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NOTICE OF MEETING

Meeting	Cabinet
Date and Time	Tuesday, 16th April, 2024 at 10.30 am
Place	Ashburton Hall, Ell Court, The Castle, Winchester
Enquiries to	members.services@hants.gov.uk

Carolyn Williamson FCPFA
Chief Executive
The Castle, Winchester SO23 8UJ

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AGENDA

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2. DECLARATIONS OF INTEREST

All Members who believe they have a Disclosable Pecuniary Interest in any matter to be considered at the meeting 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 is discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore all Members with a Personal Interest in a matter being considered at the meeting should consider, 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, consider whether it is appropriate to leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with the Code.

3. MINUTES OF PREVIOUS MEETING (Pages 5 - 26)

To confirm the minutes of the previous meeting.

4. CHAIRMAN'S ANNOUNCEMENTS

To receive any announcements the Chairman may wish to make.

5. DEPUTATIONS

To receive any deputations notified under Standing Order 12.

6. DRIVING TOWARDS ECONOMIC STRENGTH (Pages 27 - 48)

To consider an update report of the Director of Hampshire 2050 on the state of Hampshire's economy and to highlight latest developments on sub-national economic policy making, recognising the importance of a strong and prosperous economy on wider long-term outcomes across the county.

7. ANNUAL REPORT OF THE DIRECTOR OF PUBLIC HEALTH 2023/24: LET'S NOT WAIT – ENABLING HAMPSHIRE'S CHILDREN TO BE A HEALTHY WEIGHT (Pages 49 - 66)

To consider the annual report of the Director of Public Health regarding childhood weight and obesity.

8. LOCAL GOVERNMENT DECLARATION ON TOBACCO CONTROL (Pages 67 - 74)

To consider a report of the Director of Public Health proposing County Council support to the Local Government Declaration on Tobacco Control

ABOUT THIS AGENDA:

On request, this agenda can be provided in alternative versions (such as large print, Braille or audio) and in alternative languages.

ABOUT THIS MEETING:

The press and public are welcome to attend the public sessions of the meeting. If you have any particular requirements, for example if you require wheelchair access, please contact members.services@hants.gov.uk for assistance.

County Councillors attending as appointed members of this Committee or by virtue of Standing Order 18.5; or with the concurrence of the Chairman in connection with their duties as members of the Council or as a local County Councillor qualify for travelling expenses.

Agenda Item 3

AT A MEETING of the Cabinet of HAMPSHIRE COUNTY COUNCIL held at The Castle, Winchester on Tuesday, 6th February, 2024

Chairman: * Councillor Rob Humby

Councillor Roz Chadd	* Councillor Steve Forster
* Councillor Liz Fairhurst	* Councillor Nick Adams-King
* Councillor Jan Warwick	* Councillor Russell Oppenheimer
* Councillor Edward Heron	* Councillor Kirsty North

Also present with the agreement of the Chairman: Councillors Jonathan Glen, Neville Penman and Stephen Philpot

175. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Roz Chadd.

176. **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 at the time of the relevant debate and, having regard to the circumstances described in 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 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 whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

Members were reminded of a general dispensation granted by the Conduct Advisory Panel relating to the Revenue Budget and Precept item. This dispensation enables Members with a beneficial interest in land within the administrative area of the County Council to participate and vote in County Council business relating to the setting of Council Tax or Precepts. It was therefore taken as read that all Cabinet Members had declared an interest in item 7 on the agenda.

Councillor Forster declared a personal interest in item 10, Adoption of Local Transport Plan 4, as his business was involved in the Electric Vehicle Charging sector.

177. **MINUTES OF PREVIOUS MEETING**

The minutes of the meeting held on 12 December 2023 were agreed as a correct record.

178. CHAIRMAN'S ANNOUNCEMENTS

The Chairman began by wishing His Majesty the King a full and swift recovery, following his recent cancer diagnosis.

He went on to make the following announcements:

He welcomed the recent announcement that the Government had topped up the Local Government Finance Settlement with an additional £600 million, of which £500 million would go to councils delivering social care services. The County Council's share was expected to be just over £10 million.

The County Council welcomed the Government's announcement to protect the health of children and young people through a ban on disposable vapes and a restriction on vape flavours and marketing.

Following stormy weather during January, he expressed thanks to the County Council's highways workers, and all frontline teams, who had worked around the clock in very challenging and changeable weather conditions to support vulnerable residents and keep road users safe.

Alongside the Deputy Leader and Member Champion for the Homes for Ukraine Scheme, he had recently met and witnessed the dedication and passion of the volunteers at New Forest for Ukraine, who were doing brilliant work managing public donation points across the New Forest and sending aid to Charitable Foundations in Ukraine. He expressed thanks to Hampshire residents for continuing to show compassion and generosity towards the people of Ukraine by donating and sending aid to refugees in Ukraine or supporting resettlement of an individual or family from Ukraine.

The Hampshire Achieves service, which offers apprenticeships and directly supports the County Council's Apprenticeships Levy programme, was recently judged good in all aspects by Ofsted.

He had spoken recently at the Future World of Work Conference hosted by Winchester University. He emphasised the importance of joining the dots between business, education and local government in developing a shared understanding of Hampshire's current and future skills needs.

179. DEPUTATIONS

There were no deputations.

180. DRIVING TOWARDS ECONOMIC STRENGTH

Cabinet considered a report of the Director of Hampshire 2050 on the Hampshire's economy and latest developments on sub-national economic policy making, recognising the importance of a strong and prosperous economy on wider long-term outcomes across the county. The Director updated Cabinet on progress in relation to the transfer of LEP functions and accountabilities noting that shadow governance was well established. Cabinet also discussed the wider

strategic opportunities afforded by an Economic Growth Board, bringing together skills, transport and infrastructure under a single place-based governance. It was acknowledged that the County Council was committed to working with partners where it was in the Council's interest to do so, and it was important to take advantage of the large scale of economic growth and productivity in the region and make use of existing partnerships and sectors.

The recommendations in the report were considered and agreed. A decision record is attached to these minutes.

181. REVENUE BUDGET AND PRECEPT FOR 2024/25

Cabinet considered a report of the Deputy Chief Executive and Director of Corporate Operations on proposals for the revenue budget and precept for 2024/25, and an update on the financial position for 2023/24.

Cabinet heard that the Section 25 Report from the Chief Financial Officer concluded that the County Council was still in a strong position for 2024/25 but that unless the deficit going forward was addressed there would be a funding gap for 2025/26.

The pressures in children's services had been difficult to predict due to the number of variables. However, it was expected that forecasting, particularly for school transport need, would improve going forward.

The adult social care grant had reduced proposed drawdown from reserves by approximately £10m. Although welcomed, it would not be a significant change. However, it was key that government had recognised the ongoing pressure and appeared to be giving a commitment to address it.

The recommendations in the report were considered and agreed. A decision record is attached to these minutes.

182. CAPITAL PROGRAMME FOR 2024/25 TO 2026/27

Cabinet considered a report of the Deputy Chief Executive and Director of Corporate Operations regarding the proposed capital programme for 2024/25 and provisional programmes for the subsequent two financial years.

During discussion, Cabinet heard that the government was consulting on increasing flexibility to use capital receipts for revenue funding, although this was regarded as an option of last resort.

The recommendations in the report were considered and agreed. A decision record is attached to these minutes.

183. SCHOOL STREETS

Cabinet considered a report of the Director of Hampshire 2050 on the current School Streets trials and a proposed way forward for the existing trial sites and other interested schools. In response to questions, it was noted that guidance

would be available to schools via the County Council's website, setting out the funding responsibilities and eligibility criteria for commissioning a new scheme.

The recommendations in the report were considered and agreed. A decision record is attached to these minutes.

184. ADOPTION OF LOCAL TRANSPORT PLAN 4

Cabinet considered a report of the Director of Hampshire 2050 seeking recommendation to Council for the adoption of the draft new Local Transport Plan (LTP4) as the Council's principal transport policy document. The draft Plan was the result cross-cutting engagement across the County Council and its neighbours.

Cabinet welcomed the Plan, acknowledged the work undertaken in Hampshire districts and the links to supporting documents. It was also noted that the draft Plan aimed to deliver on recommendations from Public Health reports related to place shaping and tackling obesity to keep Hampshire healthy.

In endorsing the draft LTP and recommending adoption by the County Council, the Cabinet requested the addition of reference to the legislative changes resulting from the Levelling-up and Regeneration Act 2023 between public bodies and national parks from having 'regard to' the objectives of National Parks' Management Plan to having a 'requirement to contribute to the preparation, implementation or review' of the Management Plan. Cabinet delegated authority to the Director of Hampshire 2050 to make those and other minor changes prior to publication of the document.

The recommendations in the report were considered and agreed. A decision record is attached to these minutes.

185. CONSTITUTIONAL UPDATE, STANDING ORDERS AND PROTOCOL FOR MEMBER OFFICER RELATIONS

Cabinet considered a report of the Chief Executive on updates to the Constitution on Standing Orders and the Protocol for Member Officer relations. It was proposed to update Standing Orders to give the Chairman of Council committees and panels the ability to make reasonable adjustments to enable a person to participate in meetings. It was heard that the Protocol for Member Officer Relations would be included in the Council's Constitution, as previously set out informally, with the additional of guidance for members around contacting and questioning officers. This addition was intended to provide helpful guidance around subject of conversation, for clarification.

The recommendations in the report were considered and agreed. A decision record is attached to these minutes.

186. DIGITAL HAMPSHIRE: FUTURE STRATEGY

Cabinet considered a report of the Director of Hampshire 2050 on the future approach to the County Council's strategy for Hampshire as a Digital Place, covering inclusion, infrastructure and systems leadership.

During discussion, it was acknowledged that 5G and satellite broadband were likely to be part of the solution to providing digital connectivity in more rural areas across Hampshire. Cabinet also heard that there would be opportunities through the Economic Growth Board and it was expected that the future digital strategy would be a high priority for the Board.

The recommendations in the report were considered and agreed. A decision record is attached to these minutes.

Chairman,

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HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Cabinet
Date:	6 February 2024
Title:	Driving Towards Economic Strength
Report From:	Director of Hampshire 2050

Contact name: Ivan Perkovic

Email: ivan.perkovic@hants.gov.uk

1. The decision:

It is recommended that Cabinet:

- 1.1. Notes that the recent resilience of Hampshire's economy appears to be fading as the drag from high inflation and interest rates constrain spending, investment and economic growth which places an emphasis on the County Council to continue to use its scale and influence to drive towards long term economic competitiveness of Hampshire, through shaping and influencing the key priorities set out in the Economic Strategy approved by Cabinet in December 2022. This also includes the County Council's role in promoting place-based Regeneration and Growth Partnerships.
- 1.2. Notes a range of supply side reforms, tax cuts and spending decisions announced in the Autumn Statement including a £50 million investment from the Levelling-Up Fund into Hampshire and projected decrease in day-to-day spending in unprotected departments over the spending period.
- 1.3. Notes the update on the integration of Local Enterprise Partnership (LEP) functions following the recent Government announcement that Upper-tier Local Authorities will take on the responsibility for LEP functions from April 2024 and the government's decision to rapidly expand devolution to single council areas that do not have a neighbouring or island unitary.

2. Reason for the decision:

- 2.1. To provide Cabinet with an analysis of the economic impact and outline those issues that the County Council continues to use its scale and influence to contribute to the county and sub-region economic recovery going forward.

3. Other options considered and rejected:

- 3.1. Not to note the issues raised or agree the County Council's approach to governance for former LEP services and programmes post 31 March 2024.

This option was rejected as it would be against the best interests of the Hampshire economy.

4. Conflicts of interest:

4.1. Conflicts of interest declared by the decision-maker: None.

4.2. Conflicts of interest declared by other Executive Members consulted: None.

5. Dispensation granted by the Conduct Advisory Panel: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

Approved by:

Date:

6 February 2024

**Chairman of Cabinet
Councillor Rob Humby**

HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Cabinet
Date:	6 February 2024
Title:	Revenue Budget and Precept 2024/25
Report From:	Deputy Chief Executive and Director of Corporate Operations

Contact name: Rob Carr

Email: Rob.carr@hants.gov.uk

1. The decision:

1.1. That Cabinet:

- a) Notes the latest position for the current year as compared to that reported to the last Cabinet.
- b) Approves the updated cash limits for directorates for 2024/25 as set out in Appendix 2.
- c) Approves that the stage 2 consultation results and subsequent decision making are reported to Cabinet in July rather than individual Executive Members.
- d) Delegates authority to the Director of Corporate Operations, following consultation with the Leader and the Chief Executive to make changes to the budget following Cabinet to take account of new issues, changes to figures notified by District Councils or any late changes in the final Local Government Finance Settlement.

1.2. That Cabinet recommends to County Council that:

- a) The Treasurer's report under Section 25 of the Local Government Act 2003 (Appendix 6) be taken into account when the Council determines the budget and precept for 2024/25.
- b) The Revised Budget for 2023/24 set out in Appendix 1 be approved.
- c) The revenue pressures set out in Section G be approved.
- d) The Revenue Budget for 2024/25 (as set out in Appendix 3 and Appendix 4) be approved.
- e) The Reserves Strategy at Appendix 5 be approved.
- f) The **council tax requirement** for the County Council for the year beginning 1 April 2024, be £826,732,345.43.

- g) The County Council's band D council tax for the year beginning 1 April 2024 be £1,533.24, an increase of 4.999%, of which 2% is specifically for adults' social care.
- h) The County Council's council tax for the year beginning 1 April 2024 for properties in each tax band be:

	£
Band A	1,022.16
Band B	1,192.52
Band C	1,362.88
Band D	1,533.24
Band E	1,873.96
Band F	2,214.68
Band G	2,555.40
Band H	3,066.48

- i) Precepts be issued totalling £826,732,345.43 on the billing authorities in Hampshire, requiring the payment in such instalments and on such date set by them previously notified to the County Council, in proportion to the tax base of each billing authority's area as determined by them and as set out below:

Local Authority	Tax Base	Council Tax Precept (HCC share)
Basingstoke and Deane	69,800.30	107,020,611.97
East Hampshire	52,599.43	80,647,550.05
Eastleigh	49,037.29	75,185,934.52
Fareham	44,188.90	67,752,189.04
Gosport	26,980.90	41,368,195.12
Hart	42,690.97	65,455,502.84
Havant	42,774.50	65,583,574.38
New Forest	72,371.50	110,962,878.66
Rushmoor	33,011.65	50,614,782.24
Test Valley	52,059.00	79,818,941.16
Winchester	53,691.65	82,322,185.45

- j) The Capital & Investment Strategy for 2024/25 (and the remainder of 2023/24) as set out in Appendix 7 be approved.
- k) The Treasury Management Strategy for 2024/25 (and the remainder of 2023/24) as set out in Appendix 8 be approved.

- l) Authority is delegated to the Director of Corporate Operations to manage the County Council's investments and borrowing according to the Treasury Management Strategy Statement as appropriate.
- m) The Council's Constitution and Policy Framework are reviewed and updated in due course and where necessary to ensure that they align with the principles of legal minimum service provision.

2. Reasons for the decision:

2.1. The County Council must agree the 2024/25 budget and set the Council Tax for 2024/25 at its meeting on 22 February 2024. The Leader will present his budget speech and recommendations at the meeting. This report provides the background to those budget decisions and presents the recommendations from the Leader and Cabinet to the County Council.

