



Hampshire Association  
of Local Councils



## HAMPSHIRE ALC NEWSLETTER

### December 2025

Welcome to the December edition of the Hampshire ALC newsletter.

This issue provides an overview of key policy and sector developments, including the changes from the budget in terms of employment, progress on local government reorganisation, the adoption of the Countryside Access Plan 2025–2035 and postponement of the 2026 mayoral elections.

It also sets out our Christmas closure arrangements, highlights the upcoming training programme, and provides guidance on the Government's current consultation. Information on the January County Forum is included for members' reference.

We hope you find this edition informative and useful in your work supporting local communities. For more resources and upcoming events, [visit our website](#).

[Visit Our Website](#)

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## Budget Changes for Employment

There were some changes in the budget relating primarily to employment costs that Councils need to be aware of. Although these largely come into force in April 2026, some may have impacts on council budget and therefore precept requests.

### **National Minimum Wage**

New rates were announced for the national living and the national minimum wage

	<b>National Living Wage (21 &amp; over)</b>	<b>18–20 Rate</b>	<b>16–17 Rate</b>	<b>Apprentices (under 19)</b>
<b>From April 2026</b>	£12.71	£10.85	£8.00	£8.00

These changes may have an impact on pay differentials at the lower end of the salary spectrum and councils may wish to review these too.

### **Tax & NI**

The Income Tax personal allowance is fixed at the current level of £12,570 and will remain frozen until April 2031.

The basic rate band remains at £37,700, with the higher rate threshold remaining at £50,270. The freeze of these thresholds will continue until April 2031. The NICs Primary Threshold and Lower Profits Limit remain at £12,570. The NICs Upper Earnings Limit and Upper Profits Limit will remain aligned to the higher rate threshold at £50,270 up to April 2031 as well. Other employer NICs relief thresholds aligned to the Upper Earnings Limit will also be maintained at this level.

### **Other changes**

#### **Taxable benefits for company cars.**

Some changes were announced for Company Cars and also Company vans. Councils with these should check the HMRC website for how it will affect them.

#### **Cap on pension salary-sacrifice NIC relief**

For any councils operating a salary sacrifice scheme for pension contributions. From April 2029, the relief on pension contributions via salary sacrifice will be capped at £2,000 per year. Contributions above that will become subject to National Insurance (for both employer and employee).

#### **Mandating the reporting of benefits in kind via payroll software**

The use of payroll software to report and pay tax on benefits in kind will become mandatory, in phases, from April 2027. Any councils offering benefits in kind (e.g. company cars or home broadband for personal use) may already be using the RTI payroll system to report these, or may be using the older P11d form. From April

2027, it will be mandatory to report this through the RTI payroll system, and P11d forms will be phased out.

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## Hampshire ALC County Forum

### 29th January 2026

The County Forum will take place on Thursday 29 January 2026, from 10:00am to 12:00pm at Chilcomb Down House, Winchester.

The Forum provides an opportunity for member councils to discuss key issues, share best practice and collaborate on sector-wide challenges.

This forum will focus on Local Government Re-organisation and also Community Resilience.

Details:

**Date:** 29 January 2026

**Time:** 10:00am – 12:00pm

**Location:** Chilcomb Down House, Winchester

**Attendance:** Maximum of two delegates per council

[Book Today](#)



## Training Spotlight:

### VAT and Procurement for Local Councils

Hampshire ALC is pleased to offer a series of focused online training sessions designed to support clerks, finance staff and councillors with VAT and procurement responsibilities.

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### Introduction to the Procurement Act 2023

#### Only £35 - Delivered Online

Dates: 24 February, 24 April

This session introduces the new rules under the Procurement Act 2023, which came into force on 24 February 2025. It covers procurement basics for local councils, including inviting quotes, producing specifications and tender documentation, and achieving competition and value for money.

**Topics include:**

- Overview and purpose of the Act
  - Procurement principles
  - Procurement lifecycle
  - Conflicts of interest
- Thresholds and below-threshold contracts
  - Excluded contracts and direct awards
    - Estimating contract value
    - Scope/specification
  - Procedures and timescales
  - Publication requirements
  - Assessment summaries
- Contract award notice and standstill
- Contracting authorities' requirements

To book email: [training@hampshirealc.org.uk](mailto:training@hampshirealc.org.uk)

**Book Today**

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## **Introduction to VAT**

### **Free for a Limited Time Only - Online**

Dates: 26 February, 24 March, 16 April

Hampshire ALC is pleased to offer a series of focused online training sessions designed to support clerks, finance staff and councillors with VAT and procurement responsibilities.

**Introduction to VAT**

**Free for a Limited Time Only – Online**

Dates: 26 February, 24 March, 16 April

This session is for clerks, finance staff and councillors. It explains how VAT rules affect local councils, whether they are VAT registered or reclaim VAT using Form VAT126. It is particularly relevant for councils considering major building projects.

