

## NOTICE OF MEETING

<b>Meeting</b>	Cabinet
<b>Date and Time</b>	Tuesday, 21st June, 2022 at 10.30 am
<b>Place</b>	Ashburton Hall, The Castle, Winchester
<b>Enquiries to</b>	members.services@hants.gov.uk

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

## FILMING AND BROADCAST NOTIFICATION

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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 - 32)

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. WORKING TOWARDS ECONOMIC RECOVERY (Pages 33 - 66)**

To consider a report of the Chief Executive regarding the County Council's continuing recovery activities resulting from the COVID-19 pandemic.

**7. HEALTH AND SOCIAL CARE SYSTEM RESILIENCE REPORT (Pages 67 - 80)**

To consider a report of the Director of Adults' Health and Care updating Cabinet on the key activities undertaken across the health and social care system to maintain system resilience in the discharge of people from hospital settings.

**8. HAMPSHIRE MINERALS AND WASTE PLAN DEVELOPMENT SCHEME (Pages 81 - 88)**

To consider a report of the Director of Economy, Transport and Environment recommending an update to the Hampshire Minerals & Waste Development Scheme.

**9. RESPONSIBILITIES FOR EXECUTIVE FUNCTIONS AND SELECT COMMITTEE FUNCTIONS (Pages 89 - 108)**

To consider a report of the Chief Executive regarding revisions to Executive portfolios and consequential changes to Select Committee functions.

**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](mailto: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.

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# Agenda Item 3

AT A MEETING of the Cabinet of HAMPSHIRE COUNTY COUNCIL held at the Castle, Winchester on Tuesday, 15th March, 2022

Chairman:

\* Councillor Keith Mans

\* Councillor Rob Humby  
\* Councillor Roz Chadd  
\* Councillor Liz Fairhurst  
\* Councillor Steve Forster

\* Councillor Edward Heron  
\* Councillor Russell Oppenheimer  
\* Councillor Stephen Reid  
\* Councillor Jan Warwick

Also present with the agreement of the Chairman: Councillors Carpenter, Glen, Hayre, Mocatta, Mummalaneni and Porter.

## 46. APOLOGIES FOR ABSENCE

All Cabinet Members were in attendance.

## 47. 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.

Councillor Heron declared a personal interest in Local Regeneration and Growth partnerships with District Local Authorities (Minute 52 refers) by virtue of his role as Leader of a District Council.

## 48. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 8 February 2022 were reviewed and agreed.

## 49. DEPUTATIONS

A deputation was received from Mark Peters (Chairman of the Winklebury and Manydown Action Group) relating to the Annual Report of the Director of Public Health (Minute 54 refers). Mr Peters expressed his concern about the health care provision in Winklebury, in particular that the proposed new health centre would be of insufficient capacity and poorly located with limited accessibility and the potential to cause traffic congestion. Highlighting the recommendation of the

Director of Public Health to work with partners, Mr Peters proposed that the former Fort Hill school site would a better location for a number of reasons and asked Cabinet to work with Basingstoke and Dean Borough Council to review the plans with this in mind.

The Leader thanked Mr Peters for his comments and confirmed they would be brought to the attention of relevant partners and that congestion concerns would be looked into.

It was noted that Councillors Porter and Mummalaneni would speak on various agenda items with the agreement of the Leader.

#### **50. CHAIRMAN'S ANNOUNCEMENTS**

The Leader highlighted the tragic and horrifying situation developing in the Ukraine. He praised the strength of the Ukrainian people and hoped that the conflict could end as soon as possible. He welcomed the support that was being given to the Ukraine and the ability to support refugees seeking safety. He confirmed that left over funding from the Members' devolved grants budget had been topped up to £100,000 and designated to provide support in particular via housing and education for those affected.

#### **51. LEARNING TO LIVE WITH COVID-19 AND WORKING TOWARDS ECONOMIC RECOVERY**

Cabinet considered a report of the Chief Executive regarding the recovery from the COVID-19 pandemic and work on economic recovery.

In introduction to the report, an overview of economic recovery and progress on the County Deal was given. It was noted that Covid rates were again increasing nationally and locally, although testing had reduced. Hospitalisations had not yet increased as a result of this increase. Cabinet heard that the vaccination programme had slowed, but a fourth dose was likely to be offered to some groups from April and eligibility to children under 12 would be extended. The use of office space and the relative impact on local economies caused by home working versus the environmental benefits were discussed. It was acknowledged that hybrid working had become normal practice and had many benefits in some circumstances, however face to face working was important to service delivery and overall there had been a definite increase in office use. Cabinet welcomed the focus on making best use of existing facilities and finding opportunities to improve engagement with the public.

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

#### **52. LOCAL REGENERATION AND GROWTH PARTNERSHIPS WITH DISTRICT LOCAL AUTHORITIES**

Cabinet considered a report of the Director of Economy, Transport and Environment regarding Local Regeneration and Growth Partnerships with District Local Authorities.

The report was introduced and the multi-disciplinary approach building on existing relationships with District partners was set out, with consistent County Council representation across each partnership via the Executive Lead Member for ETE. The benefits of a consistent, but also flexible approach to facilitate partnership working were recognised and Cabinet welcomed the focus on supporting residents through a focus on post Covid economic recovery. The importance of being able to support delivery of the priorities for each District as well as the inclusion of Towns and Parishes was noted and the strength of two tier working was highlighted.

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

53. **SCHOOL STREETS**

Cabinet considered a report of the Director of Economy, Transport and Environment providing an update on the Hampshire School Streets Pilot.

With the agreement of the Leader, Councillor Porter addressed Cabinet. She welcomed the progress of the pilot and asked whether it could be connected to walk to school week, air quality be monitored and a secondary school added for greater comparison. She also suggested that alternative models be considered to reduce the reliance on volunteers and that children's views be given more prominence.

With reference to the report, Cabinet heard that the pilots had been successful, with high community support and a reduction in car traffic around schools. Noting that one school had dropped out due to a shortage of volunteers, the proposal to extend the pilot in the remaining schools was highlighted and it was confirmed that alternative models would be considered, but cost and practicality needed to be taken into account.

Cabinet Members welcomed the report and recognising the difficulties of sustaining a volunteer network, supported continuation of the pilot. It was noted that outcomes could be compared with alternative 20mph trials in the future.

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

54. **ANNUAL REPORT OF THE DIRECTOR OF PUBLIC HEALTH 2021-22. COVID-19: ADDRESSING INEQUALITIES IN MENTAL HEALTH AND WELLBEING ACROSS HAMPSHIRE.**

Cabinet considered the annual report of the Director of Public Health.

With the agreement of the Leader, Councillor Mummalaneni addressed Cabinet. He welcomed the report and noted the importance of mental and physical health provision. With reference to the deputation received earlier in the meeting, Councillor Mummalaneni confirmed that his Division included Winklebury and Manydown and gave a brief overview of the development planned in the area.

He noted that the area was deprived relative to other parts of the County and the importance of adequate healthcare provision. He suggested that the Fort Hill school site would allow sufficient space for a suitable health centre and asked that the County Council work with Basingstoke and Dean in line with the Director of Public Health recommendations to ensure that provision would meet need.

The report of the Director of Public Health relating to the impact of Covid on mental health was introduced and the recommendations in it highlighted to Cabinet. Members welcomed the report and the Director's recommendations, acknowledging the importance of the issue and of mental health support provision.

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

55. **SCHOOL ORGANISATION - AMENDMENT TO CURRENT DECISION-MAKING ARRANGEMENTS**

Cabinet considered a report of the Director of Children's Services regarding decision making arrangements for decisions relating to school organisation.

With the agreement of the Leader, Councillor Porter addressed Cabinet, highlighting that any decision to close a school should not be taken lightly and suggesting therefore that there was a benefit in retaining this as a Cabinet responsibility.

With reference to the report it was confirmed that there was no requirement for Cabinet to make these decisions and that the current process was inconsistent with similar processes that had similar effective outcomes, such as amalgamation. Alignment of the process to make all such decisions the responsibility of the Executive Lead Member for Children's services would not reduce transparency, or the ability of the public to have their say.

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

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Chairman,



## HAMPSHIRE COUNTY COUNCIL

### Executive Decision Record

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	15 March 2022
<b>Title:</b>	Learning to live with Covid-19 and working towards Economic Recovery
<b>Report From:</b>	Chief Executive

**Contact name:** Carolyn Williamson, Chief Executive

**Tel:** 01962 845252

**Email:** Carolyn.williamson@hants.gov.uk

#### 1. The decision:

That Cabinet

- 1.1. Note that, as the crisis subsides and learning to live with Covid-19 becomes the norm, future reports will focus primarily on economic recovery unless there is a matter of significance to report
- 1.2. Notes that in February 2022, the much-awaited government White Paper, Levelling Up the United Kingdom, was published, which will now guide the work regarding the County Deal as previously approved by Cabinet and County Council, with Cabinet continuing to endorse the direction of travel of this work as set out in this paper in line with previous recommendations detailed in Para 53.
- 1.3. Note the position on economic recovery action taken and the continued development of the opportunities that arise for the region through the prospects of a County Deal and the potentially significant contribution a Deal could make to both the strength and nature of that economic recovery as outlined in the report, as well as an opportunity to secure wider public services reform and enhanced place leadership at different spatial levels.
- 1.4. Note that through the implementation of the COVID vaccination programme the link between infection rates and hospitalisation and deaths has been largely broken. Nevertheless, as a society and in our role as the public health authority there is a need to manage rates of infections.
- 1.5. Note the contents of this report as a further summary of the exceptional events and recovery actions taken by the County Council concerning the COVID-19 crisis, bearing in mind that this remains a high-level analysis.

1.6. Continue to recognise the on-going exceptional commitment and flexibility of the staff of the County Council as the crisis has progressed.