3. Other options considered and rejected:

3.1. In effect, the number of options for setting the budget are limitless and Leaders of the Opposition Groups may wish to present alternative recommendations on the budget and Council Tax at County Council as an amendment to the proposals.

4. Conflicts of interest:

- 4.1. Conflicts of interest declared by the decision-maker: None
- 4.2. Conflicts of interest declared by other Executive Members consulted: None

5. Dispensation granted by the Conduct Advisory Panel: None

6. Reason(s) for the matter being dealt with if urgent: None

7. Statement from the decision maker:

<p>Approved by:</p> <p>-----</p> <p>Councillor Rob Humby Chairman of Cabinet</p>	<p>Date:</p> <p>6 February 2024</p>
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HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Cabinet
Date:	6 February 2024
Title:	Capital Programme 2024/25 to 2026/27
Report From:	Deputy Chief Executive and Director of Corporate Operations

Contact name: Rob Carr

Email: Rob.carr@hants.gov.uk

1. The decision:

1.1. That Cabinet:

- a) Recommends to County Council that the capital programme for 2024/25 and the provisional programmes for 2025/26 and 2026/27 as set out in Appendix 1 to the report be approved, including the identified carry forward of resources.
- b) Recommends to County Council that the revised capital programme cash limits for 2023/24 be approved.
- c) Recommends to County Council that the scheme value for the Bishopstoke Road scheme within the Universal Services capital programme be increased from £5.3m to £8.1m to be funded by S106 contributions, DfT LTP Integrated Transport Block grant and Concessionary Fares budget.
- d) Approves the increase in scheme value for the Crookhorn College SCOLA recladding scheme from £2m to £3.3m to be funded from the reallocation of SCA grant funding and approves the transfer of this project from the 2024/25 programme to the 2023/24 programme.
- e) Approves the increase in scheme value for the Henry Beaufort School SCOLA recladding scheme from £2.1m to £3.1m to be funded from the reallocation of SCA grant funding and approves the transfer of this project from the 2024/25 programme to the 2023/24 programme.
- f) Notes that the locally resourced capital programme has been prepared in line with the changed treatment of capital guidelines from 2025/26 onwards as agreed in December 2023.

2. Reasons for the decision:

- 2.1. The County Council must agree its capital programme at its meeting on 22 February 2024. The Leader will present his budget speech and recommendations at the meeting. This report provides the background to those budget decisions and presents the recommendations from the Leader and Cabinet to the County Council.

3. Other options considered and rejected:

3.1. Other options are not available as far as process and timetable are concerned, but the Leader of the Opposition may wish to present alternative recommendations on the capital programme at County Council, as an amendment to these proposals.

4. Conflicts of interest:

4.1. Conflicts of interest declared by the decision-maker: None

4.2. Conflicts of interest declared by other Executive Members consulted: None

5. Dispensation granted by the Conduct Advisory Panel: Not applicable

6. Reason(s) for the matter being dealt with if urgent: Not applicable

7. Statement from the decision maker:

Approved by:	Date:
----- Councillor Rob Humby Chairman of Cabinet	6 February 2024

HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Cabinet
Date:	6 February 2024
Title:	School Streets
Report From:	Director of Hampshire 2050

Contact name: Dominic McGrath

Email: dominic.mcgrath@hants.gov.uk

1. The decision:

- 1.1. That Cabinet confirms the Council's approach to School Streets as supportive in principle of individual future schemes, on the condition that the costs of commissioning and decommissioning are fully covered by external parties, that they are managed by the school requesting them and that the proposed locations meet appropriate qualification criteria.
- 1.2. That Cabinet approves the continuation of existing School Streets for as long as the schools wish to and are able to continue running them.

2. Reason for the decision:

- 2.1. The decision is to give certainty around the future of existing and potential future School Streets in Hampshire.

3. Other options considered and rejected:

- 3.1. The option to remove existing School Streets was considered and rejected. They are successful and popular and operate at minimal cost to the Council, as they are operated by volunteers.
- 3.2. The option to recommend a further County Council funded programme of School Streets was considered and rejected because there is no identified funding at this time and the provision of School Streets is a discretionary service. In the light of that and the focus on statutory services, the Council is not in a position to fund or initiate a programme.

4. Conflicts of interest:

- 4.1. Conflicts of interest declared by the decision-maker:
- 4.2. Conflicts of interest declared by other Executive Members consulted:

5. Dispensation granted by the Conduct Advisory Panel: none.
6. Reason(s) for the matter being dealt with if urgent: not applicable.
7. Statement from the Decision Maker:

Approved by:

Date:

6 February 2024

**Chairman of Cabinet
Councillor Rob Humby**

HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Cabinet
Date:	6 February 2024
Title:	Adoption of Local Transport Plan 4
Report From:	Director of Hampshire 2050

Contact name: Dominic McGrath

Email: dominic.mcgrath@hants.gov.uk

1. The decision:

- 1.1. That Cabinet endorses the Local Transport Plan 4 (LTP4) as appended to the supporting report at Appendix 1 and recommends it to full council for approval and adoption.
- 1.2. That Cabinet notes the new LTP4 monitoring regime as set out in the supporting report and agrees to delegate authority to the Director of Hampshire 2050 to research, monitor and publish progress reports in line with the monitoring proposals.
- 1.3. That Cabinet notes how delivering the LTP4 and associated policies and measures will support the Strategic Plan and meets the Council's statutory duty to publish a Local Transport Plan.
- 1.4. That Cabinet agrees to delegate authority to the Director of Hampshire 2050 to make any minor changes to the draft following Cabinet and Full Council and publish the document.
- 1.5. That Cabinet agrees to delegate authority to the Director of Hampshire 2050 to undertake any work necessary to advance the actions and strategies listed in LTP4, including authority to review the suite of policies and guidance, and to bring forward proposals to ensure they align with the LTP4 principles and Healthy Streets Framework where possible, to develop and publishing new or update old guidance and to develop other supporting documentation such as area and topic strategies.
- 1.6. Notes the work ongoing to develop a pipeline of schemes, including a real time digital public interface and agrees to delegate authority to the Director of Hampshire 2050 to undertake any work necessary to keep the pipeline up to date, prioritise measures and in due course add them to the feasibility and studies programme so long as they comply with the policies set out in the Local Transport Plan.

2. Reasons for the decision:

- 2.1. It is a statutory requirement that all Local Transport Authorities to formulate transport policies and publish them as a Local Transport Plan and keep them under review.
- 2.2. Approval to develop and consult on a DRAFT Local Transport Plan was agreed in 2020 and 2022. Following on from this a new LTP has been written and consulted on. It has been amended and updated to reflect the views of consultees and changes in policy or context.

3. Other options considered and rejected:

- 3.1. The option of not adopting LTP4 was considered and rejected. There is a statutory requirement to keep the LTP up to date.
- 3.2. The option of deferring or delaying the adoption of the LTP was considered and rejected. Further deferral would likely require an additional round of public consultation, which would involve substantial additional cost to the Council.

4. Conflicts of interest:

- 4.1. Conflicts of interest declared by the decision-maker:
- 4.2. Conflicts of interest declared by other Executive Members consulted:

5. Dispensation granted by the Conduct Advisory Panel: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

Approved by: ----- Chairman of Cabinet Councillor Rob Humby	Date: 6 February 2024
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HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Make:	Cabinet
Date:	6 February 2024
Title:	Constitutional update, Standing Orders and Protocol for Member Officer Relations
Report From:	Chief Executive

Contact name: David Kelly-Assistant Director Legal Services and Monitoring Officer

Email: David.kelly@hants.gov.uk

1. The decision:

- 1.1 That Cabinet approves the revised Standing Order 38 set out in [Appendix 2](#) for recommendation to the County Council.
- 1.2 That the Cabinet approves the updated Protocol for Member Officer Relations as set out in [Appendix 4](#) for recommendation to the County Council.

2. Reason for the decision:

- 2.1 The decision is required to update Standing Orders to enable the Chairman to agree reasonable adjustments to Standing Orders to facilitate the participation of Members and others with disabilities (as defined in the Equality Act 2010) in County Council business, and to update the Protocol for Member Officer relations to take account of the development of the Member Contact Protocol.

3. Other options considered and rejected:

- 3.1. Not to update Standing Orders. The County Council has a duty under the Equality Act 2010 so that where a person has a disability which puts them at a substantial disadvantage in comparison with others who are not disabled to make such adjustments as are reasonable in the circumstances in order to avoid that disadvantage.

4. Conflicts of interest:

- 4.1. Conflicts of interest declared by the decision-maker: None
- 4.2. Conflicts of interest declared by other Executive Members consulted: None

5. Dispensation granted by the Conduct Advisory Panel: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

Approved by:

Date:

6 February 2024

**Chairman of Cabinet
Councillor Rob Humby**

HAMPSHIRE COUNTY COUNCIL

Executive Decision Record

Decision Maker:	Cabinet
Date:	6 February 2024
Title:	Digital Hampshire: Future Strategy
Report From:	Director of Hampshire 2050

Contact name: Emma Noyce

Email: Emma.noyce@hants.gov.uk

1. The decision:

- 1.1. That Cabinet confirms the County Council's future role and responsibility for Digital, including a creating a greater operational distance between the systems leadership role and the operational ownership and responsibility for infrastructure delivery. The future strategic responsibility is defined as:

Digital Inclusion: A duty to ensure that our residents have the skills, knowledge and confidence to access our services safely online, through providing an improved 'digital front door' and providing an appropriate 'physical front door' to enable people to engage with our digital organisation.

Digital Infrastructure: To enable suppliers to invest in Hampshire's digital infrastructure by facilitating relationships, providing reasonable access to the information we hold and promoting the communications of our partners.

Systems Leadership: To use our influence to convene (and, where appropriate, lead) partnerships to enable collective action on shared strategic priorities.

- 1.2. That Cabinet endorses the County Council's support for the development of a Digital Place Strategy for Hampshire.

2. Reasons for the decision:

- 2.1. On 12 December 2023 a paper was brought to Cabinet considering Hampshire's previous role in delivering the Superfast Broadband and marking the closure of this phase of activity. The report considered by the Executive Member as part of this decision moves the discussion onwards and looks to the future – noting that what is needed going forward will be different to what was required in the past.

2.2. The paper describes the importance of digital connectivity and inclusion in the context of the future prosperity of Hampshire and the wellbeing of its residents. It considers three key themes: Inclusion, Infrastructure and Systems Leadership; and seeks to articulate Hampshire County Council’s role in respect of each.

2.3. The report notes the direct responsibilities of Hampshire County Council, but also recognises that the County Council is just one contributor in a much broader collective of public, charitable and private sector organisations. It therefore resets the County Council’s position and clarifies the difference between the direct operational responsibilities of the County Council and our role in terms of systems leadership and partnership working.

3. Other options considered and rejected:

3.1. The County Council could choose not to engage with Digital Place strategy. This would not be in the best interests of Hampshire or its residents.

3.2. Alternatively, the County Council could choose to increase its involvement. This is not in accordance with the agreed financial principles of the County Council (see paragraph 11 of the report).

4. Conflicts of interest:

4.1. Conflicts of interest declared by the decision-maker:

4.2. Conflicts of interest declared by other Executive Members consulted:

5. Dispensation granted by the Conduct Advisory Panel: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

Approved by: ----- Chairman of Cabinet Councillor Rob Humby	Date: 6 February 2024
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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	16 April 2024
Title:	Driving Towards Economic Strength
Report From:	Director of Hampshire 2050

Contact name: Gary Westbrook

Email: Gary.westbrook@hants.gov.uk

Purpose of this Report

1. The purpose of this report is to provide a timely update on the state of Hampshire's economy and to highlight latest developments on sub-national economic policy making including current issues affecting skills, economic development, and strategic planning, recognising the importance of a strong and prosperous economy as a critical enabler of wider long-term outcomes across the County.

Recommendations

It is recommended that Cabinet:

2. Notes that the economy fell into a mild recession at the end of last year, which places an emphasis on the County Council to continue to use its scale and influence to drive towards long term economic competitiveness of Hampshire, through shaping and influencing the key priorities set out in the Economic Strategy approved by Cabinet in December 2022. This also includes the County Council's role in promoting place-based Regeneration and Growth Partnerships.
3. Notes the Government announcement that councils across England will receive a £600 million support package, in addition to funding outlined at the local government finance settlement, to help them deliver key services. The support package will primarily be added to the Social Care Grant to bolster social care budgets. The Spring Budget did not address ways to ease the severe financial pressures faced by local government.

4. Notes the new requirement to produce and publish local authority productivity plans by July 2024 which need to set out how councils will improve service performance and reduce wasteful expenditure.
5. Notes the update on the integration of Local Enterprise Partnership (LEP) functions into the Upper-tier Local Authorities in Hampshire, including the proposals for decision making.

Executive Summary

6. The latest preliminary estimate suggests that the UK economy fell into a recession at the end of last year and economic growth in Hampshire remains subdued and is projected to remain broadly flat this year.
7. Timely evidence from business and consumer surveys suggests that a sluggish recovery most likely started in January, and that any recession is likely to be short lived. Business activity increased and retail sales rebounded strongly in January accompanied by further improvements in consumer and business sentiment.
8. Backward looking data on employment, activity and unemployment in Hampshire and Isle of Wight remains strong and better than the regional average but forward-looking jobs vacancy data (online jobs postings) points to further signs of cooling demand for labour at the start of this year.
9. Headline inflation remained unchanged in January, but core and services inflation remained uncomfortably high. Inflation is projected to ease to the 2% target in the summer before increasing again in the second half of the year. Given that key indicators of inflation persistence remain elevated it is likely that monetary policy will remain restrictive for sufficiently long until the risk of inflation becoming embedded above the 2% target dissipates.
10. As has been noted previously, the County Council has continued its ambition to increase Hampshire's competitiveness and ensure sustainable rates of economic growth that would lead to increases in wages, living standards and economic prosperity over the medium-to-long term.
11. The announcement by Government in August 2023 that the functions of Local Enterprise Partnerships will be transferred to Upper Tier Local Authorities from 1 April 2024 plays a critical role in driving economic strength in the County. This new approach will enable a strategic focus to economic development across Hampshire, based on a recognised functional economic area. This report provides an update on the integration work being carried out to ensure a smooth transition to the new way of working.