**Topics include:**

- How VAT law applies to local councils
- Where to find the law and guidance
- Business and non-business activities
  - Taxable and exempt sales

- When a council must register for VAT
- When VAT can be reclaimed
- Partial exemption
- Reclaiming VAT when using grants and donations

To book email: [training@hampshirealc.org.uk](mailto:training@hampshirealc.org.uk)

Book Today

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## VAT Partial Exemption Delivered Online

**Dates: 22 January, 14 April**

This session is for councils that lease or hire out land/buildings and need to understand when VAT may be unrecoverable, particularly for major projects or significant running costs.

**Topics include:**

- Law and guidance
- Non-business, taxable and exempt uses of land
- Apportioning costs
- Partial exemption calculations
- Occasional breaches
- Option to tax
- Capital Goods Scheme adjustments

To book email: [training@hampshirealc.org.uk](mailto:training@hampshirealc.org.uk)

Book Today



## Upcoming Training Course Schedule

Bookings are now open for all upcoming courses across January, February and March. These include:

## Upcoming Courses - January

### Knowledge and Core Skills

Wed 14th January 2026  
19:00 - 21:00  
Online

[Book Today](#)

### Handling Challenging Individuals

Tues 20th January 2026  
10:00 - 13:00  
Alresford Golf Club, Cheriton Road,  
Tichborne Down, Alresford, SO24 0PN

[Book Today](#)

### Managing Absence and Capability

Wed 21st January 2026  
10:00 - 15:00  
Hockley Golf Club, Twyford, Winchester,  
Hampshire, SO21 1PL

[Book Today](#)

### What You Need To Know

Tues 27th January 2026  
10:00 - 12:30  
Hockley Golf Club  
Spaces Available

[Book Today](#)

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## Upcoming Courses - February

### Intro to CiLCA

Thurs 5th February 2026  
10:00 - 12:30  
Weybrook Park Golf Club, Rooksdown  
Lane, Sherborne St John, Basingstoke,  
RG24 9NT

[Book Today](#)

### Cemetery Management & Compliance

Tues 10th February 2026  
09:15 - 12:30  
Online

[Book Today](#)

### Intro to Local Council Finance for Officers

24th February 2026  
10:00 - 12:30  
Online

[Book Today](#)

## Upcoming Courses - March

### Year End for Councillors

Wed 4th March 2026  
10:00 - 12:30  
Online

[Book Today](#)

### Knowledge and Core Skills

Thurs 5th March 2026  
10:00 - 14:30  
Hockley Golf Club, Twyford, Winchester,  
Hampshire, SO21 1PL

[Book Today](#)

### Digital and Data Compliance

Thurs 12th March 2026  
10:00 - 12:00  
Online

[Book Today](#)

### Year End and Officers Update

Tues 17th March 2026  
10:00 - 13:00  
Hockley Golf Club, Twyford, Winchester,  
Hampshire, SO21 1PL

[Book Today](#)



## Member Services Information

### Local Government Reorganisation Consultation – Reminder to Submit Your Response

Government consultation on reorganisation proposals for Hampshire and the Isle of Wight is now open until 11 January 2026.

Four proposals have been submitted by principal authorities, covering different models for unitary authorities. Councils are advised to submit a corporate response and encourage residents to provide individual responses.

Full documentation and submission links are available on the [Government's consultation page](#). Additional guidance on Community Governance Reviews and LGR is also available.

[Submit Your Response](#)

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## Mayoral Elections 2026 – Postponement

As you may have seen recently in the news the Government has decided to postpone the proposed Mayoral elections scheduled for May 2026 for two years until 2028. This decision also applies to all four areas included in the Devolution Priority Programme, including Sussex & Brighton, Greater Essex, and Norfolk & Suffolk.

The Government believe this will allow more time for local government re-organisation to be implemented and ensure strong unitary structures are in place before the mayors take office. Until the Mayor is elected in 2028, interim representation on the Council of Nations & Regions will be carried out jointly by leaders of the existing four upper tier authorities (Hampshire County Council, The IoW Council, Portsmouth City Council and Southampton City Council).

Ministers have confirmed that local council elections in 2026 will take place as planned.

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## Christmas Arrangements

Hampshire ALC will be closed for the Christmas and New Year period from:  
Wednesday 24th December to Friday 2nd January inclusive.

During this time, the office will not be staffed, and tickets and emails will be responded to when we reopen on Monday 5<sup>th</sup> January.

We would like to take this opportunity to thank our member councils for their continued support over the past year and wish you all a wonderful Christmas and a happy New Year.





Hampshire ALC supports local councils in improving the quality of life for communities across Hampshire.

With expert training, advice, and a strong network of specialists, we help councils tackle challenges, plan ahead, and represent their residents effectively. As a collective voice, we also lobby regionally and nationally to influence the issues that matter most.

**Join us to explore the full benefits of membership.**

**Contact Us Today**



Hampshire Association of Local Councils  
Floor 2, Eastleigh House, Upper Market Street, SO50 9YN

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