

Appendix B

Professional Statements

Professional statements

Considerations about Local Government Reorganisation in Hampshire and the Solent

Adult Social Care

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Hampshire County Council

Introduction

I am writing this statement as the Director of Adults' Health and Care for Hampshire, to set out the context of leading a high performing Adult Social Care services and to articulate my professional view on the merits and risks associated with Local Government Reorganisation.

I am a qualified and registered Social Worker. I have been a senior manager within Hampshire Adults Health and Care for over 25 years, having previously been the Deputy Director. I have worked with the Care Quality Commission on assessment of a variety of other Local Authorities in England as an Executive Reviewer contributing to the ratings of various Local Authorities Adults Services function. This work has given me invaluable insights into managing adult social care services within a variety of Local Authority settings.

Summary

- Hampshire Adults' Health and Care are a strong performing directorate which operate effectively at both scale and locally within homes and communities. We were one of two Local Authorities to work with the Care Quality Commission to develop their new Local Authority assessment process, where we gained a rating of "Good." In the 2022 Hampshire test and learn exercise, Hampshire Adults Health and Care received particular praise from the Care Quality Commission (CQC) for several aspects:
 - **Strong Leadership:** The CQC highlighted the presence of a strong leadership team that effectively led frontline teams to adapt to new ways of working during the COVID-19 pandemic. This leadership maximised the support available for people using services.
 - **Use of Technology and Innovation:** Hampshire Adults' Health and Care was commended for its focus on innovation and the use of technology. The organisation worked closely with technology partners to improve efficiency and maximise people's health, well-being, and independence
 - **Positive Organisational Culture:** The CQC noted a positive organisational culture where staff felt supported by leaders. This culture resulted in good opportunities for learning, development, and career progression.

- **Co-Production:** The organisation was praised for its co-production efforts, involving service users and carers in the design and delivery of service
- **Overall Positive Feedback:** Feedback from staff and partners was generally positive. Where areas for improvement were identified, these were already known to the leaders, and plans were in place to address them.

As we navigate the complexities of Local Government Reorganisation, we must ensure our focus remains on delivering high-quality and above all, safe, adult social care services. There are many statutory duties that Adults' Health and Care are responsible for under the Care Act. Any disaggregation of these duties must be carefully considered and managed. Scale brings significant advantage, not only in terms of market making and buying power, but the wider efficiency and effectiveness of the operating model.

In Hampshire this is building on existing adult social care service footprints rather than creating from scratch additional smaller 'greenfield' unitaries which could compromise the safety and outcomes for Hampshire's adults; the existing footprint is the 3 upper tier adult social care authorities, Southampton, Portsmouth and Hampshire, which have the in situ adult social care expertise and infrastructure, so are best positioned to be the building blocks on which to create new unitaries across the Hampshire and Solent footprint.

Statutory Responsibilities

The DASS (Director of Adult Social Services) is accountable for assessing local needs and ensuring the availability and delivery of a full range of adult social services. Responsibilities include professional leadership, workforce planning, implementing standards, managing cultural change, promoting local access and ownership, driving partnership working, and promoting social inclusion and well-being. [Guidance on the Statutory Chief Officer Post of Director of Adult Social Services](#) 2006 provides foundational guidance including accountability for social services delivery, professional leadership, and collaboration with other agencies although was written prior to the Care Act. The statutory functions of Adults Health and Care and the DASS role in social care have changed over time and the ADASS publication [Your statutory role | WMADASS](#) is an up to date and comprehensive account of statutory responsibilities and including articulation of responsibilities of financial leadership and management.

The primary responsibilities of Adult Services fall under under the Care Act 2014 and form the basis of Care Quality Commission assessment. They include:

- **Prevention:** Local authorities must provide or arrange services that help prevent people from developing care and support needs or delay the deterioration of their conditions.
- **Information and Advice:** Authorities are required to provide comprehensive information and advice about care and support services available in their local area. This helps individuals understand how care services work, the options available, and how to access them.

- **Assessment of Needs:** Local authorities must assess the care and support needs of adults and their carers. This includes determining eligibility for services and ensuring that the needs are met appropriately. Local authorities have a duty to meet the eligible needs of adults who are ordinarily resident in their area. The assessment and care planning process must focus on the individual's well-being, considering their needs, outcomes they want to achieve, and how these needs impact their well-being. Authorities must consider other services that can contribute to the desired outcomes, such as preventive services and community support.
- **Market Shaping:** Local authorities must facilitate a diverse, sustainable, and high-quality market for care and support services. This includes understanding the local market, stimulating a range of services, and ensuring that people have choice and control over how their needs are met. Authorities have duties to step in around provider failure. This includes managing risks around service interruptions due to financial or quality issues. Authorities must promote the efficient and effective operation of the adult care and support market as a whole, ensuring that services are available to meet current and future demand.
- **Integration and Partnership Working:** The Act emphasises the importance of integrating care and support with health services and working in partnership with other organisations to improve outcomes for individuals.
- **Personalisation:** The Care Act promotes the personalisation of care, ensuring that individuals have control over their care and support, including the use of personal budgets and direct payments. Services should be co-produced with people who draw on care and support wherever possible.
- **Safeguarding Responsibilities:** Local authorities must lead a multi-agency system that seeks to prevent abuse and neglect and stop it quickly when it happens. Authorities must make enquiries, or request others to make them, when they think an adult with care and support needs may be at risk of abuse or neglect. This is to find out what action may be needed. Local authorities must establish Safeguarding Adults Boards, which include the local authority, NHS, and police. These boards develop, share, and implement a joint safeguarding strategy. When someone with care and support needs dies as a result of neglect or abuse, and there is a concern that the local authority or its partners could have done more to protect them, a Safeguarding Adults Review must be carried out.

The scale of Hampshire Adults' Health and Care activity

Within one year (2024/25)

- Some 32,000 people receive support to get them back on their feet
- The Council support over 8,400 carers
- Around 2,500 people are cared for in HCC Care and Support residential and nursing homes
- Nearly 4.1 million hours of homecare are provided

- The Council provides 149,000 items of equipment
- 350,000 meals on wheels are provided
- 14,000 people are supported to leave hospital with 1,800 people moving into HCC short term bed-based services
- 13,000 people use care technology provided by the Council
- 11,500 people access the Council's occupational therapy interventions
- 4,800 people attend steady and strong classes
- 120,000 people receive advice and support via phone or on-line
- 14,000 people receive a Community Care assessment
- 895 people live in extra care apartments preventing the need for long term residential care

Hampshire County Council Social Care Provider Functions

In Hampshire, in addition to its core business, the Local Authority has retained a number of social care provider functions which include HCC Care and Support with 12 Older adults residential and nursing homes some with Short Term Service functions, 7 homes for Young Adults comprising of 4 respite homes, one County Wide crisis service and 2 long term care homes as well as 10 day services for people with learning disabilities. It is anticipated that each of these services would transfer into new Unitary Authorities based on the location of the asset. These are a specialist services in their own right and would require anchor services and frameworks to run safely, efficiently and effectively, utilising appropriate infrastructure under Director of Adults' Health and Care.

The Council also run a reablement service and Hampshire Equipment Service in support of hospital discharge. These good quality services support hospital discharge, stabilise the market and maximise independence and outcomes for Hampshire residents. These services work most effectively at scale and again there would be significant risk should the service become fragmented.

Risks related to Local Government Reorganisation

Essential components to managing risk	Potential impact of disaggregation
Financial sustainability	There is a very significant financial pressure caused by increase in volume and complexity of demand across Hampshire. Timescales for the commission on social care do not suggest a focussed resolution. Getting reorganisation wrong will only compound these issues and immediately create organisations without the capacity, leadership or resilience to prevent further deterioration in this regard.
Strong and experienced leadership	Creating additional unitary authorities will require identifying and appointing new and potentially untested senior management teams. Disaggregation would reduce the ability to recruit and retain high calibre senior staff in vital areas.

Essential components to managing risk	Potential impact of disaggregation
Stable and skilled workforce	Disaggregation may unsettle and disenfranchise front line staff (across social care) and risks retention and recruitment in an already difficult climate. In turn this may weaken strengths- based working, impeding maximisation of independence and good outcomes for people who call on care and support.
Outcomes for people who call on care and support	Care and support pathways would become more complex and difficult to navigate with an increased number of unitary authorities. For example increased complexity with regard to the “ordinary residence” of individuals.
Market shaping	There are currently large- scale commissioning frameworks that are in place and managing costs across the residential nursing and domiciliary markets in Hampshire in both Young Adults and Older Adults. Fragmentation of these frameworks could lead to a disruption of management of the market with a significant increase in costs. There is a misconception that we can create a strategic framework which will give us collective buying power. However, placements, oversight of packages and payments all will with individual unitary authorities.
Ensuring good quality and co- produced services through centralised care governance functions	New unitary authorities will need to ensure good quality commissioned services, practice and standards. This centralised care governance function provides a strong framework for local delivery on equalities and diversity, co production including work with carers, provider and practice quality, serious incident investigation and learning and review whilst providing economies of scale. Excessive disaggregation of such functions will the viability of such oversight into question with the potential to decrease performance and lead to potential risks to quality.
Ensuring effective and efficient delivery of operational functions (the Contact and Resolution Team, the Multi- Agency Safeguarding Hub, Commissioning and brokerage)	New unitary authorities will need to establish an effective and efficient front door, brokerage and multi- agency safeguarding function. Excessive disaggregation of these functions could lead to them becoming less responsive, efficient and effective through a loss of economy of scale.
Fit for purpose processes and systems	Hampshire has recently invested in a once in a generation new case management system Care Director. Any new ‘greenfield’ unitary authorities will need to create new systems, processes and structures in unprecedented

Essential components to managing risk	Potential impact of disaggregation
	timescales, and at significant cost and risk, without any obvious scope for a reduction in overall cost.
Improved hospital discharge and discharge prevention	<p>There are 5 acute hospitals with separate discharge arrangements in Hampshire. Some acute hospitals have to work with more than one Local Authority. It is important that the system does not become even more complex due to disaggregation leading to an increase in the delays experienced in the hospital system</p> <p>The Hampshire and Isle of Wight Integrated Care Board is coterminous with the wider HIOW footprint with the exception of North-East Hampshire, as is the Hampshire and Isle of Wight NHS Foundation Trust.</p> <p>There is a risk that further Council disaggregation will compromise the ICBs ability to form strategic relationships with the Local Authority to provide necessary systems leadership.</p>
Realising the benefits of HCC Care and Support, Reablement and Hampshire Equipment Store	<p>These provider functions operate on a County scale. If disaggregated these services would lose economy of scale. They would also be providing services for residents within other unitary boundaries bringing additional layers of complexity</p>
Dynamic and responsive transformation to ensure continuing best practice	<p>Authorities require scale and expertise to adapt and transform their practice in line with policy, practice and evidence. Hampshire has excelled in safe transformation, delivered at pace. This ability may be lost if fragmented.</p>
Prevention, demand Management and savings work contributing to the sustainability of social care including digital technology and the use of technology enabled care	<p>Due to the increases in demand due to the ageing population in Hampshire, the significant large-scale savings, demand management and strengths-based practice strategies already in play are critical and will need to remain a focus. It is essential that these are not disrupted through excessive disaggregation and loss of economies of scale to ensure that the maximum proportion of expenditure is focussed direct care and support</p>

Conclusion/ Recommendations

It is therefore my professional view that the most appropriate way to mitigate risk to adults with disabilities and older adults in Hampshire is as follows.

- We need to continue to safeguard and provide good quality and responsive services to people who need to call on care and support. Local Government Re- organisation creates the very real risk that services will deteriorate unless

managed extremely carefully. Creating greenfield sites is particularly risky. Where disaggregation/realignment is required, this should be kept to an absolute minimum to ensure that good responsive and financial sustainable services are maintained.

- System leadership in particular strategic relationships with the NHS are essential to manage demand and avoid duplication so disaggregation must not make this harder.
- It is important that LGR takes forward Adults' Health and Care organisations with a structure that provide an economy of scale and are more rather than less financially sustainable.
- Government must be satisfied that any new unitary authority areas will be able to implement a robust Adults Health and Care team and recruitment and retention of social workers and maintain leadership capacity.

Introduction

I am writing this statement as the Director of Children's Services, to set out the context of leading one of the highest performing Children's Services in the country, and to articulate my professional view on the merits and risks associated with Local Government Reorganisation.

I am a qualified and registered Social Worker. I have been a senior manager within Hampshire Children's Services for over 15 years, having previously been the Deputy Director. I have worked with more than 40 other Local Authority Children's Services as part of our sector led improvement work funded by the DfE and our overseas work funded by the Foreign and Commonwealth Office. I had direct responsibility for Isle of Wight Children's Services under a strategic partnership with Hampshire, having been part of the senior leadership team and later the Director, overseeing their Children's Services between 2013 and 2023, taking them from Inadequate to Good. That part of my role gave me invaluable insight into managing children's services within a small unitary setting.

Summary

Hampshire Children's Services have been one of the strongest performing children's services for over a decade, having been judged Outstanding by Ofsted in 2019 and then again in June 2024. That has not been achieved by the service alone but by significant and sustained corporate and political support with the prioritisation of vulnerable children across the whole organisation.

As we navigate the complexities of Local Government Reorganisation, we must ensure our focus remains on delivering high-quality and above all, safe, children's services. There are almost 300 statutory duties that I, along with the Lead Member are responsible for, so any disaggregation of these duties must be carefully considered and managed.

Whilst the benefits of LGR come in the form of economies of scale, potentially the opposite is true for Hampshire's children services which will undergo disaggregation. The extent of disaggregation is crucial in minimising risk and ensuring the best outcomes for the 320,000 children living in Hampshire. From managing Isle of Wight Children's Services and from my wider sector led work, I am well aware that too small a statutory children's services mean there is a lack of resilience to the frequent spikes in demand, and they are more likely to experience weaker performance.

DfE [Statutory Guidance](#) on the roles and responsibilities of the DCS and Lead Member highlights '*the breadth and importance of children's services functions*', and within the context of holding additional responsibilities says, '*the local authority should undertake a local test of assurance so that the focus on outcomes for children and young people will not be weakened or diluted*'. I suggest this principle should apply similarly with any disaggregation to children's services under LGR.

It is on this basis that I recommend minimum disruption and disaggregation to ensure that risks can be minimised. In Hampshire this is building on existing

children's services footprints rather than creating from scratch additional smaller 'greenfield' unitaries which could compromise the safety and outcomes for Hampshire's children; the existing footprint is the 3 upper tier Children's Services authorities, Southampton, Portsmouth and Hampshire, which have the in situ children's services expertise and infrastructure, so are best positioned to be the building blocks on which to create new unitaries across the Hampshire and Solent footprint

Statutory Responsibilities

The statutory responsibilities of children's services in England are primarily governed by the Children Act 2004. The following summary highlights the roles of the Director of Children's Services (DCS) and the Lead Member for Children's Services (LMCS) in ensuring effective service delivery and safeguarding for children and young people.

- **Strategic Leadership:** The DCS is tasked with overseeing the strategic direction and operational management of children's services, ensuring integration and improved outcomes for children.
- **Safeguarding:** Both the DCS and LMCS are responsible for safeguarding children, implementing systems to protect them from harm.
- **Educational Excellence:** The DCS promotes educational excellence and ensures fair access to educational services for all children.
- **Health and Well-being:** Duties include promoting children's physical and mental health, securing access to healthcare, and supporting healthy lifestyles.
- **Social Care and Support:** Responsibilities involve providing social care services, assessing children's needs, and supporting families in crisis.
- **Youth Justice:** This includes working with young offenders to prevent reoffending and providing support services.
- **Partnership and Collaboration:** Emphasises the need for collaboration with other agencies to provide comprehensive support for children and families.

Management of Risk

Managing risk is a core function of children's services, and as an Outstanding Authority we do it robustly and consistently. Our ability to manage and reduce risk for children and families is based on (amongst others)

- Strong and experienced leadership
- Stable and skilled workforce (albeit recognising the national recruitment and retention crisis in social care which we work hard to mitigate for)
- Well-established and evidence-based practice model
- Strong governance, fit for purpose processes and systems to manage the wide range of needs supported across children's services every day
- Robust multi-agency partnerships, working together to meet our collective statutory obligations.
- Dynamic and responsive transformation to ensure continuing best practice.

Significant disaggregation has the potential to destabilise these areas and consideration must be given to the following:

Essential components to managing risk	Potential impact of disaggregation
Strong and experienced leadership	Creating additional unitary authorities will require identifying and appointing new and potentially untested senior management teams across education and social care.
Stable and skilled workforce	Disaggregation may unsettle and disenfranchise front line staff (across social care and education) and risks retention and recruitment in an already difficult climate.
Well-established and evidence-based practice model	New unitary authorities will need to create practice models at pace, yet evidence highlights that successful practice models require long-term commitment and culture change to be impactful . Staff brought together from different CS will be working to different frameworks and expectations, which brings its own risks to front line practice. The section below on schools highlights significant differences and resulting disparity in ways of working across different authorities which must also be proactively managed.
Fit for purpose processes and systems	Hampshire has recently invested in a once in a generation new case management system, and the SEN Service is undergoing digital optimisation. Any new 'greenfield' unitary authorities will need to create new systems, processes and structures in unprecedented timescales, and at significant cost and risk, without any obvious scope for a reduction in overall cost.
Robust multi-agency partnerships	Partnership working is crucial to safeguarding and managing risk. Further details in next section.
Dynamic and responsive transformation to ensure continuing best practice	Authorities require scale and expertise to adapt and transform their practice in line with policy, practice and evidence. Hampshire has excelled in safe transformation, delivered at pace. This ability may be lost if fragmented.

Operational Partnerships

“Children who need help and protection deserve high quality and effective support. This requires individuals, agencies, and organisations to be clear about their own and each other’s roles and responsibilities, and how they work together.”

Working Together to Safeguard Children, 2023

Partnership working is critical across children’s services, in education, social care and youth justice. The impact of LGR on partnerships should be considered to ensure multi-agency partnership can continue without disruption. It is already the case that partners ‘service’ a number of LA areas. In the geography of Hampshire, the Police and Heath partners for example work across HCC, Portsmouth, Southampton and IoW. This already challenges their capacity to contribute to MASH arrangements, Child Protection conferencing and other statutory obligations – which would be a greater challenge if an additional unitary area(s) was introduced.

Schools

Working in partnership with our schools is a core principle of our work which supports a high performing education system, ensuring fair access to educational services for all children. With 458 local authority-maintained schools, the County Council has significant infrastructure and the capability to deliver services at scale. This underpins our wider partnership approach and supports the delivery of a range of statutory services alongside providing high quality support to our schools assisting them in delivering successful outcomes for Hampshire children and young people.

		Hampshire	Portsmouth	Southampton	Isle of Wight
Academy	Pupil Headcount - Total	48,835	20,122	14,948	4,350
	Number of schools	73	44	34	7
LA Maintained	Pupil Headcount - Total	135,232	7,877	19,494	12,218
	Number of schools	458	18	42	41

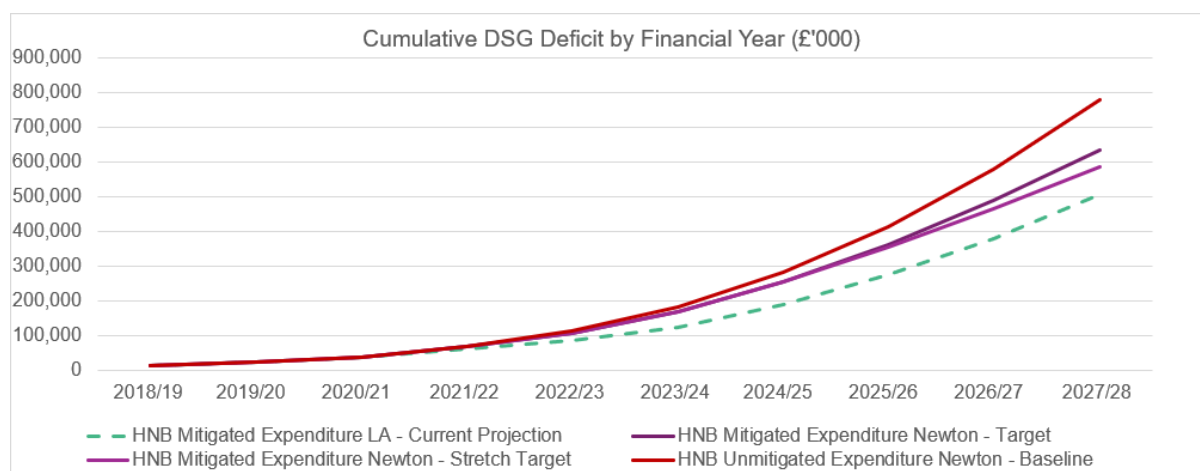
The economies of scale achieved ensures services can be resilient to changing needs and allows a level of specialism not possible in a more fragmented system. Our schools are already raising concerns as they are aware of the differences in support and service offers available between the current local authorities. It is crucial to recognise this disparity in Local Authority schools and in considering the implications of disaggregating services, with planning from the earliest stage as to how to retain the required support for all of these schools irrespective of which unitary authority within our regional strategic authority they end up in. I am aware this has been an issue in other recent local government reorganisations and am clear that addressing this is a priority.

As we evolve from the current to a future local government landscape, I am keen that we begin to collectively consider the range of options available to ensure the best outcomes for our schools with a range of models available from school-led systems to a range of partnerships between local authorities.