**2. Reason(s) for the decision:**

2.1. To provide Cabinet with an update on the Covid crisis as it is affecting the County Council, as an organisation and for the residents of the county and the progress on economic recovery, particularly with respect to the County Deal.

**3. Other options considered and rejected:**

3.1. None.

**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:**

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**15 March 2022**

**Chairman of Cabinet  
Councillor Keith Mans**

# HAMPSHIRE COUNTY COUNCIL

## Executive Decision Record

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	15 March 2022
<b>Title:</b>	Local Regeneration and Growth Partnerships with District Local Authorities
<b>Report From:</b>	Director of Economy, Transport and Environment

**Contact name:** Richard Kenny

**Email:** richard.kenny@hants.gov.uk

### 1. The decision:

1.1 It is recommended that Cabinet:

- a) Approves the new model of engagement for local regeneration and growth partnership working with the districts and boroughs of Hampshire and endorses the extension of this approach where appropriate to neighbouring Unitary authorities.
- b) Approves a new approach for local regeneration and growth, based on combining a strategic view of the overall needs of Hampshire with local priorities arising in each area, and connecting need with opportunities, maximising delivery through collaboration and partnership working and determining the right and proportionate interventions based on best available evidence.
- c) Notes the growing opportunities arising from emerging national Government policy changes, for a more active County Council in the sub national place agenda across the economic, social and environmental policy spheres and the scope for a more outward-facing and collaborative approach.
- d) Agrees that the County Council should be represented in local regeneration and growth partnership governance arrangements by the Executive Lead Member for Economy, Transport and Environment plus a local county councillor where appropriate, and that appointment to such future partnership arrangements is delegated to the Executive Lead Member for Economy, Transport and Environment.
- e) Keeps the new model of engagement under constant monitoring and review through update reports being submitted to the Economic Development Sub Committee.

### 2. Reasons for the decision:

2.1 Nationally, sub-nationally and locally there is a growing importance of regeneration and growth strategies, programmes and projects. Hampshire County Council has assets and capabilities that can add value to local regeneration and growth across the county, working in partnership with the

districts and boroughs of Hampshire, as well as neighbouring areas. At present, however, there is no clear 'lens' from within the County Council or elsewhere over existing arrangements in relation to regeneration and growth initiatives.

2.2 Through the implementation of the suggested external governance and internal collaborative arrangements, led by the EISP function, significant local regeneration and growth can be made across Hampshire to the benefit of our residents, businesses, and communities.

2.3 This decision links with Hampshire County Council's 'Serving Hampshire's Residents - Strategic Plan 2021 - 2025' Aim 1: Hampshire maintains strong and resilient economic growth & prosperity'.

**3. Other options considered and rejected:**

3.1. To not propose new local regeneration and growth partnership approaches, however this would result in a continued sub-optimal approach.

**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:**

**15 March 2022**

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**Chairman of Cabinet  
Councillor Keith Mans**

# HAMPSHIRE COUNTY COUNCIL

## Decision Report

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	15 March 2022
<b>Title:</b>	School Streets
<b>Report From:</b>	Director of Economy, Transport and Environment

**Contact name:** Dominic McGrath

**Tel:** 0370 779 3710

**Email:** dominic.mcgrath@hants.gov.uk

### Purpose of this Report

1. The purpose of this paper is to provide an update on the Hampshire School Streets Pilot, specifically to discuss the conclusions from the initial monitoring and assessment of the trial to date; and to provide recommendations on an initial policy approach to the development of a potential future Hampshire School Streets programme.

### Recommendations

2. It is recommended that Cabinet:
  - a) Notes the findings and initial conclusions from the first phase of the pilot scheme evaluation.
  - b) Endorses the continued operation of the existing School Streets pilot sites on a trial basis during 2022, with a report on the further data and evaluation to be considered in the autumn of 2022.
  - c) Authorises design and evaluation of alternative operating models, including ANPR camera enforcement, for School Streets, to inform the final evaluation and recommendations from the pilots.

### Executive Summary

3. The high-level delivery approach for the School Streets was set out in a report titled '*School Streets*' that was approved by Cabinet on 9 February 2021. This report detailed that the trials would take place from the start of the 2021/22 academic year until the October 2021 half-term, the pilot would be included within the Active Travel Fund Tranche 2 programme and that the outcomes and conclusions were to be reported back to the Cabinet thereafter.
4. Trials have been undertaken at three schools during the Autumn Term, at Harrison Primary School (Fareham), Cadland Primary School (Holbury) and Alverstoke Infants School (Gosport). The trials have involved the temporary closure of a nearby street, to remove motor traffic from the immediate vicinity of the schools, at the start and end of the school day.

5. Data from the monitoring and evaluation exercise was analysed during late 2021, and the results and conclusions that can be drawn from the Pilot are described within this report. The data demonstrates that the three trial schemes have been generally successful, with community support for all three trial schemes. There is evidence to indicate a reduction in motor vehicle activity in the areas of concentrated pedestrian usage around the school entrance.
6. The data also indicates that the School Streets generally have a positive impact on active travel mode choice for the journey to school, and this benefit appears to be more significant when School Streets are implemented over larger areas and/or in schools with larger pupil numbers. The trials also highlight a key issue relating to the long-term sustainability of these initiatives, in that each of the schools participating in the trial have had difficulties resourcing and retaining volunteer stewarding of the scheme, with pressures on school staff and a low level of volunteer support meaning that their capacity to manage these schemes for the longer term under current operating arrangements is at risk.
7. A decision paper was considered by the Executive Member for Highways Operations at Decision Day on 18 November 2021, with approval given for the interim continued operation of School Streets measures at the three participating trial sites.
8. It is recommended that the existing School Streets sites at Harrison Primary School and Cadland Primary School are continued on a trial basis, until at least the end of the 2021/22 academic year. (As noted in the report, Alverstoke Infant school withdrew from the trial in November 2021, for resourcing reasons.) During this period, further consideration can be given to potential modifications to the existing arrangements to seek operational efficiencies and increased sustainability in terms of steward resources. Following the end of the 2021/22 academic year, a decision will be required on whether or not to make the existing School Streets arrangements at these two locations permanent.

### **Contextual information**

9. School Streets schemes seek to reduce motor vehicle traffic from roads in the vicinity of school entrances at busy times to help make journeys to school safer and make active travel to school (cycling and walking) more appealing. The schemes aim to improve the walking environment and reduce congestion issues around the school entrance, to encourage parents and pupils to travel more sustainably, and to contribute to the wider public health targets of the Local Authority (such as making streets safer, improving air quality and promoting physical activity). This is achieved through implementation of timed access restrictions on motor vehicle traffic on the roads providing the main route of pedestrian access to the school site, thus providing increased road-space for those walking and cycling during the start and end of the school day.
10. Following a motion to Full Council on 24 September 2020 and subsequent Cabinet endorsement of the high-level delivery approach on 9 February 2021, the implementation plan for the Council's School Streets Pilot was developed.

The Pilot was included in the Active Travel Fund (ATF) Tranche 2 programme and funding. The implementation plan and the recommended sites for trial interventions were approved by the Executive Member for Highways Operations on 17 June 2021, with authority to make arrangements to implement the three individual trial schemes being delegated to the Director of Economy, Transport and Environment. The detailed implementation proposals were approved by the Director on 6 July 2021, for three trial schemes to be delivered at:

- Alverstoke Infant School, Gosport;
- Cadland Primary School, Holbury, New Forest; and
- Harrison Primary School, Fareham.

11. The County Council commissioned Sustrans (a national walking and cycling charity, involved in School Streets nationwide) to provide support during the project; specifically, to provide steward training and to undertake monitoring and assessment of the trials to gauge the effectiveness of the initiative.
12. Testing of the trial arrangements commenced at the three participating schools in the final days of the 2020/21 academic year, to ensure there were no significant operational issues in advance of the main trial period. The main trial period commenced at the start of autumn term of the 2021/22 academic year and School Streets have been in continuous effect during term-time periods at the three trial sites thereafter (except at Alverstoke, where the trial ran until November -see below).
13. The Executive Member for Highways Operations considered a Decision Report titled 'School Streets Pilot – Update' at Decision Day on 18 November 2021, where approval was given for the interim continued operation of School Streets measures at participating trial sites pending a policy decision on the future of the School Streets initiative in Hampshire.
14. Initial consideration of the monitoring data indicates that the trials have been effective, particularly in terms of improving the walking environment around the school at peak times and promoting active travel modes. The initiative appears to have a high level of public support.
15. All participating schools have indicated that resourcing the stewarding arrangements presents a significant challenge, with pressures on school staff and a low level of volunteer support meaning that their capacity to manage these schemes under current operating arrangements is a risk which may affect the long-term sustainability of the initiative. As a result of these resource pressures, one of the three participating schools, Alverstoke Infants School in Gosport, confirmed during the trial that it could not continue to commit the necessary resources, and withdrew from the trial in November 2021. The other two participating schools (Harrison Primary School, Fareham, and Cadland Primary School, Holbury) both confirmed a desire to continue with the school street arrangements over the coming months, despite these resourcing pressures.

16. A programme of monitoring and assessment has been implemented to gauge the effectiveness of the School Streets intervention; the results and analysis of this monitoring and evaluation are outlined below. Also within this report are details of the potential next steps in the process of developing a future Hampshire School Streets programme.

## Monitoring and Assessment

17. The monitoring undertaken by Sustrans included user perception surveys, focus groups, pupil travel surveys and traffic surveys. The key findings from the pilots are described below, with the significant site-specific monitoring and assessment results contained within Appendix A.

