

AT A MEETING of the Cabinet of HAMPSHIRE COUNTY COUNCIL held at the Castle on 6 JUNE 2016:

**Chairman:
p Councillor Roy Perry**

Councillors:

p	Peter Edgar	p	Mel Kendal
p	Liz Fairhurst	p	Keith Mans
p	Andrew Gibson	p	Stephen Reid
a	Rob Humby	p	Patricia Stallard
p	Andrew Joy		

Also present with the agreement of the Chairman: Councillors J. Bennison, R. Bolton, A. Briggs, C. Carter, K. Chapman, M. Harvey, K. House, R. Huxstep, A. McNair-Scott, D. Simpson, E. Still, C. Wood and S. Wheale.

213. BROADCASTING ANNOUNCEMENT

The Chairman announced that the meeting was being recorded for broadcast on the County Council's website and would be available for repeated viewing. The press and members of the public were also permitted to film and broadcast this meeting. Those remaining at the meeting were consenting to being filmed and recorded, and to the possible use of those images and recording for broadcasting purposes.

214. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Humby.

215. DECLARATIONS OF INTEREST

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest and, having regard to Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Personal Interest in a matter being considered at the meeting they considered, having regard to Part 5, Paragraph 4 of the Code, whether such interest should be declared, and having regard to Part 5, Paragraph 5 of the Code, considered whether it was appropriate to leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with the Code.

216. CONFIRMATION OF MINUTES

The minutes of the meeting held on 21 March 2016 were confirmed as a correct record and signed by the Chairman.

217. DEPUTATIONS

No deputation requests had been received. It was noted that Councillors House and Wood would speak on Item 6 with the agreement of the Chairman.

218. CHAIRMAN'S ANNOUNCEMENTS

The Chairman thanked Members for attending this additional meeting of Cabinet at short notice, explaining that it had been called to discuss important developments regarding devolution in Hampshire.

219. REPORT ON THE FINDINGS OF DELOITTE ON OPTIONS FOR LOCAL GOVERNMENT IN HAMPSHIRE AND PROPOSALS FOR CONSULTATION

The Cabinet considered the report of the Chief Executive (Item 6 in the Minute Book) regarding options for local government in Hampshire.

With the agreement of the Chairman, Councillor House addressed Cabinet. Councillor House outlined his experience at various levels of Local Government and highlighted the relative strengths of each tier of Government in being able to achieve positive outcomes for the community it served as well as weaknesses relating to the County's ability to act individually and Parish and Town Councils' lack of capacity to undertake service delivery. He noted that combined authority proposals would retain the benefits of each of those tiers and provide the opportunity to work together, to draw greater responsibility and resources from central government. For this reason, he felt consideration of a unitary authority would be a missed opportunity and actually amounted to local centralisation through the concentration of power into a single Leader and Cabinet.

With the agreement of the Chairman, Councillor Wood addressed Cabinet. Councillor Wood welcomed the consideration of a unitary authority in Hampshire, noting that this would improve efficiency through substantial savings and political accountability and clarity to the electorate. It would therefore be a positive and modernising step, especially in comparison with the creation of another layer of authority. Councillor Wood noted that other areas had adopted a unitary model in recent years and had subsequently reported efficiencies. He supported the importance of public consultation, in particular with Parish Councils.

The report was set out by the Chief Executive, who confirmed a minor correction to the analysis in annex 3, which did not affect the ranking of options. The background and context to the report were set out, in particular with regards to other proposals for the future of local government in the County and the processes behind those, which meant that local government re-organisation had to be considered. The lack of sustainable evidence regarding the upper size limit of a unitary authority was noted and Cabinet heard that a Hampshire unitary authority would amount to an approximate 25 percent expansion in financial accountability, based on the same population of 1.2 million people.

The independence of the Deloitte research was confirmed and it was noted that Government had indicated that a range of options should be considered, hence

7 models being included. The nature of these models and the tests applied to them were detailed and it was highlighted that all of the unitary options would save money, with the county models saving money the most and causing least disruption. Model D was preferred because the savings could be applied to a relatively smaller population. Each model was based on council tax harmonisation at the lowest level. The recommendations were set out and it was drawn to Cabinet's attention that this was not a decision to re-organise at this stage, but only to consult on credible alternatives to combined authority proposals.

Cabinet welcomed the report and discussed the importance of setting out the County's position in light of the range of proposals from other Authorities. It was noted that the Hampshire and Isle of Wight Combined Authority proposals had been agreed by all parties, but became unfeasible because it was not possible to agree that the model include an elected Mayor, as insisted upon by Government, especially without the support of the electorate. It was therefore proposed and agreed to add the option of a Hampshire and Isle of Wight Combined Authority model to the consultation. Members had between them extensive experience of different tiers of local government and accepted that the two-tier system had many strengths. However they noted their responsibility to taxpayers to provide both efficient and effective government and therefore were duty bound to consider options that could save £40 million per year.

It was clarified that the existing County Council structure was sensitive and responsive to local needs and as such had been able to include very specific local requirements in large county-wide contracts, such as relating to street lighting. The economies of scale available to larger organisations and the benefits both financial and in terms of capacity to support high pressure areas relating to social care were highlighted as key advantages of a single unitary authority for Hampshire. Members also wanted to see the continuation of successful high quality support to education in Hampshire and welcomed the opportunity to further integrate high quality public health in service delivery. The ability of a unitary authority to adopt the existing local plans and take on the planning process was clarified.

It was noted that no other comparable analysis such as that undertaken by Deloitte had been published in the County and at no stage had the public been consulted on proposals put forward elsewhere. Cabinet hoped that a full consultation would gain the views of the public and also act to provide information on the options available.

The recommendations within the report were proposed and agreed with the correction of a minor typographical error and the addition of the Hampshire and Isle of Wight Combined Authority model to the options to be consulted upon. The decision record is attached to these minutes as Appendix 1.

Chairman, 20 June 2016