The Current Economic Challenge

12. In the first half of 2023 the UK economy proved more resilient to the combined impact of high inflation and rising interest rates than the Office for Budget Responsibility (OBR) thought back in March 2023. Hampshire and Isle of Wight economy also weathered the cost-of-living crisis better than expected. Our preliminary estimate suggests that economic growth was sluggish but slightly faster than the UK average.
13. Preliminary growth estimates from the UK Office for National Statistics suggest that the UK economy ended the year in a mild recession with a 0.3% contraction in GDP in the final quarter of last year. Excluding 2020, last year marked the weakest annual growth in GDP since 2009 banking crisis.
14. Our preliminary estimate suggests that Hampshire and Isle of Wight economy is also likely to have fallen into a mild recession. Whether or not there was a mild recession, the big picture is that economic growth in Hampshire remains subdued and that it is likely that economic growth will remain subdued throughout 2024.
15. Timely data suggests that recession may be already nearing an end. Retail sales volumes are estimated to have increased by 3.4% in January, the fastest monthly rise since April 2021. Over the quarter retail sales volumes fell by 0.2% in the three months to January, the smallest fall since last year.
16. The strong rebound in sales in January appear to contrast with the declining footfall and challenging trading conditions reported by some retailers. However, compared to the rest of the year, January is a much less important month of trading. Retail activity is projected to remain weak in the first quarter of this year.
17. Timely survey evidence suggests that private sector activity has stabilised and may be edging up again. The increase in business activity in the region in January was marginal but nevertheless stronger than in December and the quickest in seven months.
18. Growth in business activity was encouraging but the volume of new work decreased in January with the current decline running to seven months. Nevertheless, the pace of contraction fell to a six-month low and was only marginal. Business sentiment towards future output growth in the region stood at its strongest since April 2022.
19. With only a third of the impact from the Bank of England's 14 consecutive increases in interest rates feeding through, Hampshire's economy remains exposed to a further slowdown in demand in the first quarter of this year but the latest evidence from consumer surveys has been equally encouraging.
20. Consumer sentiment improved for the third consecutive month in January reaching the highest level since January 2022 and coming in above market expectations. Consumer expectations for personal finances for the next 12

months turned positive for the first time in two years which suggests that things are heading in the right direction. January's cut in national insurance, falling mortgage rates and rising real wages are the factors that have most likely boosted consumer confidence.

21. In the Spring Budget the Office for Budget Responsibility (OBR) revised up its GDP growth forecast for 2024 and 2025, from 0.7% to 0.8% and from 1.4% to 1.9% respectively. The change was mainly due to the fall in market interest rate expectations, the recent improvement in timely indicators of business activity and a boost to demand and spending from the additional cut to National Insurance.
22. Whilst in line with a range of published independent forecasts, the OBR forecast for 2024 and 2025 is still much stronger than the Bank of England forecast. The Bank now expects the UK economy to expand by 0.2% this year followed by 0.6% growth in 2025.
23. The OBR short-term forecast is for real GDP to rebound by 0.2% in the first quarter of 2024 thus suggesting that the technical recession at the end of 2023 has already ended. The OBR growth forecast for the first quarter of this year is similar to the Bank of England forecast of 0.1% growth.
24. The latest independent forecasts from Experian (December 2023) suggest that the Hampshire and Isle of Wight economy is expected to remain broadly flat in 2024. Economic growth in Hampshire is expected to pick up gradually to 1% in 2025, 1.6% in 2026 and 1.9% in 2027.
25. In light of the recent revisions to the UK growth forecast it is likely that Hampshire's forecast will also be revised upwards. However, regardless of any upward revision to this year's growth rate economic growth in Hampshire over the next three years (1.5% p.a.) is projected to be on average considerably slower than the 2.1% p.a. growth rate observed in the pre-pandemic decade.
26. Better than expected performance of the economy in the first half of 2023 has also translated into a stronger labour market in Hampshire and Isle of Wight. Employment rate reached 79.4% and economic inactivity decreased to 18% of the population of working age in the year to September 2023. The unemployment rate on the broader survey-based measure is estimated to have decreased to just 3.1%.
27. The labour market performance of Hampshire and Isle of Wight on a handful of headline indicators (employment, activity, and unemployment) has now improved to above the South East average. There were significant disparities within Hampshire with the County area generally performing better than the two cities.
28. Timelier but backward-looking employment data from HMRC suggest that PAYE employment edged higher in January and that the claimant count

unemployment rate remained unchanged. However, the latest forward-looking data point to some early signs of weakness.

29. Hampshire and Isle of Wight experienced a small downturn in job opportunities as vacancies (online job postings) fell in the three months to January. The fall in January was larger than in December and slightly larger than the South East average.
30. Jobs demand decreased across all four broad skills categories with demand in lower skilled occupations falling faster than in higher skilled occupations in January. While the decline in vacancies in recent months have been spearheaded by businesses removing online jobs vacancies due to subdued demand and high costs, the number of vacancies remains above pre-pandemic levels.
31. The OBR expects the UK labour market to continue softening with employment growth forecast to stall in 2024. Under the weight of high interest rates and slower economic growth the unemployment rate is expected to peak at 4.5% in the last quarter of this year.
32. The peak in unemployment numbers is marginally lower than in the November forecast, though it comes half a year sooner. The unemployment rate is then forecast to decline to its estimated structural level of 4.1% by 2028. This is more optimistic than the latest Bank of England February 2024 forecast which expects unemployment to reach 4.9% by the end of 2025.
33. Wage growth in Hampshire and Isle of Wight remains strong. Median PAYE pay growth increased by 6.5% in the three months to January, slightly faster than in December and faster than in the South East.
34. Softer demand for labour should lead to slower wage growth and some reduction in wage driven inflationary pressures. However, tight labour supply in Hampshire could mean that relatively high wage pressures remain entrenched in the economy for longer than anticipated.
35. Consumer price inflation (CPI) increased by 4% in January, softer than expected and unchanged on December. Food prices fell on a monthly basis for the first time since September 2021, but core inflation (ex. food and energy) remained unchanged at 5.1% while services inflation increased to 6.5%. The strength of core and services inflation somewhat complicates outlook for interest rates.
36. Business cost burdens in the region eased slightly in January compared to the previous month but the rate of inflation faced by region's businesses was high compared to the historic average. The latest increases in business costs were driven by higher wages and higher costs of freight, amid disruption to shipping in the Red Sea. Companies across the region raised output prices further in January but the latest increase in charges to consumers was the least pronounced in three months.

37. Headline CPI inflation is expected to ease to the Bank's 2% target in the summer before increasing again in the second half of the year. Given that key indicators of inflation persistence remain elevated it is likely that monetary policy will remain restrictive for sufficiently long until the risk of inflation becoming embedded above the 2% target dissipates.
38. Some mortgage rates have nevertheless fallen back below 4% which should support house sales and prices this year. The fall in mortgage rates essentially implies that the effects of lower interest rates are already being felt with some market participants expecting the rates to fall sooner than the second half of the year.
39. Consumer bills have not changed much due to the removal of £400 support from the government. However, the OFGEM price cap is expected to reduce to around £1,660 in April 2024 compared to the £1,834 price cap in October, which will help ease inflation further as well as improve consumer incomes.
40. Hampshire & Isle of Wight saw a large drop in house sales in October 2023 and a compared to October 2022. The fall in transactions in October was comparable to the South East average. House prices fell in the County area, Southampton and Portsmouth in December, but the Isle of Wight saw growth in house prices. House prices on average fell in 2023 but recent surveys point to some growth in house prices this year.
41. There are signs that higher interest rates are gradually starting to weigh more heavily on business investment. The Bank of England's Regional Agents' summary of business conditions in the fourth quarter of 2024 showed that regional business contacts are now planning to reduce investment over the coming year. Business contacts are starting to feel margin or cash-flow pressure and are cutting their investment plans in the face of elevated financing costs and tighter financial conditions.
42. Investment intentions stories vary by sector. Many in consumer services have completed post-Covid refurbishment of their premises, so their rates of investment have slowed. Manufacturing contacts are scaling back investment plans while business services are scaling back investment plans, marginally, for the first time, although most continue to invest in technology.
43. Total commercial take-up in Hampshire and Isle of Wight in the fourth quarter of 2023 stood at 681,548 sq. ft, 1.7% growth on the third quarter. Industry accounted for 70.6% of total demand followed by offices at 16.7% and retail at 11.8%. Hotels & leisure saw no take-up in the third quarter, but this broad sector accounted for 1% (6,647 sq. ft) of total commercial take-up in the fourth quarter. The final quarter of 2023 saw small quarterly declines in demand for industry and retail but a 20% increase in demand for offices.
44. Alongside the take up of commercial space, a number of recent investments and new project awards have been made over the past quarter including:

- Southampton-based RAD Propulsion has received a £1 million investment from Ocean Infinity to help fund its rapid operational scaleup
 - ABP started work on new £15 million welfare facility for drivers of heavy goods vehicles (HGVs) using the Port of Southampton
 - Sonichem reached £1.1 million target on crowdfunding platform Seedrs to expand their cleantech operation
 - Fareham-based advanced manufacturing firm AMufacture has secured a seven-figure investment from Maven's Venture Capital Trusts (VCTs), providing capital for AMufacture to buy additional 3D printing technology to build out capacity for specialist additive manufacturing
 - Spacetech startup OhmSpace (Future Worlds Cohort 21 and grown from the University of Southampton Astronautics research group) has announced a €1.2m funding round, led by Scientifica Venture Capital, with the new investment allowing OhmSpace to further accelerate its growth, research & development, and expand its market presence
 - over the past year 28 new members joined Farnborough Aerospace Consortium as the sector continues to recover post-pandemic
 - Alresford-based Hattingley Valley is the first English winery secured a set listing with Sweden's state-run alcohol monopoly, Systembolaget, following a competitive tender against 14 other English wine brands.
45. The acquisition market in Hampshire appears to be slightly more active than at the end of last year:
- construction materials distributor Brickability has bought Hampshire-based facade and roofing contractor Topek Southern Limited (TSL) for £48m
 - Cicor, manufacturers of high-reliability electronics for medical, industrial and aerospace & defence applications has acquired Gosport-based STS Defence Limited to expand its presence UK high-end electronics market
 - Bedford-based Netcall plc acquired Portsmouth-based Skore Labs Limited for £6.2 million
 - Windsor Telecom has acquired Hayling Island-based KSM Telecom as it looks to deepen its relationship with the SME marketplace
 - private equity-backed TXO has announced the agreed acquisition of Andover-based Lynx UK Ltd aligns a specialist networking decommissioning and engineering services provider.
46. Survey evidence from regional surveys of purchasing managers suggests that export conditions for the region's manufacturing goods have almost stabilised at the start of this year. The latest decrease in the economic health of the region's top five export markets (USA, Germany, France, Ireland and Netherlands) was fractional and the slowest in six months in January.
47. The latest Economic Intelligence Dashboard (Annex 1) produced in late-February contains additional information on the current economic and labour market trends in Hampshire.

The Sub-National Economic Policy and Our Response

The Spring Budget

48. The headline policy announcement in the Spring Budget was further cuts to National Insurance Contributions (NICs):
- the main employee (Class 1) NI rate is to be cut by 2 percentage points to 8% from 6 April 2024. This follows a cut from 12% to 10% in January 2024. There are some 625,000 people in Hampshire County Council area that pay tax on employment income and rising to 868,000 across Hampshire and Isle of Wight who should benefit from the additional cut to NICs. A typical worker in the County area on an average salary of £39,800 will save over £540 a year on average
 - the self-employed will also gain from a 2 percentage points cut to the main rate of Class 4 NICs to 6%. This is in addition to the 1% cut announced in the 2023 Autumn Statement, which also comes into effect in April 2024. Some 78,000 self-employed people in the County area stand to benefit from this measure rising to 109,000 in Hampshire and Isle of Wight. A typical self-employed worker in the County Council area on an average salary of £28,600 will save over £320 a year on average. The Government will also abolish class 2 self-employed NICs.
49. In late January the Government announced that Councils across England will receive a £600 million support package, in addition to funding outlined at the provisional settlement, to help them deliver key services. The extra resource will be earmarked for rising costs in children's services and adult social care. The support package will primarily see an additional £500 million added to the Social Care Grant to bolster social care budgets, a key concern raised by the County Councils Network (CCN).
50. Some £165 million of additional funding announced in the Spring Budget will be allocated for children's homes. The government will provide £45 million match funding to local authorities to build an additional 200 open children's home placements and £120 million to fund the maintenance of the existing secure children's home estate and rebuild Atkinson Secure Children's Home in Devon and Swanwick Secure Children's Home in Hampshire. The Government will also work with the Local Government Pension Scheme (LGPS) to consider the role they could play in unlocking investment in new children's homes.
51. The Household Support Fund (HSF), distributed by councils in England to directly help vulnerable households with expenses such as food, clothing, and utilities has been extended until September 2024. However, the Spring Budget did not address ways to ease the severe financial pressures faced by local government.
52. The chancellor has chosen to broadly maintain spending on public services at the same level announced in the Autumn Statement. Day-to-day departmental spending will increase by 1% in real (inflation-adjusted) terms

from 2025-26 with capital spending set to be frozen in cash terms. According to the OBR on a per-person basis, spending will be flat in real terms for the rest of the decade thus, heralding further pressure on public services.

53. Furthermore, once spending on the protected areas (NHS, defence, overseas aid, and education) are accounted for, then day-to-day spending in non-protected departments will need to be cut by over 2% on average per annum in real terms for the rest of the decade.
54. The government has confirmed the allocation of £100 million of the levelling-up funding for culture projects recognising the important role that culture and pride in place have to play in levelling up. No project from Hampshire or the South East will receive the funding thus again pointing to an imbalance between funds allocated to different parts of the country.
55. At Autumn Statement 2023, the government offered Level 2 devolution powers to some councils which cover a whole county or functional economic area. The government has finalised the first of these agreements with Surrey County Council, Buckinghamshire Council and Warwickshire County Council.
56. The Chancellor has announced a new Level 4 “trailblazer” devolution deal with the North East Mayoral Combined Authority, which will provide a package of new funding potentially worth over £100 million, including a new Growth Zone to support the region’s growth ambitions.
57. The total package of tax cuts announced in the Spring Budget amounts to £13.9bn (or 0.5% of GDP) in 2024/25. This mainly consists of additional cuts to National Insurance Contributions costing the exchequer £10.07bn in 2024/25. The two additional cuts to NICs combined are worth about £322.8 million to 625,000 tax paying workers in the Hampshire County Council area. Those tax cuts will partially be paid for by tax rises for non-doms, the introduction of a vaping products levy, by scrapping furnished holidays tax reliefs, extending the windfall tax on the profits of North Sea oil and gas companies for a year, and the increase in air passenger duty on premium economy and business class flights.
58. In January 2024 the Government announced that Councils will have to produce productivity plans by July. The plans will need to set out how Councils will improve service performance and reduce wasteful expenditure. These plans need to be short and draw on work councils have already done, identifying ways to unlock productivity improvements, and setting out the key implementation milestones.
59. It is expected that the plans will cover four main areas:
 - transformation of services to make better use of resources
 - opportunities to take advantage of advances in technology and make better use of data to inform decision making and service design
 - ways to reduce wasteful spend within systems, including specific consideration of expenditure on consultants and discredited staff Equality,

- Diversity and Inclusion programmes – this does not include programmes designed to promote integration and civic pride, and counter extremism barriers preventing activity that Government can help to reduce or remove.
60. DLUHC officials will work with the local government sector on the approach to producing these plans. Productivity plans should be agreed by Council Leaders and members and published on local authority websites, by July 2021. Alongside this, the Government will establish a new productivity review panel, made up of sector experts including the Office for Local Government and the Local Government Association.
 61. Hampshire County Council has secured funding from the Government's Skills Bootcamps programme (flexible training courses for adults aged 19 and over). DfE funding of £5.6 million is for 2023-25 and will be used to support individuals to access training and employment in sectors with skills gaps. Short, flexible courses with wrap around support developed alongside employers and targeted at areas highlighted as having skills gaps through the LSIP process. The activity will be delivered by local training providers.
 62. Economic Development team are currently working with the Defence and Security Accelerator (DASA) to have the South East recognised by the Government as a Regional Defence and Security Cluster (RDSC). In November 2023 economic development team hosted a roundtable with regional stakeholders to discuss the appetite for an RDSC in the region. The team with the MOD, Airbus, Captec, DASA and Fareham Borough Council organised an 'SME Voice' event that took place on 5 February 2024.
 63. At the first SME Voice event, 12 SMEs presented their company's capabilities to representatives from the Regional Defence and Security Cluster for the South East at the award-winning computers and systems manufacturer Captec's UK headquarters in Fareham. As a member of the steering group behind the event, in collaboration with Airbus, Hampshire County Council was instrumental in bringing organisations together.