18. The data indicates that the School Streets pilot schemes at Harrison and Cadland Primary schools have been generally successful in meeting the intended objectives: improving the road environment to the front of the school in terms of perceived road safety and air quality, and also encouraging an increased use of active travel modes for journeys to school. The public feedback received during the pilot indicates a high level of local support for the School Street and these participating schools have also indicated satisfaction with the positive impacts and have expressed a desire to continue. While still positive to some extent, the trial at Alverstoke had a lower level of public support and was subject to resourcing difficulties, which ultimately resulted in its early withdrawal.

19. The key outcomes of the monitoring and assessment are set out in the table below:

	Level of public support for school street to continue or continue with changes (%)	Change in active travel mode use for journeys to school (%)	Change in motor vehicle use for journeys to school (%)	Change in Motor Traffic (Average net change in frequency of traffic counters being tripped on the surrounding network during peak times)	Perception of safety (survey participants who agreed or strongly agreed that the street was safer) (%)
Harrison Primary School	75.4	+5.1	-6	-273	84.4
Cadland Primary School	81.2	+10.6	-18.6	-58	71.4
Alverstoke Infants School	57.0	-6.4*	+12.8*	+26	44.7

\*Alverstoke Infants School had a low response rate to the user perception surveys, with 38 responses recorded. This potentially affects the reliability of conclusions that can be drawn from this data, particularly for any marginal net changes such as modal shift.



20. The purpose of the trial was to test the School Street implementation process as much as a test of the outcomes, and as such, has resulted in some key learning points. The primary issues at all three trial sites are described below, and these are expected to be common also to any future site potentially under consideration.
21. Steward resource pressures: The closures require the presence of stewards, to erect and remove temporary barriers at the start and end of each closure. Such barriers are currently required because of road safety requirements and potential liability issues. Stewards also need to 'man' the barriers, to allow local access for residents. All pilot schemes have been affected by lower-than-expected volunteer numbers for School Streets stewards. All schools managed this issue using staff, either to supplement or in place of volunteers. The use of a volunteer steward model indicates a potential for heavy reliance on school staff, which may affect the long-term sustainability of the initiative in its current form. It should also be noted that the pilot has been undertaken during a time of ongoing pressure and change for schools and for parents, in part due to Covid19. This may have impacted in terms of school staff and volunteer availability due to illness, changes to parent working patterns or locations affecting drop-off/pick-up transport choices and changes to social distancing and drop-off/pick up times affecting school access arrangements.
22. Displaced parking: this is the most common public complaint or observation and ad-hoc parking observations during the pilot have identified that parking is an issue at a number of locations, mainly residential side roads off Whitefield Road near Cadland School, and around the Southampton Road junction with Harrison Road at Harrison School. It should be noted that parking issues typically exist around schools; these streets have historically had school related parking issues to some extent and therefore it can be difficult to identify the actual impact of the School Street on parking patterns. A learning outcome from the pilot is that consideration of parking matters is essential during site selection, as is obtaining robust 'before' data on parking patterns, along with regular observations and enforcement during the operation of the school street.
23. In summary, the pilot has demonstrated that School Streets interventions are potentially effective solutions in addressing the issues that typically exist in the high-footfall areas around school entrances. When implemented effectively, these schemes have potential to generate a strong level of public support and high level of satisfaction from the participating school, and these interventions demonstrate good overall value for money relative to the benefits that can be achieved for the local community.
24. However, implementation of these schemes does come with challenges, most notably with the trials the difficulty in recruiting and retaining volunteers. This has meant that school staff have had to carry out much of the day-to-day work to run the scheme. While this has been acceptable to the schools for the initial period of the trial, it remains to be seen if this is a sustainable arrangement for the longer term. Therefore, the 'next steps' proposed below are focussed on sustaining the existing trial and exploring alternative means of enforcement.

25. The trial has highlighted that the suitability of site selection and strong early engagement with the school community and local residents is fundamental to their early success. The pilot has demonstrated that school streets schemes covering a larger area are likely to be more sustainable and have a higher impact, however this is subject to site suitability and availability of sufficient resources to operate a scheme over a wider area. Also important to success in many cases, is considering the School Street as part of a package of measures, potentially including increased parking enforcement and engagement with the school to encourage travel behaviour change and promote the School Streets initiative within its local community. The ongoing resourcing requirements and commitment to make school streets effective should therefore not be underestimated.

## **Finances**

26. The cost of setting up running the initial trial across the three schools was £74,000. This has covered equipment supply (including barriers and PPE), traffic orders, training, programme development, research and monitoring costs. These set-up costs for the trial programme have been funded from money allocated to Hampshire County Council under the Government 'Active Travel Fund' (ATF) and from Hampshire County Council Public Health budgets.
27. The cost to HCC of extending the existing trials to the end of the school year is anticipated to be minimal. This would be limited to monitoring and evaluation costs are these are expected to be up to £5,000, which can be met from existing budgets.
28. To date, running costs have been minimal, because once up and running the schemes are run day-to-day by the schools. The costs to them are, to a large extent, dependent on volunteer capacity and the school's willingness to deploy staff to augment volunteer support. There may be a need to provide further volunteer training, in the event that existing volunteers withdraw, but beyond that HCC would not incur any significant running costs as a result of extending the trials
29. Initial indications are that rolling out the programme more widely would be expected to incur a set-up cost in the region of £12,000 - £15,000 per school. Complex schemes, for example where revisions to parking are required, could cost more. Provision would also need to be made for the potential removal of traffic orders for any scheme that ceased, which would be at a cost of up to £5,000 per site. The current operating model, utilising volunteers, would seem to offer the cheapest option (to HCC) for providing school streets, and this should be considered a baseline cost.
30. To scale that up to a programme level, a calculation has been undertaken to review the baseline cost for a potential wider programme. While not all schools would be suitable for the introduction of a School Street, because of local factors such as being sited on an A road, being on a bus route, etc, as an indication of the scale of cost (and assuming that there was a sufficiently high level of interest), rolling out the programme to 40% of maintained primary phase schools across the County would involve set up costs in the region of

£2 - £2.5million in total, which would presumably involve a multi-year roll-out. This is based on the existing operating model, and alternative forms of enforcement (e.g., ANPR cameras) would be expected to be more expensive.

31. Above the set-up costs there would also be programme management costs as an overhead. This would include the cost of monitoring, training, co-ordination, and programme development/support. This could be expected to be in the range £30,000 - £40,000 per annum. Provision would also need to be made for future maintenance and replacement of equipment over time.
32. As noted in the report, the trial schemes have been heavily reliant on volunteer/school staff. Alternative forms of enforcement would reduce this reliance on volunteers but would involve additional cost. It is recommended that further work is undertaken to identify and evaluate alternative operating models, to see what scope there is to reduce the reliance of the existing model on recruitment and retention of volunteers. The cost of this work is expected to be up to £3,500 and could be accommodated within existing budgets.
33. As an example, anticipated Moving Traffic Enforcement powers (due to be introduced in June 2022) may offer the potential to enforce schemes through the use of automatic number plate recognition (ANPR) cameras. However, the cost of this is estimated at around £30,000 for installation and this would be in addition to existing set up costs. Additional provision would need to be made for maintenance, equipment replacement, licencing, etc. This is likely to be one of the most expensive options and others will be reviewed alongside it.

### **Proposed Next Steps**

34. While the initial trials have shown that the School Streets projects have been generally successful in meeting the project objectives, they have also highlighted difficulties in attracting and retaining volunteers, to the extent that most of the work in running the schemes has fallen to school staff. The viability of the school streets model is dependent on volunteers or school staff support and the initial pilot scheme evaluation calls into question whether this is a sustainable arrangement for the longer term. However, the pilots have only been running for a relatively short period, and the data is therefore by definition somewhat limited.
35. It is proposed, therefore, to focus next on continuation of the existing trials, running them for the rest of the school year. It is not proposed to invite any applications from schools for starting additional trials until at least the next school year.
36. Alongside the continuation of the existing trials, it is proposed that officers review alternative options for managing the School Streets, to reduce the burden on local volunteers and staff. This might include the potential for use of ANPR-based camera enforcement, although this would require approval from the Department for Transport. Other options under existing powers will also be explored, with an evaluation of costs for each of the options.

## **Legal and insurance considerations**

37. The County Council's insurer confirmed that the arrangements for the School Streets Pilot were acceptable and were provided with evidence that the County Council had undertaken appropriate public engagement, conducted detailed risk assessments, and provided appropriate training/guidance and equipment to the marshals who will be operating the scheme. The approval was on the basis that the schools shortlisted were Hampshire County Council maintained schools and the volunteers were volunteering to the County Council. Agreements were in place between Hampshire County Council and the participating school setting out roles and responsibilities for the trial.
38. For a wider rollout of School Streets, further discussions will be required with the insurer to confirm that the activity would be covered and, in particular, that any variations to School Streets procedures will need to be approved by the insurer. It is proposed that any future rollout of School Streets would be limited to County Council maintained schools, pending further work to confirm if the initiative can be extended to Academies which would need to insure under their own Public Liability insurance.
39. A written Memorandum of Understanding (MoU) was put in place with schools involved in the Pilot, setting out roles and responsibilities. This would be required to be replicated for any new sites.

## **Consultation and Equalities**

40. Details of the engagement undertaken in relation to the School Street Pilot are provided in Appendix A.
41. In general, there is a high level of support for the School Streets initiatives undertaken to date.
42. Each future School Street would be supported by its own EqIA as part of the decision stage reports (stages 5 and 8).