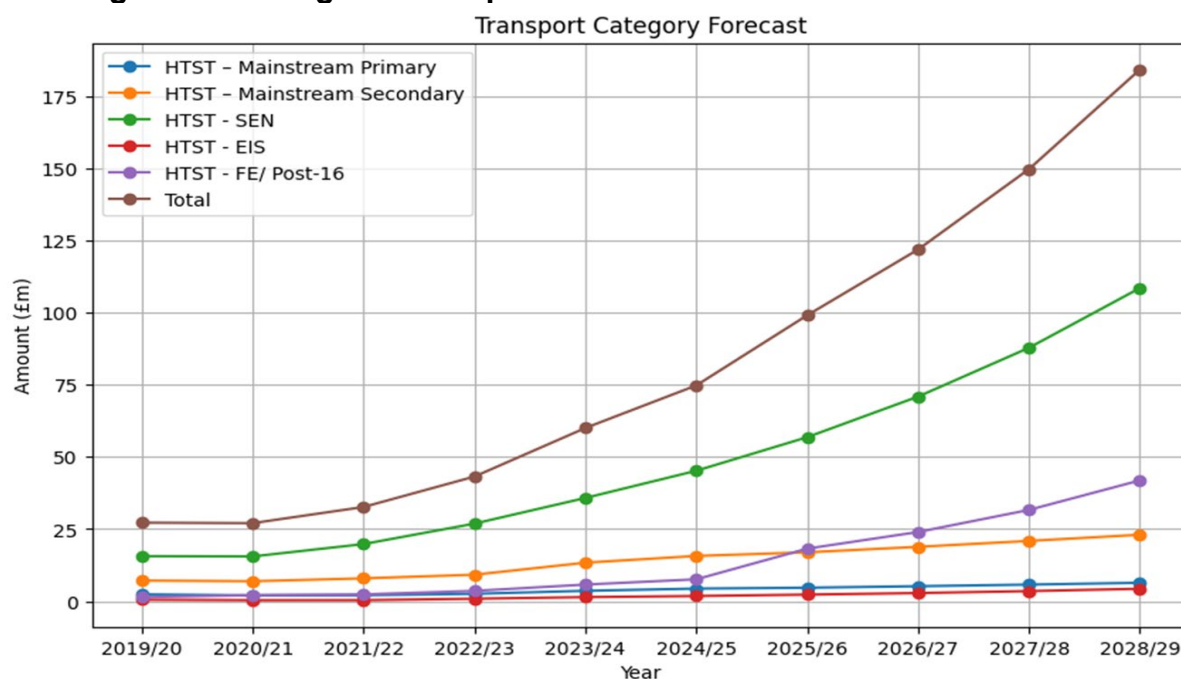
Demand/cost drivers

There is long-standing growth across education and social care services, with further demand projected due to poverty and deprivation, and increasing complexities of mental health and wellbeing amongst adults (parents) and children.

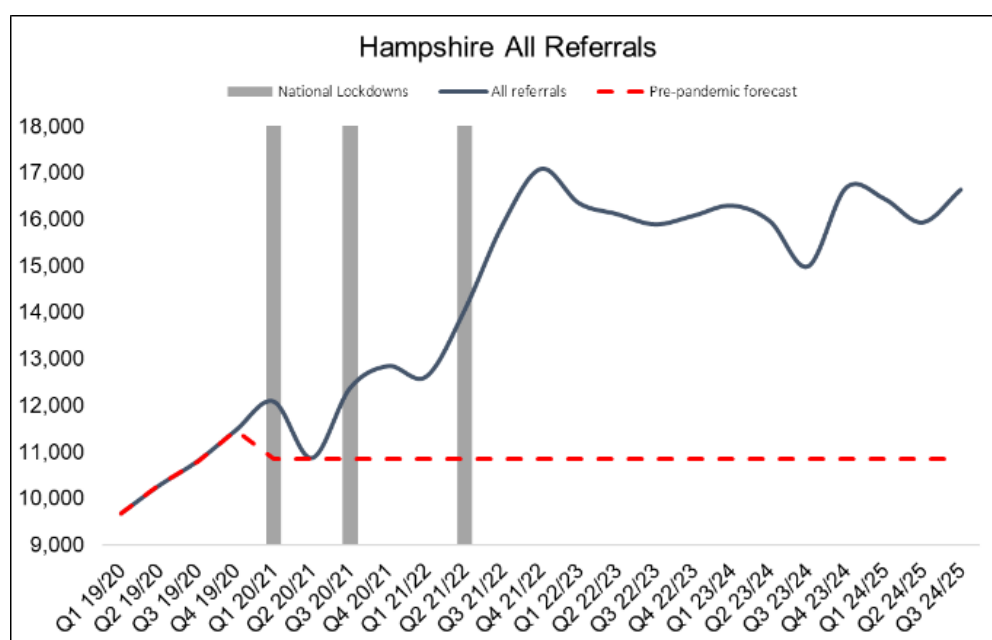
The following graphs highlight this growth in demand and cost in both the education and social care sectors:



Two largest areas of growth in spend - SEN and Post 16 SEN – EHCP increases



Children's Social Care referrals



Rising Rising demand and LGR

Tackling demand and the drivers behind it is a system wide endeavour. It requires focus and investment from national and local government and coordinated strategies to address the root causes. This can and must be achieved in parallel to LGR, but we must collectively ensure that the changes to children's services does not draw focus from managing demand and need.

Larger authorities are better able to withstand growth and fluctuations in demand by flexing and repurposing resources (services and people). There is less resilience and ability to meet this growth in smaller authorities, as I learned whilst DCS for the Isle of Wight.

Cost of failure / Alternative Delivery Models (ADMs)

A note of caution that The Local Government Chronicle estimated the annual cost of failure of a children's services in 2016 to be around £3-10m, requiring 3 to 5 years for recovery. Current estimates from sector-led improvement work suggest this is now closer to £10-15m.

In regard to ADMs, it is important to learn lessons from previous organisational changes within the sector, particularly the use of Children's Trusts as an attempt to tackle failing services. We learned that "*Children's trusts can be costly to implement and take time to establish*" (*Children's trusts: lessons from outsourcing 'failing' council services - Community Care*). As with LGR, lessons included consideration of the complexity of smaller and or new bodies delivering these services, with the senior leadership a particular concern in terms of recruitment and the skills and knowledge needed, and the issue that 'accountability', and 'responsibility' for quality of practice, provision, and cost always resides with the DCS of the authority.

A further ADM is the shared services approach such as the model Hampshire delivered on behalf of the Isle of Wight. Whilst Hampshire was responsible for the delivery of Isle of Wight Children's Services, corporate responsibility and statutory

responsibility remained with the Isle of Wight Council. Statutory responsibilities cannot be discharged through a shared service or partnership arrangement. Whilst a high performing local authority can provide expertise and support to improve another local authority's children's services, the statutory responsibilities cannot be delivered effectively through a lead authority arrangement or a trust model

Conclusion/ Recommendations

It is therefore my professional view that the most appropriate way to mitigate risk to children in Hampshire is as follows.

- Retain and build upon existing children's services footprints but where that is not possible avoid creating new, small children's services. Where disaggregation/realignment is required, a 'minimum disruption principle' should be applied.
- It is clear that with the exception of some aspects of joint commissioning arrangements (for example the Regional Adoption Agency), the significant statutory responsibilities associated with Children's Services cannot be discharged by a lead local authority through shared arrangements, they must be retained by the responsible local authority. Equally, the Children's Trust model has proved exceptionally costly and has not consistently delivered improved outcomes for children, hence the DfE moving away from such arrangements. The above must be taken into account in any new Unitary arrangements.
- Multi-agency partners must be able to efficiently and adequately 'service' any new unitary authority areas – adding additional financial burdens to key safeguarding partners (Police / ICB) will undermine the DfE reforms and potentially the wider system approach to ensuring good outcomes across the integrated aspects of health and children's social care
- Government must be satisfied that any new unitary authority areas will be able to implement a robust children's services leadership team, structure and associated case management systems and processes.

Introduction

I am writing this statement as the Director of Public Health for Hampshire, to set out the context of leading a high performing Public Health function and to articulate my professional view on the merits and risks associated with Local Government Reorganisation (LGR).

I am a qualified and registered Public Health Professional revalidated by the Faculty of Public Health and the UK Public Health Register. I have been a senior leader within Hampshire County Council for over 10 years holding the role of Associate Director of Public Health before becoming Director of Public Health in 2019. Alongside my role in Hampshire, I am also the Director of Public Health for Isle of Wight Council (IWC). This experience has given me invaluable insights into leadership of public health at scale and in diverse geographies including the crucial role of the Director of Public Health leading the local and sub regional response in the COVID-19 pandemic.

Context

The public health system in England empowers local government to lead on major health issues that affect local populations. This enables a strategic approach tailored to local health needs and to address the determinants of health and health inequalities. The public health role is multi-faceted statutory responsibility, providing both strategic leadership to the system, and commissioning of key public health service delivery. Local government public health interventions are funded by the Department of Health and Social Care (DHSC) public health grant and other smaller grants paid to local authorities to specifically fund prevention activities to improve health and reduce inequalities.

Summary

- Hampshire Public Health is a well delivered function. Whilst there is no formal measure of assessment, for example, OFSTED or CQC, the Public Health Outcomes Framework (PHOF) indicators suggest public health outcomes for people in Hampshire are generally better than the England average. We understand our population and sub populations health needs and tailor approaches accordingly
- Working at scale for the Hampshire population enables cost effective, efficient delivery focused on both at scale population interventions and targeted work for local delivery to meet differences in health outcomes within the population. This is for all domains of public health demonstrated by the ability to focus on individuals health protection cases and population interventions such as tobacco control work.
- The core ethos of the Hampshire Public Health function emphasises:

- **Strong Leadership:** Effective action to improve and protect the public's health is critical to our nation's health and wellbeing, and the Director of Public Health is a core player in system leadership across their populations. The COVID-19 pandemic exemplified the unique combination of skilled leadership and expertise of the Director of Public Health's teams to support communities and act as the local public health lynchpin within the broader pandemic response across a large geography. This enabled a flexibility of response. The Director of Public Health continues to play a key role as we face ongoing and new challenges.
- **Partnership working:** The County Council Director of Public Health plays a key role in facilitating partnerships with Health bodies such as Integrated Care Boards (ICBs) and working with 5 acute hospitals. This gives the advantage of identifying outliers and improving outcomes through comparison of data and practice. I chair the Integrated Care Partnership (ICP) and provide officer leadership to the Hampshire Health and Wellbeing Board Strategy and priorities. The Director of Public Health provides input to the Hampshire and Isle of Wight Local Resilience Forum. Strong recognition of the value of working at a large geography was highlighted through the [LGA Peer Review](#), of the Isle of Wight Public Health partnership with Hampshire.
- **Evidence based practice:** A significant strength of the public health team is their use of evidence to inform practice. The depth of the [Hampshire Joint Strategic Needs Assessment \(JSNA\)](#) is a prime example of this and looks at the current and future health and wellbeing needs and inequalities within our population.
- **Hampshire's Public Health Vision:** the strength of vision for the public's health is set out in the [Hampshire Public Health Strategy](#) which provides clear direction on how we will improve health and tackle health inequalities for all residents with the ability to work at scale and flex to local geography and excluded populations.
- **Ways of working:** Public health practice in Hampshire is strengthened by working for a large population giving consistency for the population with the flexibility to meet local needs of communities.

Place-based working

Twelve years ago saw one of the largest ever transfers of Public Health funding and responsibilities from the NHS to Local Government, following which there has been significant change in the development of interventions and programmes to improve health and be more place-focussed at scale. This has brought efficiencies and specialisms alongside targeted work for smaller communities.

Place has been of paramount importance to improving health, and the transfer enabled Public Health to capitalise on taking a more place-based function, with the Director of Public Health ideally positioned as place-based leaders to look at the determinants of health.

Whilst building on the place-based role is important, relationships with the NHS must be strengthened and our focus needs to be on prevention, to reduce impacts on the NHS and social care.

Place is pivotal, yet as we navigate the complexities of Local Government Reorganisation, we must ensure our focus remains on commissioning high-quality and above all, safe, public health programmes and advice. There are a number of the DPH's specific responsibilities and duties that arise directly from acts of Parliament, mainly the National Health Service Act 2006 (as amended), the [Health and Social Care Act 2012](#) (the 2012 Act), and related regulations. Any disaggregation of these duties must be carefully considered and managed.

Statutory Responsibilities

The Director of Public Health is a statutory Chief Officer of their authority, accountable for the delivery of public health responsibilities, and the principal adviser on all health matters to Elected Members and officers, with a front-line leadership role spanning all 3 domains of public health – health improvement, health protection and healthcare public health. The Director of Public Health also has a vital system leadership role, working closely with place-based organisations in efforts to secure better public health.

The Director of Public Health:

- Is an **independent advocate** for the health of the population and **provide leadership for its improvement and protection**
- is the person to provide **expertise and advice on public health issues** to elected members and senior officers and the local community.
- takes steps and lead work to **improve local population health** by understanding the factors that determine health and ill health, and how to change behaviour and promote health and wellbeing in ways that also reduce health inequalities
- develops and delivers the **Joint Strategic Needs Assessments**, a **Joint Health and Wellbeing Strategy** and the **Pharmaceutical Needs Assessment (PNA)**.
- writes an **independent annual report on the health of the local population** demonstrating a clear understanding of those served.
- **promotes action across the life course**, working together with local authority colleagues working on matters such as **planning, housing, transport** and the **environment** as well as the **director of children's services** and the **director of adult social services**
- provides the NHS with a **Public Health Advice Service** to inform effective commissioning of healthcare and related matters. Contribute to and influence the work of NHS commissioners, providers and other Integrated Care partners, helping to lead a whole systems approach to public health across the public and private sector to improve health and care outcomes and experiences across the whole population. This includes providing **appropriate challenge to arrangements for screening and immunisation programmes**, advocating for an emphasis on reducing health inequalities and improving access for underserved groups

- **works through local resilience forums and local health resilience partnerships** to ensure effective and tested plans are in place for the wider health sector to protect the local population from risks to its health. This ensures assurance that planning and arrangements to protect the health of the communities they serve are robust and are implemented appropriately to local health needs, capturing major communicable disease risks, major incidents involving a health sector response and that there is adequate capacity from relevant partner agencies to plan for and respond to health-related emergencies.
- **works with UKHSA and the NHS through the Integrated Care Partnership (ICP) to include health protection in their integrated care strategy**, to deliver improved outcomes and to reduce health inequalities. Arrangements should include:
 - infection and prevention control within health and care settings
 - reducing vaccine-preventable diseases
 - prevention activities related to hazards such as needle exchanges for blood-borne viruses
 - commissioning of services for response to health protection hazards (such as testing, vaccination and prophylaxis) and to tackle locally and nationally agreed health protection priorities as well as emergency preparedness, resilience and response across all hazards
- works with local sectors, such as **education, employment, and criminal justice partners** and **police and crime commissioners** to promote safer communities. Undertake their local authority's role in **co-operating with the police, the probation service** and the **prison service** to assess the risks posed by **violent or sexual offenders**
- takes specific responsibility for the **local authority's public health response**, as a responsible authority such as **making representations about licensing applications**
- takes responsibility for the **oversight of their authority's public health services**, with professional responsibility and accountability for these services' effectiveness, availability and value for money. This includes ensuring the authority's public health grant (for those authorities in receipt of the grant) has been spent in accordance with the conditions set and complying with the year-end statement of assurance as set out in the relevant annual grant circular. Guidance on reporting and categorisation of spend is available to local authorities in the Service Reporting Code of Practice.

The scale of Hampshire Public Health activity

Within one year (2024/25)

What we do in a year

Promoting sexual health

Over **30,000** unique patients accessed specialist sexual health services for **sexual health advice and STI testing** (2021).



Reducing tobacco use

5,300 people are **supported to quit**

Over 64% are successful after four weeks.



Reducing dependency

on drugs and alcohol. **Over 3,000 people currently being helped in drug and alcohol treatment** programmes with a further 4,100 receiving short term support.

Promoting healthy weight

More than **5,300** people were supported to **achieve a healthy weight** using Hampshire's adult weight management service.

Improving the public's health

Around **12,750** Hampshire residents have a **health check**.

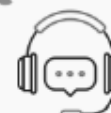


Reducing violence

within communities. Some **3,000 victims were helped** on an ongoing basis by the domestic abuse support service.

Smokefree Hampshire

offer **free and accessible support** for residents who want to improve their health by quitting smoking.



Supporting families, children and young people

Every family with children (0–4 years old) can access Hampshire's Health Visiting Service – **currently supporting over 70,000 children**.



Over 215,000 children being educated in Hampshire can get help from the School Nursing Service.



In 2022, over 95% of Year R and Year 6 children have their **height and weight measured by school nurses** in our National Child Measurement Programme.



Over 7,600 new mothers in Hampshire supported to continue breastfeeding into the first two months after birth, giving their baby a healthy start.



There are a number of specialist functions directly led and provided by the County Council including population advice to the NHS; health protection leadership; screening and immunisation assurance and public health advice to the elected members. These require specialist staff made possible by the scale of function.

Risks related to Local Government Reorganisation

Essential components to managing risk	Potential impact of disaggregation
Strong and experienced leadership	<p>Creating additional unitary authorities will require identifying and appointing new and potentially untested senior management teams.</p> <p>Hampshire is noted for having a strong specialist consultant work force, attracting candidates to have specialist roles compared to more generic roles in smaller authorities.</p> <p>Disaggregation would reduce the ability to recruit and retain high calibre senior staff in vital areas.</p> <p>Specialist staff include FPH qualified consultants in public health, information specialists, insight leads, health protection experts (doctors and nurses),</p>
Stable and skilled workforce	<p>Disaggregation would disrupt the large and effective public health service provision for both universal and specialist services and advice.</p> <p>In turn this may weaken outcomes and impact on health inequalities negatively.</p>
Outcomes for people	<p>Whilst many public health services are best delivered at place, the depth of the Hampshire County Council services allows flexibility specialism and the ability to flex to needs of the diverse population for example the nice substance misuse hubs in places with specialist teams for those with alcohol and mental ill health.</p>
Ensuring good quality and co- produced services through centralised governance functions	<p>New unitary authorities will need to ensure good quality commissioned services, practice and standards. This centralised governance function provides a strong framework for local delivery on equalities and diversity, serious incident investigation and learning and review whilst providing economies of scale. Working at scale enables trends to be identified quickly.</p> <p>Excessive disaggregation of such functions will the viability of such oversight into question with the potential to decrease performance and lead to potential risks to quality and less visibility of issues in a smaller geography. This has become clear from our leadership of the Island where a smaller population can mask trends and issues.</p>
Improved working with the ICB	<p>The Hampshire and Isle of Wight Integrated Care Board is coterminous with the wider HIOW footprint with the exception of North-East Hampshire, as is</p>

Essential components to managing risk	Potential impact of disaggregation
	<p>the Hampshire and Isle of Wight NHS Foundation Trust.</p> <p>There are 5 acute hospitals with separate arrangements in Hampshire. Some acute hospitals have to work with more than one Local Authority. It is important that the system does not become even more complex due to disaggregation leading to an increase in the delays experienced in the hospital system.</p> <p>There is a risk that further Council disaggregation will compromise the Local Authorities ability to form strategic relationships with the ICB to provide necessary systems leadership and public health advice.</p>
Realising the benefits of public health services at scale / impacts for crucial services	<p>These provider functions operate on a County scale. If disaggregated these services would lose economy of scale. They would also be providing services for residents within other unitary boundaries bringing additional layers of complexity</p> <p>Due to the scale of Hampshire, we were able to lead the creation of the Inpatient Detox unit (the first to be created in 10years)</p>
Dynamic and responsive transformation to ensure continuing best practice	<p>Authorities require scale and expertise to adapt and transform their practice in line with policy, practice and evidence.</p> <p>Working at scale Hampshire was able to flex the team to respond to multiple health protection issues exemplified in COVID with a focus on those needs of the population at risk.</p>
Achievement of efficiencies	<p>Creating additional unitary authorities loses the opportunity to create lasting efficiency improvements, reduce duplication and provide better value across the entire authority. Public Health Sexual Health Services are already collaboratively commissioned and procured on a pan-authority footprint, ensuring efficiencies in delivery. Coalescing services is all the more pertinent given that sexual health services are under severe pressure, with funding reduced and the rates of certain sexually transmitted infections increasing to levels not seen since the first half of the 20th century</p>

Essential components to managing risk	Potential impact of disaggregation
Financial viability	We have seen the pressures on the ringfence grant with the aging demographic and the increasing burden of ill health. A disaggregation of the ring-fenced grant that has been cut by 26% on a real terms per person basis since 2015/16, and so much greater in more deprived areas. It is likely that with disaggregation savings that could be realised for future proofing to address future funding challenges may be missed.
Shaping services that better meet need	The benefit of unitary authorities must not be compromised by size. Environmental Health teams are part of the local health protection system and whilst collaborative working with Hampshire Public Health team can ensure the response could be far more enhanced and seamless, which disaggregation would not afford.
Consistency and equity in service provision	Postcodes matter significantly for health particularly if an area is deeply entrenched in geographical inequalities. With excessive disaggregation, people are more likely to lose in the postcode lottery of health. They are more likely to experience geographical inequities in access to services, greater variation and inconsistency in service provision. Coherent public health service provision and delivery in an integrated and coordinated manner is not possible with disaggregation.
Power of more substantial data analytics	Public Health will benefit from better data robustness with less statistical uncertainty and volatility, resulting in more accurate data interpretation, as well as improved future forecasting. Yet there will also be granular intelligence capability.