LEP Integration

64. Local Enterprise Partnerships have played an important role in supporting local economic growth since 2011. They have brought together businesses, education and local government with a clear strategy for economic success and have targeted funding to the areas that will benefit most at a local level, releasing economic capital.
65. The Levelling up White Paper set out the Government's commitment to extending devolution across England, empowering local leaders and integrating LEP functions into local democratic institutions. In August 2023 Government confirmed their expectation that those LEP functions carried out under current core funding agreements (business representation, strategic

economic planning, and responsibility for delivery of specific government programmes where directed, including Growth Hubs, and Careers Hubs) to now be exercised by Upper Tier Local Authorities where they are not already delivered by a Combined Authority, or in areas where a devolution deal is not yet agreed.

66. The County Council will therefore have accountability, funding and responsibility for these functions from 1 April 2024, and any future governance or partnership arrangement would need to reflect this.
67. Core funding of up to £240,000 has been confirmed by DLHUC per new governance area. The funding for Careers Hubs runs until the end of August 2024 with funding beyond August still to be allocated. At the time of writing the report there has been no allocation of funding from the Department for Business and Trade (DBT) for the delivery of a Growth Hub, but this is anticipated before the start of the next financial year.

Disaggregation Details

Assets

68. There are two Local Enterprise Partnerships covering the Hampshire Area. Enterprise M3, which covers North Hampshire and West Surrey, and the Solent LEP which covers the southern Hampshire districts and the unitary Councils of Southampton, Portsmouth and the Isle of Wight.
69. Since the announcement that LEPs were to be abolished and the functions to transfer to Upper Tier Authorities the Council has been working with partners (Surrey County Council in respect of Enterprise M3 and Portsmouth City Council in respect of Solent LEP) to agree how assets of the existing LEPs will be split between the Upper Tier Councils they currently cover. A simple form of disaggregation has been agreed that can be applied to most assets in the same way.
70. The disaggregation of Enterprise Zones is more complex due to the cross-boundary impact of the economic benefits. In the Enterprise M3 area there are three Enterprise Zones – Basing View (in Basingstoke and Deane), Tech Forest (in East Hampshire) and Longcross (in Runnymede, Surrey). It is proposed that the Enterprise M3 Enterprise Zones will be split on a geographical basis with any Business Rates Income Growth (BRIG) that is currently ring-fenced for the LEP going to the relevant County Council (after payment of any outstanding loans and in accordance with existing payment schedules).
71. The Solent LEP Enterprise Zone is based at Daedalus (crosses both Fareham and Gosport districts) and will fall into the County Council's area as part of the disaggregation of Solent LEP. A new MOU is being drawn up to include Hampshire County Council as one of the partners. In accordance

with the agreement under which the Solent Enterprise Zone was set up any BRIG generated will be reinvested in the Enterprise Zone.

72. As part of the disaggregation of Enterprise M3 the Funding Escalator investment fund managed by Finance South East (FSE) will be closed down and available funds will be split between Hampshire County Council and Surrey County Council in accordance with the working age population figures as above. The debt and equity investments made by FSE to a variety of companies within the geographical area of the LEP will take an estimated four years to be unwound. This period is linked to the debt arrangements which have an agreed repayment term and the equity investments which will be sold with a view to maximising return and once a viable market exists for the equity sale. The returned funds will be disaggregated annually.
73. By closing down the Funding Escalator there is an opportunity for the newly formed Hampshire Prosperity Partnership Board to re-evaluate the priorities for investment over an extended geographical area (the existing fund covering only north Hampshire), taking into account issues that affect the wider Hampshire area.

Staffing

74. The disaggregation of the LEPs has implications for the staff currently employed to undertake LEP functions. Hampshire County Council is the accountable body for Enterprise M3 and therefore is technically the employer of all permanent staff and directly employed temporary staff. Portsmouth City Council is the accountable body for Solent LEP and acts as employer of all staff in the same way as Hampshire County Council does for Enterprise M3.
75. The likely staffing arrangements for the economy and skills area post 1 April 2024 cannot be fully resolved until the new Economy and Growth Board has identified its priorities and agreed its delivery plan. It is anticipated that this will take place before the summer.

Post LEP Governance

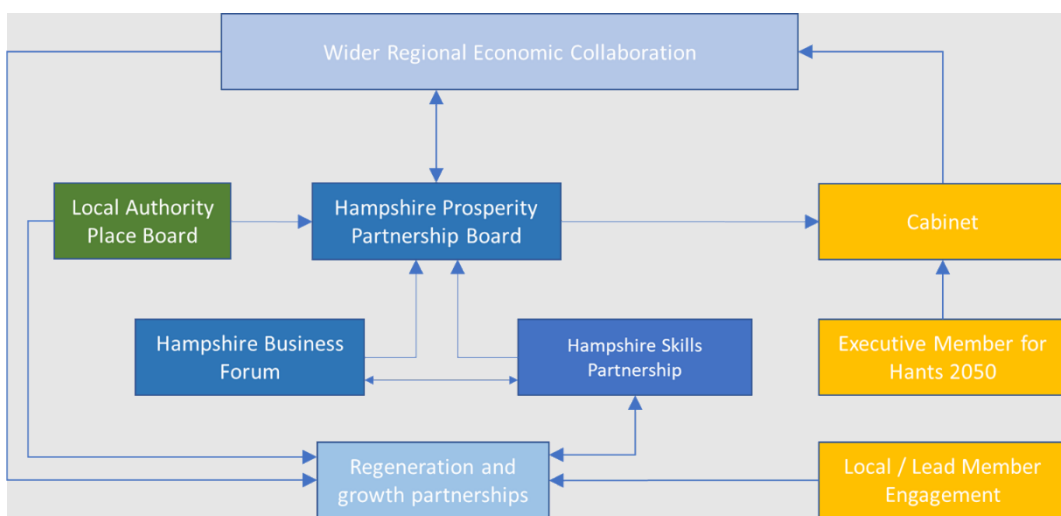
76. Government guidance encourages upper tier local authorities to create or continue to engage with an Economic Growth Board (or similar) made up of local business leaders and relevant representative bodies to (a) provide the view of local businesses as part of regional decision making and (b) work with local leaders to create a broad economic strategy for the area.
77. In accordance with the above guidance the Council has set up a Shadow Economic Growth Board now named as the 'Hampshire Prosperity Partnership Board' made up of businesses, business representative organisations, as well as education and local authority partners. The Shadow Board's role is to set up and recruit to the permanent Hampshire Prosperity Partnership Board. Providing an independent and mixed sector approach. The recruitment to Board will be carried out as follows:

- business representative organisations – Chamber of Commerce and Federation of Small Business to each nominate a representative
- businesses (direct representation) - to apply via a formal application process to be assessed by the independent Shadow Board
- Local Government – Hampshire County Council (Chair of Board) and three District Council representatives – to be nominated by the District Councils as a group
- Higher Education – representative to be nominated by universities within the pan-Hampshire area (the pan-Hampshire area was chosen in recognition of economic impact universities have which is wider than just the immediate area they are located in)
- Further Education – representative to be nominated by other FE colleges in the Hampshire County area (including those FE college groups that cross into the city areas, but not those that are solely based outside of the County Council area)
- Freeport – representative to be nominated by the Freeport.

78. Recruitment of the Hampshire Prosperity Partnership Board will be undertaken in March and April 2024 with membership of the Board agreed at the Executive Member for Hampshire 2050 Decision Day on 21 May 2024. The Shadow Board has agreed to remain in place until the permanent Board is in place.

79. The supporting Governance structure will comprise of the following:

- Place Board – made up of all Hampshire District Council Leaders
- Business Forum – made up of businesses (large, medium, small and micro and a cross-section of different sectors)
- Education and Skills Partnership made up of representatives from Higher and Further Education, private providers and Hampshire County Council



Decision Making and Democratic Accountability

80. As the accountable organisation for the Hampshire Prosperity Partnership Board the formal governance arrangements need to form part of Hampshire County Council's formal decision-making process as specified in the Constitution. However, there is a desire to keep the Hampshire Prosperity Partnership Board agile and therefore wherever possible decisions will be taken by the Leader of the Council in his role as the Executive Member for Hampshire 2050 and Corporate Services. The Leader may also choose to refer some decisions to Cabinet where appropriate.
81. Therefore, Hampshire Prosperity Partnership Board and its subgroups are not formal decision-making bodies but will instead make recommendations with the decision being taken by either the Executive Member of Hampshire 2050 and Corporate Services or Cabinet. The intention is that wherever possible the recommendations of the Board will be agreed. However, Cabinet or the Executive Member for Hampshire 2050 may, after considering all relevant information, decide not to agree a recommendation from the Board.

Economic Strategy and Priorities

82. The work of Hampshire Prosperity Partnership Board will be framed by the Hampshire Economic Strategy and based around strategic themes, for example Town Centre Regeneration, Enterprise Growth, Sector Support, and Skills Retention and Development. These themes will be identified by the new Board in discussion with partners and based on evidence of the issues affecting economic success in the area.
83. The October Cabinet report confirmed the County Council's intention that the LEP functions will be delivered at a County level. The unitary authorities of Southampton, Portsmouth and the Isle of Wight have indicated that they will not become part of any County-wide arrangements and will discharge their post-LEP duties directly, working together with Solent Partners. Therefore, the governance arrangements that the County Council is putting in place will include the whole county area minus the cities and the Isle of Wight.
84. At the current time the focus is on agreeing the governance structure for the Hampshire County area. Once this has been agreed, and the new Board is operational, arrangements for collaboration at a more regional level can be developed. However, it is the County Council's intention to engage proactively with neighbouring governance arrangements.

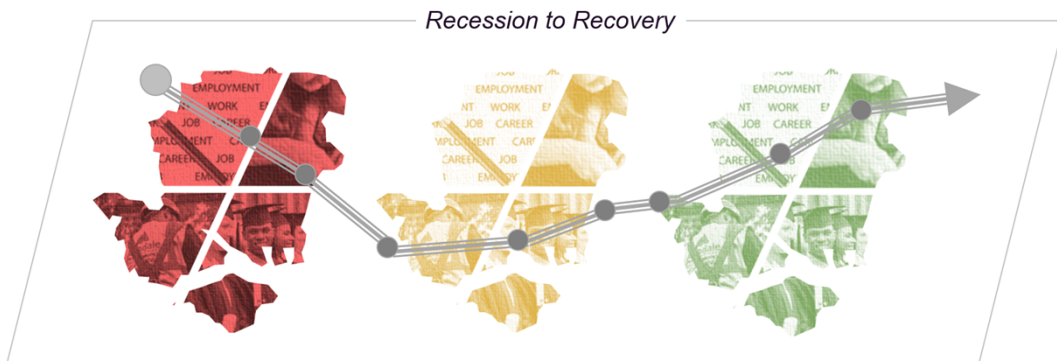
Next Steps

85. The immediate priorities for LEP integration is to:
- recruit the members of the Hampshire Prosperity Partnership Board. The first meeting of the Shadow Board took place in early February
 - set up the supporting governance groups (Business Forum, Education and Skills Partnership)

- agree priorities and develop a strategic economic plan to be owned by the Hampshire Prosperity Partnership Board
- ensure the right resources are in place to deliver LEP functions from 1 April 2024, including staffing.

Conclusions

86. Despite continued economic challenges Hampshire performed better than expected and slightly better than the UK average in first half of 2023. However, the UK economy fell into a technical recession in the second half of 2023 with the Hampshire and Isle of Wight economy also most likely falling into a mild recession at the end of last year.
87. Survey evidence suggests that a sluggish recovery started at the start of this year but despite falling inflation the outlook over the medium term is equally uncertain and presents significant challenges particularly in regard to business activity and growth.
88. Hampshire will benefit from the new financial support package introduced in February with social care being the main beneficiary, the new funding from the Government's Skills Bootcamps programme and some measures introduced in the Spring Budget, but greater investment is needed to ensure sustainable rates of economic growth that would lead to increases in living standards and economic prosperity over the medium-to-long term.
89. The work the Council is doing in the employment and skills arena is a key part of overcoming these challenges and the disaggregation of the LEPs and the moving of functions to Upper-Tier authorities provides an opportunity to consolidate this work and deliver the services in the most efficient way.
90. The Hampshire Prosperity Partnership Board will provide a structure to identify the actions needed to maintain Hampshire's economic advantage and to monitor outcomes and impacts to ensure that Hampshire is a place where all can benefit from its economic success.



Hampshire Monthly Intelligence Dashboard

February 2024

Hampshire County Council
Hampshire 2050



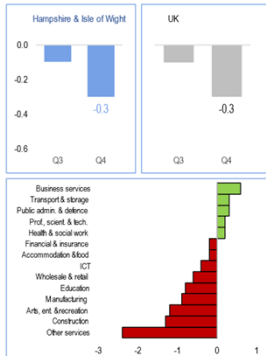
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Business Activity

1

Economic Growth



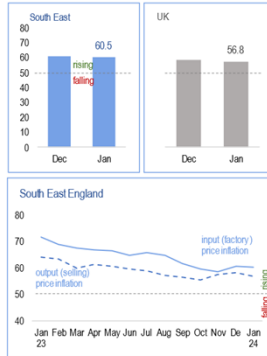
- The UK fell into a technical recession at the end of last year. Excluding 2020, last year marked the weakest growth in GDP since 2009 banking crisis.
- Hampshire's economy is also likely to have fallen into a mild recession, but timely data suggests that it may be already nearing an end.

Business Activity



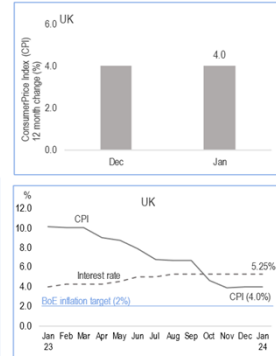
- Timely survey data from purchasing managers for Jan points to modest improvement in the region's private sector business activity (output) and quickest in seven months.
- Growth in business activity was encouraging but the volume of new work decreased with the current decline running to seven months.

Business Prices



- Business cost burdens in the region eased slightly in January compared to the previous month. Increases were driven by rising wages and higher freight costs due shipping disruption in the Red Sea.
- The increase in charges to consumers last month was the least pronounced in three months.

Inflation

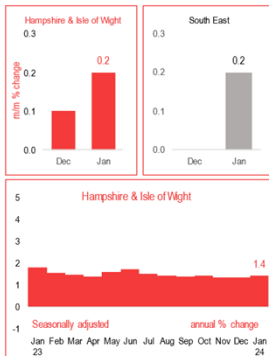


- Annual consumer price inflation (CPI) rose by 4% in Jan, softer than expected and unchanged on December. Food prices fell on a monthly basis for the first time since September 2021.
- Core inflation (ex. food and energy) held at 5.1% but services inflation increased to 6.5%.