## **Climate Change Impact Assessments**

43. The School Streets trial schemes are intended to promote active travel and reduce the use of the private motor car for local journeys. On this basis, School Streets initiatives are expected to have a positive Climate impact, by reducing the carbon emissions and energy consumption associated with travel to/from the participating schools for school pick up and drop off. The schemes require a minimal amount of equipment to operate, therefore the negative Climate impact of the schemes is negligible. Overall, the net Climate impact of the project is positive.
44. Application of the Carbon Mitigation Tool and Climate Change Adaptation tool to this project has been considered. The Carbon Mitigation Tool is not considered to be applicable as the amount of embodied carbon and operational carbon emitted as a result of the construction and operation of these schemes is negligible. The Climate Change Adaptation tool is also considered to be not

applicable as, when considering all variables, the scheme is not expected to be significantly affected by climate change. On balance, the scheme encourages a modest modal shift toward active travel modes, which has direct benefits in carbon reductions and also indirect benefits by promoting a change in behaviours toward more sustainable travel choices for local journeys.

## **Conclusions**

45. The School Street trials have shown in the initial data analysis that the concept largely delivers the objectives sought, though the results were inconsistent between the three pilot sites. They have generally been popular locally although there have been issues with reports of displaced parking.
46. The trials have highlighted a particular issue in the chosen operating model, with availability of local resource (volunteers/school staff) to run the schemes on the ground.
47. It is proposed to continue the existing trials for the remainder of the school year, to better understand whether the resourcing issue can be resolved, and to explore potential alternative – and less resource intensive – options for local management.
48. A further evaluation report will be brought before Members in the autumn, following the conclusion of the extended trials in July 2022.

**REQUIRED CORPORATE AND LEGAL INFORMATION:**

**Links to the Strategic Plan**

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

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u>	<u>Date</u>
The high-level delivery approach for the School Streets pilot was set out in a report titled ' <i>School Streets</i> ' that was approved by Cabinet on 9 February 2021. This report detailed that the trials would take place from the start of the 2021/22 academic year until the October 2021 half-term, with the outcomes and conclusions from the trial to be reported back to the Cabinet thereafter.	9 February 2021
"Active Travel – Update" was considered by the Executive Member for Highways Operations at Decision Day on 17 June	17 June 2021
A decision paper was considered by the Executive Member for Highways Operations at Decision Day on 18 November 2021, with approval given for the interim continued operation of School Streets measures at the three participating trial sites until such time as Cabinet determines a policy decision on the future of the School Streets initiative in Hampshire.	18 November 2021
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u>	<u>Date</u>
N/A	N/A

**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:**

An EIA has been completed and it indicates that the proposed approach has a neutral impact on people with protected characteristics. The trial schemes continue to allow access for all non-motorised users at the start and end of the school day.



## Appendix A

### Monitoring and Assessment Approach and Key Site-Specific Findings

A programme of monitoring and assessment was implemented to gauge the effectiveness of the School Streets. The monitoring deliverables were as follows:

- a. User perception surveys: online perception surveys for adults in each of the school communities. Preliminary surveys were completed in summer 2021 at each participating school and a further, more detailed perception survey was available online from 20 September to 12 October 2021. Local residents and businesses were contacted by letter in advance and provided with information on how to complete the survey, as were the local County and District/Borough Councillors. The school community was contacted with this same information, disseminated via the school's own email communication channels. Pupil surveys were also launched, but the response rate was not high enough to provide statistically significant information.
- b. Focus group: In September 2021, Sustrans ran two independent focus groups with representatives of the Harrison Primary and Cadland Primary school communities.
- c. Pupil travel surveys: Schools provided a breakdown of pupil travel modes using 'Hands Up Surveys' in the summer term and another in the autumn term, to gather data on modal shift associated with the School Street.
- d. Video analysis<sup>1</sup> (GDPR Compliant): vehicle activity at the School Streets barrier at the Harrison Road junction with Serpentine Road was recorded by static camera over a five-day period from 27<sup>th</sup> September to 1<sup>st</sup> October 2021.
- e. Traffic surveys: traffic survey data was collected in the summer term, prior to the launch of the School Streets, and again in the autumn term, to allow analysis of the impacts of the School Streets on traffic speed and volume on the local road network.

#### Harrison Primary School

The scheme restricts the use of motor vehicles on Harrison Road from Southampton Road to Serpentine Road during the school drop-off/pick up periods, covering the main point of pedestrian and public vehicle access to the school. This restriction affects 316m of road, including the access to 14 residential properties, approximately 32 on-street parking spaces and a further 20 resident permit-holder only parking bays. Due to the town centre location and local parking restrictions, there is relatively short supply of alternative on-street parking, however this is offset by the existing arrangements the school has in place for local park and stride options, the nearest being within approximately 0.2 miles walking distance at Fareham Leisure Centre. Harrison Primary School has approximately 620 pupils.

A total of 208 responses were received during the autumn survey, and the majority of these respondents (76%) were local residents. The key findings of the scheme monitoring and autumn user perception survey are as follows:

- 75% want the School Street to become permanent, either in its current form (65%) or subject to changes (11%).
- 84% agreed that the scheme brings benefits to road safety, 0% indicated no change and 12% perceived a negative impact.
- 34% agreed that congestion had improved, 14% indicated no change and 45% perceive a negative impact.
- 54% agreed that the air quality on the school street improved; 7% indicated no change and 13% perceive a negative impact. 26% were uncertain.
- Adult respondents indicated significant increases in walking (+19%) and cycling (+12%) and Park and Stride use (+5%) as a result of the scheme, while travelling to school directly by car decreased (-7%). In the pupil 'hands-up' travel survey, slight increases in scoot/skate and cycle were indicated, resulting in an overall increase (+5%) in active travel modes, whilst journeys to school directly by car recorded a reduction (-6%).
- Respondents indicated that the advantages of the closures were 'Less congestion' (67%), 'Fewer cars on the road and pavement' (67%) and 'Feeling safer on the street' (67%), whilst other significant perceived advantages were 'Better air quality' (57%), 'More space to move around' (53%), 'Increased Physical Activity' (52%) and 'Fewer carbon emissions' (52%).
- Respondents indicated that the disadvantages of the closures were 'Traffic gets displaced to other streets' (60%) and 'Cars are blocking my driveway' (33%).

Comparison of the traffic data from the 'before' and 'during' surveys indicates minor increases in vehicle traffic on Park Lane and the western end of Serpentine Road, in the area close to the Fareham Leisure Centre Park and Stride site. Aside from this, a general decrease in traffic was noted throughout the survey area across both the AM and PM periods of operation. The most significant reductions were evident within the road closure itself and adjacent roads, such as the remainder of Harrison Road, Serpentine Road, and Osborn Road. The reduction in vehicle traffic was more significant in the PM peak. The traffic survey indicates that the School Street had no significant impact on local traffic speeds.

### Cadland Primary School

The main route of vehicle access to Cadland Primary School is via a spur off Whitefield Road, which also provides access to Mary Drake Close (a residential cul-de-sac). The School Street restricts the use of motor vehicles between the main Whitefield Road and the end of the Mary Drake Close cul-de-sac during the school drop-off/pick up periods. This affects an approximate length of 140m of road, including the access to the school staff car park and 27 residential properties. It also affects the use of approximately 4 on-street parking spaces that would typically be used for school pick-up/drop off. School related parking on Whitefield Road and adjacent residential side roads is an existing issue, with regular occurrences of illegal or anti-social parking during school peak periods. Cadland Primary School has approximately 370 pupils.

A total of 110 responses were received during the autumn survey, 92% of whom were parents/guardians of pupils at the school. The key findings of the scheme monitoring and autumn user perception survey are as follows:

- 81% want the School Street to become permanent, either in its current form (71%) or subject to changes (10%).
- 71% agreed that the scheme brings benefits to road safety, 15% indicated no change and 13% perceived a negative impact.
- 30% agreed that congestion had improved, 13% indicated no change and 55% perceive a negative impact.
- 43% agreed that the air quality on the school street improved, 32% indicated no change and 13% perceive a negative impact. 13% were uncertain.
- Adult respondents indicated significant increases in walking (+19%), scoot/skating (+13%) and Park and Stride use (+5%) as a result of the scheme, while travelling to school directly by car decreased (-3%). In the pupil 'hands-up' surveys, significant increases in walking and cycling were recorded, resulting in an overall increase (+11%) in active travel modes. Park and Stride use increased (+7%) and travel by car directly to school recorded a reduction (-19%).
- Respondents indicated that the advantages of the closures were 'Feeling safer on the street' (61%), 'Fewer cars on the road and pavements' (51%) and 'Less congestion' (36%).
- Respondents indicated that the disadvantages of the closures were 'Traffic gets displaced to other streets' (71%) and 'Cars are blocking my driveway' (13%).

The direct impact of the School Street on traffic is unclear from the traffic survey data. A reduction in vehicle traffic within the School Street is evident, as is a slight increase in traffic in the area around the recommended park and stride location. The traffic surveys indicate increases in some residential side streets to the east of the site and corresponding decreases in other streets to the west. The traffic count results are likely to have been affected by external factors relating to changing school access arrangements in response to social distancing and the Covid-19 pandemic, where the school closed a temporary second access on the west side of the school site, that had been in use for social distancing purposes until the end of the 2021 academic year.

### Alverstoke Infant School

The main route of pedestrian, cycle and vehicle access to Alverstoke Infant School is via Ashburton Road. The scheme restricts the use of motor vehicles on Ashburton Road (40m in length from the junction with Paget Road through to the school gates (cul-de-sac)), during the school drop-off/pick up periods. This restriction directly affects the route of access to approximately 9 residential properties and 5 on-street parking spaces. Alverstoke Infant School has approximately 180 pupils.