Conclusion/ Recommendations

It is therefore my professional view that working at scale for the Hampshire population enables cost effective, efficient delivery focused on both at scale population interventions and targeted work for local delivery. This is for all domains of public health demonstrated by the ability to focus on an individual health protection cases and population interventions such as tobacco control work. The most appropriate way to mitigate the public health risk to people in Hampshire is as follows.

- Retain and build upon existing public health footprint, but where that is not possible develop agreements to keep specialisation where smaller functions won't have the ability to lead.
- Working with the ICB is a statutory duty and essential for improving health. In Hampshire we have experience of working with two ICBs and have seen the disparity in provision this brings when there is lack of coterminous partnerships.
- System leadership, in particular strategic relationships with the NHS, are essential to manage demand, take strategic action as a system and avoid duplication so disaggregation must not make this harder. Having multiple public health functions working with one ICB will be more complex to manage
- It is important that LGR takes forward public health organisations with a structure that provides an economy of scale and are more, rather than less, financially sustainable.
- Government must be satisfied that any new unitary authority areas will be able to implement a robust public health team with specialist public health recruitment and retention.

Introduction

I am writing this statement as the Assistant Director for Highways, Engineering and Transport which includes direct responsibility for all frontline highways services. This statement sets out my professional view on the merits and risks associated with Local Government Reorganisation.

I am a qualified Chartered Civil Engineer, and a Fellow of both the Institution of Civil Engineers and the Chartered Institute of Highways and Transportation. I have over 35 years of experience of managing and maintaining a large highway network and have been in a senior leader/manager role for more than 20 years. I have represented Hampshire at a national level on the ADEPT Engineering Board and also chair and/or contribute to other cross-sector national/regional groups

Highway Services (Maintenance)

Hampshire County Council has always provided a strong and effective highways service, reflected through consistent high scores in the annual National Highways and Transportation survey and also annual receipt of Band 3 'Incentive' funding from the Department for Transport. This has been achieved by a robust approach to highways asset management and strong adherence to the core principle of the National Code of Good Practice; Well Managed Highways Infrastructure. Strong and sustained corporate and political support has also ensured that the County Council continues to provide a safe and serviceable highway network, and this is despite a back-drop of longstanding insufficient Government grant funding for highway maintenance and a local maintenance backlog of over £500 million. The scale of the County Council's established highways function and service support provision has enabled a resilient and agile service that is best able to meet the variable and challenging demands of a large road network and ensure joined up network accessibility around the clock throughout the year. Fragmentation could lead to sub-optimal comprises and a potential increase in service failures and risk exposure.

Local Government Reorganisation will almost certainly bring about a need to change how the highway network, as a whole, is managed. Any geographical changes will significantly impact and disrupt network management regimes, existing contractual arrangements with service providers and also the scope of services delivered. This disruption and potential disaggregation will almost certainly increase overall service risk, i.e. financial, contractual, reputational and political, and needs to be carefully managed, and particularly so in the context of the other existing highway unitary authorities, who may also see their geographies change.

LGR will no doubt offer economies of scale across many local government services but in the case of the Highway service this is not necessarily the case, and it could potentially be the opposite with fragmentation of existing and established services

likely. Existing contract arrangements with third party service providers are locked into the existing geographies and whilst transitional workaround arrangements can be found and negotiated, this may come at an increased cost overall. There will also be an increased risk of service failure if careful consideration is not given to how asset information, funding and network intelligence is shared and transferred. The extent of disaggregation is crucial in minimising known risks and ensuring the best outcomes for the holistic highway network, which for Hampshire County Council alone is currently 5,500 miles of road, circa 1750 structures, and all associated supporting infrastructure such as drainage assets, traffic signals streetlights etc. With a nationally declining local road network, primarily as a consequence of insufficient government funding, and also the impacts of changing weather patterns, there are now more frequent spikes in service demand due to weather events and the consequential increase in potholes and other road defects, and this has a cumulative impact on overall service performance and network serviceability.

My professional view is that minimum disruption is essential to ensure that known risks can be minimised and satisfactorily managed. In Hampshire this would mean leveraging anchor services and frameworks and building on existing service footprints rather than creating new ones from scratch which could compromise the safety and outcomes for Hampshire's residents and road users, and also significantly increase exposure to risk for failing to meet statutory minimums.

The existing mainland footprint is the three upper tier highway authorities, Southampton, Portsmouth and Hampshire, which all have long established in-situ expertise and well managed highway infrastructure. In my view these should remain as the building blocks on which to create new unitaries across the Hampshire and Solent footprint.

Highways (Development and Delivery of Major Transport Infrastructure)

The County Council has an established excellent track record for successfully delivering major highways and transport infrastructure projects and this has enabled a healthy and productive relationship with Government departments and agencies, specifically the Department for Transport, National Highways and Homes England. A good example of this is the new M27 Junction 10 which is currently under construction. This is a £100million project that improves network capacity, enables the delivery of 6000 new homes and a new community with schools, shopping areas etc, and also creates new major employment areas.

The size and scale of the existing authority geography has provided the necessary skills, expertise, capacity and agility to react quickly and comprehensively to central government funding opportunities and, in turn, leverage significant funding for major projects, many of which are directly linked to economic growth and regeneration, new housing and improved network capacity, as well as providing more localised programmes linked to active travel and passenger transport. Significant disaggregation is likely to compromise and fragment this established ability and agility and could lead to a reduced appetite for future significant investment. As with Highway Maintenance, the three existing mainland upper tier highway authorities all have long established in-situ transport and technical expertise for developing and delivering new

infrastructure projects and there is already good join-up in terms of strategic thinking. Disaggregation, and the division of skilled project resources among more administrative units may lead to a lack of financial and technical capacity to chase funding opportunities for large-scale transport projects and could also lead to compromised project delivery, reduced confidence from external funding bodies and limit the Government's growth agenda.

Statutory Responsibilities

The Highways service has an array of named duties under the Highway Act 1980 which are outlined below; relevant legislation is summarised below as well.

Management of Risk

Managing risk is a core function of any highway authority, and as a high performing organisation we do this robustly and consistently. Our ability to manage and reduce risk for highway users is based on (amongst others):

- Strong and experienced specialist leadership
- A stable and skilled workforce
- A well-established and asset management-based service model (Hampshire is a Band 3 authority for DfT incentive funding – the highest band)
- Strong governance that is fit for purpose, and processes and systems to manage the wide range of needs across highways and transport services every day
- Robust established relationships with other neighbouring highway authorities (including National Highways).
- Collaborative relationship with strategic partners and the wider construction sector, i.e. service providers/contractors.
- Dynamic and responsive transformation to ensure continuing best practice.

Significant disaggregation has the potential to completely destabilise all of these areas.

Demand/cost drivers

Trend data shows that service demand continues to rise and this, combined with sustained underfunding from Government has left local roads in a precarious state. Disaggregation is likely to exacerbate the current state of managed decline and an increase in unitary areas will potentially lose the economy of a scale afforded by the existing larger area arrangements. Costs for highway maintenance are rising, largely due to uncertainty in the global economic situation thereby increasing price risk for service providers, and smaller contract areas are likely to become less attractive to external service providers as they are unlikely to have a significant enough contract span/scope to yield the required margins to adequately manage financial risk. This could potentially be overcome with innovative tendering to ensure joined up service delivery across a wider area, but this is likely to be complex with added risks.

Tackling constantly increasing service demand is a system wide endeavour and it requires focus and investment from (primarily) national government but also coordinated strategies to address the root causes. This can be achieved in parallel to LGR, but it is vital that any changes to how highway services are delivered across Hampshire does not draw focus from managing day-to-day demand, need and risk.

Larger authority areas are, in my view, better able to withstand fluctuations in service demand by flexing and repurposing resources – resources, capacity, skills etc. A high level of agility is critical to ensuring that changing service needs can be met quickly and efficiently, e.g. during a weather event or post-event when highway networks are prone to rapid deterioration and/or failure.

The Highways service in Hampshire is delivered centrally from Winchester albeit with strategically placed highway depots located across the County at Havant, Petersfield, Bishops Waltham, Hook (Basingstoke), Micheldever, Andover, and Totton (near Southampton). Disaggregation is likely to dilute access to some of these business-critical hub facilities and could leave some areas vulnerable with no local facility to deliver core purpose needs, including winter maintenance. Whilst new facilities can be considered these would require both land and planning consent, neither of which is likely to be straight forward. Shared depots could be considered but this would bring potential contractual and/or safety risks.

Cost of failure

Service failure in Highways can be catastrophic. Without adequate capacity, and also robust management and leadership in place, together with associated policies and standards, the risk of localised asset failure, serious injury or potentially even fatalities increases so it is vital that due regard is given to understanding the risks and impacts of disaggregation and significant change.

With a potential for completely new bodies delivering core frontline services, having the right (experienced) senior leadership and skills in place is a particular concern as without it there will inevitably be vulnerabilities which could increase the risk of reputational damage, litigation and in a worst-case scenario, corporate criminal proceedings.

Conclusion/ Recommendations

It is therefore my professional view that the most appropriate way to mitigate risk to Highways in Hampshire is as follows.

- Retain and build upon the existing service/authority footprints and avoid creating completely new highways and transport services.
- Where disaggregation/realignment is required, a 'minimum disruption principle' should be applied to preserve skills, capacity, service continuity and frontline critical mass.
- Government must be satisfied that any new unitary authority areas will be able to, from day one, implement a robust and experienced leadership team, an

appropriate team structure and associated highway management systems, suitable policies/processes and importantly a frontline service provider with accessible supporting (depot) infrastructure.

LEGISLATIVE BASIS FOR THE HIGHWAYS SERVICE:

Highways Act 1980 [Highways Act 1980 \(legislation.gov.uk\)](https://www.legislation.gov.uk) – Highways have several named duties under the Act – these duties include:

- To make, correct, keep up to date and make publicly available, a list of the streets within their area which are highways maintainable at public expense. (Section 36)
- To maintain public roads to a standard that ensures they are safe and passable at public expense. To ensure, so far as is reasonably practicable, that safe passage along a highway is not endangered by snow or ice'. (Section 41)
- To provide footways where necessary or desirable for safety of pedestrians. (Section 66)
- To provide in or by the side of grass or other margins as part of the highway in any case where they consider the provision of margins necessary or desirable for the safety or accommodation of ridden horses and driven livestock. (Section 71)
- To consult before felling street trees. (Section 96A)
- Duty to pay compensation to owners or occupiers of land who suffer damage as a result of works undertaken to support the highway by the highway authority. (Section 100, S101 and S102).
- To provide graduated posts or stones for the purpose of indicating the depth of water covering the highway (fords etc). (Section 103)
- To consult or obtain consent of other authorities prior to exercising any power conferred by section 115B or 115C. (Section 115H)
- To assert and protect the rights of the public to the use and enjoyment of any highway. (section 130)
- To prevent, the stopping up or obstruction of the highway for which they are the highway authority (Section 130)
- To prevent any unlawful encroachment on any roadside waste comprised in a highway for which they are the highway authority. (Section 130)
- To remove snow, soil or other obstructions etc. from the highway. (section 150)
- To issue a scaffold licence to a person who requests a scaffold licence in respect of the structure on the Highway unless the structure would cause unreasonable obstruction of a highway (Section 169)
- To have regard to needs of disabled and blind in executing works on the highway etc. (section 175A)

- To furnish information to any county council to enable that/any council to discharge their functions under the Highways Act. (Section 298)

Local Government Act 1972 - [Local Government Act 1972 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1972/24/contents) - (Section 230) An authority shall send the Secretary of State such reports and returns, and give such information with respect to their functions, as may be required.

Transport Act 1968 [Transport Act 1968 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1968/24/contents) - To maintain bridges over railways and inland waterways in a safe condition.

New Roads and Street Works Act 1991

<https://www.legislation.gov.uk/ukpga/1991/22/contents> [New Roads and Street Works Act 1991 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1991/22/contents)

- General duty of street authority (Highways) to co-ordinate all works/activities. (Section 59)
- Duty to inform undertakers of location of all known apparatus. (Section 80)
- The street works register – provide and keep up to date a register that contains all works and street characteristics. (Section 53)

Traffic management Act 2004 [Traffic Management Act 2004 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2004/24/contents)

- As a local traffic authority to manage the road network with a view to achieving, so far as may be reasonably practicable the following objectives—

(a)securing the expeditious movement of traffic on the authority's road network; and

(b)facilitating the expeditious movement of traffic on road networks for which another authority is the traffic authority.

- Arrangements for network management – including appointment of a 'Traffic Manager'. (Section 17)

Health & Safety at work Act 1974 - General duties of employers to their employees and The Management of Health and Safety at Work Regulations 1992 [Health and Safety at Work etc. Act 1974 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1974/24/contents)

Weeds Act 1959 [Weeds Act 1959 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1959/24/contents) – Highways have a requirement (a duty as landowner if served notice) to prevent the spread of injurious weeds.

Flood and Water Management Act 2010 [Flood and Water Management Act 2010 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2010/24/contents) - Highways are involved in part with the FWM team in its duty to maintain a register of structures (section 21) or features which, in the opinion of the authority, are likely to have a significant effect on a flood risk in its area, and a record of information about each of those structures or features, including information about ownership and state of repair.

Public Health Act 1936 [Public Health Act 1936 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1936/24/contents) - The owner or occupier of any land shall repair, maintain and cleanse any culvert in, on or under that land. (HCC as the Highways Authority own a lot of land and therefore this duty applies).

Occupiers Liability Act 1957 [Occupiers' Liability Act 1957 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1957/24/contents) – Highways have a duty of care to see that that visitors will be reasonably safe in using

HCC land purchased/appropriated for highways but not classified as publicly maintainable highway for which visitors are invited or permitted by the occupier to be there.

Civil Contingencies Act 2004 [Civil Contingencies Act 2004 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2004/37/contents/enacted) – Highways are involved in part with the Emergency Planning team with the Duty to assess, plan and advise on civil emergencies.

Local Land Charges Act 1975 - [Local Land Charges Act 1975 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1975/21/contents/enacted) – Highways have a duty to register local land charges that we originate.

Equalities Act 2010 - [Equality Act 2010 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2010/15/contents/enacted) - Public bodies have to consider all individuals when carrying out their day-to-day work in shaping policy and delivering services. It also requires that public bodies have due regard to the need to eliminate discrimination.

Freedom of Information Act 2000 [Freedom of Information Act 2000 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2000/36/contents/enacted) – To provide advice and assistance for requests.

The Environmental Information Regulations Act 2004 - [The Environmental Information Regulations 2004 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukregi/2004/31/contents/enacted) – To make available environmental information on request.

[UK General Data Protection Regulation 2018 \(UK GDPR\)](https://www.legislation.gov.uk/ukregi/2018/32/contents/enacted) - The County Council is required under Article 15 of the UK General Data Protection Regulation 2018 (UK GDPR) to release all personal information requested and in order to comply with this request.

Natural Environment and Rural Communities Act 2006 - [Natural Environment and Rural Communities Act 2006 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2006/14/contents/enacted) - (Section 41) refers to a published list of habitats and species which are of principal importance for the conservation of biodiversity in England. These are required to be taken into consideration by a public body through the exercise of its functions, and in its policy and decision making (Section 40 the Biodiversity Duty–strengthened under the Environment Act to ‘conserve and enhance’). This places a statutory duty on all public bodies to have due regard to the conservation of biodiversity in all their functions. It also requires publication of a list of habitats and species of primary importance for the conservation of each country’s biodiversity (Biodiversity Action Plan Priority Habitats).

Wildlife and Countryside Act 1981 - [Wildlife and Countryside Act 1981 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1981/69/contents/enacted). – Prohibits and limits actions involving wild animals and plants, and is the primary piece of legislation for wildlife protection in the UK. Prohibitions include taking, injuring, killing and disturbing – includes damage or destruction to any structure or place used for shelter or protection. Includes all nesting wild birds and also specific species listed under the various schedules such as:

Schedule 1 – birds

Schedule 5 – animals

Schedule 8 - plants (relates to the picking, uprooting or destruction)

Environmental Protection Act 1990, Section 89 - To keep land and highways clear of litter.

Local land Charge rules [The Local Land Charges Rules 2018 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2018/12/section/1) and Practice guide 79 [Practice guide 79: Local Land Charges - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/practice-guide-79-local-land-charges) which requires the County Councils to submit and maintain the records which they originate in the Land Registry's database.

Practice Direction – Pre-action conduct and protocols set by the Ministry of Justice [PRACTICE DIRECTION – PRE-ACTION CONDUCT AND PROTOCOLS - Civil Procedure Rules \(justice.gov.uk\)](https://www.justice.gov.uk/practice-directions/pre-action-conduct-and-protocols-civil-procedure-rules) in relation to Highways Claims. Protocols are statutory instruments and set out what must be done and to what timescales, in relation to a claim to which it applies, before court proceedings are issued. Failure to comply with a Pre-action Protocol will be taken into account in any court proceedings which follow.

HCC Legal service also adhere to [PART 45 - FIXED COSTS \(justice.gov.uk\)](https://www.justice.gov.uk/part-45-fixed-costs) for Highways Portal Claims, which sets out the timescales and penalties for any claims submitted via the Portal.

Well Managed Highway Infrastructure: A code of Practice 2016 [Code of Practice | CIHT](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/544441/Code_of_Practice_CIHT.pdf) – Whilst this Code of Practice is not statutory it provides Highway Authorities with guidance to consider when developing their approach to highways management in accordance with local needs, priorities and affordability in order to deliver a safe and well maintained highway network

There are other Acts highways use or must abide by when undertaking its other statutory duties – I.E.

Party Act wall Act.

Land Drainage Act. (Section 25)

Transport Act 2000.

Ancient Monuments and Archaeological Areas Act 1979. [Ancient Monuments and Archaeological Areas Act 1979 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1979/30/section/1)

New Forest Act. [New Forest Act 1964 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1964/12/section/1)

It should be noted that there are powers in various acts (Including the acts listed above) that Highways use in the delivery of its services. Many of these powers must be used as part of the service, not using these powers results in Highway Authority failing in various statutory duties under the Highways Act and Traffic Management Act.

For example –

Section 38 – Power of Highway Authorities to adopt by agreement.

Section 62 - General power of improvement.

It should be noted that there are requirements to consent and licence third party activities on the Highways Act. Many of these requirements must be actioned as part of the service, failure to action these requirements results in attendance at court and the Highway Authority failing in various statutory duties under the Highways Act and Traffic Management Act.

For example -

Section 142 – Licence to plant trees, shrubs, etc., in a highway.

Section 171 - Hoardings to be set up during building etc.

Section 178 - Restriction on placing rails, beams etc. over highways.

OTHER RELEVANT LEGISLATION LINKED TO THE HIGHWAY ASSET

Street Lighting

There is no duty to provide street lighting, only a power to do so, but once installed the maintenance of that equipment becomes a duty. It is this duty to maintain safely that is the statutory function.

Highways Act 1980 (s41) Highway Authority - duty to maintain the public highway which includes structural testing and electrical testing.

The Electricity at Work Regulations 1989 Reg 4(2) - duty to ensure safety of the electrical system. The maintenance should be sufficient to prevent danger as far as is reasonably practicable. Inspection and, where necessary, testing of equipment are essential requirements.

Safer Roads (Traffic, Casualty Reduction and Road Safety Education)

Section 39 of the Road Traffic Act 1988 (39.2). Each local authority must prepare and carry out a programme of measures designed to promote road safety and may make contributions towards the cost of measures for promoting road safety taken by other authorities or bodies.

Section 39 of the Road Traffic Act 1988 (39.3). Each local authority: must carry out studies into accidents arising out of the use of vehicles on roads or parts of roads, other than trunk roads, within their area; must, in the light of those studies, take such measures as appear to the authority to be appropriate to prevent such accidents, including the dissemination of information and advice relating to the use of roads, the giving of practical training to road users or any class or description of road users, the construction, improvement, maintenance or repair of roads for which they are the highway authority and other measures taken in the exercise of their powers for controlling, protecting or assisting the movement of traffic on roads.

Traffic Regulation Orders are the Legal Instruments that local authorities use to implement permanent, temporary and experimental restrictions on the highway network. The Road Traffic Regulation Act 1984, together with the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996 is the legislation that covers this work.

The processing of Temporary Traffic Regulation Orders, to facilitate works on the highway, is covered under the Road Traffic (Temporary Restrictions) Procedure Regulations 1992.

Parking & Traffic Enforcement

The County Council has a statutory duty to enforce on-street parking controls under Civil Parking Enforcement (CPE) Legislation (covered within Part 6 of the Traffic

Management Act 2004). This legislation decriminalises parking offences and has resulted in the transfer of responsibility for parking enforcement from the Police to the County Council as the Highway Authority. Parking Enforcement is required to help keep the highway network safe, prevent congestion to aid bus journey reliability.

Similarly, HCC has secured powers to undertake Moving Traffic Enforcement (MTE) of a number of highway restrictions, also under Part 6 of the Traffic Management Act 2004. While not a statutory duty, MTE is a complementary traffic enforcement function that underpins other statutory duties, including but not limited to the Network Management Duty (Traffic Management Act 2004). Specialist enforcement cameras have been installed across Hampshire and a commitment has been provided to the Secretary of State for the civil enforcement of 9 initial locations. There is, however, no requirement for the County Council to implement more MTE schemes. MTE is intended to increase compliance of restrictions that are regularly ignored by road users.

Chief Financial Officer

Andrew Lowe, Director of Corporate Operations
Hampshire County Council

Introduction

I am writing this statement as the Chief Financial / Section 151 Officer of Hampshire County Council, setting out my professional view as to the risks and benefits of Local Government Reorganisation through the lens of my statutory responsibilities.