Jobs and Earnings

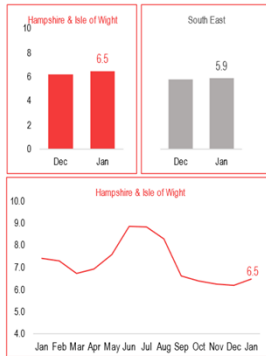
2

PAYE Employees



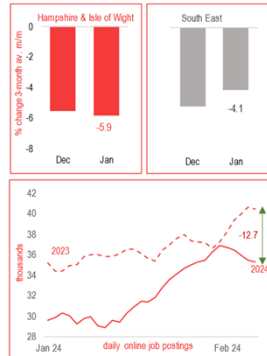
- Timely estimates from HMRC show small increase in PAYE employees in Hampshire and Isle of Wight at the start of this year. Early estimates saw monthly increase of 1,600 or 0.2% in January.
- Although annual PAYE employee growth was strong at 1.4%, quarterly growth was sluggish at just 0.2%.

PAYE Earnings



- PAYE pay data continues to point to robust wage growth in Hampshire and Isle of Wight in January. Median PAYE pay growth increased by 6.5% compared to 5.9% in the South East.
- Tight labour supply in Hampshire could mean that high wage pressures remain entrenched in the economy for longer than anticipated.

Labour Demand



- Labour demand as measured by the number of online job postings in Hampshire & Isle of Wight continues to ease in January, not following the typical seasonal bounce as employers ramp up hiring plans.
- According to ONS fewer than 1 in 10 (8%) businesses experienced worker shortages in late January 2024.

Demand by Occupation

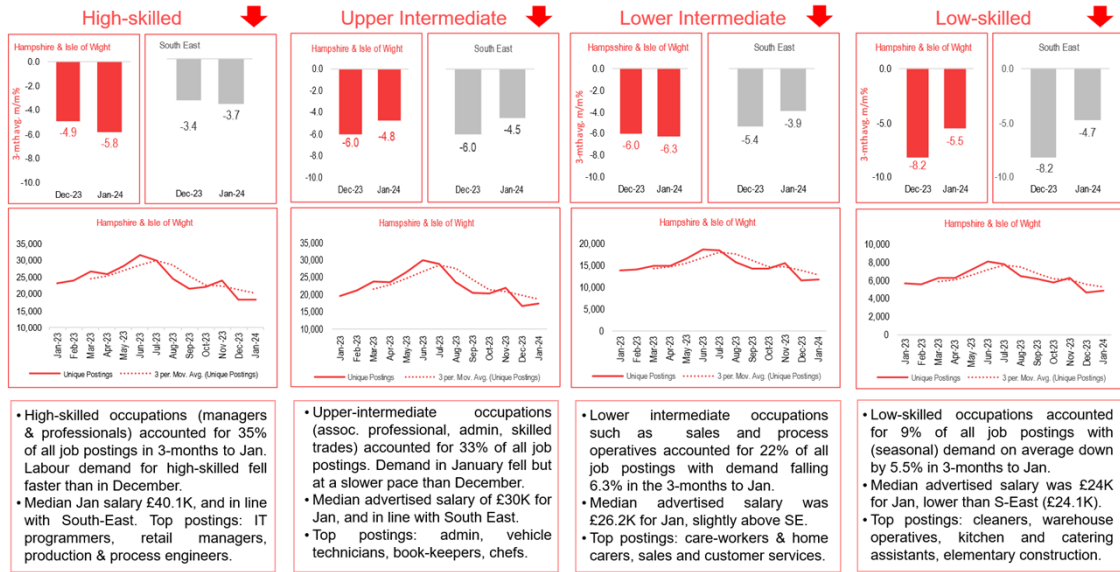
Unique job postings by Occupation (SOC)	Jan	% of total
Care Workers and Home Carers	2,123	7.2
Sales Related Occupations n.e.c.	1,581	5.3
Cleaners and Domestic	1,268	4.3
Programmers and Software Development Professions	1,034	3.5
Customer Service Occupations n.e.c.	1,009	3.4
Other Administrative Occupations n.e.c.	894	3.0
Managers and Directors in Retail and Wholesale	854	2.9
Vehicle Technicians, Mechanics and Electricians	828	2.8
Teaching Assistants	817	2.8
Social Workers	752	2.5

Unique job postings by Occupation (SOC)	Nov	% of total
Sales Related Occupations n.e.c.	2,990	6.0
Care Workers and Home Carers	2,899	5.9
Programmers and Software Development Professions	2,010	4.1
Customer Service Occupations n.e.c.	1,983	3.9
Cleaners and Domestic	1,900	3.6
Managers and Directors in Retail and Wholesale	1,656	3.4
Book-keepers, Payroll Managers and Wages Clerks	1,400	2.8
Warehouse Operatives	1,371	2.8
Other Administrative Occupations n.e.c.	1,359	2.7
Mechanical Engineers	1,312	2.6

- Top in-demand jobs in Hampshire & Isle of Wight in January broadly similar to November but fewer vacancies. Vehicle technicians, mechanics & electricians, teaching assistants, and social workers edged up in January compared to Nov.
- The top in-demand specialised skills in Project Management and Finance.

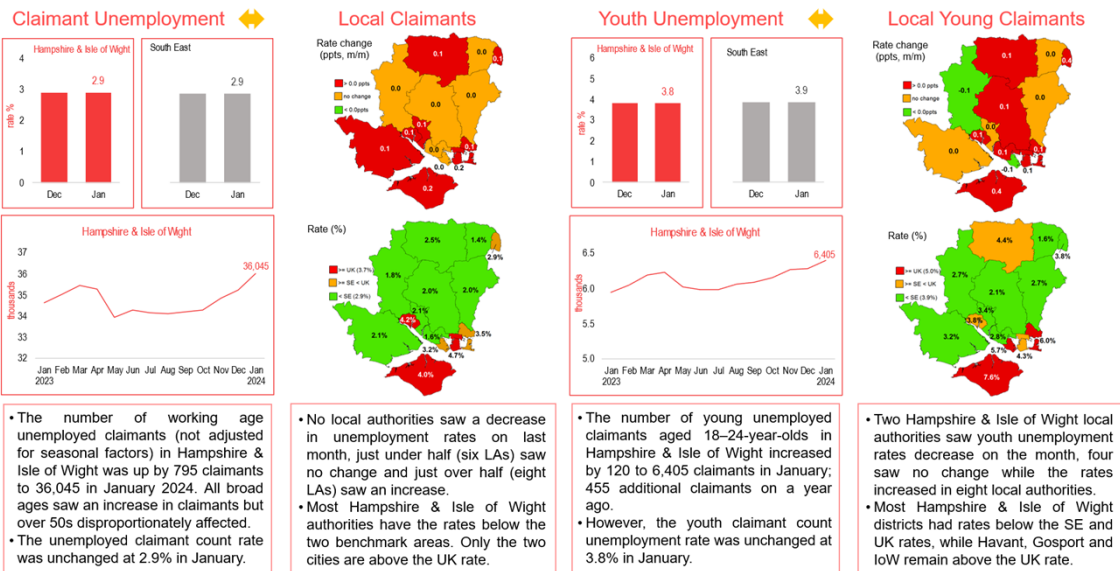
Jobs demand by skills-level (occupational demand)

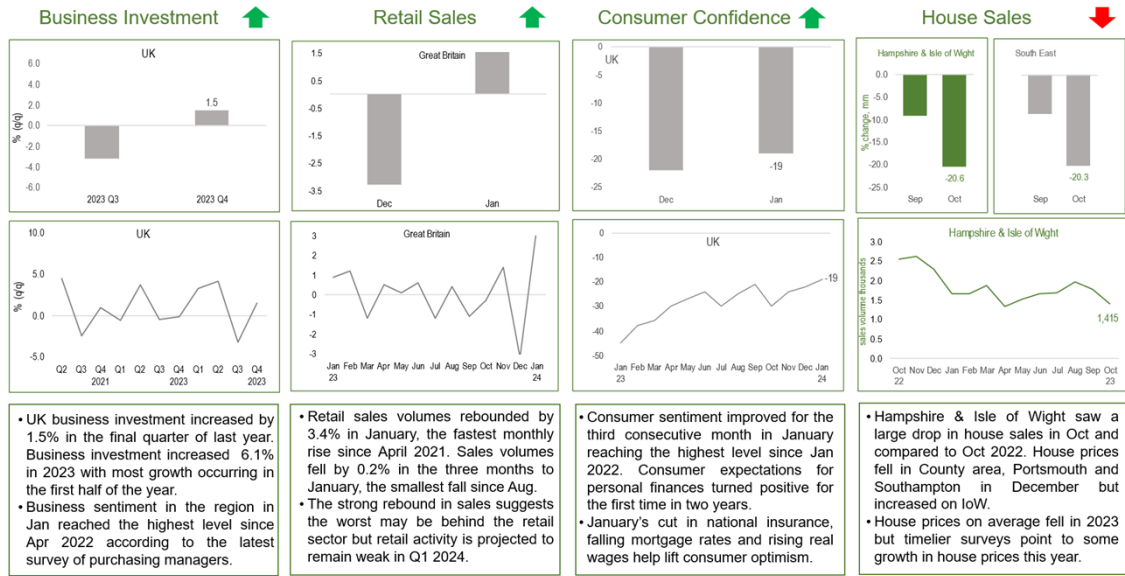
3



Unemployment

4





How to read 'traffic lights':



Refers to decline or growth relative to the previous period (GVA, PMI business activity and business prices indicators, job postings, business investment, retail and house sales).

In the case of inflation, PAYE employment & earnings and consumer sentiment it refers to the direction of travel relative to the previous period.

For claimant count unemployment indicators, the change refers to the rate not the level. For example, a decrease in youth unemployment would see a downward green arrow.



Little or no change on previous period.

* The local estimate is preliminary, and it needs to be treated with a high degree of caution since it is based on the sectoral mix of Hampshire and the Isle of Wight and the national sectoral impacts.

Sources:

The primary data sources are the Office for National Statistics (ONS) and HMRC, while additional data comes from several commercial sources such as S&P Global, Lightcast, CBI, BCC, HM Land Registry and the Bank of England.

Monthly/Quarterly data for Business Activity, Jobs & Earnings, Unemployment and Sentiment & Investment.

In the case of several monthly indicators, the South-East is used as a proxy geography for Hampshire.

Estimates of payrolled employees and their pay from HMRC Pay As You Earn (PAYE) Real Time Information are preliminary but seasonally adjusted. Employment figures differ from the ONS Labour Force Survey (LFS) data. Median pay figures differ from the ONS estimates and are based on gross PAYE earnings which do not cover other sources of income, such as self-employment.

For further information on Hampshire's labour market see Quarterly Labour Market Updates and Monthly Ward Claimant Count Reports available at: <https://www.hants.gov.uk/business/ebis/reports>

This publication is produced by the Economic and Business Intelligence Team, Hampshire County Council



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REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	no
People in Hampshire enjoy a rich and diverse environment:	no
People in Hampshire enjoy being part of strong, inclusive communities:	no

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

No equality impacts have been identified arising from this Report.

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	16 April 2024
Title:	Annual Report of the Director of Public Health 2023/24 Let's not wait – Enabling Hampshire's Children to be a Healthy Weight
Report From:	Director of Public Health

Contact name: Simon Bryant

Email: Simon.bryant@hants.gov.uk

Purpose of this Report

1. The purpose of this report is to present Cabinet Members with the Director of Public Health Annual Report, prior to publication.

Recommendation(s)

2. Cabinet is asked to:
 - Note the Annual Report of the Director of Public Health 2023/24
 - Endorse the ambition within the Annual Report which acknowledges the significant challenge we face in respect to rising levels of childhood overweight and obesity, the multi-faceted causes, the impacts and system wide collaboration required to halt the worsening trend.
 - Agree the report recommendation: That we develop an approach for Healthy Weight in Hampshire which all partners can agree and sign up to, including plans to reduce child obesity.

Contextual information

3. The 2012 Health and Care Act placed a statutory duty on upper tier Local Authorities to improve and protect the health of their residents. Directors of Public Health have a statutory duty to write an Annual Public Health Report to demonstrate the state of health within their communities. The focus of this year's report is childhood overweight and obesity.

4. The five previous reports have focused on:
 - Tackling environmental factors is vital to addressing obesity in Hampshire
 - Reducing Serious Violence
 - Shaping Place to improve health outcomes
 - Covid-19: addressing inequalities in mental health and wellbeing across Hampshire.
 - A Golden Age – ageing well in Hampshire.

5. The Annual Report of the Director of Public Health will be published here:
[New Annual Report of the Director of Public Health | Health and social care | Hampshire County Council \(hants.gov.uk\)](https://www.hants.gov.uk/new-annual-report-of-the-director-of-public-health-health-and-social-care-hampshire-county-council)

Executive Summary

6. The report sets out the facts, figures and impact of childhood overweight and obesity for Hampshire. It focuses on the public health challenge facing us, including implications on both physical and mental ill health into adulthood.

7. Key influencing factors include diet, physical activity, the environment, parental health and affordability.

8. This report is a call to action to focus on the one key priority which is the significant challenge we face in respect to rising levels of childhood overweight and obesity. This includes the multi-faceted causes and system wide collaboration required to halt the worsening trend.

Report Recommendations:

9. That we develop a Hampshire Healthy Weight approach which all partners agree and sign up to, including plans to reduce childhood overweight and obesity.

Supporting Information

10. The National Child Measurement Programme (NCMP) measures the height and weight of children in Reception class (aged 4 to 5) and year 6 (aged 10 to 11), to assess overweight and obesity levels in children within primary schools. In Hampshire, the greatest rate of childhood overweight and obesity was recorded for Year 6 children, with a worsening trend predicted compared to reception children.

11. The identified increase for year 6 children is larger in Hampshire than for England and disproportionately affects children living in deprived areas and different minority ethnic groups.
12. Levels of physical activity impacted by more sedentary lifestyles, changing modes of transportation and shifting urban and rural environments contribute to the proportion of children in Hampshire not achieving the recommended 60 minutes of physical activity per day.
13. Healthy food choices are important and need focused efforts by the system to make them an easier, more desirable and affordable option. Fast food outlets near school settings impact children's food consumption as they travel to and from home. The availability of less healthy foods in mainstream supermarkets, education and leisure environments, as well as restaurants and takeaways, contribute to an 'obesogenic' environment. In more deprived areas there is reduced access to healthier food retail options, and often a greater density of hot food takeaways.

Conclusions

14. Cabinet Members are asked to note the content of the report.
15. Cabinet Members are asked to endorse the ambition within the Annual Report.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	no
People in Hampshire enjoy being part of strong, inclusive communities:	no

2023 to 2024

Let's not wait!