A total of 38 responses were received during the autumn survey; 58% of these were school parents/guardians and 34% were local residents. The key findings of the scheme monitoring and autumn user perception survey are as follows:

- 58% want the School Street to become permanent, either in its current form (41%) or subject to changes (17%).
- 45% agreed that the scheme had a positive impact on road safety, 37% indicated no change, whilst 13% perceived a negative impact.
- 18% agreed that congestion had improved, 21% indicated no change and 45% perceived a negative impact.
- 17% agreed that the air quality on the School Street improved, 37% indicated no change, while 23% perceived a negative impact.
- Adult respondents indicated increases in walking (+3%), cycling (+11%), scoot/skating (+11%) and Park and Stride use recorded an increase (+11%) as a result of the scheme, whilst travelling directly to school by private car decreased (-11%). In the pupil 'hands-up' survey, slight reductions were recorded in scoot/skating and Park and Stride use, resulting in an overall 6% reduction in active travel modes and a 13% increase in car use when compared to the pre-scheme implementation baseline. There is some uncertainty in these figures due to the low overall response rate.
- Respondents indicated that the advantages of the closures were 'Feeling safer on the street' (50%), 'Increased Physical Activity' (47%), 'Better Air Quality' (42%) and 'Less congestion' (42%).
- Respondents indicated that the disadvantages of the closures were 'Traffic gets displaced to other streets' (55%).

Comparison of the traffic data from the 'before' and 'during' surveys indicates a negligible impact on traffic volumes and speeds on the road network surrounding the road closure during both the AM and PM periods.

## HAMPSHIRE COUNTY COUNCIL

### Executive Decision Record

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	15 March 2022
<b>Title:</b>	Annual Report of the Director of Public Health 2021-22 - <b>Covid-19: addressing inequalities in mental health and wellbeing across Hampshire.</b>
<b>Report From:</b>	Director of Public Health

**Contact name:** Simon Bryant

**Tel:** 0370 779 3256

**Tel:** 0370 779 3256

#### 1. The decision:

That Cabinet

1.1. Note the Annual Report of the Director of Public Health 2021.

1.2. Endorse the recommendations within the Annual Report as listed below:

- a) Work with partners across Hampshire to promote a prevention-focused approach towards improving the public's mental and emotional health through progressing the work of Hampshire's Mental Health Prevention Concordat.
- b) Work alongside community, voluntary sector and district partners to identify how we can support mental health and wellbeing for people from ethnic minority backgrounds and other populations at increased risk of COVID-19 in Hampshire. This includes utilising Community Researchers to engage with their communities to understand key issues around mental and emotional health and wellbeing.
- c) Mobilise community assets to promote mental and physical health and wellbeing via the implementation of a Community Champion programme, whilst also strengthening communities through a sustained Men's Activity Network.
- d) Strengthen the pathways for people with co-occurring mental health and alcohol and drug use conditions, working with the NHS Transforming Mental Health Services programme
- e) Ensuring that mental health services are equally accessible for everyone, including those from ethnic minority groups who are more likely to have been affected by the impact of COVID-19.

- f) Focus on the wider social and economic factors to address inequalities and mental health. For example, understanding the impact of COVID-19 on people’s personal finances and mental wellbeing and seeking to address these through targeted resources for residents and training programmes to support front-line staff.
- g) Building capacity and capability across frontline workforces to prevent mental health problems and promote good mental and emotional wellbeing within their everyday practice using the Public Mental Health Leadership and Workforce Development Framework Call to Action.
- h) Continuing to promote public-facing culturally competent mental and emotional wellbeing resources and targeted communications campaigns, especially to address areas of inequalities

**2. Reason(s) for the decision:**

2.1. To present the annual report of the Director of Public Health to Cabinet.

**3. Other options considered and rejected:**

3.1. None.

**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:**

<p><b>Approved by:</b></p> <p>-----</p> <p><b>Chairman of Cabinet Councillor Keith Mans</b></p>	<p><b>Date:</b></p> <p><b>15 March 2022</b></p>
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## HAMPSHIRE COUNTY COUNCIL

### Executive Decision Record

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	15 March 2022
<b>Title:</b>	School Organisation - amendment to current decision-making arrangements
<b>Report From:</b>	Director of Children's Services

**Contact name:** Richard Vaughan

**Tel:** 01962 846683

**Tel:** 01962 846683

#### 1. The decision:

That Cabinet

- 1.1. Approves that the decision making authority in relation to school closures and where required linked proposals be transferred from the Cabinet to the Executive Lead Member for Children's Services (with immediate effect). This amends paragraph 2(c) of the Cabinet Report (item 5) of the 21 May 2007 Education and Inspections Act 2006 – Implications for School Organisation Decisions, which requires Cabinet to consider and decide upon school closures and if required linked proposals that fall out of the scope of authority of the Executive Lead Member for Children's Services.
- 1.2. Notes that all other recommendations set out in the 21 May 2007 Cabinet report Education and Inspections Act 2006 – Implications for School Organisation Decisions are not affected by this decision.

#### 2. Reason(s) for the decision:

- 2.1. To move all matters in relation to school organisation under the decision-making authority of the Executive Lead Member for Children's Services. Therefore, removing the current requirement for Cabinet to consider and decide upon school closures and if required linked proposals that currently fall out of the scope of authority of the Executive Lead Member for Children's Services. This brings it in to line with other related decisions such as school amalgamations, simplifying the decision making process and enabling all matters on school organisation to be treated as business as usual.

#### 3. Other options considered and rejected:

- 3.1. None.

**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:**

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**15 March 2022**

**Chairman of Cabinet  
Councillor Keith Mans**



## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	21 June 2022
<b>Title:</b>	Working Towards Economic Recovery
<b>Report From:</b>	Chief Executive

**Contact name:** Carolyn Williamson, Chief Executive

**Tel:** 01962 845252

**Email:** [carolyn.williamson@hants.gov.uk](mailto:carolyn.williamson@hants.gov.uk)

#### **Purpose of this Report**

1. This regular report to Cabinet summarises the County Council's continuing recovery activities resulting from the COVID-19 pandemic. The focus for this report is working towards economic recovery. As indicated in the previous report, as the crisis continues to subside and learning to live with Covid-19 becomes the norm, reports will now focus primarily on economic recovery unless there is a matter of significance to report.
2. To seek Cabinet's agreement to the disbanding of the Local Outbreak Engagement Board as a Sub-Committee of Cabinet, and for any future political oversight of any health protection action in relation to the management of any future outbreaks of communicable disease to be undertaken direct by Cabinet on a business-as-usual basis.
3. This report also asks Cabinet to confirm membership of the Cabinet Sub-Committee on Economic Growth and Recovery following changes to Executive Portfolios.

#### **Recommendations**

It is recommended that Cabinet:

4. Endorses the continued positive progress and direction of travel of a Pan-Hampshire County Deal to include the Hampshire Unitary Authorities and District Councils should they wish, as set out in the Levelling Up White Paper.
5. Agrees the disbanding of the Local Outbreak Engagement Board as a Sub-Committee of Cabinet, and that its responsibilities revert to Cabinet on a business-as-usual basis.

6. Agrees the updated membership of the Cabinet Sub-Committee on Economic Growth and Recovery as: the Executive Member for Policy, Resources and Economic Development, the Deputy Leader and Executive Lead Member for Children's Services, the Executive Member for Commercial Strategy, Estates and Property, and the Executive Lead Member for Transport and Environment Strategy.
7. Notes the continued COVID recovery work across the Departments, commends the exceptional commitment of all staff in ensuring the County Council continues to perform at a high level for the benefit of residents of all Hampshire and wider partners

### **Executive Summary**

8. This report provides a full analysis of the economic impact and outlines those issues in more detail that the County Council continues to use its scale and influence to contribute to the county's and sub-region's economic recovery going forward.
9. The report outlines the position on economic recovery and action taken alongside the continued development of the opportunities that arise for the County through the prospects of a County Deal and the potentially significant contribution a Deal could make to both the strength and nature of that economic recovery.
10. The report seeks to return responsibility for any future political oversight of any health protection action in relation to the management of any future outbreaks of communicable disease to be undertaken direct by Cabinet on a business-as-usual basis.
11. The report seeks to confirm membership of the Cabinet Sub-Committee on Economic Growth and Recovery following changes to Executive Portfolios.
12. The report outlines the continued COVID recovery work across the Departments, commending the exceptional commitment of all staff in ensuring the County Council continues to perform at a high level for the benefit of residents of all Hampshire and wider partners.

### **The current economic challenge and our response**

13. Rising geopolitical tensions, sky rocketing energy prices and inflation, and the emergence of the cost-of-living crisis are driving our economy into a very sharp slowdown if not an outright recession later this year or early next year.
14. The Russian invasion of the Ukraine is another shock to an economy that has only just returned to its pre-pandemic position and one that was already being disrupted by the Omicron variant, supply bottlenecks, and rising inflation.

15. CPI inflation increased to a new 30-year high in March with these events expected to push inflation to around 10% later this year, a 40-year high. Wage growth has also accelerated, and this has further to go but with inflation outpacing earnings and taxes rising from April, real living standards are set to fall at the fastest pace since records began in the mid-1950's.
16. The country entered the pandemic with real wages no higher than before the financial crisis – thus the fall in living standards comes on the back of a decade characterised by stagnating average incomes with the poorest households not seeing real increases since the early 2000s.
17. Household incomes in Hampshire are on average around 5% above the national average but at the economic sub-area level disparities range from about a quarter above the average to about a fifth below the national average. The difficult year ahead might have been more manageable if it came on the back of a living standard boom, but Hampshire's poorest households and young people are more vulnerable given that they spend a greater share of their income on necessities like food and energy.
18. The government job support schemes like furlough and SEISS alongside temporary benefit support package protected household incomes from the significant falls during the pandemic, while a range of business support measures including business grants delivered via local authorities supported SME businesses across Hampshire. The last two SME business grant schemes, the Omicron Hospitality and Leisure Grant and the Additional Restrictions Grant closed at the end of March and businesses have now started paying back Bounce Back Loans.
19. There was some evidence of cooling jobs growth in Hampshire at the end of the first quarter and the start of the second quarter, but limited supply of workers will probably mean that we will not see a sharp increase in unemployment, but people employed in consumer-facing services such as Hampshire's young people and older workers are nevertheless far more exposed to any downturn in consumer spending.
20. Crucially, the latest forecasts from the Bank of England and Office for Budget Responsibility suggests that stagnation in real income growth is set to continue even once this inflationary shock passes through the economy. Real household incomes are expected to be lower in 2025/26 than in 2021/22. The result is that even absolute child poverty, something that is always taken for granted as falling, is on the rise. In fact, according to the latest forecasts, over one million people could fall below the absolute poverty line in the coming financial year.
21. At the time of writing the Levelling Up and Regeneration Bill is just about to be published. It is in this context and the language of 'breathing new life' into failing places, their economies, towns and high streets, that the County Council increasingly has to position itself to secure essential future resources. This comes on the back of the perception that the South East has to 'stand on its own two feet', and that it can look after itself.