I am a qualified accountant. I have been a senior Leader within local government finance for the last 15 years. This has encompassed working at both a Unitary council and my current role at Hampshire County Council, so I have an excellent understanding of both the context and pressures which Hampshire faces as an Upper Tier Authority, together with a deep understanding of unitary local government.

This is my third Chief Finance Officer role; my previous CFO roles were at Southampton City Council for the 5-year period 2011 – 2016 (and previously Deputy CFO at Southampton), and CFO for the Hampshire Police and Crime Commissioner from 2016 – 2023 (I have worked at Hampshire County Council since 2016 and performed the PCC CFO role 2 days a week alongside my Hampshire role).

I am in role as interim CFO here at Hampshire, having previously been both Assistant Director and Deputy CFO.

Legal basis of the role

The CFO in local government is not only bound by professional standards but also by specific legislative responsibilities.

The role of Chief Financial Officer is set out in Section 151 of the Local Government Act 1972 – England and Wales. The Chartered Institute of Public Finance and Accountancy (CIPFA) expanded further on this role in their 2016 publication “The Role of the Chief Financial Officer in Local Government.”

[The role of the chief financial officer in local government | CIPFA](#)

The foreword to the above document sets out that:

*‘The CFO occupies a critical position in any organisation, holding the financial reins of the business and ensuring that resources are used wisely to secure positive results...**achieving value for money and securing stewardship are key components of the CFO’s role in public service organisations, a duty enshrined in legislation for the CFO in local government.**’*

The CIPFA guidance sets out 5 principles for core activities and behaviours of the CFO in a public sector organisation, and in the context of reviewing the risks and benefits of LGR, part of principle 1 is a crucial underpin to my responsibility:

‘.....develop and implement strategy and to resource and deliver the authority’s strategic objectives sustainably and in the public interest’

By extension, in commenting on LGR, I should focus on the impact to 'resource and deliver strategic objectives sustainably and in the public interest'.

In terms of 'in the public interest', an important aspect of the CFO role, often overlooked and underplayed, is the CFO's fiduciary responsibility to local taxpayers, as set out in the CIPFA role of the CFO and enshrined in case law:

The role and responsibilities of the 'treasurer' were developed by case law in England and Wales. In Attorney General v De Winton 1906, it was established that the treasurer is not merely a servant of the authority, but holds a fiduciary responsibility to the local taxpayers.

In the context of LGR, this responsibility should weigh heavy on all CFOs, as our evaluation of the benefits and risks associated with LGR and the construct of any new unitary authority(s) should take account of the long term impact to and on local taxpayers.

The role of CFO also includes certain key aspects of relevance to local government reorganisation, which are drawn out in the following paragraphs.

Decision making and information

One of the key roles of the section 151 officer is to ensure that those taking decisions are presented with relevant, objective and reliable financial analysis and advice, clearly setting out the financial implications and risks of decisions. In order for local authorities to take valid decisions they must be able to show that they have taken relevant matters into account, not taken irrelevant matters into account and that they have drawn reasonable conclusions (Wednesbury principle).

This aspect of my responsibility will feed into any reports to Cabinet and Full Council on the issue of LGR, to ensure that any proposed decisions by Members take account of relevant, objective and reliable financial analysis of the potential options for establishing unitary local government across Hampshire and the IOW.

Systems

Without robust financial systems and processes the CFO cannot fulfil their role. Successful organisations of the future need an underpinning of robust and appropriate financial systems and processes, aligned appropriately with other relevant systems e.g. Social Care systems. This will be a basic requirement of any future unitaries.

Value for money

The CIPFA guidance states that '*helping to secure positive social outcomes within affordable funding therefore lies at the heart of the CFO's role in the local authority.*'

The CFO has a key role to play in ensuring that public money is well spent and delivers value for money (VFM), so this will be a key consideration in terms of the impact of LGR on achieving VFM and the alignment to financial sustainability.

Fiduciary duty

In addition to my duty to the organisation and to those charged with governance, the CFO also has a wider, fiduciary duty to the general public.

Financial context of HCC

The County Council is a well-run organisation, with a track record of sound financial management, including the delivery of savings; since 2010 the authority has delivered £760m, which includes £100m of savings for 2025/26.

However, even after allowing for these significant savings, Hampshire has a forecast **budget shortfall of £136m for 2026/27**; the level of demand for services has consistently outstripped the funding available to deliver our statutory services, meaning that the organisation faces significant financial challenges.

Unless there is a significant reduction and slowing down of demand and/or significant new government funding or council tax freedoms, Hampshire has been clear that it faces the prospect of having to issue a S114 notice. My predecessor's Section 25 statement in February 2025 concluded that:

'In simple terms therefore, my conclusion on the adequacy of reserves for 2025/26 ONLY is that they are adequate to balance the budget and mitigate any unforeseen risks even in the event that the County Council is limited to a council tax increase of 4.99% for next year.'

*However, in terms of the financial position beyond 2025/26, **my conclusion is that reserves are not adequate to support future budgets and mitigate unforeseen risks if the County Council is limited to a council tax increase of 4.99% for next year.'***

It is my professional view that LGR and the establishment of new unitaries in and of itself will not 'fix' the budget shortfall nor change the demand pressures which the Authority faces, and the budget shortfall will inevitably impact the sustainability of any new unitaries which are created, regardless of the actual number created.

Legal Minimum Service Level

It is important to put our financial position in context; Hampshire recently undertook a significant review of all services through its work on establishing the Legal Minimum Service levels (LMSL) for service delivery. We appointed an external Independent Panel of respected peers and local government experts to support and challenge the Council in its LMSL work, and to perform the role of 'pseudo commissioners'. The panel, which was chaired by Rob Whiteman CBE, concluded that:

'Hampshire is a well-run council which has a strong track record of providing good services.....the Council has an excellent record of financial management, with strong foundations in place.'

This is significant and important in the context of LGR, as it supports my professional view that even though we are a well-run authority both financially and in terms of service delivery, there are no 'easy' fixes to solve our underlying financial position.

The panel also commented that:

'Our review finds that even if the Council determines to operate at legal minimum services levels and pursues the savings, efficiencies and income generation opportunities highlighted by the Panel, it is highly unlikely that there will be sufficient recurring resources to balance the budget on a sustainable basis in 2025/26. This

becomes a certainty in 2026/27 when a further budget deficit of some £84m comes into play.

*The Council has reached a tipping point where it will be unable to balance its revenue budget in 2025/26 through savings. **In the medium term there is a significant risk that the Council is no longer financially sustainable.** Based on their latest forecast the Council will only be able to balance its 2025/26 budget with a significant drawdown from reserves and may not have sufficient earmarked reserves to bridge the projected budget gap in 2026/27.'*

[Appendix 6 Independent Panel Report.pdf](#)

Structural Deficit

A key factor in our financial position stems from past council tax freezes, implemented in line with government policy at the time.

Had we applied the maximum allowable increases since 2011/12, we estimate that by 2025/26, we would have had an additional £111m in recurring council tax income. While we have since taken steps to maximize our revenue including increasing the precept each year by the maximum allowable, the historical impact remains a challenge for which there is no easy solution.

Over the past four years, we have used £228 million from reserves to balance our budget — an approach that is simply not sustainable.

Exceptional Finance Support

In light of the structural deficit highlighted above, and the ongoing reduction to reserves, the County Council applied for Exceptional Financial Support (EFS) in the form of an above referendum limit council tax increase of 14.99%. This request was rejected. Therefore, a balanced budget for 2025/26 was only set by drawing £64m from reserves.

I fully anticipate that Hampshire will need to apply for EFS for 2026/27, and we have already written to the Minister of State for Local Government and English Devolution requesting talks with both himself and his MHCLG officials, to discuss our financial sustainability, and we have made the point that as we look ahead to LGR it is in the interests of Hampshire and IOW for Hampshire County Council to be on as sustainable a footing as possible in the lead up to LGR, otherwise there is a significant risk that any new unitaries created will start from a position of being in deficit and not financially stable or sustainable.

MTFS

As set out above, the council is facing a forecast revenue budget deficit of £136m for 2026/27. At this time, the MTFS has not been updated beyond 2026/27, although post the spending review we will provide an updated MTFS position.

Our high level working assumption is that the budget deficit will increase by £70m for 2027/28, and a further £75m by 2028/29, which would mean the deficit would be £281m at the point of LGR all other things being equal.

Work is underway to plan for the delivery of further savings in 2026/27 and beyond. However, given the Council's work on LMSL, the conclusions of the Independent Panel and at this stage no realistic prospect of a favourable local government settlement or upper tier benefit from a new Funding Formula, my professional view remains that it will not be possible to close the budget gap through the identification of new recurrent savings.

As set out in the CFO Section 25 statement, in the absence of additional government funding, the prospect of issuing a Section 114 has a high probability/inevitability in the next 12 – 18 months.

Local Government Reorganisation Implications

The above financial context of the organisation makes LGR particularly challenging.

The government have a firm belief that LGR can unlock financial sustainability/create financially sustainable councils.

Upper Tier at Scale

My colleagues in their Statutory roles as Director of Children's Services and Director of Adults Health and Care, both set out their professional view in support of service delivery at scale for their statutory services. Operating at scale is beneficial, and both services perform well, with Children's Services rated as 'Excellent' by Ofsted in both 2019 and 2024, and Adults rated as 'Good'; by the Care Quality Commission as an outcome of Hampshire's pilot inspection as part of developing the Local Authority Assessment process.

This is a view I concur with; my professional view is that operating at scale should provide the best opportunity to deliver value for money and to maximise purchasing power and deliver efficiency.

The inevitable outcome of LGR is that Hampshire County Council will not exist, so there will be a consequential loss of scale; given that even operating at scale the County Council cannot manage the financial pressures from the ever increasing demand from Adults and Children's social care, and the significant School transport pressure (plus rising DSG deficit, which is now £212m), it is difficult to foresee that any diminution in scale (be that for example scale of service delivery, council tax base, level of reserves etc) will provide a better or more sustainable basis to be able to manage the demand and financial pressures faced.

It is crucial therefore that any Unitary options proposed for LGR across Hampshire and the IOW are realistic, and recognise the impact of loss of scale in particular on financial resilience – see disaggregation below – as potentially there could be a negative impact from loss of scale.

Disaggregation of Upper Tier Services

A significant disbenefit from LGR will be the disaggregation of the highly performing services which the County Council currently provide, not limited to but notable by their scale and impact, Adults social care, Children's social care, School transport, Education Support services (for example SEND assessment and Education Psychologists), Highways and Waste.

It is my professional view that the disaggregation of these services will have a negative financial impact, and that any business cases setting out the options for Unitary local government across Hampshire must make a realistic assessment of the impact and costs of disaggregation, which will include for example:

- the increased cost of service provision (for example reduced spread of management overhead, loss of efficiency through loss of capacity and scale in terms of the provision of specialist teams and skills, reduced capacity to manage peaks in workload and staff vacancies etc)
- loss of market management and market shaping at scale, and loss of purchasing power
- the transition costs to be incurred
- loss of 'financial scale'

In bringing forward their proposals for further Unitarisation in two tier areas, the Government have referenced (in the English Devolution White Paper) the work undertaken by PwC for the County Council's Network, most notably their publication '*Evaluating the importance of scale in proposals for local government reorganisation*' (2020) and their updated analysis in March 2025. This would suggest that the government are aligned to the outcomes and findings reported by PwC.

This is important in the context of the impact of disaggregation; in their report PwC set out the following as disaggregation issues (particularly in relation to Children's and Adults, but also apply more generically):

- fierce competition when recruiting to senior leadership roles in local government.
- increasing the number of authorities overall may increase the demand for senior leaders in employment
- a market that is already struggling to provide candidates with sufficient experience.
- the process of disaggregating adult and children's care functions is likely to add a layer of complexity to service delivery and increase the risk of disruption to critical services and safeguarding arrangements.
- the process of disaggregation could favour one newly created authority over the other in terms of how the experiences and knowledge of individuals is distributed. This would need to be considered when examining potential options in any geography.
- disaggregation introduces additional parties into the system which could create a competitive environment
- for third party providers, potentially creating instability in care markets and impacting on the capacity and quality of commissioning

- disaggregation can cause fragmentation of strategic oversight, limiting the scale of information available and increasing complexity within the system.
- disaggregation of enabling and support functions (e.g. HR, finance, customer management) will require further investment to ensure they can remain operational.
- disaggregation has the potential to drive longer-term disruption in terms of diluting teams, and undermining attempts to attract and retain talent.

PwC concluded the following in their 2020 report:

'In instances where more than one new unitary is established in an existing county geography, services provided by the county council would need to be disaggregated (e.g. children's services) and there would be a further impact on other county-wide services where they exist (e.g. fire and rescue services).

*The analysis shows that this would result in **additional costs being incurred**, both as a result of the disaggregation process, but also in terms of the opportunity costs associated with not maximising the potential benefits on offer.*

For example, such a scenario may require two or even three directors of children's services to be appointed in an area previously served by one. Were government to pursue reorganisations that disaggregate county services, a scenario of two unitary authorities in each two-tier area across the country reduces the realisable benefits to £1.0bn, with the average cumulative five-year impact for a mid-sized authority area totalling £51m. In a three unitary scenario there would still be a net deficit position of nearly £340m nationally, with the five-year impact for a mid-sized authority area totalling -£1.6m.'

Whilst the above analysis was high level, it is supportive of the case and my view that disaggregation has a financial disbenefit, and the greater the level of that disaggregation the greater the negative impact, albeit there may be some potential for mitigation in the context of Hampshire and the IOW.

Anchor Services and Frameworks

The Hampshire and IOW specific context is that on the mainland there are already 3 upper tier authorities, Hampshire County Council, Southampton City Council and Portsmouth City Council. Whilst none would exist 'as is' as an outcome of LGR, it is the case that there are currently in place anchor services and frameworks on which LGR could be built upon. Each of these existing organisations has in place an 'upper tier' infrastructure, for example:

- a Director of Children's Services, with the associated people and systems infrastructure (e.g. in the case of Hampshire the 'MOSAIC' system is in place for the management children's social care interventions)
- a Director of Adults Social Care, with the associated people and systems infrastructure (e.g. in Hampshire the 'Care Director' system is in place for the management of Adults casework and interventions)

- Children's services provision which provides support for schools at scale, and provides resources for critical areas such as SEND (and assessing EHCPs)
- the infrastructure is in place for the management of Waste disposal, for example through the Tri-partite (Hampshire, Southampton, Portsmouth) waste contract
- the infrastructure to support the delivery of Highways maintenance and improvement at scale with existing contract provision in place
- there is a scale of 'IT Infrastructure' in place which will be of significance in comparison to anything in place across the district councils in Hampshire (for example Hampshire (£30.1m), Southampton (£15.3m) and Portsmouth (£6.6m) spend £52.0m combined on IT related spend per annum, in comparison to the combined total district spend of £12.7m (source data returns of the KPMG work).
- there is an existing IT infrastructure in place aligned to the provision of Upper Tier services, which does not have to be recreated

My professional view is that the impact of disaggregation is reduced with the fewer number of Unitaries created, and that options which build on existing anchor services and frameworks will:

- be the least disruptive
- benefit significantly from having an 'upper tier' infrastructure already in place, including IT infrastructure and systems
- benefit from having the skills, knowledge and understanding of upper tier service delivery already within the organisational DNA
- mitigate the impacts of disaggregation which PwC set out in their 2020 report

It is also my professional view, to be further tested through the modelling which we will undertake in support of any recommended option to Full Council, that options which recommend the creation of more than 3 mainland unitaries are likely to be sub-optimal, as the benefits set out above are dis-benefits by comparison in a 'more than 3 unitary' scenario.

That is simply because you would have to create the 'upper tier' part of any new (non-anchor) unitary(s) 'ground up', as the benefits set out above are not in place. From a CFO perspective, I anticipate this will be a more costly disaggregation, with higher ongoing revenue costs (for example new upper tier management teams required, IT investment etc), duplication of infrastructure and back office cost, with further dilution of financial resilience through reduced scale and a lower addressable financial quantum, a view supported by the national PwC work but also in the specifics of the Hampshire context when compared to the 3 unitary option built on existing anchor services and frameworks.

Aggregation of District Services

It will clearly be the case, and it is my professional view, that the aggregation of district services e.g. waste collection, should provide financial benefit through savings and efficiency of service delivery over a greater geographical area.

It will be important though that any business case:

- does not overestimate the potential for savings
- does not underestimate the timeframe over which such savings can be realised; there will be many issues which impact timescales for example:
 - the time required to restructure teams
 - the time to implement service changes e.g. route optimisation for waste collection across an enhanced geography
 - the timescale for integration of single line of business systems for example 'revenues and benefit' systems
 - the organisational capacity to deliver change whilst at the same time integrating either new or expanded upper tier services

Whilst there will be benefits from LGR in terms of the aggregation of District services, the scale of District council expenditure is insufficient to make a significant impact on the County Council budget shortfall, albeit any new savings will be welcome and contribute to reducing the ongoing recurrent budget deficit to be distributed across new unitaries.

To put this into context, total net District budgets for 2025/26 are £241.7m, so even if it were possible to save 25% of total net cost of all districts (which would seem ambitious), this would only contribute £60.4m of recurrent savings, which is less than half of the County Council's forecast budget shortfall for 2026/27.

My professional view is that almost no matter the scale of savings which can be achieved from the aggregation of district services, given their relative budget size in comparison to the totality of upper tier spend and the size of the Hampshire wide (across all authorities) budget deficit, aggregation will not be the panacea to achieving financial sustainability.

It is also my professional view that the fewer the number of unitaries, the greater the potential savings which can be made from aggregation, as management and service overheads will be reduced, and the scope for service optimisation should be greater across a larger geography.

Transformation

There may be a temptation to partly demonstrate the financial impact and benefit of LGR options through the delivery of 'Transformation Savings'.

As an organisation which has been through the LMSL exercise and is not currently identifying any significant new transformative opportunities at scale for the way in which we deliver our services – particularly our high-cost services in Adults and Children's social care, and Home to School Transport – we should be cautious on

what can realistically be achieved through true transformation as opposed to the potential for efficiency savings.

One obvious area for transformation may be through further digital optimisation and AI, but any potential transformation savings be they through this route or other transformation opportunities, should be:

- realistic
- based on evidence and supporting data; transformation savings can't simply be x% with no evidence base
- not over promise in terms of financial savings
- have a realistic timeline for delivery, most likely not being delivered until post the initial transition and stabilisation period

Financial Resilience

The CFO Section 25 statement referenced earlier in this statement, makes it clear that in the absence of additional government funding, the prospect of issuing a Section 114 has a high probability/inevitability in the next 12 – 18 months.

In the context of LGR, this will of course be of concern; as the largest council with the most significant budget and service reach, Hampshire has set out that it is not financially sustainable.

If Hampshire cannot achieve financial resilience ahead of LGR implementation from April 2028, which at this stage all other things being equal seems an unlikely prospect, then that will clearly be detrimental for the long term ability of any new unitaries created to be financially sustainable; as reserves decrease (and reserves will be further depleted by April 2028), the ability to manage the deficit in the short term to avoid a Section 114 is diminishing, and as the underlying budget deficit increases it is highly likely that any new unitaries will not be on a stable financial footing at 'go-live'.

As set out above, whilst there will be savings which can be achieved from the aggregation of District services, my view is that they will not be to the scale required to address the level of budget shortfall (from across all existing authorities) which would be inherited by new unitaries at 'go-live'.

I also anticipate that the costs of disaggregation will be significant and will lead to both significant one-off costs of transition and an increase in ongoing revenue costs, which will both impact reserves and negate the ongoing savings achieved through aggregation.

There also remains the unanswered question of how the County's significant DSG deficit will be managed; unless there is a permanent statutory override (which seems inconceivable) any government solution which does not write off the accumulated deficit (currently £212m at the end of 2024/25, and forecast to be circa £0.5bn by March 2028) can only lead to more cost to be incurred if there is any solution which requires the deficit to be written down over time through General Fund resources.

The current financial position is underpinned by assumptions of future demand; if demand continues to increase with no matching increase in funding, then this can only further negatively impact financial sustainability.

Whilst my view is that LGR In and of itself will not achieve financial sustainability, it is still imperative that the new unitaries created are on the most stable financial basis that can be achieved, and that the most likely scenario for achieving this is through minimising the number created and building on the existing Upper Tier authorities already in place.

Options Appraisal

Any options for new unitary authorities will need to be based on sound financial analysis, underpinned by data and robust financial analysis.

As CFO I will ensure that any modelling which Hampshire undertakes either on its own, in collaboration with others or with external consultancy support will be robust, data led and underpinned by clear assumptions, and subject to robust challenge.

CFO Conclusions

Whilst there are undoubted opportunities and positive outcomes which can be achieved from the successful implementation of LGR, it is my view that there is no outcome in terms of a new number of unitaries that will resolve the financial challenges which those unitaries would inherit on the dissolution of the County Council, as the demand for Upper Tier services continues to significantly outstrip the funding available to deliver them, and the size of the budget shortfall will impact financial sustainability.

In terms of Financial Resilience and ability to achieve value for money, my view is that the fewer the number of new unitaries created, the more resilient those unitaries are likely to be based on overall size of budget, purchasing power, overall funding position and disaggregated reserves, and are therefore more likely to be able achieve VFM, albeit their financial position is still likely challenging and a deficit position.

Introduction

I am writing this statement as the Assistant Director for Waste and Environmental Services which includes responsibility for the Council's statutory waste disposal services. This statement sets out my professional view on the merits and risks associated with Local Government Reorganisation.

I have over 25 years of experience in the Waste Management industry in both and local government and commercial sectors. I have represented Hampshire at a national level on the National Association of Waste Disposal Officers (NAWDO) Policy & Advisory Committee and more latterly on the Association of Directors of Environment, Economy, Planning and Transport (ADEPT) Waste Group and Environment Board.