Enabling Hampshire's Children to be a Healthy Weight

Director of Public Health Annual Report

Foreword

This year my Director of Public Health annual report focuses on childhood obesity. This is one of the most significant public health challenges of the 21st century. The percentage of children who are overweight and obese continues to increase and is now often accepted as normal, despite efforts to halt and reverse this trend. Too often discussion about weight is heard as stigmatising and laying the blame on individuals. The concerns highlighted are not about how people look, it is the impact on a person's health that is important. The science is increasingly

clear; genes and inheritance do affect individual risk, but it is the profound changes in the living environment that are shaping everybody's behaviour and making it much harder for us all to be a healthy weight.

Childhood obesity is already a significant challenge to improving the health and wellbeing of children and young people, and onwards into adulthood. The good news is that childhood obesity can be reversed through early collective action, and in doing so reduce risk for future

generations. But if we continue as we are, this will worsen rather than level out or improve. Today's children are tomorrow's workforce, and their health will be a deciding factor in whether Hampshire is healthy and prosperous in the future. Not responding effectively is resulting in unacceptable levels of childhood obesity, impacting both physical and emotional health. This is contributing to adult obesity and the health conditions associated with it.

Let's not wait, we have to act quickly to reverse the rise in childhood obesity.



Simon Bryant BSc, MSc, MSc FFPH
Director of Public Health

Acknowledgments

I would like to thank all those people who contributed to this report including Sarah Copsey, Lucy Dennis, Cath Hall, Jo Lockhart, Marie-Claire Lobo, Rebecca Perrin, Emily Shelton, Matthew Haines and the Hampshire County Council Design Team.

The data is clear

This report sets out the facts, figures and impact of childhood obesity at a Hampshire level and focuses on the public health challenge facing us. Much of the detail regarding obesity has been set out in previous annual reports¹, but levels remain stubbornly unchanged. Against this backdrop of widespread obesity, our children and young people's wellbeing, and physical and mental health have also been negatively impacted by the COVID-19 pandemic. Much discourse is rightly aired about the mental health of our young people. Less discussion is focused on healthy weight; therefore, this report brings together key information about this subject to

enable Hampshire's children to attain a healthy weight.

Across Hampshire, more children are overweight and obese between starting (Reception) and leaving (Year 6) primary school. Just over one in five Hampshire children is overweight and obese when they start primary school, and this rises to over one in three by the time they leave primary school (Figure 1²).

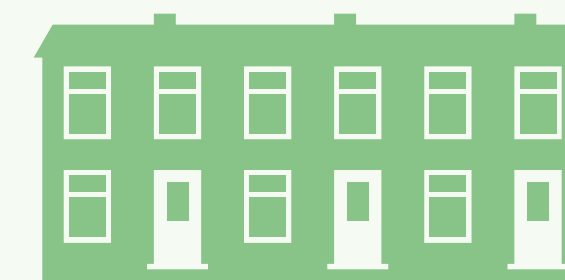
We also know that obesity and being overweight disproportionately affects children living in deprived areas and different minority ethnic groups and will be driving some, but not all of this data (Figure 2³).

21%
of Year R pupils
and
32%
of Year 6 pupils



Figure 1

The **burden of overweight and obesity** is falling hardest on children from **low-income areas**



Overweight rates are highest for children from the most deprived areas and this is getting worse

Overweight prevalence of the most deprived 10% of children is approximately

2x

that of the least deprived 10%

Source Health matters: obesity and the food environment - gov.uk

Figure 2

¹ [New Annual Report of the Director of Public Health | Health and social care | Hampshire County Council \(hants.gov.uk\)](#)

² [Obesity Profile - Data - OHID \(phe.org.uk\)](#)

³ [Health matters: obesity and the food environment - gov.uk \(www.gov.uk\)](#)

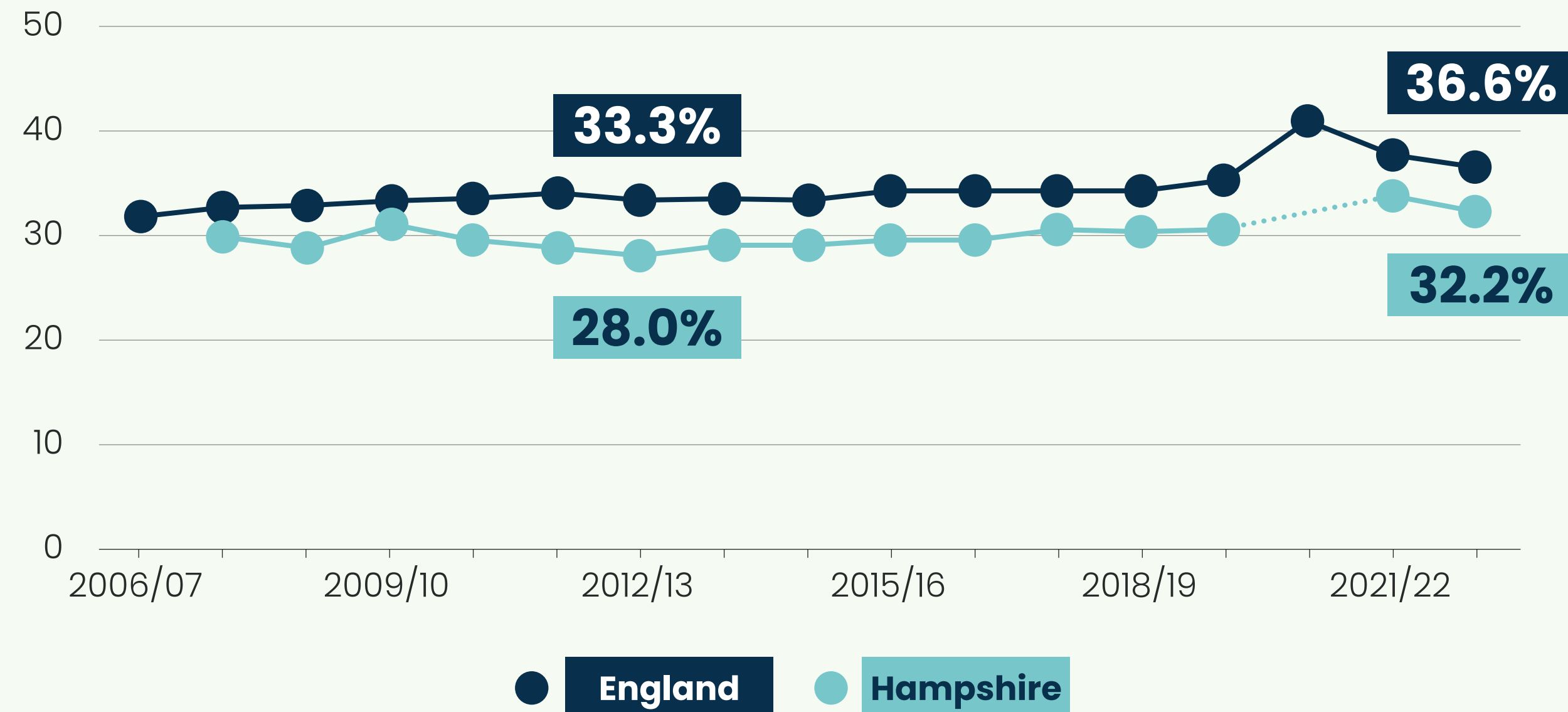
Proportions of overweight and obese Reception children appear to mirror their pre-pandemic position, but for Year 6 children the problem shows no signs of slowing, with higher post-pandemic levels, tracking a worrying and worsening trend (Figure 3).

Whilst the percentage of children who are overweight and obese in Hampshire is lower than the England average, there is little room for complacency given the trend. Concerningly, over the past decade there has been a significant jump in the percentage of children in Year 6 who are overweight and obese. Even more worryingly, this jump is larger in Hampshire than for England as a whole.

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Year 6 prevalence of overweight (including obesity) (10-11yrs)

The relentless problem of overweight and obese Year 6 children that continues post-pandemic



Source: Office for Health Improvement and Disparities (OHID), using National Child Measurement Programme (NCMP), NHS England. Obesity Profile on Fingertips website

Figure 3

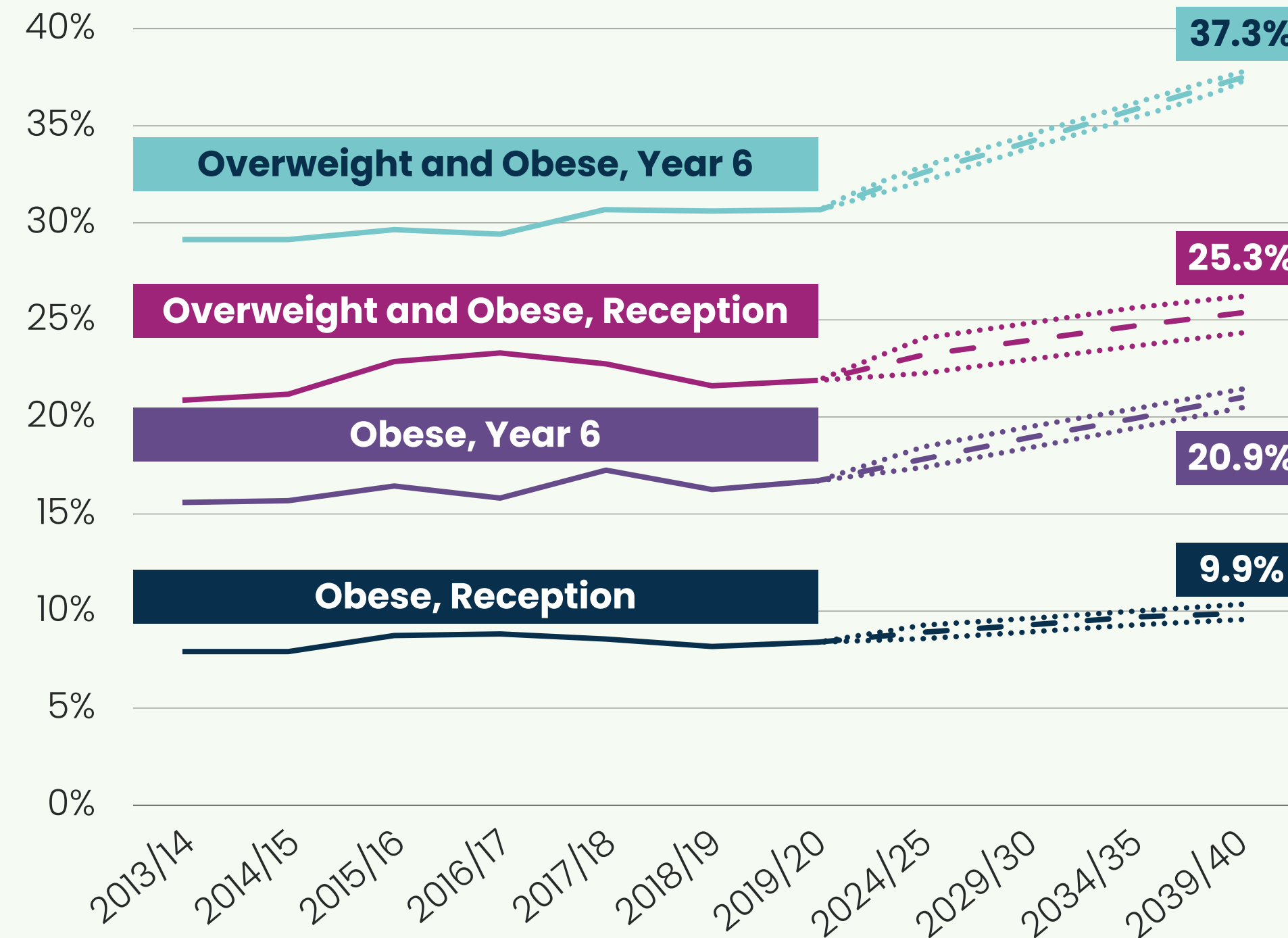
The greatest opportunity for focusing our efforts is between the ages of 5 and 11 to halt the steep rise between Year R and Year 6.

If we fail to act now, carrying on as we are, levels of childhood overweight and obesity are projected to rise for this and the next generation. Several studies show that the COVID-19 pandemic has led to an increase in childhood overweight and obesity, so the forecasts in Figure 4 which were calculated prior to the COVID-19 pandemic, are likely to be much higher. Now is the time for urgent and decisive action.

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Likely Future Levels of Child Overweight and Obesity

Historic and projected child overweight and obesity prevalence across Hampshire up to 2040



Child overweight and obesity at Reception might be expected to rise to almost 25.3% by 2040, with the rate among Year 6 pupils expected to rise to 37.3%

Prevalence of obesity is projected to rise to 9.9% of Reception pupils and almost 20.9% of Year 6 pupils

- Historical figures
- - - Projected figures
- Confidence intervals

Please note projected lines appear steeper than historical lines because they cover a more condensed time period
Source: LGA Research and Information Team. Future health challenges: public health projections – childhood obesity

Figure 4

Why does this matter?

Children who are overweight or obese are more likely to experience other associated physical health conditions, for example breathing difficulties, bone and joint problems, insulin resistance, high blood pressure and dental decay⁴. Alongside the physical health impact, emotional health issues can also influence a child's life now and in the future. These are not only felt by the individual but also by those connected with children at home, school and in the wider community.

The impact of this is noticeable across the life course. Studies show that obese children and young people are

five times⁵ more likely to be obese in adulthood than those who were not obese as children. This brings with it significant increased risks for heart disease, stroke, diabetes and some cancers, reducing the number of years people live in good health.

The cost to public services is significant, particularly the health service. The annual cost of obesity in Hampshire could be as much as £540 million annually⁶, with a wider cost to society, through loss of work productivity and social care needs.

stroke
heart
disease
some
cancers
diabetes

⁴ World Health Organization [Obesity and overweight \(who.int\)](http://who.int)

[Early years high impact area 4: Supporting healthy weight and nutrition – GOV.UK \(www.gov.uk\)](http://www.gov.uk)

⁵ Simmonds, M, Llewellyn et al. (2016). Predicting adult obesity from childhood obesity: a systematic review and meta analysis. *Obesity reviews*, 17(2), 95-107

⁶ [Health matters: obesity and the food environment – GOV.UK \(www.gov.uk\)](http://www.gov.uk)

What causes children to be overweight and obese?

Numerous factors influence the likelihood of obesity, including socio-economic circumstances, the physical environment and food systems. Figure 5 illustrates the complex factors influencing weight, linking people's individual factors to the impact of food production and consumption, the places we live and our society – termed as the obesogenic environment.