22. It is in these difficult times that the County Council cannot afford any complacency and working with its partners will have to deal with its own diminishing resources to support its most vulnerable people and communities and continue to provide wider public services.
23. Regardless of the underlying realities of 'levelling up' and the scale and scope of poverty and deprivation that continues to prevail in some of Hampshire's towns, cities and estates, it will increasingly be down to fiscal freedoms and flexibilities to enable places like Hampshire to leverage its economy to both fund its future and reduce demand on highly complex and complicated public services, especially those targeted on vulnerable communities as well the day to day universal services everyone relies on whether it is to get to work, succeed at school, or care for children and the elderly.
24. Businesses will only invest here if they have confidence in the investment framework, that infrastructure will be built, that the skilled workforce will be accessible, flexible and in place, that their homes will be affordable and their schools, colleges and universities and places of leisure, culture and sport, will thrive.
25. It is important to recognise that only by building on its strengths can the UK economy pull out of this decade of stagnation, as set out for example in the 'Enduring Strengths' analyses, part of 'The Economy 2030 Inquiry', a new collaboration between the Resolution Foundation and LSE's Centre for Economic Performance funded by the Nuffield Foundation.
26. The wider pan-Hampshire area is a major net contributor to the exchequer, and it is essential that it continues to make substantial regional and national contribution to economic growth and public finances. However, to optimise it Hampshire needs a full recognition by Government. This is why, as set out in this report, the County Council is continuing to push for a bold and ambitious County Deal. It is only by altering the relationship and strength of the collaboration with Central Government that a new transformational Deal for Hampshire residents, communities and businesses can be secured. This is why the County Council is so actively supporting the pan-Hampshire area in putting a credible offer to Government for such a Deal.

### **Economic Impact and Recovery from Covid-19**

27. The impact of the pandemic on Hampshire (Hampshire & the Isle of Wight) was enormous and greater than nationally, but as coronavirus restrictions eased Hampshire's economic recovery continued to surpass expectations throughout much of last year and into 2022. However, a sharp slowdown in consumer spending is underway and there are some signs of a softening in the labour market in Hampshire.
28. Employment among Hampshire residents increased by over 7,000 last year but employment was still below the 2019 level. Employee numbers increased by almost 20,000 last year to above the pre-pandemic level but self-employment decreased in both 2020 and 2021.

29. Timelier measure of payroll employment from HMRC suggests that in the first quarter of this year PAYE employment in Hampshire increased by almost 10,000 which would bring total employment to the pre-pandemic levels. There was some evidence of a slowdown in employment growth towards the end of the quarter.
30. Employment among older residents (50 to 56-year-olds) increased faster than previously thought in 2021 but employment among young people increased at a slower pace than previously thought. Employment among the 20 to 24-year-olds decreased last year.
31. The headline (survey-based) measure of unemployment was broadly unchanged on the previous year and almost one percentage points higher than in 2019. Youth unemployment was more than double the overall rate and higher than in the previous year.
32. The alternative (administrative) measure of unemployment suggests that the number of unemployed claimants decreased by 37% over the year to March. Unemployment fell slightly over the first quarter, but the absolute numbers were still well above the pre-pandemic level. The number of young unemployed claimants halved over the year, but youth unemployment remained broadly unchanged over the first quarter of this year.
33. In terms of employment growth among resident population, Hampshire performed better than both the regional and national average, but it lagged behind the average in terms of unemployment. This is in large part explained by the differences in labour market participation. Economic activity increased in Hampshire, which was in stark contrast to the South East and the UK that saw decreases in economic activity.
34. Labour demand in Hampshire was strong in March and at the start of the second quarter. In-demand jobs in Hampshire continue to be associated with nursing and care, hospitality, and some higher occupations. March saw an increase in demand across most occupations but with some easing in demand for nurses.
35. High economic activity alongside the strong growth in online job vacancies points to labour shortages that could drive costs and wages up further. Median PAYE pay in Hampshire & the Isle of Wight stood at £2,100 in March, about 2.2% above the UK average with North, Central and South Hampshire all above the UK average and the Isle of Wight and the two cities below the average. Hampshire's PAYE growth was 5.6% in the three months to March, comparable to the regional average.
36. Estimated growth in economic output in Hampshire was faster than the national average in January but the economy was close to a standstill in February according to a preliminary estimate. Survey evidence from purchasing managers points to robust growth in business activity and the volume of new orders in the region in March. Growth was nevertheless slower than in the previous month with rising input prices, ongoing shortages of goods

and labour and rising borrowing costs presenting a growing headwind for business growth and investment.

37. At the end of last year business investment remained well below pre- pandemic levels and it is likely that it will remain subdued over the short-term but despite the uncertainty about the short-term outlook, survey measures of business sentiment remain high.
38. Demand for commercial floorspace in Hampshire & Isle of Wight decreased in the first quarter of this year compared to the previous quarter. In relative terms offices registered the fastest fall in take-up, down by about a third, industry was also down but commercial take up of retail, leisure, and hotels more than doubled, albeit from a low base. Rents have slightly recovered across all three market groups in the first quarter, but economic environment has deteriorated, and this has dampened prospects for the sector over the short-term.
39. Business investment this year should benefit from the Chancellor's 'super deduction policy' announced in the Autumn 2021 Budget. This allows firms to deduct 130% of the cost of investment for main rate assets and 50% first year allowance for special rate assets for two years from their tax bill.
40. The overall impact of the pandemic on businesses insolvencies in Hampshire was relatively modest last year but nevertheless greater than the regional and national average. Timelier national data suggest that there was a sharp increase in business insolvencies in England and Wales in the first quarter of this year.
41. About a quarter of UK and Hampshire businesses have used the government's Bounce Back Loan Scheme during the pandemic but since a standard Bounce Back Loan has a low and fixed interest rate (2.5%) over a six-year term it ought not to have significant impact on business survival in Hampshire. In the first quarter of this year business cash holdings were higher than in 2019 but businesses are faced with rising commodity and energy prices, labour and goods supply chain disruptions and falling consumer sentiment and spending.
42. Consumer spending and sentiment data have weakened considerably at the end of the first quarter and beginning of the second quarter. March marked the second consecutive decline in retail sales and this data predated April's 54% increase in utility bills which will further impact on household budgets and spending.
43. Consumer confidence, a useful leading indicator of future household spending, fell to its lowest level since 2008 in April. Consumer outlook for personal finances and the general economy are worse than during the 2008 global financial crisis.
44. Real household incomes are expected to fall by 2.2% in 2022/23 according to the Office for Budget Responsibility (OBR), which would represent the biggest squeeze on living standards on record. The weakness in household incomes and sentiment suggest that there is a real risk of continuous falls in real consumer spending over the coming month which could tip the economy into

a recession. However, households are likely to start to draw on savings to help smooth their spending. Accumulated savings and tight labour market in Hampshire should make consumer spending more resilient over the short-term.

45. Consumer price inflation increased from less than 1% a year ago to 7% in March 2022, a 30-year high. Inflation was primarily driven by the increase commodity prices, global supply chain disruptions and strong wage growth. A large jump in Ofgem's utility price cap in April and further increase in wholesale energy and commodity prices driven by the war in Ukraine is expected to push inflation to close to 9% later this year according to OBR. The Bank of England expects inflation to increase to slightly above 10% in the final quarter of this year.
46. Core inflation that excludes volatile elements (food and energy sectors) increased to a 30-year high of 5.7% in March with further increases to come. Survey evidence suggests that high inflation has started to feed into higher price and wage expectations (the so-called 'second-round' effects). This will keep inflation higher for longer than anticipated in the Autumn Budget.
47. The new OBR forecast that accompanied the Spring Statement implies that in the next two years economic growth will be slower and inflation and interest rates considerably higher than expected in the Autumn Budget. Unsurprisingly inflation saw an upward revision from 4% to 7.4% in 2022 and from 2.6% to 4% in 2023. GDP growth was revised down from 6% to 3.8% for this year and from 2.1% to 1.8% in 2023 with some City forecasters expecting growth to slow to 0.6% next year. The latest forecast from the Bank of England (May 2022) is gloomier about the outlook. The Bank now expects the economy to contract in the final quarter of this year with calendar year GDP growth broadly flat in 2023.
48. Fiscal position is considerably better than expected in October's Budget. The forecast for public sector net borrowing in the 2021/22 fiscal year was lowered by £55bn, with the new medium-term fiscal projections revealing a lower path for public borrowing than that published in October.
49. The further surge in inflation coupled with a tight labour market has prompted the Bank of England to increase interest rates from 0.75% to 1% in May with investors expecting the rates to reach 2.5% next year. With the economy losing momentum the Bank was dovish about the outlook for interest rate rises at its meeting in May but the 'second-round effects' might prompt the bank to increase the rates faster than anticipated which would weight on economic growth this year and in 2023.
50. Local authorities in Hampshire have been allocated £22.1 million from the Omicron Hospitality and Leisure Grant (OHLG) to support Hampshire businesses. As of 27 February, £9.4 million or 43% of the allocation was paid out by Hampshire local authorities with the remaining amount to be allocated and distributed by 31 March.