Summary

Waste Services in the geographical area of Hampshire are, currently, provided by the 14 Local Authorities, with Hampshire County Council as the Waste Disposal Authority (WDA), the 11 District & Borough Authorities as Waste Collection Authorities (WCAs) and the two Unitary Authorities, Portsmouth (PCC) and Southampton City Councils (SCC) combining both these statutory responsibilities. The key statutory WDA responsibilities are to dispose of the waste presented by the WCAs and to provide places for residents to deposit their bulky waste free of charge. The County Council discharges these responsibilities through the management of contracts, the two largest of which are jointly held between HCC, PCC & SCC as co-clients through a tripartite agreement, and are due to expire at the end of December 2030. The potential to extend the main Waste Disposal Service Contract (WDSC) for up to five years is presently being explored.

The two-tier system, with collection and disposal services split, makes optimising and harmonising services difficult. For example, the 13 WCAs in Hampshire (including PCC and SCC) each have slightly different collection methodologies and 'bin-frastructure' which can be confusing for residents. However, through the WDSC and Project Integra (the partnership of all 14 Hampshire waste authorities and the appointed waste service contractor, Veolia UK) it has been possible to standardise the range of materials collected for recycling at the kerbside and for their bulking transport and onward processing to be managed on a Countywide basis. This delivers efficiencies in terms of refuse collection vehicle movements and efficiency as well as economies of scale when placing material to market.

LGR offers strong opportunities for greater service harmonisation over a wider geographic scale, particularly for waste collection services, and notwithstanding the slightly different services currently provided there is also a mix of direct service and contracted out arrangements.

From a disposal perspective, these economies of scale have already been achieved through the current tripartite arrangements and the WDSC that has provided a suite of disposal and processing infrastructure that is one of the most comprehensive such networks in the UK: 3 Energy Recovery Facilities, 2 Material Recovery Facilities, 2 Composting Facilities, 11 transfer Stations.

The 3 WDAs also jointly provide and operate, under the Household Waste Recycling Centre contract, 26 HWRCs (24 in Hampshire & 1 each in Portsmouth & Southampton). As with the WDSC, Hampshire County Council acts as the lead partner.

The contract cost apportionment was established at the outset of the contract and based on households serviced resulting in a cost share of:

Hampshire – 77%

Portsmouth – 11.52%

Southampton – 11.48%

The County Council acts as lead client for these contracts due to the significantly large proportion of the costs that it is responsible for, with the two Unitaries paying the County Council for the work that it undertakes on their behalf. This means that the bulk of the knowledge & expertise in managing these contracts is embedded within the County Council's Waste team, with a risk that disaggregation would lead to a significant dilution of knowledge across multiple authorities and additional structures for delivery being founded on a weaker knowledge base.

The geographic spread of the facilities, provided under the WDSC (the majority of which will revert to the Authorities at termination), is such that disaggregation would be complex and potentially costly and risk having a negative impact on the overall operation, particularly if existing Upper Tier authorities are not leveraged in forming future unitary authorities.

The infrastructure operates on a regional basis with key processing facilities fed by suitably located waste transfer stations to enable the bulking of material to both from the perspective of the distance individual refuse collection vehicles would have to travel but also the ability to move larger volume of material via a single vehicle movement.

Each piece of infrastructure broadly supports the relative populations and urban densities; however, they also provide resilience during maintenance periods/period of unplanned outage. The flexibility to move material between the different facilities ensures that noncontract facilities are very rarely required and allows potential income streams through processing of commercial waste are maximised to the benefit of the Councils.

Given the sheer scale and relative age of the WDSC, which was signed in 1997, with capacities based on known and expected housing at the time disaggregation at this late stage would be extremely complex. For example, the Energy Recovery Facilities (valued at c.£100m) have different capacities:

- Chineham (Basingstoke) = 90ktpa

- Marchwood (Southampton) = 200ktpa
- Portsmouth = 200ktpa.

As a result of the unequal capacities, as well as the need for resilience to be provided for both planned and unplanned outages any agreements to split the infrastructure would have to contain provisions to avoid the need for any new unitary authority having to approach the open market at increased cost in addition to resource required to put such arrangements in place.

Given the centralisation of knowledge in one authority and the uneven geographical spread of the infrastructure, the optimum solution for all Hampshire's waste disposal services, if not all waste services, moving forward, based on experience elsewhere of county areas that have undergone LGR, would be to establish a Joint Waste Authority overarching the new unitary authorities and/or sitting below the proposed Strategic Authority, thereby enabling the retention of the existing skills and knowledge base from within the County Council and continuing to maximise on the benefits of the existing disposal & HWRC facilities whilst gradually integrating the collection services as historic contracts elapse.

Statutory Responsibilities

The County Council's Statutory duties require it to:

- Dispose of controlled waste that is collected within Hampshire by the District and Boroughs who are designated Waste Collection Authorities (WCA) and
- Provide places where the residents of Hampshire can deposit bulky household and garden waste and
- Apply the waste hierarchy when managing waste, starting with prevention. This hierarchy outlines the preferred methods for dealing with waste, placing the highest value on reducing waste generation, followed by reusing, recycling, and finally, disposal as a last resort.

These functions are discharged via tendered management contracts as summarised below:

- Waste Disposal Service Contract (WDSC) – Long term design, build operate and maintain contract with Veolia to bulk, transfer, process and dispose of household waste collected from the kerbside by WCAs. This contract delivered £200 million worth of infrastructure including three Energy Recovery Facilities (ERFs), two Materials Recovery Facilities (MRFs), 2 open windrow Composting sites and a network of transfer stations. It also includes haulage and processing of key waste streams collected at the Household Waste Recycling Centres (HWRCs). The WDSC was signed in 1997 and currently runs until December 2030 following a 5-year extension activated in the mid 2010s which provided a co-terminus expiry date with the HWRC Contract. The management of a proportion of the closed landfills which are under the County Council's jurisdiction are also covered under this contract.
- Household Waste Recycling Centres (HWRC) Contract – 7+7-year contract with Veolia to manage all HWRCs in Hampshire, Southampton and

Portsmouth. Contract started in April 2016, receives c. 250,000 tonnes per annum of waste and has around 3 million visitors per year. Expiry date aligns with the WDSC expiry date to provide an opportunity to determine the best overall option for the service. There are close links with the WDSC through processes such as haulage and key waste streams such as garden waste and wood.

- Abandoned Vehicles Collection Contract – Contract to manage the collection and disposal of abandoned vehicles with the collection element operated on behalf of the majority of WCAs in Hampshire who have the responsibility for the reporting, investigation and collection of Abandoned Vehicles.
- Fly Tipped Tyre Disposal Contract – Collection and disposal of fly tipped tyres across Hampshire. (NB – tyres are not accepted at HWRCs).
- Closed Landfill Management – a number of small call-off contracts in place to manage specific activities such as providing and maintaining monitoring equipment and essential maintenance to effectively manage closed former landfills in the County Council's jurisdiction and deliver compliance with the requirements of the Environment Agency to prevent pollution.

N.B. Both the WDSC and HWRC contracts are managed in partnership with the unitary authorities of Portsmouth and Southampton City Councils as co-clients under a tripartite agreement with the County Council as lead client with an apportioned share of the costs based on population size and usage. The County Council undertakes the day-to-day management of these contracts under a service level agreement with the two unitary authorities.

Management of Risk

There are a variety of different risks associated with the waste service. These are, in the main, managed through the various contracts that are in place to deliver the required services.

In the context of the WDSC service failure resolution is held by the contractor, so long as that failure is not caused by the actions of the Authority.

The main risk associated with the HWRCs is that of injury or worse to a member of staff or site users and consequently the activities on site are governed by a system of risk assessments and mitigation measures that aim to minimise these risks.

The third key risk is that of environmental pollution. Where the sites are operated by a contractor, they are responsible under their Environmental permit for managing this, but the Council holds the liability for several historic unpermitted landfill sites and manages these risks through regular monitoring and the implementation of control measures such as gas venting or leachate dilution/tankering and treatment.

As noted above the optimal structure to deliver waste services going forward is to establish a JWA to bring together the collection and disposal elements to ensure all decisions are based on the whole system. In addition, the infrastructure provision is best operated based on the existing geographic area (Hampshire, Portsmouth and Southampton) due to the factors already set out in this paper. In this context there

are several risks associated with LGR based on these optimal solutions not being implemented.

Operational – if the waste system were to be disaggregated into 2, 3 or 4 parts there would be an unequal balance of infrastructure within each unitary area meaning that material would have to be moved / delivered to sites in different authority areas. The operational resilience and single point of contact ensures that service issues are managed more effectively reducing the potential for that disruption to result in an impact for residents in terms of bins not being collected. Reducing the resilience of the service and increasing the number of teams that may have to be involved in managing an incident (e.g. fire at a facility leading to diversion elsewhere) will add complexity, increase the risk of negative operational outcomes and therefore impact the frontline waste collection service.

Financial – disaggregating the current infrastructure would be complex due to both the geographic location and varied capacities. It is unlikely that it would be affordable, or good value, for one authority to 'buy' out the others and there would need to be detailed service agreements to ensure that material could continue to be processed. The alternative would be for some authorities to buy capacity from third parties which may be difficult to secure, result in them having to bear more risk or indeed pay for that risk to be borne elsewhere.

Resources – currently the County Council manages the WDSC and HWRC contracts on behalf of the two unitary authorities enabling a lean service to be delivered by a single small team. There are governance arrangements in place to ensure that all parties are engaged in all decisions and that the authorities work collaboratively. The historic knowledge and expertise gained by the County Council over the 28-year life of the WDSC contract to date needs to be protected. If the arrangements were disaggregated through LGR with individual arrangements this knowledge would be lost and result in the need for a new team in each of the authorities to manage the individual arrangements. Whilst each of these may be slightly smaller than the current single team overall it would result in a greater amount of resource being required in total with corresponding costs.

Environmental risk - the Council holds the liability for several historic unpermitted landfill sites and manages these risks through regular monitoring and the implementation of control measures such as gas venting or leachate dilution/tankering and treatment. The location of these facilities is relatively random in nature, and a disaggregation of duties would result in some new authorities inheriting significantly greater environmental risks and potential liabilities. As an example, Efford Closed landfill is within the New Forest District Council area and carries significant risks of coastal flooding with an associated financial risk.

Demand/cost drivers

Given that the County Council is a Waste Disposal Authority with a responsibility to dispose of the waste delivered to it by the District & Boroughs collection authorities, it is a step removed from the demand front line for most of the waste it handles, and demand management is not straight forward to predict.

Demand can, to a degree, be managed through waste prevention activities to divert material elsewhere before it becomes waste however the cause and effect of waste prevention activity is difficult to directly evidence and the Council's limited activity in this area has been ceased through its SP25 savings programme as it returns to its core purpose.

In the main the lower down the waste hierarchy the more expensive the disposal costs are due to initiatives such as Landfill tax and from 2028, the inclusion of ERFs in the UK Emissions Trading Scheme, with estimated cost implications to Hampshire of between £5-13mpa. Moving material up the waste hierarchy to recycling, re-use, repair or prevention provides the least expensive, though by no means free, options for managing waste materials.

The advent of LGR offers an opportunity, by bringing together the two discrete elements of Local Authority operations to collectively work to reduce whole system cost rather than the present situation where individual authority budget protectionism exists.

Managing rising demand and the impact of LGR

Initiatives focused on reducing the waste arisings (Kg per household or Kg per capita) would be the best mechanism to curb demand but this would require collective effort from all authorities and therefore may be more of an opportunity post LGR than in the current Local Government construct.

In the two-tier system of local government waste management there are frequently tensions between the tiers. For example, the recent local discussions regarding which is the optimal recycling system was made more complex not only by the uncertainty over Government policy but by the lopsided nature of the costs for the two preferred options. In the case of Co-mingled recyclable collections, the collection costs were significantly cheaper, but the disposal costs were that much higher that this ultimately was the more expensive whole system cost. With the Twin Stream option, the cost profile was reversed with the collection being more expensive and the disposal side cheaper, though this proved to be the lower whole system cost option.

In a two-tier system these differences make reaching agreement difficult as budget protectionism and sovereignty ultimately overrides any desire work collaboratively. In a post LGR setting with fewer authorities, each holding both collection and disposal responsibilities, the whole system approach, assuming budgets are not segmented internally, will be the standard measure and would drive efficiency. Therefore, initiatives that may load cost on to one activity more than the other but results in an overall (whole system) lower cost should still be acceptable.

The WDSC, with a value of c. £55mpa, is already run with 3 clients and will endure until at least the end of 2030. This contract, along with the HWRC contract should be simple enough to novate to the new authorities, as due to the geographic imbalance of the facility provision and capacity it would not be sensible for any of the new authorities to attempt to go solo. It would be very expensive and impractical to "buy" oneself out of the contract(s) in an attempt to secure exclusive access to any specific

facility. The benefits of the existing arrangement lie both in the economies of scale that the existing infrastructure provides but also in the ability to move material around the different facilities during outages and providing service resilience during challenging periods that prevent the need to seek expensive external capacity.

Whilst demand is expected to grow due to increasing housing numbers, this demand can be managed by concerted waste prevention activity and messaging, but also by the ability to absorb this additional material due to the impact of known and expected legislative changes. For example, the introduction of Simpler Recycling measures, both dry recycling and separate food waste collections will remove a quantity of material from the energy recovery facilities that will provide longer term spare capacity. The introduction of the expected Emissions Trading scheme, in essence a carbon tax for energy recovery facilities, will also make what are currently marginal recycling initiatives more cost effective and thus drive more material up the waste hierarchy.

Cost of failure

The cost of failure to deliver the services under the WDSC are de-risked through the contract in that the liability for the provision of service falls on the contractor. Should an element of the contract infrastructure fail then it is the contractor's responsibility to make alternative arrangements at their expense in order to maintain the service provision.

This situation is unlikely to be continued in any future contract as the service providers are now more risk aware than when the contract was originally tendered as a design, build and operate contract, with any future iterations likely to be maintain and operate contracts with the contractor either seeking to share risk on the maintenance of aging facilities (c 25yr old) or loading the contract price to de-risk themselves.

This is one reason that consideration is being given to the potential to extend the current WDSC for a further five years to the end of 2035. Other reasons for considering this option include the potential for an immediate discount to the contract price at a time when savings are paramount and concerns over the authorities' (HCC/PCC & SCC) collective capacity to deliver a complex and multi-faceted contract tender at the same time as undertaking the transition to the new authorities as directed by LGR.

Conclusion

LGR is a significant opportunity to harmonise and scale Hampshire's municipal waste services. From a Disposal point of view this already exists in the current tripartite arrangements and the existing WDSC & HWRC contracts. The Collection services are more individualised with each of the 13 WCAs (incl. PCC & SCC) having their own arrangements (directly managed or contracted) and subtle service variations i.e. kerbside glass collection or no kerbside glass collection and different frequency of collection and colour coding for the bins provided. This is not withstanding the opportunities to revise collection rounds across historic authority boundaries.

Given the direction of travel for LGR and the creation of unitary councils of broadly similar sizes on mainland Hampshire, as a minimum, the most efficient way to set up waste disposal services is through the establishment of a Joint Waste Disposal Authority be established. The current arrangement with Hampshire as the Lead client has worked due to the method of cost allocation but with new authorities of similar populations a single authority with delegated decision-making powers would be recommended to avoid contractual and operational impasse.

A single Joint Waste Authority covering all waste service could be an optimum long-term arrangement but that won't necessarily need to happen immediately as the integration of services on the new authority scale will take several years to complete. However, aiming for this from the outset could avoid future costs in harmonising any subsequent variations in collection service within the new unitary authorities.

Introduction

I am writing this statement as the Environment & Neighbourhoods Lead, to set out the context of leading a high performing Regulatory Service, and to articulate my professional view on the merits and risks associated with Local Government Reorganisation (LGR).

I am a qualified Environmental Health Officer registered with the Environmental Health Registration Board, and member of the Chartered Institute of Environmental Health. I have worked in Environmental Health for 19 years, and I have been a senior manager within East Hampshire District Council (EHDC) for over 8 years, having previously been the Environmental Health Service Manager, and the Private Sector Housing Manager prior to that. I have represented EHDC at a regional level on the Hampshire Chief Environmental Health Officers Group, and nationally on the Association of Chief Environmental Health Officers Group.

I am deputy to the Executive Director of Community.

Prior to my current role I spent 11 years working for Southampton City Council and experienced firsthand the benefits and challenges for regulatory services at a unitary authority.

Summary

District and borough councils are tasked with a range of different regulatory functions. The way in which the functions are categorised and the teams that are responsible for them can vary by area, and there may also be variance in the way in which powers delegated to councils are applied. However, at a fundamental level there is some consistency in use due to their prescriptive statutory nature, and at **their core the range of regulatory functions are designed to protect the public, public health, environment, and local businesses.**

District Council Environmental Health plays a crucial role in protecting and promoting public health through control of the wider determinants of health. These range from housing standards to workplace safety, air pollution, food safety and controls through licensing regimes.

Usually, a council will have different teams each with a particular specialist area that make up their regulatory services, these could often include environmental protection, food safety, health and safety, licensing, port health, animal welfare, and community safety. Alternatively, some councils operate on a locality basis, and rather than specialisms they have generalist teams that work in a particular area within the district or borough and are responsible for all or most of the regulatory functions there. Whatever the structure and set up, the operational principles are the same in that they enforce relevant legislation, investigate complaints, and provide advice to ensure compliance.

In EHDC we have 5 specialist teams, District Team, Food & Safety, Licensing, Pollution, and Private Sector Housing. The regulatory functions are distributed across these teams based on their subject area, and the staff members are trained accordingly.

Statutory Responsibilities

A list of legislative provisions for Regulatory Services is contained at the end of this statement.

The three distinct pillars of public health – protection, health promotion and healthcare – in two tier areas these are split across Upper Tier and District and Borough Councils. Environmental and Regulatory Services have the same common goal to protect the public by influencing the factors in the natural and built environment that can cause harm.

As Sir Michael Marmot's report Fair Society, Healthy Lives (Feb 2010) makes clear, there is a social gradient to health, and we will only reduce health inequalities if we tackle the so-called "causes of the causes" of ill-health. This is where regulatory services excel, integrating the functions of Trading Standards and Environmental and Regulatory Services pulls together these functions into one authority where there are less hand-offs and better co-ordination.

Although long-standing threats like tuberculosis and measles remain, new public health challenges have emerged. Regulatory services officers now routinely address issues such as skin cancer, smoking in public areas, obesity, poor dietary habits, and infections linked to body piercings and tattoos. These functions are core to the statutory duties of Public Health in Hampshire County Council. Pest control also plays a vital role in maintaining public health and preventing disease.

Listed below are the respective teams within our services area, along with a brief description of their work area.

District Team

Officers in this team address a range of different place-based enforcement functions including fly-tipping investigations, unlawful encampment investigations, litter enforcement, and stray dog collections. The team are the eyes and ears of the council and provide a visible presence when out patrolling the district. Integration of the tiers of local government would have the advantage of maximising the use of public resources such as these neighbourhood officers by integration of a wide range of functions.

Along with stray dog collections, the team are also responsible for undertaking other animal welfare responsibilities councils hold such as licensing of certain businesses and activities involving animals and investigating dog on dog attacks. These functions help to encourage responsible dog ownership and regulate the pet sales industry in the area. Joint operations with Trading Standards already take place and would be more efficiently organised if the functions were within one authority.

In addition, the regulation of certain commercial and industrial emission process, such as vapour from petrol stations is split across the County and Districts. Creating one authority presents an opportunity to provide one service thus reducing officer

time for inspection and reducing the administrative burden on the business concerned.

Council community safety functions focus on reducing crime, anti-social behaviour, and the fear of crime within the local area, leading to safer and stronger communities. These functions are delivered in part through our Community Safety Partnership (CSP), which bring together various local agencies to work collaboratively towards improving community safety and reducing anti-social behaviour. Examples of the work undertaken by the CSP includes community Triggers and Domestic Abuse Related Death Reviews (DARDR). Many of these DARDR contain elements relating to Adult Care and both children and adults Safeguarding, functions which are now at upper tier level.

This team also has operational control of council owned car parks and carries out enforcement in the car parks to ensure compliance with parking regulations. This includes the issuance of Penalty Charge Notices (PCNs) for violations such as parking in restricted areas, overstaying time limits, or parking without a valid permit. Integration with the upper tier functions into a new unitary would bring advantages to this function by rejoining the existing off street parking controls with the on-street functions. Advantages would also be delivered by seeing traffic management in its widest sense, linked with the impact of emissions on air quality and by pricing measures to direct flow away from congested areas.

Food & Safety

Officers in this team protect the public from food poisoning including serious diseases resulting from E. coli and Salmonella outbreaks. They lead the way when it comes to food safety and hygiene as well as promoting a healthy diet, access to wholesome food and sources of food and drink that are secure and sustainable.

This team will also work closely with partners to trace contacts during an outbreak of infection or contamination and halting the spread. This was evident during COVID, and the work undertaken by officers during that difficult period help to reduce illness and fatalities.

Districts and Boroughs also have statutory functions relating to drinking water quality in private supplies. Again, this function is strongly linked with core public health controls.

Every year, workplaces are the scene for deaths, serious injuries and industrial diseases for workers and lawful visitors. Employees and the public are entitled to assurance that employers are complying with proportionate and risk-based safeguards. Officers in this team, sometimes working alongside the Health and Safety Executive, carry out health and safety inspections and investigations. It is through high standards of occupational health and safety that we reduce the number of personal tragedies as much as is humanly possible.