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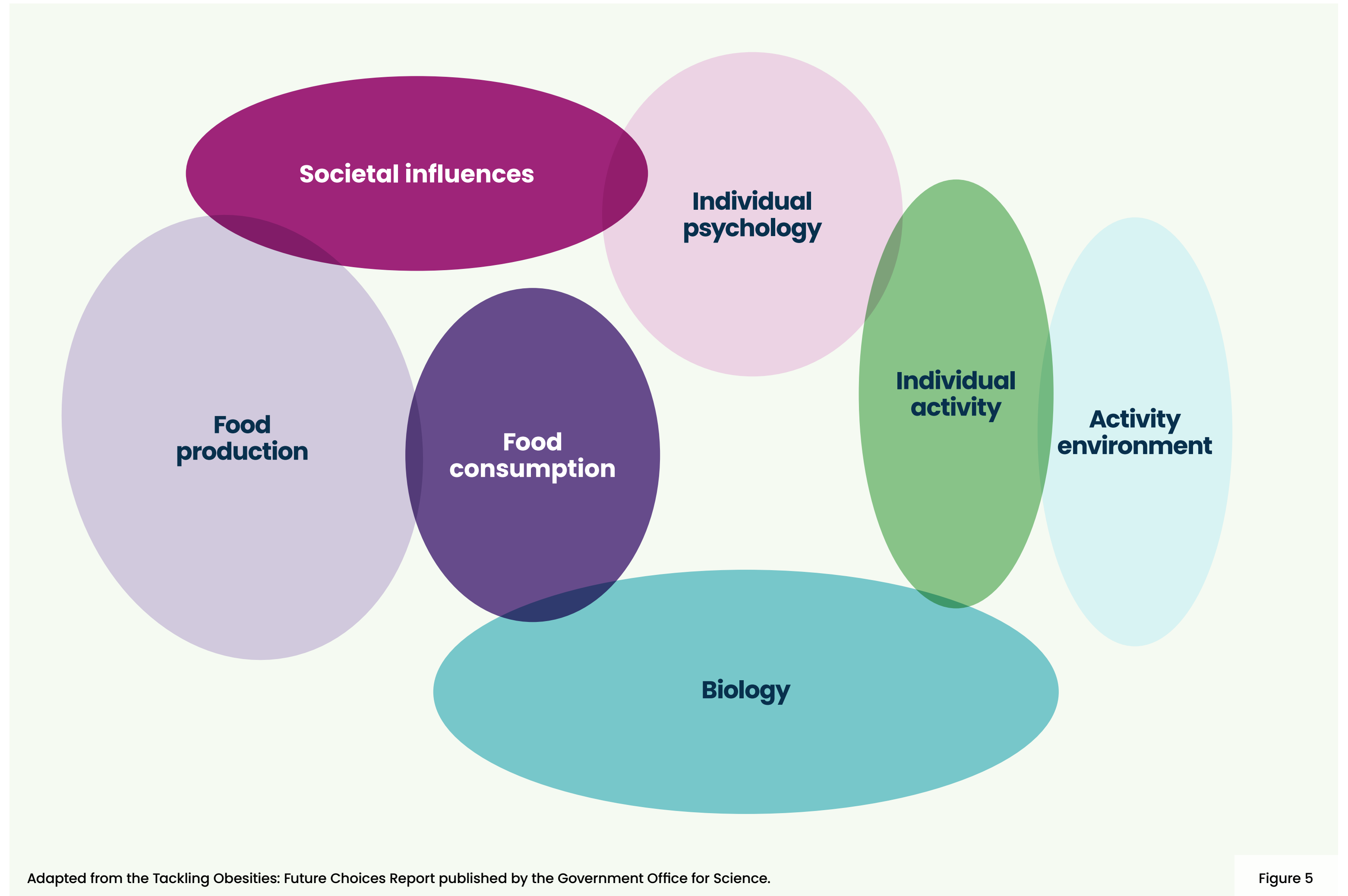


Figure 5

Starting at the beginning

Maternal obesity is a key factor influencing childhood weight, with an increased risk of babies being born above a normal weight range and greater risk of complications during birth⁷. The First 1001 Days⁸ is the most critical phase when the foundations for lifelong health are built. Poor nutrition during this time can cause an irreversible disadvantage in the development of a child's brain and other organs, setting the stage for potential adult obesity and associated health problems.

Breastfeeding has long-term health benefits for babies, lasting right into adulthood. Most babies in Hampshire

have breastmilk for their first feed. However, over the following days and months from birth, there is a marked drop off in the number of babies who continue to be breastfed (Figure 6⁹) with notable variation in breastfeeding rates across parts of Hampshire, with more affluent areas having highest rates and more deprived communities having lower rates. In addition to breastfeeding, the first year of life includes an infant's introduction to solid food which is a key time to influence healthy food habits and eating behaviours.

76%
of babies are
breastfed at birth

BUT
this
DROPS
to

57%
at 6–8 weeks

Figure 6

⁷ Childhood obesity: applying All Our Health – GOV.UK (www.gov.uk)

⁸ The best start for life a vision for the 1001 critical days.pdf (publishing.service.gov.uk)

⁹ Public health profiles – OHID (phe.org.uk)

Changes in dietary habits

We have seen children’s consumption of energy-dense foods, high in fat and sugars, increase. These changes are often the result of changing societal habits with changing portion sizes, cooking habits and increased availability of fast and convenience food. This is important as most children are not eating the recommended minimum five portions of fruit and vegetables per day and children’s consumption of added or processed sugars, including those in fizzy drinks, exceeds the recommended amount (Figure 7¹⁰).

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Figure 7

¹⁰ Hampshire County Council Health and Wellbeing School Survey 2021/22

Food environment

Healthy food choices are important and need focused efforts by the system to make them an easier, desirable and affordable option. Fast food outlets near schools impact children’s food consumption as they make their way to and from home. The availability of less healthy foods in mainstream supermarkets, education and leisure environments, as well as restaurants and takeaways, contribute to an ‘obesogenic’ environment. In more deprived areas there is reduced access to healthier food retail options, and often a greater density of hot food takeaways (Figure 8). The increasing availability of home delivery services also adds to the provision of cheaper and faster meals to our doorstep,

¹¹ RSPH | Routing out Childhood Obesity

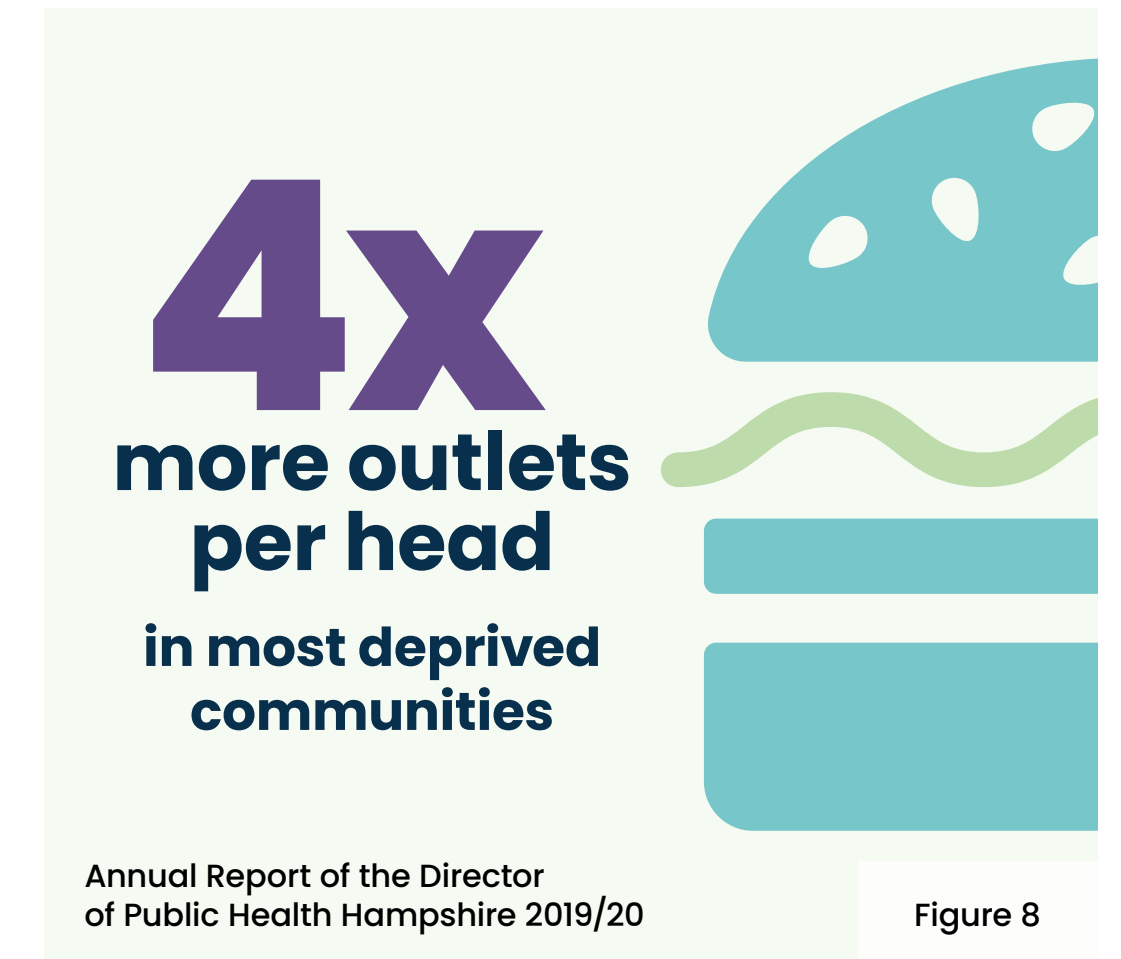


Figure 8

making it easier to consume less healthy foods. This impacts the ability of children, young people and families to make healthy food choices. We need to build on national research which suggests there is public support for restricting the number of takeaway shops within 400m of a primary school in our localities¹¹.

Physical inactivity

The reduction in physical activity is due to more sedentary lifestyles, changing modes of transportation and shifting urban and rural environments¹². Our environment has changed over time, including how we travel and connect with the places where we live, grow, learn and play.

The Chief Medical Officer guidelines recommend children aged 5-17 undertake 60 minutes per day of moderate to vigorous physical activity. Travel to school by car for 40% of children, means that we need to think of new ways to achieve this recommendation. The proportion of children in Hampshire achieving the recommended 60 minutes

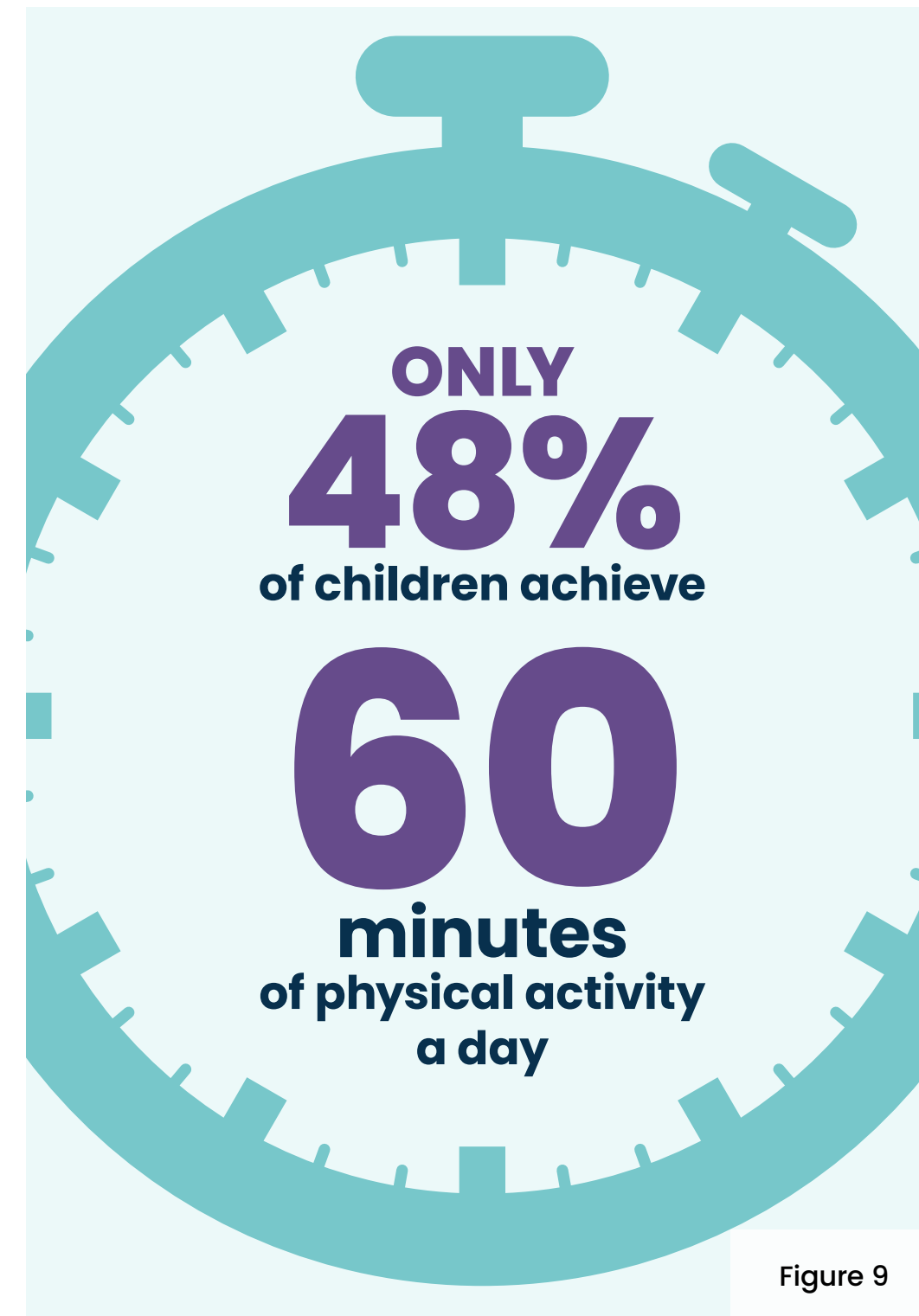


Figure 9

of physical activity per day remains static (Figure 9¹³).



¹² Obesity and overweight (who.int)
¹³ Public health profiles – OHID (phe.org.uk)

How we can solve this problem

We need to think of childhood obesity as a complex system problem and manage it as such, as an urgent priority. No single organisation has the knowledge, tools or agency to reduce the prevalence of childhood overweight and obesity¹⁴.

Treatment services provided by the NHS for childhood obesity are necessary and vital but will not on their own increase the proportion of children with a healthy weight. Yet reversing rising childhood obesity levels is pivotal to delivery of the Major Conditions Strategy¹⁵. Adopting a shared understanding, with a common purpose, we can maximise our

collective resources to tackle childhood obesity as a system.

A coordinated and collaborative systems approach is needed to halt and reverse the current increase in overweight and obesity in our population. This places the emphasis on changing and improving the places and systems in which people are born, grow, live and work.

It is difficult, but that must not stop us from trying. There is innovative work already happening to address this challenge, we must now act to broaden and strengthen this to make a difference at a population level. We also

need to move with urgency, as we did to prevent the spread and impact of COVID-19.

This coordinated approach is being taken in some Hampshire districts. We are seeing green shoots of success where stakeholders including The County Council, Borough Council, NHS, voluntary sector, and members of the community are coming together to galvanise local action.

The Hampshire Planning and Public Health Position Statement¹⁶ supports a collaborative response to improving the health and wellbeing of residents, providing a framework for creating

healthy living environments through local plans, developments and planning applications. Some District Councils are using a whole system approach within their planning policies and plans to ensure wellbeing is reflected in their designs and community infrastructure, meeting the current and future needs of their communities.

¹⁴ Public Health England. 2019. [Whole systems approach to obesity. A guide to support local approaches to promoting a healthy weight.](#)

¹⁵ DHSC. 2023. [Major conditions strategy: case for change and our strategic framework](#)

¹⁶ [PublicHealthandPlanninginHampshirePositionStatement.pdf \(hants.gov.uk\)](#)

Education settings

All education settings, from early years to post-16, influence children and young people's health. It is where they spend much of their time, socialise with peers and adults, build habits, and develop values and attitudes.