51. OHLG grant is in addition to the Additional Restrictions Grant (ARG) which allows local authorities to use their discretion to support other businesses in their area, based on local economic need. Hampshire local authorities have been allocated £74.5 million in the Additional Restrictions Grant (ARG). Some £65 million in ARG grants (87% of allocation) was paid out by Hampshire local authorities by 27 February with the remaining amount to be allocated by 31 March.
52. The Spring Statement was an important economic event that was accompanied by a set of new fiscal announcements aimed at softening the impact of the cost-of-living crisis on households. In addition to a set of loans and grants announced in February worth some £9bn, the Chancellor announced a package of new tax cuts that included cutting fuel duty by 5p, increasing the national insurance threshold by £3,000 and reducing the basic rate of income tax by 1p from 2024/5. Other smaller measures have been announced or extended but the planned increase in national insurance contributions has not been scrapped.
53. The boost to the economy in 2022/23 tax year stands at around 0.4% of GDP which in the case of Hampshire and Isle of Wight economy amounts to about £268 million and is not that big but the new and pre-announced measures for this financial year's amount to about 0.8% or about £537 million of Hampshire's economy. The new and pre-announced measures are expected to offset about half the blow to household finances from higher energy and fuel bills accord to the Office for Budget Responsibility (OBR).
54. A doubling in the size of the Household Support Fund introduced last winter implies that local authorities in the County area should receive around £7.12 million of additional funding in 2022/23, Southampton £2.22 million, Portsmouth £1.88 million, and Isle of Wight £1.13 million.
55. There were no new devolution announcements in the Spring Statement, but the Government has launched the second round of the Levelling Up Fund with a refreshed Prospectus inviting bids to come forward from all eligible organizations across the UK. Eligible Hampshire applicants have to submit their full bids along with all supporting documentation by 6 July 2022.
56. Government published UK Shared Prosperity Fund (SPF) prospectus on 13 April 2022. The £2.6 billion UK SPF, which succeeds former EU structural funds is aimed at building pride in place, supporting high quality skills training, supporting pay, employment, and productivity growth, and increasing life chances. As set out at Spending Review 2021, the Fund will be worth £400 million this financial year.
57. In Hampshire, each district will receive £1 million each over three years from the core SPF allocation, the minimum set allocation. The SPF allocations include funding for the Multiply national adult maths programme. Hampshire County Council will receive the Multiply allocation of £5.7m over three years. The Isle of Wight core and Multiply allocation is £1.7m over the same period with Southampton and Portsmouth allocated £2.5m and £2.7m, respectively.



Each area has to develop and submit an investment plan outlining how they will use the funds, including Multiply.

58. The Energy Security Strategy that builds upon the 'Ten-point plan for a green industrial revolution', and the 'Net zero strategy' was published in April. The strategy is focused less on fixing short-term energy crisis and more on future investment (2030+horizon), and the need for more nuclear power (potentially eight reactors) and more offshore wind, but little in way of new measures for energy efficiency (e.g., home insulation) or expansion of onshore wind.
59. Tourism was by far the most affected sector by the pandemic. Hampshire County Council's Tourism team co-ordinated five Hampshire local authority partners to fund a Visit Hampshire 'Waiting to be Discovered' Sky TV advert and social media campaign from their ERDF Welcome Back funding allocations. The activity targeted professionals and families within a 2-hour drivetime during February/March 2022 to encourage day trips and short breaks and reached 825,000 people with 1.5m impressions and 160,000 advert views, resulting in a 139% growth in visits to the Visit Hampshire website.
60. Several private investors have made recent investments in Hampshire (Annex 2) and Hampshire's Economic Development service working jointly with DIT and local authority colleagues continues to support investment projects across Hampshire.
61. The County's Economic Development Service has been supporting the French shipbuilder OCEA for over a year in their UK expansion plans. The Wight Shipyard Co. has announced an all-share merger with OCEA to create a multinational shipbuilder that would capitalise on the fast ferry and offshore renewable energy markets opportunities. The Wight Shipyard Co. will nearly double in size, providing significant employment opportunities at the East Cowes yard.
62. The short-term economic recovery action planning continues to be undertaken by the County Council. The County Council understands that the recovery from Covid is going to be uneven at local level which places greater emphasis on place-based strategies and major regeneration initiatives, including breathing new life into our towns, city centres and high streets. The Council seeks to work on a collaborative basis with individual local authorities to develop bespoke place-based strategies and initiatives for faster recovery from Covid and stronger development and growth of Hampshire.
63. It is proposed that the foundation for this collaborative approach would be a stronger focus on co-production and co-delivery and a governance model that would involve Executive Lead Member for Economy Transport & Environment representing the County Council on strategic governance boards and the Executive Director for Economy Transport & Environment representing the County Council on delivery arrangements.
64. Replicating this model across all Local Authorities that share our aspirations for a collaborative approach to place-based initiatives through the development of local regeneration and growth partnerships and that are able

to demonstrate how to accelerate economic recovery, is an emergent opportunity. This approach will bring consistency and coherence and allow for deeper insight into prioritisation as well as secure good practice and recovery from Covid.

65. The Solent Freeport represents a major nationally significant opportunity to transform Hampshire and rejuvenate its towns, cities and industrial sectors via major international inward investment, increased trade, new infrastructure investments (including unlocking new sites for development with additional fiscal incentives) and the growth of new knowledge intensive industries. It is estimated that the Freeport will generate £3.6bn in GVA and over 52,000 jobs across the country, including over 26,000 jobs and £2bn GVA directly in the area.
66. The Freeport consists of tax sites and custom sites. Round one of the business case developments has been approved by Government and as part of that process two of the three tax sites have been published and statutory instruments laid. The Solent freeport tax sites include: Dunsbury Park and Southampton Water site that consists of Fawley Complex, Fawley Waterside, Marchwood Port & Strategic Land Reserve and Redbridge. The Navigator Quarter site will be designated as a tax-free site in the next couple of months.
67. Solent Gateway has announced that planning consent has been granted for the development of Marchwood Port. The development of the port, subject to a section 106 agreement, will modernise its facilities and operations and bring new investment and jobs to the area.
68. Southampton unfortunately, was unsuccessful in its bid to become UK City of Culture 2025, having secured its place in March 2022 as one of the 4 Shortlisted locations. However, the bringing together of a wide cross section of bid partners has presented some additional investment opportunities that will continue to be explored to create jobs and attracting new visitors to Southampton and the rest of Hampshire.
69. An economic briefing on the *Spring Statement* (Annex 1) and the fifth issue of the *Economic Intelligence Dashboard* (Annex 2) produced in early June contain additional information on the current economic trends and business intelligence (the most up to date at the time of writing).

### **County Deal**

70. As has been previously reported, a County Deal has the potential to strengthen economic recovery across Hampshire as a whole and deliver major strategic economic initiatives and programmes. This would be achieved through securing substantial new functions, powers, and resources to enhance place-based leadership at regional, sub-regional and local levels for the benefit of local residents, including leveraging significant investment funding from Government and the private sector.

71. In November 2021, a Statement of Common Ground, was agreed by all Leaders, setting out the ambition to explore opportunities for a potential County Deal. It was agreed by:

Hampshire County Council – Cllr Keith Mans  
Basingstoke and Deane Borough Council – Cllr Ken Rhatigan  
Bournemouth Christchurch and Poole Council – Cllr Drew Mellor  
East Hampshire District Council – Cllr Richard Millard  
Eastleigh Borough Council – Cllr Keith House  
Fareham Borough Council – Cllr Seán Woodward  
Gosport Borough Council – Cllr Graham Burgess  
Hart District Council – Cllr David Neighbour  
Havant Borough Council – Cllr Alex Rennie  
Isle of Wight Council – Cllr Lora Peacey-Wilcox  
New Forest District Council – Cllr Edward Heron  
Portsmouth City Council – Cllr Gerald Vernon-Jackson  
Rushmoor Borough Council – Cllr David Clifford  
Southampton City Council – Cllr Dan Fitzhenry  
Test Valley Borough Council – Cllr Phil North  
Winchester City Council – Cllr Lucille Thompson

72. In December 2021, a draft County Deal prospectus was endorsed by Cabinet. This evidenced a clear functional socio-economic geography of the Pan-Hampshire region and its strong economic foundation as a net contributor to the UK economy. The draft prospectus outlined a range of opportunities and associated strategic proposals that would have a measurable positive impact on the lives of residents and would form the basis for further discussions with stakeholders and Government.

73. In February 2022, the much-awaited government White Paper, Levelling Up the United Kingdom, was published. This set out an ambition to extend, deepen and simplify devolution across the country, and commits to establishing a new model of Combined Authority that would enable devolution deals to be agreed by County Councils and/or Unitary Councils, encouraging collaboration where relevant with District Councils.

74. Within the White Paper the Government announced 9 Wave 1 areas which will be negotiated first. These are:

- Cornwall;
- Derby and Derbyshire;
- Devon, Plymouth and Torbay;
- Durham;
- Hull and East Yorkshire;
- Leicestershire;
- Norfolk;
- Nottinghamshire and Nottingham; and
- Suffolk.

