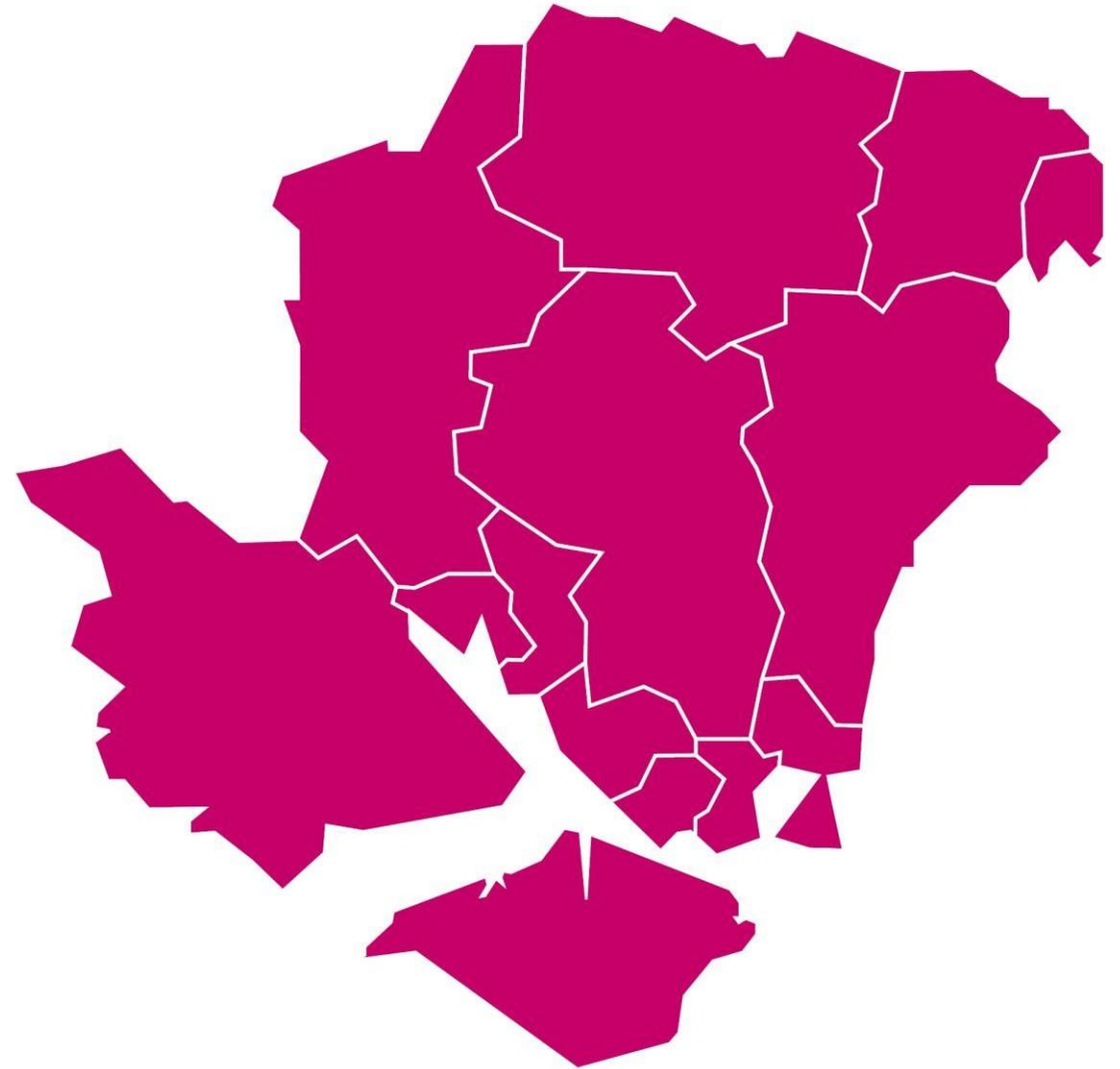


# Working with our partners

We're working collaboratively with all our partner councils to find the solution that provides the best, most sustainable services.

Initial steps agreed in our joint working:

- A set of **agreed principles** that will guide the design of the new structure
- A proposal that the **Isle of Wight remains a separate unitary authority**
- A request for **clarity on the potential for changes to district boundaries** – we need to know whether such options would be acceptable and deliverable
- A request to **extend the deadline for final proposals**, allowing two extra months for completion of our submission
- A request for **further financial support** to implement the changes



# Guiding principles for meeting Hampshire's biggest responsibilities

Emerging options must ensure the County Council is meeting its specific accountabilities. Principles include:



Prioritising quality



Minimising risk



Developing financially sustainable,  
resilient organisations



Leveraging anchor institutions  
as the basis for new structures



Enabling local identity



Ensuring equity

# Options development

Three options are being developed for further consideration, refinement and testing against the criteria:



Two mainland unitary councils

Three Upper Tier Authorities  
reduce to two

Average population per Council:  
**940,000**



Three mainland unitary councils

Three Upper Tier Authorities  
are maintained

Average population per Council:  
**625,000**



Four mainland unitary councils

Requires creaion of a new  
Upper Tier Authority

Average population per Council:  
**470,000**

# Timeline for Local Government Reorganisation



# Planning & Housing Numbers

- Government Housing Requirement
  - Confirmed in December
  - Increased from 524 houses per year to 934 (78% increase)
  - No transition period
- Housing Land Supply
  - Government requires councils demonstrate 5 years of land supply for housing
  - Test Valley's was 6.7 years – now 2.8 years as a result of change
- Resulting in speculative applications
  - Halterworth
  - Ganger Farm
  - Manor Lane, Timsbury

# Southern Test Valley issues

- Waste and recycling
  - Food waste collections start in October
  - Wider recycling and three weekly collections start 2027
- Romsey South of Town Centre
  - Crosfield Hall replacement – business case in preparation
  - Bus station redevelopment – planning being prepared
- Brewery Site
  - CPO being considered

Thank you