Officers are involved in tackling food fraud, which can be very harmful to public safety, economic development and fair business competition. They conduct investigations with the police to target criminals supplying unfit meat. Food inspections, in hotels and cafes as well as hospitals and schools, have as their

primary purpose the protection of the public. This operation could also be joint with Trading Standards – this would be easier to do in a single tier setting.

Licensing

The licensing of certain premises and activities ensures that they are carried out in a safe manner, and in line with current rules.

The Licensing Team are responsible for administering applications and issuing permits and licences relating to a number of licensing areas including Taxis, Alcohol, Gambling, Scrap Metal Dealers, Street and House to House charitable collections. The team also provide licensing advice to businesses and members of the public as well as investigating complaints about licensing issues.

Through licensing processes councils can ensure businesses have controls in place to protect the public, particularly the vulnerable and those most at risk.

Pollution

There is growing public awareness of the science linking our physical environment and human health. The air we breathe, the water essential for so much of our daily routine, the noise we are exposed to, the land we build on and cultivate, all can affect our health.

It is the role of officers working in Environmental Protection Teams across Boroughs and Districts to protect us from such dangers. Officers will investigate pest issues, assess contamination of sites proposed for new development, and control noise and other nuisances from a variety of activities and sources. They have good scientific knowledge as well as technical, communication and arbitration skills.

Exhumations occur for a number of reasons, for example repatriation overseas to be buried along with other family. An environmental health officer must be present at any exhumation and supervise the proceedings to ensure that respect for the deceased person is maintained and that public health is protected.

Public health funerals are arranged by local authorities when someone dies without known relatives, or when their relatives are unable or unwilling to arrange a funeral. These funerals are a public health measure, ensuring dignity in death for all, regardless of circumstances, and are mandated by law. District and Borough Officers will attempt to establish whether there are relatives who wish to organise the funeral themselves, and where there are none, they will arrange the funeral or cremation.

Private Sector Housing

Good housing is fundamental to health. Disease, depression, hypothermia, asthma – all can be symptoms of unfit housing. From overcrowding and a lack of amenities to pollutants, fire safety, excess cold, damp or disrepair, officers in these functions work to ensure standards are maintained and action is taken if these standards are not met.

Securing a disabled facilities grant (DFG) and providing advice and assistance to meet the needs of vulnerable householders, licensing houses in multiple occupation and helping to bring empty homes back into use as homes for people in housing

need – these are ways in which officers help improve life chances. Accidents in the home – slips, trips and falls – and illness, even death, brought about by lack of affordable warmth in winter months are serious hazards that regulatory services are there to prevent.

Officers can make a big difference, whether inspecting rented accommodation, helping vulnerable owner/ occupiers, dealing with a housing association to discuss a work programme or advising Government on new legislation to improve the quality of student accommodation

Management of Risk and Opportunity

Demand

The demands for regulatory services are increasing. A very current example is the area of Private Sector Housing where, on top of the varied responsibilities and enforcement tools already in place, there are a number of new provisions heading to the sector including supported housing regulation, high rise building fire safety remediation, decent homes standard extending to private rented properties, Awaab's Law and the Renter's Rights Bill. The new provisions will place additional responsibilities onto councils, and it may not be possible to meet the demand through existing resource levels.

A similar principle applies to the DFG workstream, with an ageing population and the cost of living increasing, the demand on councils for DFG cases steadily rises year by year and is likely to continue to do so, thereby applying further pressure to council regulatory services. Also note operational partnerships regarding DFGs.

Recruitment and Staffing

Environmental Health as an industry has, for some time now, had a reduction in people choosing to go into the profession leading to fewer qualified environmental health practitioners nationally. Consequently, local authorities across the country often struggle with recruitment to environmental health practitioner posts, which in turn impacts service delivery and increases the risk of harm to the public. Recruiting to specialist environmental health positions such as contaminated land officers is particularly challenging.

Further, universities are under growing financial pressure, causing them to reconsider the viability of their courses, including environmental health degree programmes. This narrows the qualification pipeline. As a solution, the CIEH and other organisations are working to increase the reach and availability of degree-level apprenticeships to attract students who prefer alternatives to the traditional BSc route. However, this will not solve the staffing shortage alone, nor will it deliver results quickly.

LGR and the joining up of district and borough regulatory services presents us with an opportunity to increase resilience and expertise. A larger service will be better equipped to meet the demands of the newly formed area, processes and procedures could be harmonised to ensure an efficient and effective workforce, and it would be possible to shift the larger resource pool to where it is required the most. In-demand specialisms within environmental health such as contaminated land are also more

likely to be attracted to a post within a larger unitary authority. There is inevitably a risk with variances to staff terms and conditions, however this would be applicable to all council services and not exclusive to this work area.

Local knowledge

There is a risk that, through local authority areas becoming geographically larger, there could be a loss of locality knowledge and an impact on the existing positive working relationships between regulatory services, businesses, and the community. However, through appropriate planning and a robust structure this should not be insurmountable. There are already large unitary councils who successfully deliver regulatory services, whilst also maintaining the local connections. Learning from these authorities and how they operate could help with the newly created areas.

Parking Services

At present, the responsibility for off-street public car parks sits with districts and boroughs, whereas the responsibility for on-street parking and the traffic management functions sits with the upper tier authority. Until March 2023, the responsibility for on-street parking and the traffic management functions had been delegated to districts and boroughs by way of an agency agreement, however the decision was made to stop this approach, and the functions return to HCC. As a consequence, parking and traffic management can be somewhat disjointed leading to inconsistency and issues such as displacement.

By bringing together a single parking and traffic management service through LGR, there ought to be more joined up decision making providing a more holistic view of benefits and impacts. As a customer, the economies of scale of a parking and traffic service in a larger authority is likely to give greater buying power in the market, so services such as parking enforcement systems, cashless parking systems, and pay and display machine provision and maintenance could ultimately come at a lower cost to a joined-up service.

Joining the parking services functions together also provides an opportunity to consider a more cohesive transport and parking strategy across an economic area.

Operational Partnerships

Operational partnerships are very important to councils generally; however, this is particularly true of the regulatory sector. We do not operate in a vacuum, and there will often be crossover with partner agencies when undertaking our work, for example Hampshire Constabulary, Hampshire Fire and Rescue Service, Hampshire County Council, Food Standards Agency, the Health and Safety Executive, UK Health Security Agency, the Environment Agency, and many more.

In the context of LGR, it is very important to ensure all of these relationships are maintained. Most of these agencies operate across wider geographical areas than districts and boroughs, and possibly even the newly created unitary councils, therefore the impact ought to be minimal for most and in places will be a benefit through less handoffs through agencies.

However, it is the various interactions that we have with Hampshire County Council that present the biggest opportunities here. By way of an example, the DFG process spans agencies including HCC Adult Services, HCC Children Services, HCC Reablement Services, districts and boroughs, and sometimes registered providers of social housing. In a unitary council, the DFG process is likely to be far smoother with services being in the same organisation, and that ought to result in an improved service to vulnerable residents.

As another example, in a unitary authority Trading Standards would operate alongside the previous district/borough regulatory services. There is crossover in subject areas including animal welfare, animal feed, vapour recovery and more, so there are likely to be opportunities for shared working, reducing duplication, and increased efficiency.

Cost of Failure

With regulatory services the cost of failure is clear, without these functions public health would be impacted, and criminal behaviour will go unchecked. The risk to all in society will increase, however it is the most vulnerable who would experience the greatest impact. The underlying principles of regulatory services are to prevent illness, prevent harm, and reduce risk, and if the services fail quite these safeguards will no longer be present.

Conclusion

Whilst LGR will have an impact on Regulatory Services, there are opportunities for long term growth and success. Bringing services together is not an easy task and it should not be underestimated, however through preparation and planning it is absolutely possible to achieve the goal of an effective and resilient Regulatory Service in a unitary local authority, to maintain local relationships and partnerships, and to ensure public health is protected.

There are examples, both locally and further afield, of regulatory services joining together. It may be wise to capitalise on the lessons learned from these partnerships to help with the transition we will be embarking upon.

List of Regulatory Service Legislation

Abandonment of Animals Act 1960	Agriculture and Horticulture Act 1964
Agricultural Produce (Grading and Marking) Act 1928	Animal Boarding Establishments Act 1963
Agriculture (Miscellaneous Provisions) Act 1954	Animal Health Act 1981
Agriculture (Miscellaneous Provisions) Act 1968	Animal Health and Welfare Act 1984
Agriculture (Safety, Health and Welfare Provisions) Act 1956	Animal Welfare Act 2006
Agriculture Act 1967 Agriculture Act 1970	Animals (Miscellaneous Provisions) Act 1968
	Anti-Social Behaviour Act 2003
	Anti-social Behaviour, Crime and Policing Act 2014

Breeding of Dogs Act 1973	Explosives (Age of Purchases) Act 1976
Breeding of Dogs Act 1991	Explosives Act 1875
Breeding of Dogs Act 1991 Building Act 1984	Explosives Act 1923
Building Act 1984	Factories Act 1961
Caravan Sites Act 1968	Farm and Garden Chemicals Act 1967
Caravan Sites and Control of Development Act 1960	Fire and Rescue Services Act 2004
Celluloid and Cinematograph Film Act 1922	Fire precautions Act 1971
Chronically Sick and Disabled Persons Act 1970	Fire Safety and Safety of Places of Sport Act 1987
Clean Air Act 1993	Fireworks Act 2003
Clean Neighbourhoods and Environment Act 2005	Food Act 1984
Companies Act 1985	Food and Environment Protection Act 1985
Companies Act 2006	The Food Information Regulations 2014
Control of Horses Act 2015	Food Safety Act 1990
Control of Pollution (Amendment) Act 1989	Food Safety and Hygiene (England) Regulations 2013
Control of Pollution Act 1974	Food Standards Act 1999
Countryside Act 1968	Fraud Act 2006
Criminal Justice and Police Act 2001	Gambling Act 2005
Criminal Justice and Public Order Act 1994	Ground Game Act 1880
Dangerous Dogs Act 1991	Guard Dogs Act 1975
Dangerous Wild Animals Act 1976	Hampshire Act 1983
Deer Act 1991	Health Act 2006
Defective Premises Act 1972	Health and Safety at Work etc. Act 1974
Derelict Land Act 1982	Highways Act 1984
Disability Discrimination Act 1995	Housing Act 1985
Dogs Act 1906 Dogs (Fouling of Land) Act 1996	Housing Act 1996
Environment Act 1995	Housing Act 2004
Environment and Safety Information Act 1988	Housing and Planning Act 2016
Environmental Damage (Prevention and Remediation) Regulations 2009	Housing Grants, Construction and Regeneration Act 1996
Environmental Permitting (England & Wales) Regulations 2016	Hypnotism Act 1952
Environmental Protection Act 1990	Licensing Act 2003
	Litter Act 1983
	Local Government (Miscellaneous Provisions) Act 1976

Local Government (Miscellaneous Provisions) Act 1982	Public Passenger Vehicles Act 1981
Local Government Act 1894	Quality Schemes (Agricultural Products and Foodstuffs) Regulations 2018
Local Government Act 1972	Radioactive Substances Act 1993
Local Government Act 1985	Refuse Disposal (Amenity) Act 1978
Local Government Act 1988	Regulatory Reform (Fire Safety) order 2005
Local Government Act 1992	Riding Establishments Act 1964
Local Government Act 2000	Riding Establishments Act 1970
Local Government and Housing Act 1989	Road Traffic (Consequential Provisions) Act 1988
Local Land Charges Act 1975	Road Traffic (Foreign Vehicles) Act 1972
Medicines Act 1968	Road Traffic Act 1960
Mines and Quarries (Tips) Act 1969	Road Traffic Act 1988
Mines and Quarries Act 1954	Road Traffic Regulation Act 1984
Noise Act 1996	Safety of Sports Grounds Act 1975
Noise and Statutory Nuisance Act 1993	Scrap Metal Dealers Act 2013
Nuclear Installation Act 1965	Shops Act 1950
Office, Shops and Railway Premises Act 1963	The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018
Performing Animals (Regulation) Act 1925	The Civil Enforcement of Parking Contraventions (England) General Regulations 2007
Pests Act 1954	The Electrical Safety Standards in the Private Rented Sector (England Regulations) 2020
Pet Animals Act 1951 (Amendment 1983)	The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015
Planning (Hazardous Substances) Act 1990	The Rabies (Importation of Dogs, Cats and Other Mammals) Order 1974
Plant Health Act 1967	The Food Hygiene (England) Regulations 2006
Poisons Act 1972	The Food Safety and Hygiene (England) Regulations 2013
Pollution Prevention and Control Act 1999	The Food Safety & Hygiene (England) Regulations 2016
Prevention Against Cruel Tethering Act 1988	The General Food Regulations 2004
Prevention of Damage by Pests Act 1949	The Mobile Homes (Requirement for Manager of Site to be Fit and Proper Person) (England) Regulations 2020
Private Water Supplies Regulations 2009	
Protection of Animals Act 1911	
Public Health (Control of Disease) Act 1984	
Appointment of Proper Officers for the Council as defined by Public Health (Control of Disease) Act 1984	
Public Health Act 1925	
Public Health Act 1936	
Public Health Act 1961	

The Official Feed and Food Controls (England)
Regulations 2009

The Products of Animal Origin (Third Country
Imports) (England) (No.4) Regulations 2006

The Smoke and Carbon Monoxide Alarm
(England) Regulations 2015

The Trade in Animals & Related Products
Regulations 2011

Theft Act 1978

Town and Country Planning Act 1990

Town Police Clauses Act 1847

Town Police Clauses Act 1847 and 1889

Traffic Management Act 2004

Transport Act 1968 Transport Act 1985

Vehicles (Crime) Act 2001

Violent Crime Reduction Act 2006

Water Industry Act 1991

Water Resources Act 1991

Weeds Act 1959 Welfare of Animals at
Slaughter Act 1991

Wildlife and Countryside Act 1981 Zoo
Licensing Act 1981

Revenues & Benefits Services

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Prepared by:

- **Tracey Hughes**, IRRV (Hons), Benefits Manager – Over 25 years of experience in Benefits delivery at Borough and District level.
 - **Louise Bicknell**, Revenues Manager – Over 30 years of experience in Revenues, including 10 years as a Service Lead.
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Introduction

The Revenues and Benefits Service is a statutory function critical to both the financial stability of the Council and the welfare of its residents. It encompasses the billing and collection of local taxes and the administration of financial support, ensuring income generation for the Council while supporting those in financial hardship.

As experienced service leads, we present our professional assessment of the opportunities and risks associated with Local Government Reorganisation (LGR), particularly its impact on the delivery, resilience, and sustainability of Revenue & Benefits services.

Strategic Importance of Revenues & Benefits Services

Revenues and Benefits are foundational to local government operations. Council Tax and Business Rates are the largest sources of local income, directly funding essential public services. The service also provides vital financial support to vulnerable residents through Housing Benefit, Council Tax Support, and Discretionary Housing Payments.

Our performance consistently meets or exceeds national benchmarks, with in-year collection rates above 98% and processing times for benefit changes among the best in class.

Our key responsibilities are:

- **Council Tax:** Billing, collection, discounts, exemptions, and recovery Manage the billing and collection of Council Tax from residents.
- **Business Rates:** Billing, collection, reliefs, and enforcement
- **Housing Benefit:** Assessing entitlement and issuing payments to eligible claimants.

- **Council Tax Support:** Assisting residents on low income to reduce their Council Tax bill.
- **Discretionary Housing Payments:** Assessing entitlement and issuing payments to eligible claimants where Housing Benefit or where the housing element of Universal Credit does not meet the eligible full rent.
- **Welfare Support:** Providing local welfare assistance to those in crisis or hardship.

Impact of Local Government Reform

Opportunities Through Aggregation

- **Economies of Scale:** A unified service across a new Unitary Authority can drive cost efficiencies, streamline processes, and reduce duplication.
- **Debt recovery** – Opportunity to create a standalone Debt Recovery Team operating across all areas of Council Debt will maximise income from Council Tax and Business Rates as well as Sundry Debts
- **Workforce Resilience:** Pooling skilled staff enhances capacity, supports succession planning, and enables specialisation.
- **Improved Service Delivery:** Shared best practices and standardised policies can lead to more consistent and equitable services for residents.
- **Digital Transformation:** Consolidation provides a platform for investment in automation and online services, improving accessibility and efficiency.

Risks and Challenges

- **System Integration Complexity:** Migrating data across different IT platforms is costly, time-consuming, and carries a high risk of service disruption.
- **Policy Alignment:** Harmonising Council Tax Support schemes, discretionary reliefs, and recovery policies across legacy authorities is complex and politically sensitive.
- **Precepts will need to be aligned** across the new Unitary Authorities which could lead to a substantial rise in Council Tax in districts such as East Hampshire where Council Tax has in the past been frozen
- **Financial Risk:** Any delay or failure in collection or benefit processing could significantly impact the new authority's financial position and residents' wellbeing.
- **Service Disruption:** Transition periods may lead to reduced performance, delayed payments, and increased resident dissatisfaction.

- **Staff Retention:** Uncertainty may lead to the loss of experienced staff, undermining service continuity and institutional knowledge.
- **Fragmentation of relationships with strategic partners** e.g. Citizens Advice, Two Saints, DWP

Demand and Performance Trends

- **Rising Demand:** The Council Tax base has grown by over 5,600 properties in the last decade, increasing workload.
- **Changing Caseloads:** Universal Credit rollout is reducing Housing Benefit claims but increasing complexity in Council Tax Support.
- **Business Rates** – now revalued every 3 years rather than 5 years, with additional Rate Poundages being introduced from 1st April 2026 creating additional service demand.
- **Performance Resilience:** Despite rising demand, performance has remained strong due to automation and process innovation.

See performance data at the end of this statement.

Recommendations for a Successful Transition

1. **Adopt a ‘Minimum Disruption’ Principle:** Preserve existing expertise and service continuity during transition.
2. **Engage Staff Early:** Involve frontline teams, ICT, Finance, and Customer Services from the outset to harness their knowledge.
3. **Standardise Policies in Advance:** Agree on common policies and procedures to ensure consistency and fairness.
4. **Invest in Technology:** Prioritise system integration and digital access to minimise disruption and improve user experience.
5. **Create a Unified Resident Experience:** Develop a single, user-friendly online portal for all Revenues and Benefits services.

Conclusion

Local Government Reorganisation presents a pivotal opportunity to reimagine Revenues and Benefits services at scale. If managed well, it can deliver a more efficient, resilient, and resident-focused service. However, the risks—particularly around system integration, policy alignment, and financial stability—must not be underestimated.

A single, well-resourced Revenues and Benefits team, supported by strong governance and strategic planning, will be essential to the success of the new Unitary Authority and the wellbeing of its residents.

East Hampshire District Council Performance Data

Context – Baseline Service Data	Actual 2022/23	Actual 2023/24	Actual 2024/25	End May 25	Comments
Total Council Tax Collected	£102,791,295	£107,728,037	£113,085,645	£23,553,099	Expected collection increases in line with the increase in charge.
Property base	55379	56,014	56,239	56,525	
Total Business Rates Collected	£29,581,104	£30,095,807	£32,759,735	£7,759,220	The amount collected is reflective of the amount charged and a collection rate of 97.41%, During 2020/21, the collectable charge decreased as a result of significant reliefs funded through government section 31 grants.
Business property base	4121	4134	4161	4148	
Total Sundry Debtors Collected	£177,507	£238,018	£162,814	£32,897	With the continued roll out of Universal Credit, this figure will continue to reduce over the coming years.
Total Housing Benefit (Rent Allowance) Paid	£149,138,006	£15,018,938	£15,661,280	£2,043,970	This figure will start to significantly reduce over the coming years with the continued roll out of Universal Credit and the proposed merge of housing benefit with pension credit.
Total Housing Benefit NON_ HRA (Bed & Breakfast) Paid	£55,047	£46,486	£23,805	£3,295	
Total Council Tax Support Paid	£5,021,532	£6,021,147	£6,353,843	£6,452,750	
Total Discretionary Housing Benefit Payments Paid	£106,932	£106,981	£88,522	£15,257	From April 2026 Discretionary Housing Payments and Household Support Fund will be combined into the new Crisis and Resilience Fund

Housing Benefit live caseload	2364	2266	1871	1758	With the continued roll out of Universal Credit, this figure will continue to reduce over the coming years.
Council Tax Support live caseload	4259	4888	4957	4919	
PERFORMANCE INDICATORS					
Indicator Description	Actual 2022/23	Actual 2023/24	Actual 2024/25	End May 25	Comments
Council Tax collected in year % (BV9)	98.19%	98.35%	98.33%	20.17%	
Non-domestic rates collected in the year % (BV10)	97.46%	97.81%	96.46%	21.39%	
Average time (days) to process Housing Benefit claims (BV78a)	22.81 days	25.28 days	16.34 days	24.91 days	
Average time (days) to process Council Tax Support claims (BV78a)	20.06 days	26 days	18.61 days	21.17 days	
Average time (days) to process Benefit change of circumstances (BV78b)	6.27 days	3.72 days	2.55 days	2.4 days	

Introduction

I am writing this statement as the Planning and Special Projects Lead for East Hampshire District Council (EHDC). This role includes responsibility for all outward facing planning services, which comprise planning policy; development management; enforcement; developer contributions; as well as heritage, ecology and arboriculture. This statement sets out my professional view on the merits and risks associated with Local Government Reorganisation from a planning perspective.