Our whole setting approach to healthy weight includes:

- lessons on living healthily
- provision of a nutritious and varied menu with free school meals for some children

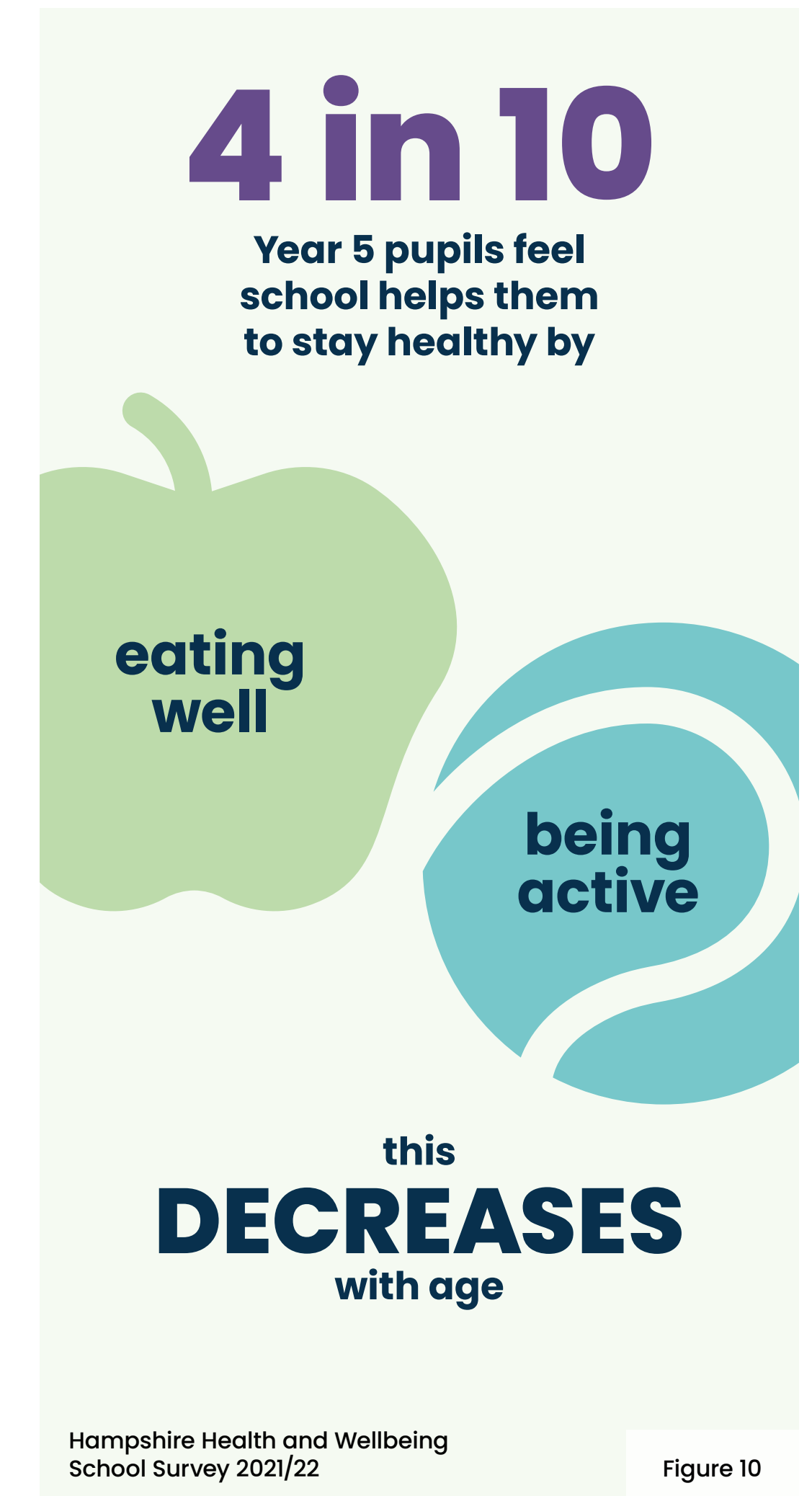
- environments that promote physical activity
- opportunities for families to build active travel into their daily routine

This allows all children to experience and develop positive beliefs and behaviours about eating and exercise that last into adulthood. Our support includes training for all staff, resources, and policy guidance¹⁷.

The Holiday Activity and Food (HAF) programme provides funded holiday activities for children who are in receipt of free school meals. HAF schemes

provide healthy meals, and many of these community-based providers carry out the Daily Mile at their provisions. Others are specialist sports providers offering a range of sporting activities.

Programmes such as the Golden Mile and the Hampshire School Games delivered by Energise Me in partnership with other organisations are key, alongside the great work of our teachers leading PE lessons. Hampshire County Council has used some COVID-19 recovery funding¹⁸ to boost physical activity in our communities particularly for those populations who are most inactive.



¹⁷ About Us | Health and social care | Hampshire County Council (hants.gov.uk)

¹⁸ Hampshire Active Health Programme – Energise Me

Working together

We must increase our understanding of what works and what is in line with the views of children and families. We are growing local evidence on this, designing, piloting and evaluating interventions for healthy eating, physical activity and family wellbeing. The Hampshire Health and Wellbeing School Survey provides an opportunity for students and school staff to have their voice heard about school life and the impact this has on eating behaviours and physical activity. More research, co-production and evaluation will be required to improve this further.

Recommendation

This report sets out the challenge we face with regard to childhood obesity in Hampshire. Some of the work is already happening to address this, but equally there will be consequences if we continue as we are. Therefore, I recommend that everyone recognises and talks about the complexity of childhood overweight and obesity and the urgency with which we must act.

I propose that we develop a Hampshire Healthy Weight approach which we all agree and sign up to, including plans to reduce child obesity.



**Let's
not wait
to enable
Hampshire's
children to be a
healthy weight!**

2023 to 2024

Director of Public Health Annual Report

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	16 April 2024
Title:	Local Government Declaration on Tobacco Control
Report From:	Director of Public Health

Contact name: Simon Bryant

Email: Simon.bryant@hants.gov.uk

Purpose of this Report

1. The purpose of this report is to seek approval from Cabinet for the Leader of the Council, the Chief Executive, and the Director of Public Health to sign the Local Government Declaration on Tobacco Control.

Recommendation(s)

2. To sign the Local Government Declaration on Tobacco Control and support County-wide action on smoking and youth electronic cigarette use, in line with the government's smokefree generation ambition.

Executive Summary

3. This report seeks approval to sign the Local Government Declaration on Tobacco Control and support County-wide action on smoking and youth electronic cigarette use. It outlines:
 - a. Contextual information about smoking and youth electronic cigarette use in Hampshire.
 - b. Describe the Local Government Declaration on Tobacco Control.
 - c. Explain the importance of the Declaration for taking an ongoing systems approach to smoking and youth electronic cigarette use.

Contextual information

4. Reducing smoking and youth electronic cigarette use is a core part of the public health duties of the County Council led by the Director of Public Health. Smoking continues to be the most important cause of preventable ill health

and premature death and main driver of health inequalities in Hampshire. Smoking is a major risk factor for many diseases such as lung cancer, respiratory disease (including chronic obstructive pulmonary disease) and heart disease. It is also strongly linked with cancers in other organs, including the lip, mouth, throat, bladder, kidney, stomach, liver, and cervix. Smoking often clusters with other unhealthy behaviours such as substance misuse, excessive alcohol intake, physical inactivity, overweight and obesity.

5. Whilst electronic cigarettes are a useful quitting tool for smokers, they are not harmless and should not be used by children, young people, and adult non-smokers.
6. Smoking and electronic cigarette use are no longer considered a lifestyle choice but a preventable addiction that requires treatment. Effective tobacco control measures can reduce the rates of smoking and youth electronic cigarette use in the population by preventing uptake in non-smokers and by supporting current users to quit. Supporting people to stop smoking directly contributes to improving health and wellbeing. Evidence-based, specialist smoking cessation services are the most effective way to quit.
7. In 2022, it was estimated that 10.5% of the adult residents in Hampshire smoked, ranging from 5.5% in Winchester to 18.4% in Rushmoor. There are also differences in smoking rates by socio-demographic groups, for example rates being higher in routine and manual workers (21.1%) and residents with long term mental health conditions (19.6%). Every year in Hampshire, 4,522 residents die, and 8,631 residents are admitted to hospital each year because of smoking.
8. Through modelling it is estimated smoking could cost the Hampshire economy £1.1bn each year, a figure that is broken down into losses in economic productivity (£682m), social care costs (£329m), healthcare costs (£41m) and fire costs (£5m).
9. The County Council through its role as the Public Health Authority leads local action to tackle smoking and youth electronic cigarette use through convening the Hampshire Tobacco Control Alliance, commissioning a community stop smoking service, and working in partnership across the system to embed smoking and electronic cigarette cessation and prevention. The County Council leads a multi-agency Tobacco Control Strategy which agencies have signed up to delivering together. This was presented at the Health and Wellbeing Board in March 2023.
10. In October 2023, the government announced new grant funding to local authority Directors of Public Health (Local Stop Smoking Service and Support Grant [LSSASG]) as part of their ambition to create a smokefree generation and make smoking obsolete by 2050. This is in line with the duties of the

Director of Public Health. The County Council's annual allocation of the LSSSASG amounts to £1,381,823 from 06 April 2024 through to 05 April 2029, and should be spent on initiatives to support people to quit smoking. Allocations are based on local smoking rates, contingent on maintaining existing spend on smoking, and it is anticipated that allocations will remain similar each year.

Local Declaration on Tobacco Control

- 11.** The Local Government Declaration on Tobacco Control is a public commitment to prioritising tobacco control and reducing the harm caused by smoking and electronic cigarette use in Hampshire.
- 12.** The Declaration does not commit the County Council to specific policies but to overarching principles on which local action can be taken.
- 13.** Following sign up to the Declaration, the County Council, will be able to further its leadership of the systems approach to tobacco control, including developing smokefree policies, supporting staff to quit smoking, preventing electronic cigarette use, training frontline staff to deliver smoking cessation support to Hampshire residents. Furthermore, with our internal and external collaboration, we will further develop additional knowledge and evidence around the impacts of continued smoking on the economy and workplace health through survey and insights work.
- 14.** Signing the Declaration will strengthen the County Council's leadership role in encouraging other local strategic partners, including the NHS, education, and social care, to follow suit and push towards a smokefree 2030 and culture-change where smoking becomes obsolete.
- 15.** Signing the Declaration demonstrates our commitment to tobacco control including:
 - Advocating for and supporting government plans for a smokefree generation.
 - Continuing to lead partnership work of the County Council's Tobacco Control Alliance.
 - Amplifying health awareness messages about smoking and electronic cigarettes to the public through a coordinated communication approach.
 - Investing resources through the ringfenced public health grant and additional ringfenced LSSSASG into cost-saving and highly effective tobacco interventions.
 - Supporting an increase in referrals into the community Stop Smoking Service and make use of free training in Very Brief Advice for both staff and residents.

- Providing data and intelligence to support local action and reduce health inequalities in smoking and electronic cigarettes.

16. The County Council will expect its local strategic partners to see the benefits of going smokefree and will support them to follow suit.

Finance

17. There are no financial commitments to signing the Declaration. There is no cost attached to membership of the Smokefree Action Coalition, a group of over 300 organisations across the UK committed to ending smoking and to which the County Council will be eligible to join on signing on the Declaration.

Consultation and Equalities

18. There will be a positive impact for groups that have high rates of smoking, including people with serious mental health conditions, people during pregnancy and maternity, people living in poverty and those in the most deprived communities across Hampshire. This should help reduce health inequalities. There will be no negative impacts on people with protected characteristics.

Climate Change Impact Assessment

19. A full assessment of climate change vulnerability was not completed as the initial vulnerability assessment showed that the programmes and services are at minimal risk from climate vulnerabilities. However, consideration will be given to ensure that locations of specialist smoking cessation clinics will promote and enable active travel to mitigate carbon risk.

Conclusions

20. The Local Government Declaration on Tobacco Control is a public statement of the County Council's commitment to action on smoking and electronic cigarette use and to protect residents from the harm caused by these products.

21. The most effective way to tackle smoking is through a comprehensive, collaborative approach working with partners across the system, which will be led by the Hampshire Tobacco Control Alliance.

Appendix A

Local Government Declaration on Tobacco Control

As public health leaders, we acknowledge that:

- Smoking is a leading cause of premature death, disease and disability in our communities;
- Reducing smoking in our communities significantly increases household incomes and benefits the local economy;
- Reducing smoking amongst the most disadvantaged in our communities is the single most important means of reducing health inequalities;
- Smoking is an addiction largely starting in childhood, two thirds of smokers start before the age of 18;
- Smoking is an epidemic created and sustained by the tobacco industry, which promotes uptake of smoking to replace the tens of thousands of people its products kill in England every year; and
- The illicit trade in tobacco funds organised criminal gangs and gives children access to cheap tobacco.

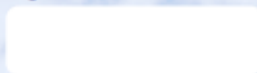
We welcome the:

- Opportunity for local government to lead local action to tackle smoking and secure the health, welfare, social, economic and environmental benefits that come from reducing smoking prevalence;
- Government's ambition to make England smokefree by 2030 and tackle inequalities in smoking prevalence;
- Commitment by the government to live up to its obligations as a party to the World Health Organization's framework convention on Tobacco control (FCTC) and in particular to protect the development of public health policy from the vested interests of the tobacco industry; and
- NHS Long Term Plan commitments to provide all smokers in hospital, pregnant women and long-term users of mental health services with tobacco dependence treatment.

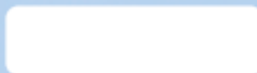
We commit _____ from this date _____ to:

- Act at a local level to reduce smoking prevalence and health inequalities, to raise the profile of the harm caused by smoking to our communities and in so doing support delivery of the national smokefree 2030 ambition;
- Develop plans with our partners and local communities to address the causes and impacts of tobacco use;
- Participate in local and regional networks for support;
- Support the government in taking action at national level to help local authorities reduce smoking prevalence and health inequalities in our communities;
- Protect our tobacco control work from the commercial and vested interests of the tobacco industry by not accepting any partnerships, payments, gifts and services, monetary or in kind or research funding offered by the tobacco industry to officials or employees;
- Monitor the progress of our plans against our commitments and publish the results; and
- Publicly declare our commitment to reducing smoking in our communities and to join the Smokefree Action Coalition, the alliance of organisations working to reduce the harm caused by tobacco.

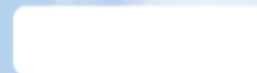
Signatories:



Leader of Council



Chief Executive



Director of Public Health

Endorsed by:

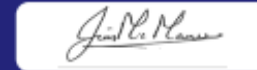
Prof Sir Chris Whitty, Chief Medical Officer,
Department of Health and Social Care



Councillor David Fothergill, Community Wellbeing
Board Chair, Local Government Association



Prof Jim McManus, President,
Association of Directors of Public Health



Prof Maggie Rae, President,
Faculty of Public Health



Julie Barratt, President,
Chartered Institute of Environmental Health



John Herriman, Chief Executive,
Chartered Trading Standards Institute



9th March 2022

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	no
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	no
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic.
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it.
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

2.1 A full Equalities Impact Assessment has been completed: EIA0560

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