I am a planning, housing and regeneration specialist with over 40 years' experience in both the private and public sector. This has included various Director roles at both an urban and rural authority, as well as Chief Operating Officer at EHDC. I am also a Chartered Member of the Royal Town Planning Institute, as well as a Chartered Institute of Housing Chartered Member. As an experienced and committed planning professional with a strong track record in spatial and strategic planning, I bring a deep understanding of local government processes and the importance of delivering effective, evidence-based policy.

In light of evolving governance structures and increasing demands on local planning services, it is my view that the future arrangements for planning across Hampshire should be guided by a coordinated, efficient, and place-based approach. These arrangements will ensure that planning functions, whether from strategic visioning to day-to-day development management, are delivered effectively to support sustainable growth, whilst recognising local distinctiveness, and high-quality outcomes for communities across the county.

I welcome the opportunity to provide a professional perspective on the future arrangements for planning across Hampshire in light of the government's emerging proposals for local government reorganisation. Significant change can bring great opportunities, but also risk, which needs to be managed as effectively as possible. EHDC, through its well-established and forward-looking planning service, is uniquely positioned to play a pivotal and proactive role in shaping Hampshire's future spatial governance.

Context

Local government reorganisation presents an opportunity to streamline governance, align spatial and infrastructure planning more effectively, and deliver the government's growth agenda at scale. From a planning perspective, there is clear potential to rationalise overlapping responsibilities and create coherent, long-term strategies across wider geographies.

However, this must not come at the expense of local distinctiveness, environmental protection, or the nuanced understanding of place-based planning that district councils like EHDC have refined over decades. The creation of larger unitary

authorities or a county-wide planning function must be balanced with the retention of locally accountable and responsive planning services that are embedded in the communities they serve.

Strategic Planning

In my view, the need for a cohesive strategic planning framework across Hampshire is critical to responding to cross-boundary challenges such as housing delivery, infrastructure provision, climate resilience, and economic growth. To this end, Hampshire authorities should continue to work collaboratively, which could be done through a formalised joint strategic planning board or aligned partnership arrangements, in order to define shared spatial priorities and influence regional policy agendas.

This will include the development of a countywide spatial strategy or framework to guide sub-regional planning and inform local plan preparation at the unitary authority level. The strategy will be underpinned by shared evidence bases, such as housing need assessments, transport modelling, and infrastructure capacity studies; and will actively support the delivery of key strategic infrastructure and environmental objectives.

Decision-Making

I believe development management services across Hampshire should be delivered in a way that ensures consistency, resilience, and responsiveness to the needs of local communities and applicants. Where appropriate, there should be common standards for validation, performance monitoring, digital planning tools, and customer service should be developed to improve efficiency and user experience. To preserve local knowledge and relationships, especially in large rural or mixed urban-rural authorities, DM might be delivered via area teams, each covering part of the new authority, but overseen by a centralised management structure. This will retain local responsiveness and enables standardisation of processes, performance monitoring, and policy alignment across the new area.

New authorities should explore opportunities for workforce resilience through joint recruitment and retention strategies, shared training programmes, and the pooling of specialist technical expertise, such as design, heritage, and ecology.

Enforcement

Planning enforcement should remain a core function of each new authority, with a strong emphasis on local accountability and responsiveness. However, to strengthen enforcement capability across the county, future arrangements may include the development of shared enforcement protocols, common prioritisation frameworks, and collective approaches to tackling persistent or complex breaches.

In my view, it is key that training, information sharing, and the potential for cross-boundary operational support at Strategic Authority level is explored to enhance consistency and uphold the integrity of the planning system.

EHDC's Strengths in Strategic Planning

EHDC is a well-placed example of how local planning authorities can deliver on both national priorities and local needs. The district encompasses a rich mix of rural landscapes, historic market towns, and other urban areas, and its planning service has consistently demonstrated agility and ambition in managing this diversity. EHDC works proactively in partnership with a wide range of organisations to ensure well-informed and balanced planning outcomes. This includes close collaboration with town and parish councils to reflect local priorities, as well as engagement with key stakeholders such as statutory consultees, which range from infrastructure providers to environmental bodies. All with a common goal to support evidence-based decision-making and sustainable development.

Notably, EHDC has led on one of the most significant regeneration programmes in the South East, namely, the transformation of Whitehill & Bordon. This ambitious project, which includes the delivery of over 4,000 new homes and supporting infrastructure, will transform the former garrison town into a green, healthy, and connected town. This has been achieved while successfully protecting the sensitive natural environment it surrounds. This demonstrates EHDC's capability in handling strategic development in complex environmental and social contexts, which is precisely the type of experience required under any future unitary or regional planning arrangements.

Historically, EHDC has also assisted other authorities on planning matters. This has included leading on parts of Hart District Council's previous local plan; overseeing Tandridge Borough Council's Garden Village consultation; and regular heritage related evidence gathering.

EHDC and its planning service already operate at both a strategic and local scale. Whilst the emerging local plan covers the local planning authority area, it involves working on cross-boundary matters such as meeting housing and economic needs, whilst balancing this with the protection of a rich and diverse natural and built environment. The council also has a strong track record in collaborative working across boundaries. Regarding its legal obligation under the Localism Act 2011, EHDC has taken a pragmatic role in Duty to cooperate discussions, which has led to positive relationships forming with neighbouring authorities and key organisations, and constructive discussions to ensure local plans effectively address issues with significant impacts beyond individual local planning authority boundaries.

EHDC's strengths in decision making

EHDC has long demonstrated an efficient and professional approach to decision-making within planning that will be a significant asset within any new unitary authority structure. With a well-established and experienced development management team, the council already handles a high volume of planning applications, including the majority of decisions for the South Downs National Park Authority through a long-standing service-level agreement. This has equipped the council with valuable expertise in operating across different governance frameworks and handling complex applications within a nationally protected landscape. For scale the Council determines about 2500 applications each year.

EHDC's existing knowledge and experience of working within a National Park context, positions it uniquely to support local government reorganisation. This partnership model has strengthened EHDC's capacity to operate within complex regulatory frameworks, balance environmental sensitivities with growth needs, and work effectively with multiple tiers of governance. Such expertise will be invaluable in shaping a new planning structure that could cover multiple national parks, which is both strategic and locally responsive, ensuring that protected landscapes and distinctive places are managed with the care and specialist understanding they require across any new unitary footprint.

A key strength of the Council's current approach is its high level of delegation, with the vast majority of decisions made by officers under delegated powers. This ensures consistency, efficiency, and the timely processing of applications, while allowing strategic and sensitive applications to be elevated appropriately through the committee system. This balance of professional autonomy and democratic oversight allows the service to operate with speed and confidence while maintaining quality and accountability.

As local government reorganisation moves forward, EHDC's planning decision-making model offers a tested and scalable framework. The council's ability to manage large caseloads, work within dual authority structures, and deliver high-quality outcomes in both urban and sensitive rural settings, positions it as a critical component of the new planning system. Its delegation-based system reduces bureaucratic burden and ensures that professional expertise is central to decision-making, which is an essential feature for any future unitary authority seeking to maintain or enhance service standards.

EHDC's Strengths in Other Planning Related Matters

EHDC possesses well-established and respected in-house expertise in ecology, heritage, and arboriculture, which are services that are critical to delivering high-quality, sustainable development and protecting the district's natural and historic environment. These specialist teams play a central role in shaping planning decisions, informing policy development, and upholding statutory duties.

Our ecologist ensures that biodiversity is properly considered at every stage of the planning process, helping the council lead on delivering biodiversity net gain and natural capital outcomes. The heritage team provides expert guidance on conservation areas and listed buildings, balancing the need for growth with the protection of East Hampshire's rich historic environment. The arboriculture service plays an equally important role, managing tree preservation orders (TPOs), development impacts, and the council's own tree stock to ensure that green infrastructure is valued and integrated into new development.

These teams bring a depth of technical knowledge and local understanding that is not easily replicated. Their advice is embedded in the council's decision-making culture, enabling timely, robust, and defensible outcomes. In the context of local government reorganisation, EHDC's integrated specialist services provide a blueprint for how expert advice can be effectively aligned with planning functions in a larger unitary authority.

EHDC's planning enforcement team further strengthens its service offer, providing a proactive, robust and proportionate approach to addressing breaches of planning control. With strong local knowledge and a commitment to protecting amenity, landscape and environmental quality, the enforcement team works effectively with communities and developers to secure compliance. The service is underpinned by clear procedures and early engagement, enabling swift resolution of issues and reducing the need for formal action where possible. This capability will be vital within a reorganised authority, ensuring that development is delivered as approved and that public confidence in the planning system is maintained.

These integrated and high-performing specialist services bring a depth of technical knowledge and local understanding that is not easily replicated. In the context of local government reorganisation, EHDC's model provides a blueprint for how expert advice and enforcement can be effectively aligned with wider planning functions in a larger unitary authority. By retaining and expanding upon these strengths, the new authority can uphold high environmental and heritage standards, meet statutory requirements with confidence, and maintain local accountability and responsiveness, making East Hampshire's approach a vital component of Hampshire's future planning landscape.

Opportunities and Merits of Reorganisation

From a planning viewpoint, I consider there are several clear opportunities that local government reorganisation could bring:

- *Strategic Alignment:* A restructured system could provide clearer lines of accountability and decision-making at a strategic level. This could improve integration of housing, transport, and economic development, which are key themes to strategic planning that will help to unlock the delivery of major growth corridors and infrastructure projects.
- *Resource Pooling:* The amalgamation of planning teams could offer economies of scale, access to wider skill sets, and resilience in specialist areas such as design, biodiversity net gain, viability assessments, and digital innovation.
- *Growth Facilitation:* Larger authorities could better negotiate with central government and private investors, unlocking infrastructure funding and driving forward the delivery of homes and employment land. All key to the Government's ambitions to '*get Britain building again*'.
- *Consistency of Policy:* A harmonised planning policy framework could provide greater certainty to developers, infrastructure providers, and communities.

EHDC is well-placed to be a cornerstone of this reorganisation. Our emerging Local Plan will be an essential tool not only for local growth management but as a stepping stone to any broader strategic plan for Hampshire. We are already adopting an evidence-based, infrastructure-led approach and could be instrumental in helping to shape the spatial vision of any new unitary authorities or county-wide planning structures.

Risks and Challenges

Despite the potential benefits to local government reorganisation, there are significant risks that must be managed carefully:

- *Loss of Local Knowledge:* Larger planning authorities risk losing the depth of place-based insight and community relationships that smaller district teams possess. The effectiveness of planning depends on understanding local context, and this must be preserved.
- *Service Disruption:* The transition to new structures could lead to delays in plan-making, decision-making, and enforcement if not carefully managed, particularly at a time of acute pressure to meet housing delivery targets.
- *Governance Complexity:* New governance models may create uncertainty over accountability and leadership, particularly if planning is split between strategic and local tiers without clear delineation.
- *Cultural Integration:* Merging planning teams and systems from different authorities will require thoughtful integration, aligned values, and sustained investment in staff and systems.

Conclusions and Recommendations

East Hampshire District Council's planning service offers a template for how local government reorganisation can succeed, with a balance of strategic ambition and place-based delivery. As a result, I recommend the following principles and actions to maximise the benefits and mitigate the risks:

1. *Retain Local Planning Delivery:* While strategic planning functions such as plan-making and infrastructure coordination can and should be elevated to a unitary or county-wide level, development management, enforcement and customer-facing planning services should remain local to ensure responsiveness, quality, and democratic accountability. Under a single organisation with a unified Head of Planning and centralised policy and enforcement leadership, local delivery can be achieved through a structure of neighbourhood clusters, where planning officers continue to serve defined geographic areas that reflect existing community identities and development patterns. However, they should operate within a model that utilises consistent systems, procedures, and governance, but maintains local knowledge, relationships with parish/town councils, Members, and residents, which are vital for effective case handling and enforcement. This model allows for economies of scale in management and systems, while preserving the benefits of place-based decision-making.
2. *Invest in Transitional Arrangements:* Dedicated resources must be provided to manage the transition, avoid delays to plan-making and decision-taking, and support staff through organisational change.
3. *Embed Local Identity:* Future governance models should reflect Hampshire's diversity. Sub-geographies with distinct needs and identities, like East

Hampshire, should retain planning input that reflects their unique challenges and opportunities.

4. *Build on Proven Expertise:* Authorities with proven track records, such as EHDC, should be central to shaping new structures, particularly in leading on strategic regeneration, infrastructure coordination, and environmental protection.
5. *Use the Local Plan as a Platform:* Emerging local plans should inform wider strategic plans, ensuring that local visions and community input are retained as part of a larger framework.

Local government reorganisation is a moment of structural change, but it must be underpinned by continuity in quality, delivery, and democratic accountability. With its proven expertise, balanced geography, and leadership in regeneration, East Hampshire District Council is well placed to be an integral part of Hampshire's planning future and a key driver in delivering sustainable, inclusive growth across the region.

Annex

Planning is a statutory function for local planning with the core legislative framework including the Town and Country Planning Act 1990, the Planning and Compulsory Purchase Act 2004, and the Planning Act 2008, all of which set out the duties for plan-making and development management. These are supported by national policy, principally the National Planning Policy Framework (NPPF), and associated guidance. Local planning authorities are legally required to prepare and maintain up-to-date local development plans and determine planning applications in accordance with the development plan unless material considerations indicate otherwise.

Other key pieces of legislation that underpin the statutory planning function include:

- Localism Act 2011
- Environment Act 2021
- Levelling-up and Regeneration Act 2023 (LURA)
- Environmental Assessment of Plans and Programmes Regulations 2004 (SEA Regulations)
- The Town and Country Planning (Local Planning) (England) Regulations 2012
- The Conservation of Habitats and Species Regulations 2017 (as amended)
- Equality Act 2010

Chief Financial Officer

Matthew Tiller, Chief Financial Officer and Section 151 Officer
East Hampshire District Council

Introduction

I am writing this statement as the Chief Financial / Section 151 officer. I am a qualified accountant. I have been a senior leader within local government finance for nearly 30 years. I have worked in districts and unitary Councils. My experience covers all areas of financial management with managers of all levels, including budget setting, monitoring and outturn. I also have experience of LGR with a previous authority. The CFO in local government is not only bound by professional standards but also by specific legislative responsibilities.

Statutory Responsibilities

The role of Chief Financial Officer is set out in Section 151 of the Local Government Act 1972 – England and Wales. The Chartered Institute of Public Finance and Accountancy (CIPFA) expanded further on this role in their 2016 publication “The Role of the Chief Financial Officer in Local Government.” The CFO role includes:

- holding the financial reins of the business and ensures that resources are used wisely to secure positive results
- developing and implementing strategy and to resource and deliver the authority’s strategic objectives sustainably and in the public interest’
- The CFO is not merely the servant of the local authority but holds a fiduciary responsibility to local taxpayers. In the context of LGR, this responsibility should weigh heavy on all CFOs, as our evaluation of the benefits and risks associated with LGR and the construct of any new unitary authority(s) should take account of the long-term impact to and on local taxpayers.

East Hampshire financial position

- Overall, I can confirm that East Hampshire District Council is currently in a good financial position and has a strong position in the future, with a balanced 5-year MTFS to 2029-30 which incorporates £2.5 million of savings. Of these savings, £0.7 million have already been identified and the remaining £1.8 million requires plans to be agreed. The Council has a good track record of saving delivery in recent years and has a strong methodology in place to deliver transformation savings. Within my CFO statement for the 2025/26 budget setting process, I confirmed my confidence that the MTFS was robust and deliverable.
- East Hampshire District Council has a strong revenue position which is underpinned by a successful Investment Portfolio which generates a healthy return to the Council. The Investment Portfolio is funded by Public Works

Loan Board borrowing at low rates and the cost of these are factored into our MTFS.

- Our Reserve position has reduced over the last 2 years through planned activities linked to our Transformation plan but is expected stay consistent in future years.

Options Appraisal

- All options for new unitary authorities must be based on sound financial analysis, underpinned by data and robust financial analysis.
- As CFO I am working in collaboration with other authorities and external consultancy support so that information is robust, data-led and underpinned by clear assumptions, and subject to robust challenge.

Management of Risk and Opportunity

- During the lead up to Vesting day, it is imperative that all funds are used appropriately and with the best interests of the new authority, not necessarily on the request of the existing authority or members. It is about finding the balance between service delivery and return of investment.
- Districts will need to continue with their existing financial ledger system up to the vesting day and then maintain it until the Statement of Accounts for the final operating year have been audited and signed off. There will be significant implications and likely costs around the utilisation of one financial ledger.
 - Migrating balance sheet data
 - Monthly transactions if these are not re-aligned from the 1st day of the new authority
 - Effective reporting and associated monthly monitoring.
 - Aligning processes and procedures, supplier and customer listings, payments runs, debt control etc
 - Training of staff on the central system, knowledge transfer etc
- East Hampshire has a financial framework which is proportionate to the size and complexity of the organisation and the environment it operates in. A unitary would need a revised framework incorporating all aligning authorities. The scale of activity both in volumes and values would be far greater and therefore the financial framework would need to be relevant to the services that it is offering.

Risks

- Evaluation of the benefits and risks associated with LGR, and the construct of any new unitary authority(s) should take account of the long-term impact on local taxpayers.
- There are potential risks when aggregating with a larger organisation. Benefits and experience from district councils include:

- District Councils can implement change and transformation more swiftly than larger organisations
- The proximity to residents in smaller organisations allows for a more 'local' service which could instigate action quicker to resolve issues.
- Smaller organisations can allow for senior staff to be more aware of issues 'on the ground' than within larger organisations with a larger span of control

Opportunities

- Aggregating Districts into Unitaries removes duplication of key costs:
 - Management - the number of senior managers reduces.
 - Systems/contracts - the consolidation of systems and contracts reduces cost and strengthens purchasing power with 3rd parties.
 - Property - a reduced requirement for office and a rationalisation of assets will generate capital receipts.
 - Aligned processes will lead to efficiencies
- Unitarisation should be a catalyst for renewal as well as aggregation. The new unitaries must look across the constituent Councils to replicate the best examples of transforming to new operating models that look at ways to manage demand within a decreasing resource envelope and tackle the root causes of demand.
- Strong local networks and partnerships which are central to cost effective neighbourhood-based delivery must be valued and strengthened through the Unitary process.

Conclusion

New unitaries must be of a scale and size to ensure that there is a real opportunity to bring about efficiencies through aggregation of service. East Hampshire District Council believes that new organisations with government specified target population of 500,000 would deliver the optimum scale to achieve savings through more streamlined management structure and unified delivery systems and partnerships.

It is important that robust planning is undertaken to ensure that the new authorities are in a position to be successful. Any proposed outcome should be as financially sustainable as possible for all new authorities. This would allow them the best possible financial resilience to meet the future challenges that face local government.

Introduction

I am writing this statement on the implication and considerations of Local Government Reorganisation on the Governance structures and control framework of the current and successor organisations. I have worked in local government since 1999 primarily in larger unitary authorities and some district councils. I have also worked in British Overseas Territories of the Falkland Islands, South Georgia and South Sandwich Islands. I have held the role of Monitoring Officer in four councils. The Monitoring Officer's professional and legal duty is to ensure good governance is achieved throughout council. This facilitates positive outcomes for residents and ensures that the activities undertaken by the local authority are lawful in terms of legislation and proportionate and reasonable in respect to its application. The statutory obligation is set out in Section 5 and Section 5A of the Local Government and Housing Act 1989.

This statement provides my professional assessment of the significant opportunities and risks presented by the prospective Local Government Reorganisation (LGR) in Hampshire.

The Governance & Control Framework

East Hampshire District Council has developed an appropriate, reasonable and proportionate control and governance framework for an organisation of its size and complexity. This statement is supported by observations from the recent Corporate Peer Challenge, and from internal and external audit. The Annual Governance Statement provides a picture that is a robust structure overall but acknowledges the need for constant review and incremental improvements. My own knowledge of this organisation gained over the last 9 months supports the position that East Hampshire District Council has no significant governance or control framework issues. Organisations change and develop over time and East Hampshire District Council has clearly developed significantly since the 2020 exceptional governance report.

There are two substantial albeit transitory risks to any major structural changes in local government. In the present case we are likely to see a merger of East Hampshire District Council with between 3 and 5 other district councils with a substantial element of upper tier functions from the County Council. This will create a new unitary authority for a significant proportion of Hampshire.

The first presenting risk relates to the merger with other Councils. The level of risk for a District Council such as East Hampshire relates to the merger of services and finances with other district councils. All district councils will have the same objectives within a control framework but are likely to have different process in place to achieve satisfactory controls. Additionally East Hampshire District Council is not immediately

aligned to any existing unitary authority and will therefore not benefit from adoption of an obvious continuing council approach. A risk will arise for the new entity as district councils combine their processes with those of the County Council. This will provide for the amalgamation of two tiers of local authority into one with no obvious successor control framework. For example, combining multiple existing planning functions at district level and simultaneous merging into a new unitary entity. This may be mitigated by the adoption of a control framework of an existing large organisation such as the county council.

The risk to East Hampshire District Council is that elements of financial or policy control fail during the transitional period. These risks are by their very nature transitory and should resolve and diminish overtime as the new entity establishes its governance framework.

The second risk relates to the time it takes for governance to be established in the new organisation. Given the geographical footprint of East Hampshire it is likely the new unitary will inherit Councillors who will not have experience in a unitary council. It will be necessary to ensure the new body politic understands the duties, responsibilities and functions of the new unitary council. Councillors from either previously existing tier of local government will not be familiar with the functions and responsibilities of the other.

The opportunities presented by local government reorganisation arise from the proposition that economies of scale may be achieved and that a larger critical mass will allow the delivery of better or more efficient services. This relates equally well to the strengthening of wider control frameworks and the ability to resource to levels not achievable within a district council budget envelope.

In the longer term the control framework has been shown to work equally well irrespective of size. The 'cost of the democratic core', the nonproductive governance element of local government, should reduce on a per capita basis through economy of scale.

Democratic Engagement in Governance

The issue of adequacy of democratic representation will be addressed in the consequential ward and boundary reviews. This will likely give rise to a higher member to public ratio. In respect of adequacy of members to populate cabinet, scrutiny and regulatory functions this will be addressed in assessing the number of members required for the new council.

If comparator councils are used as a benchmark, a figure of around 100 members would be more than adequate to meet all the political obligations of members under a cabinet style system. This would again see a significant reduction in democratic core cost through rationalisation.

The proposal for reorganisation must address the suggestion of 'a democratic deficit' the increase in member to population ratio by clear proposals relating to area or place representation. There are numerous examples of how place boards or area committees have worked well to engage local communities with councils.

Behaviours

The success of the new entity will in part be dependent on the behaviours of the current councils and the prevailing attitude of the new council. It is essential that when the geographical footprint is identified, the constituent councils enter the reorganisation understanding the obligation to ensure the future success of the new entity. This will require the proper husbanding of reserves, retention of assets and an acceptance they are acting in the best interests of the residents of the totality of the new area and not the historic boundary.

The probability of effective long-term sustainability will be enhanced by rigorous modelling of the assets, liabilities and general finances. Extreme caution should be exercised if over optimistic modelling or potential savings are proposed through efficiency savings, aggregation or disaggregation of services. The new unitary council will need to be in a political position to deliver the necessary efficiencies proposed in the model, and reliance on aspirational shared services, trusts or alternative delivery models that do not currently exist presupposes the new unitary council decision making in terms of both willingness to adopt that model and its political mandate to deliver. This is important when justification for a model is dependent on aspirational 'shared services' delivery models which may not be agreed by the new unitary council for practical and political reasons. Members should be cautious of over reliance on the anticipated decision making by a yet to exist council to support a particular preferred option or model. This would place residents as hostages to an uncertain future in delivery and financial terms.

Introduction

This statement provides my professional assessment of the significant opportunities and substantial risks presented by the prospective Local Government Reorganisation (LGR) in Hampshire. As the officer with senior responsibility for this Council's statutory waste functions—primarily delivered through our major environmental services partnership—I must provide a clear, forward-thinking view on what I assess to be both a significant opportunity for service optimisation and a source of considerable, potentially existential, risk to service delivery.

The context for this reorganisation is not static. It coincides with the most profound legislative upheaval in the waste sector for a generation. Any structural reform of the council must therefore be evaluated not against our current service model, but against its fitness for purpose in a radically new and more demanding operational landscape.

The Waste Collection Authority: Functions and Present Landscape

Statutory Duties: As a Waste Collection Authority (WCA), our core statutory duty under the Environmental Protection Act 1990 is to arrange for the collection of household waste. This includes residual waste, specified recyclable materials, and, where requested, garden and bulky waste. We execute these duties primarily through our joint venture partnership with East Hampshire Norse (EHN), managing a complex logistical operation across the district.

The Current Two-Tier System: Waste services in Hampshire are fractured. As a WCA, we manage collection, while Hampshire County Council (HCC), as the Waste Disposal Authority (WDA), manages the disposal contract and infrastructure network. This separation, while historically functional, creates inherent inefficiencies. Decisions are often made to optimise costs within a single tier, rather than for the lowest "whole system cost". For instance, recent modelling for Hampshire has shown that while a fully co-mingled recycling collection is cheaper for Waste collection authorities (WCAs) to operate, the higher processing costs at the disposal stage make it a more expensive whole-system option than a twin-stream service. This structural conflict between tiers actively works against achieving the best value for the Hampshire taxpayer.

The Imminent Change

The service we deliver today will be unrecognisable within 24 months. The Environment Act 2021 mandates a fundamental reset.

Simpler Recycling:

- By 31 March 2026, we are required by law to implement weekly separate food waste collections for every household. This is not an ambition; it is a statutory deadline. As detailed in recent Cabinet reports, this single change necessitates a new fleet of seven specialist vehicles and, most critically, an expanded depot operation, which our current infrastructure cannot support. This has created a critical path dependency on securing the additional proposed new depot.
- Mandatory Collections: From 31 March 2026, all local authorities must collect a core set of dry recyclable materials (paper, card, plastic, glass, metal) and provide a separate, weekly collection of food waste for all households.
- Plastic Film: The collection of plastic film and bags will become mandatory from 31 March 2027.

EPR and Funding Uncertainty: The advent of Extended Producer Responsibility (EPR) shifts the cost of managing packaging waste to producers. While this introduces a new funding stream, it does not cover food waste. The Government's commitment to "new burdens" funding for the food waste service remains unquantified for ongoing revenue costs. This uncertainty represents a significant financial risk to Councils in implementing these reforms. For example, the EHDC authority projects an annual cost pressure of approximately £1 million for this new service, with no confirmed long-term funding settlement. This represents a severe financial risk.

County-Level Infrastructure Delay & The System Dilemma: The strategic response from the Project Integra partnership to these reforms was the planned investment in a new, county-wide twin-stream Materials Recovery Facility (MRF), designed to meet the Government's preferred model of separately collecting paper and card to maximise quality. However, HCC has formally confirmed this critical infrastructure will not be operational until late 2027 at the earliest. This delay creates a significant strategic dilemma. It forces a continued reliance on existing, ageing MRFs, which are better suited to a fully co-mingled system. This creates a direct conflict: the drive for higher-quality recyclates (favouring twin-stream) is unachievable without suitable infrastructure, forcing authorities to operate a collection system that may not be the most environmentally or financially optimal in the long term. For a new unitary authority, inheriting this infrastructure deficit would mean being immediately constrained in its ability to deliver a best-in-class, whole-system service.

The Merits of Unitarisation: The Opportunity for Whole System Optimisation

Viewed against this backdrop of mandated change and systemic friction, LGR presents a unique and timely opportunity to redesign waste services for efficiency, effectiveness, and long-term sustainability.

The single most significant benefit of a unitary model is the **elimination of the two-tier system**. By bringing collection and disposal responsibilities under a single organisation, the structural barrier to whole-system thinking is removed. Decisions on collection methodology, vehicle configuration, round design, and disposal routing

can be made on a single, unified business case that delivers the best overall value for money and environmental outcome for the taxpayer.

Specific benefits include:

- **Service Harmonisation:** A unitary authority can standardise collection containers, frequencies, and policies across a much wider geographic area, ending resident confusion and creating significant economies of scale in procurement (vehicles, bins) and communications.
- **Operational Efficiency:** Collection rounds can be redrawn based on pure logistics, ignoring legacy district boundaries. This will reduce vehicle mileage, fuel consumption, and carbon emissions.
- **Strategic Fleet & Depot Management:** A single, larger fleet can be managed more strategically, with integrated maintenance and a consolidated depot network, reducing overheads and improving resilience.
- **Integrated Public Messaging:** A single, trusted brand for all waste services simplifies communication and enhances public engagement in our shared environmental objectives.

Leveraging the Benefits: A Blueprint for Success

To capitalise on this opportunity, a new unitary authority must not simply merge existing operations. It must seize the chance to **transform** them. This requires:

A Robust Transition Programme: Establishment of a formal Transition Programme Board, with delegated authority and representation from all predecessor councils, to oversee the integration of contracts, assets, and TUPE implications.

Designing from a 'Green Field': The new authority should commission a whole-system review to design the optimal, harmonised service model from day one, rather than attempting to patch together disparate legacy systems.

A Unified Asset Strategy: A full review of all depot and vehicle assets from predecessor councils should be undertaken to create a lean and logical network of operational hubs that best serve the new geography.

The Downsides & Risks of Unitarisation: A Pragmatic Assessment

While the potential benefits are significant, the risks associated with a poorly managed transition are severe and could lead to service collapse and financial distress.

The Primary Risk: Disaggregation of Strategic Disposal Assets. This is the most significant threat. The county's network of Energy Recovery Facilities, MRFs, and Waste Transfer Stations was designed and built to operate as a single, integrated system. The geographic location and capacity of these assets are not evenly distributed across the region. An attempt to carve up this network based on new unitary boundaries may be operationally unworkable and financially catastrophic. It would leave some new authorities with a disproportionate level of infrastructure and

associated liability, while others would have insufficient capacity, forcing them to the open market at punitive rates. This would destroy existing economies of scale and create crippling new haulage costs.

Mitigation through a Formal Governance Model: This risk must be mitigated at a strategic level before any new authority is vested. Two principal governance models could achieve this, each with distinct merits and complexities:

- **An Inter-Authority Agreement (IAA):** A legally binding contract between the new unitary authorities. This would establish clear principles for shared access to the disposal network, cost-sharing formulas, future investment protocols, and operational rules. It would preserve the sovereignty of each authority while contractually obligating them to a common framework for disposal. While potentially faster to establish, its success depends entirely on the robustness of the initial negotiation and the goodwill between partners for resolving future disputes.
- **A Joint Waste Authority (JWA):** A separate legal entity, established under statute, with powers for waste disposal delegated to it by the new unitary authorities. A JWA provides a single point of accountability, consolidates expertise, and can act with strategic focus across the entire network. However, it requires a greater commitment from the unitaries, as it involves ceding direct control to a jointly owned body and is typically more complex to establish.
- **The Way Forward:** An options appraisal of these (and potentially other hybrid) governance models must be a primary workstream of the LGR transition. A decision on the permanent governance structure for waste disposal is a prerequisite for a stable and prosperous reorganisation.

Risk of Inheriting an Unaligned System (Collections vs. Infrastructure): The delay in delivering the new county MRF creates a profound risk for newly formed unitaries. They will inherit the responsibility for "whole system cost" but will be constrained by a processing infrastructure that may not align with the optimal collection methodology.

Risk: A new unitary could be forced to operate a non-compliant collection system because the available MRFs cannot efficiently handle a legislation-compliant twin-stream input. This would lock the new authority into a system with higher contamination, lower material values, and greater exposure to future disposal cost increases (e.g., via the UK Emissions Trading Scheme on energy-from-waste). Conversely, attempting to implement a twin-stream collection without the appropriate MRF would necessitate expensive haulage to third-party facilities, negating any potential savings.

Mitigation: The LGR transition planning must include a clear, agreed-upon "Infrastructure Roadmap" for Hampshire. This must define the definitive processing solution for dry recyclables and provide a realistic timeline and funding model that all new authorities can rely upon for their long-term service design and financial

planning. New unitaries cannot be expected to build their service models on an uncertain infrastructure foundation.

Risk of Contractual Misalignment. The new unitary authorities will inherit a complex patchwork of existing contracts with different providers, specifications, and, critically, different expiration dates. The County's main Waste Disposal Service Contract runs until 2030, whereas various collection contracts (including our own with EHN) will run past this date, while others may expire sooner. This misalignment makes a "Day 1" service transformation impossible. *

Mitigation: A core objective of the LGR transition programme must be the creation of a **long-term contract strategy**. This strategy must outline a phased approach to align these disparate contract end dates over a defined period. Only by achieving a co-terminus contract landscape can the new authority truly commission a fully integrated, whole-system waste service in the future.

Risk of Service Failure during Transition: Merging multiple, complex collection services carries a high risk of operational disruption (missed collections, confused crews, data migration failures), leading to intense public and political dissatisfaction.

Mitigation: A phased transition with clear timelines, strong project management governance, and a proactive, transparent public communications strategy to manage resident expectations. The exclusivity clause within our own JV partnership with EHN must also be handled carefully during any transition.

Conclusion: A Professional Recommendation

Local Government Reorganisation presents the opportunity to address the deep-seated inefficiencies of the two-tier system. For waste services, it is an opportunity to create a more logical, efficient, and user-friendly collection service that is genuinely fit for the future.

However, this opportunity is directly coupled with the existential risk of destroying the highly effective, integrated waste disposal system that currently serves all of Hampshire. A successful transition is not guaranteed.

Therefore, my professional recommendation is that the Council should advocate for a solution that provides clarity and stability from the outset:

- **Embrace unitarisation for Waste Collection Services** as a mechanism to drive efficiency, harmonisation, and long-term value.
- A formal **options appraisal** is conducted to establish and understand the situation and recommend an optimum solution for the Disaggregation of disposal assets into the new unitaries.
- The immediate development of a **Strategic Contract Transition Plan** to address the misalignment of inherited collection and disposal contract end-dates, creating a clear pathway towards a future, fully integrated service.

Introduction

I am writing this statement as the Executive Director for Communities to set out the context of a high performing Housing Service and to articulate my professional view on the merits and risks associated with Local Government Reorganisation.

I am Executive Director of Community at East Hampshire District Council. I have a BSc (Hons) in Environmental Health and hold full Chartered Environmental Health Officer status. I have postgraduate qualifications in Public Health, Management and have completed the Institute of Director Course in Company Direction. I have held Directors posts in 5 local authorities including 3 who were stock-owning and Chair Solace in the Southeast of England.

Summary

East Hampshire District Council (EHDC) is a leader in homelessness prevention and affordable housing innovation. Rather than owning housing stock, East Hampshire partners with registered providers to secure and manage affordable housing stock and has up until recently chaired the Hampshire Home Choice board – a sub-regional choice-based lettings scheme for social housing which EHDC has been a founder member of since its inception twenty years ago.

East Hampshire has restructured its housing solutions team to provide holistic, person-centred support through generic case officers who take overall responsibility for their case.

East Hampshire is supporting Ukrainian and Afghan guests, ensuring that both cohorts have dedicated Case Worker support, including an Afghan Re-settlement Programme partnership with Mears and MOD.

We have recently acquired eight homes to support our Afghan / Ukraine response and transformed a community building into temporary accommodation pods (Pinewood Lodge) to saving the council over £200k a year that would previously have been spent on bed and breakfast accommodation.

Context

District and Borough Councils are tasked with a range of functions relating to affordable housing provision and homelessness. The key duties under homelessness legislation are:

- Duty to Assess - Authorities must assess all eligible applicants who are homeless or at risk of homelessness. Assessment includes housing needs, support needs, and circumstances.

- Prevention Duty - Applies when someone is threatened with homelessness within 56 days. Authorities must work with the person to prevent homelessness, typically through a Personalized Housing Plan (PHP).
- Relief Duty - Applies when someone is already homeless. Authorities must help secure accommodation for 56 days, regardless of priority need status.
- Main Housing Duty - If homelessness is not resolved during the relief stage and the person is in priority need and not intentionally homeless, the authority must secure suitable accommodation.

Housing services also work in partnership with Planning and Environmental Health services to deliver affordable and sustainable housing. The key duties are:

- Assessing and Planning for Housing Needs -assessing and planning for housing needs across all tenures (social, private, affordable). This includes the needs of specific groups such as Gypsies, Travellers, and disabled people.
- Making Best Use of Existing Housing Stock - improving housing conditions and management, bringing empty homes back into use, and supporting private sector standards.
- Planning and Facilitating New Housing Supply - Local authorities identify land and set housing targets, work with developers and housing associations, and ensure infrastructure supports housing growth.
- Commissioning Housing Support Services - supporting vulnerable groups such as the elderly and disabled, linking housing with health, care, and support services.
- Ensuring Effective Housing and Neighbourhood Management - Local authorities engage tenants and communities, tackle anti-social behaviour, and promote energy efficiency and sustainability.

Key legislation includes

- Housing Act 1985
- Housing Act 2004
- Planning and Compulsory Purchase Act 2004
- Regulatory Reform Order 2002
- Housing Grants, Construction and Regeneration Act 1996
- Housing and Regeneration Act 2008
- Chronically Sick and Disabled Persons Act 1970
- Supporting People Strategy
- Equality Act 2006
- Anti-social Behaviour Act 2003
- Home Energy Conservation Act 1995

Demand / cost drivers

Homelessness

Key statistics from East Hampshire as an example -

- 466 applicants sought help in 2024/25 — a 22% increase since 2019/20.
- 62% of applications were from households without children
- 61% of applicants were threatened with homelessness within 56 days
- 68 households secured private rentals through the bond/deposit scheme since 2021
- 73% of users found the Housing Solutions Team friendly and approachable
- 44% of those threatened with homelessness didn't contact the team, doubting they'd be helped

EHDC takes a prevention first approach to homelessness. This includes:

- Where possible avoiding the use of bed and breakfast to keep homeless applicants closer to support and community networks
- Working with partner agencies such as Citizens Advice to ensure households can maximise income and address debt
- Supporting family and friends to sustain living arrangements and identifying a route to a planned move to avoid homelessness
- Working with Private Sector Housing to ensure tenants' rights are enforced
- Taking a multi-agency approach to sustain tenancies and minimise evictions
- Utilising our temporary accommodation, including the new units at Pinewood to reduce the length of time households stay in emergency accommodation
- Maximise use of disabled facilities grants to ensure that properties can be matched to residents who have additional housing needs.

Over 60% of demand is focused on applicants without children. These applicants tend to have more complex needs and liaison with specialist services such as substance misuse, social care, probation, health services and the police is vital to deliver sustainable homeless prevention.

There are low numbers of rough sleepers in East Hampshire, but we are working towards a zero figure. We have a joint contract with Havant Borough Council for Two Saints to provide outreach support to engage with rough sleepers. A wider function could result in pressure on localised services where current levels have been managed very well resulting in very low numbers.

We have also benefited from an HCC Social Inclusion funded contract with Two Saints to provide a 7-bed supported accommodation in Petersfield and deliver community support to prevent homelessness. This funding is finishing on 31st March 2026, and East Hampshire is discussing extending these services with Two Saints through direct commissioning.

We also lease Pinewood Lodge to Two Saints and commission their support services at this site to prevent homelessness and reduce reliance on bed and breakfast accommodation and keep households close to their existing support networks

Affordable housing

Key Statistics

- Home Ownership: 76% in East Hampshire vs. 69% in Southeast and 65% in England.
- Average House Price: £502,423 — 2nd most unaffordable district in Hampshire.
- Average Local Income: £30,907; house price-to-income ratio is 16.25.
- Affordable Housing Need: 632 homes annually (HEDNA, 2022).
- Homelessness (2024–2025):
 - 466 households approached the service in need of assistants
 - 377 homeless applications
 - 284 triggered relief duty
 - 8 owed main duty
 - Advice only given to 89 households
- Affordable Housing Stock: 7,412 homes owned by 29 housing associations.

EHDC is ensuring affordable housing is available for households which need it by:

- Increasing supply
 - Requiring 40% affordable housing on new developments (35% in Whitehill & Bordon)
 - Innovative projects including:
 - Pinewood Lodge modular temporary accommodation
 - Partnership with Merlion to provide shared equity housing which provides affordable home ownership without rent
 - We will go further by using Affordable Housing Developers Contributions (AHDCs) funding for at least four new projects, explore modular and 3D printed housing and identify and develop small Council or Housing Association-owned sites.
- Improving availability of affordable homes to offset house prices and rents rising faster than income:
 - Promote a mix of tenures on development sites
 - Cap rents at Local Housing Allowance levels
 - Priorities essential workers and low-income groups via s106 agreements
- Driving up quality to support wellbeing by:
 - Enforcing space standards
 - Survey housing needs and preferences
 - Monitor and improve existing housing stock condition

- Ensuring that homes are economical to run by delivering schemes with high sustainability and energy efficiency standards.
- Ensuring housing is available to meet people's needs including:
 - Extra-care schemes for older adults
 - Accessible homes for people with disabilities
 - Move on accommodation for homeless individuals
 - Support for refugees and local letting plans to ensure balanced communities including:
 - Acquiring eight homes for Afghan / Ukrainian refugees and providing dedicated support and caseworkers.

Risks and opportunities arising from service aggregation

- Local connection – our AHDCs (affordable housing developer contributions) have local connection commitments. These should be retained to help strengthen the sense of place and belonging. In many villages, families go back several generations.
- If temporary accommodation is aggregated into a single pool across the new unitaries, people with local connections could be squeezed out of their community by greater demand in other parts of the county and may have to relocate far away from their support networks.
- Existing partnerships and networks may be fragmented by re-drawing of the local authority map – e.g. Hampshire Home Choice scheme which has worked incredibly successfully for over 20 years, is not coterminous with any of the proposed unitary combinations, with some authorities retaining their own housing stock or other schemes for allocations. It is important that existing networks are celebrated and built upon as we move into new local authority entities.
- East Hampshire has a proven track record in innovation, particularly around doing things differently to meet the needs of residents living in rural areas. Other Districts and Boroughs will also have areas of innovation and best practice. It is important that we retain and replicate best practice from across the County.
- With our transition to generic case officers, East Hampshire has been able to break down silos and provide a better service for residents. It is important that lessons from this are taken forward to the new authorities to break down barriers between services which could work together to provide a more seamless experience of local government service provision
- Reorganisation provides an opportunity for better integration of housing at a strategic level, particularly with adult and children's services, by considering the housing needs of certain groups such as care leavers, a function currently at County level.
- LGR provides an opportunity to create a cohesive housing service across all needs linked to spatial planning and infrastructure elements.

Recommendations and conclusions

The transition to new unitary authorities provides an opportunity to re-design and aggregate services, taking the best practice from across the geographies and replicating at scale and design out processes which are not working.

In the early phases of the transition, it will be important to adopt a minimum 'disruption approach' to ensure that services stay safe and legal and vulnerable people do not fall through gaps in service.

We should however be bold in our medium to long term vision for housing and other local authority functions, to ensure that we do not miss this once in-a-lifetime opportunity to re-design services, break down silos and provide the best support for our residents where and when they need it whether they live in rural Hampshire or our larger towns and cities.