75. The White Paper also set out the governance framework for devolution against a range of potential functions, with Level 3 being the most powerful and Level 1 being the least powerful but noting that there will be scope to negotiate further powers, on a case-by-case basis, and an opportunity to adopt innovative local proposals to address specific challenges and opportunities.
- **Level 3:** A single institution or County Council with a directly elected Mayor (DEM), across a Functional Economic Area (FEA) or whole county area.
  - **Level 2:** A single institution or county council without a DEM, across a FEA or whole county area.
  - **Level 1:** Local authorities working together across a FEA or whole county area e.g., through a joint committee.
76. Although no potential Deals in the South East will be immediately progressed in the Wave 1 pilots, there has continued to be an active dialogue and engagement with officials and Ministers. These meetings have strongly encouraged the continued work and development of the proposals outlined in the draft prospectus shared with Cabinet in December. This was mirrored by Cabinet endorsing the continuation of the work and direction of travel for a Hampshire County Deal at its meetings in February and March 2022, including the development of aligned Regeneration and Growth Partnerships at a District Council level.
77. In March 2022, a final round of collaborative workshops were completed with Partners, building on the initial collaborative work performed in November and December 2021 and importantly finalising the scope of opportunities to explore and form the basis of starting any negotiation with Government in the context of the now published White Paper.
78. The draft December prospectus for change has therefore now been updated to reflect this work and articulates 4 four key thematic areas of focus with measurable outcomes and benefits to communities:
- Sector Growth and Skills;
  - Place Strategy;
  - Net Zero and Net Environmental Gain;
  - Integrated Transport.

This updated prospectus is now with Partners for comment and will be shared with Cabinet July 2022.

79. In April 2022, the 5 County / Unitary Leaders met with the Parliamentary Under Secretary of State as a continuation of the collective engagement with Government. This meeting was extremely constructive, and the Minister was complementary of the emerging ambition of the proposals and the professionalism of the work that has been performed so far. The Minister clarified that County Deals are expected to include whole County areas and was not aware of any Deal that would split a County between two or more

separate Deals. As expected, and in accordance with the White Paper, the Minister was clear that with the level of ambition in the Pan-Hampshire proposal, there would be new governance requirements including a requirement for some form of Directly Elected Leader.

80. In May 2022, following the Queen's Speech, the Levelling Up and Regeneration Bill was published, setting out further clarity on the expected governance of a County Deal through a Combined County Authority (CCA). Key points of clarity in the Bill are:

- There cannot be 2 or more CCA's across a single County Area.
- The previous language of a "Mayor" will not be prescribed.
- Public Consultation would be required as part of finalising proposals for a CCA.
- The Secretary of State may make regulations establishing a CCA for an area only if:
  - The Secretary of State considers that to do so is likely to improve the economic, social and environmental well-being of some or all of the people who live or work in the area.
  - The Secretary of State considers that to do so is appropriate having regard to the need:
    - To secure effective and convenient local government, and
    - To reflect the identities and interests of local communities
  - The Secretary of State is satisfied that the proposal will achieve the stated purpose of establishing a CCA.
  - The constituent councils' consent, and
  - Any public consultation required has been carried out.

### **Local Outbreak Engagement Board and Health Protection Board**

81. At its meeting on 14 July 2020 as a result of the COVID-19 pandemic, Cabinet agreed the establishment of a Local Outbreak Engagement Board (LOEB) chaired by the Leader of the County Council as a Sub-Committee of Cabinet. The purpose of the LOEB was to provide Member-led political oversight of the County Council's response to the Covid-19 pandemic and engagement with local communities. At the same time Cabinet agreed the establishment of an Officer-led Health Protection Board (HPB) chaired by the Director of Public Health. The purpose of the HPB was to provide strategic oversight and management of the Covid-19 pandemic in Hampshire, accountable to Gold Command and the LOEB.

82. Since this date, the LOEB and the HPB have operated successfully as per the terms of reference approved in the Cabinet report. However, as the County Council enters a new 'normal' it is considered no longer necessary to delegate responsibility to a dedicated Sub-Committee of Cabinet, and that the purposes of the LOEB can more efficiently be discharged by Cabinet itself as a whole, on a business-as-usual basis. It is however considered that the HPB should continue as a discreet body, given its overall responsibility for strategic oversight of public health communicable disease and contagion outbreaks. The HPB will continue to report to CMT and report to Cabinet as required,

should Cabinet agree that the LOEB be disbanded. The Local Outbreak Engagement Plan has also been superseded by the Living with COVID Plan reflecting the revised governance structure.

### **Cabinet Sub-Committee - Economic Impact and Recovery from Covid-19**

83. At its meeting of 14 July 2020, Cabinet recognised that alongside the grave risks to the wellbeing of the population of Hampshire brought about by the risks of the Covid-19 pandemic, the pandemic also presented grave risks economic implications. The Cabinet Sub-Committee on Economic Growth and Recovery was established at the Cabinet meeting to provide clarity of focus for the County Council and its stakeholders with regard to its duties on economic development generally, and particularly in the context of recovery from the impact of the Covid-19 pandemic. With the changes in Cabinet responsibilities, it is necessary to update the membership of the Cabinet Sub-Committee on Economic Growth and Recovery, and it is proposed that going forward the Sub-Committee comprise: the Executive Member for Policy, Resources and Economic Development, the Deputy Leader and Executive Lead Member for Children's Services, the Executive Member for Commercial Strategy, Estates and Property and the Executive Lead Member for Transport and Environment Strategy.

### **Adults' Health and Care**

84. Across the department in both our Public Health and adult social care services restoration and recovery continue apace, albeit within the continued extremely challenging operational and financial climate. A report detailing some of our social care operational pressures through supporting hospital admission avoidance and discharge, along with NHS colleagues, is also on today's Cabinet agenda.
85. Across our community-based services, we have continued to see increasing numbers of people both resuming services and support through the course of the pandemic and also new residents coming forward seeking support with social care needs. It is important to recognise that levels of need and the complexity of those needs we are seeing manifest are higher than pre-pandemic. There are also levels of anxiety and continued concerns being expressed, as those with complex needs and specific vulnerabilities come forward as society continues to relax following the cessation of restrictions.
86. The department continues to support a range of corporate work in support of Afghan refugees, whilst also being deeply involved in the developments of Integrated Care Systems (Frimley and Hampshire and Isle of Wight). Legislation passed in Parliament on 26<sup>th</sup> April to enable systems to 'go live' on 1<sup>st</sup> July.
87. Additionally, the department, along with colleagues in corporate operations, continue to prepare for social care reforms, including the Fair Cost of Care exercise as a prelude to the Care Cap's intended implementation in October 2023. From April 2023 a new regime of assurance for adult social care

provision will be implemented by Government, led by the Care Quality Commission (CQC). We have recently agreed to be one of two national pilot sites to work with the CQC to develop its assurance regime.

88. Finally, and in recognition of the outstanding work across the department and sector it is important to note that the department has been shortlisted for three LGC Awards, due to be announced in July; our short-stay unit at Woodcot Lodge, our deployment of collaborative robots (cobots) and our use of an artificial intelligence system (WACs) in support of our vulnerable residents during the pandemic, and our colleague Anne Dudley, who manages our catering across all HCC Care Homes has won the national award for promoting nutrition and hydration in the Public Service Catering Awards.

### **Schools and Children's Services**

89. During the spring term, schools continued to follow the DfE guidance and have fully returned to providing face-to-face education. There have been a few incidents where individual schools have experienced spikes in staff absence due to Covid 19 and other illnesses. In those incidents there have been a limited number of occasions where schools have had to provide education remotely as the lack of staff has compromised the safety of having all children on site. Schools have sought to minimise the number of students affected and have limited the period of partial closure to be as brief as possible. The County Council has supported schools whenever these spikes have occurred largely through the school improvement team.
90. The focus of the school improvement team has remained on working with schools to implement recovery programmes and preparing schools for the return of examinations this summer. Ofsted has returned to full inspection and over the spring term schools continued to achieve good outcomes with the proportion of schools graded good or better remaining at 93% compared to a national average of 86%.
91. In terms of children's social care, there remains increased activity at the front door in the Multi Agency Safeguarding Hub (MASH) and in the social work assessment teams, circa 20% above pre-pandemic levels. Short term Covid related staff absence has affected the service with between 10-to15% staff absence, particularly in the residential service. Staff in these services have also been processing additional assessments for Ukrainian refugee families.
92. There continue to be one-off short-term problems with regards to Home to School transport when drivers or pupil escorts are absent for covid related reasons.

### **Conclusion**

93. The post Covid focus for the County Council is clearly and significantly focussed upon economic recovery, this includes the development of an ambitious County Deal prospectus as a negotiating position with Government.

94. There are still on-going recovery activities across the County Council Departments and staff are to be commended for their continued commitment in support of Hampshire Residents and wider partners.

**REQUIRED CORPORATE AND LEGAL INFORMATION:**

**Links to the Strategic Plan**

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

(a) No equality impacts have been identified arising from this Report

## Spring Statement 2022: Economic Development Briefing

This brief note sets out a summary of the key points from the March 2022 Spring Statement and the latest economic forecasts from the Office for Budget Responsibility (OBR). Where possible, the note includes a rough estimate of the potential impact of some of the policy measures on Hampshire.

### Overview

The Spring Statement was an important economic event that was accompanied by a set of new fiscal announcements aimed at softening the impact of the cost-of-living crisis on households. The Chancellor announced a package of new tax cuts that included cutting fuel duty by 5p, increasing the national insurance threshold by £3,000 and reducing the basic rate of income tax by 1p from 2024/5. On top of the headline fiscal announcement the Chancellor also announced or extended a range of other measures but the planned increase in national insurance contributions has not been scrapped. There were no new devolution announcements in the Spring Statement, but the Government has launched the second round of the Levelling Up Fund.

Car and van dependency in Hampshire is greater than the England average which implies that the County Area (Hampshire County Council Area) households may benefit more from the reduction in fuel duty on petrol and diesel than households in most other parts of the country. Over 465,000 households in the County stand to benefit from this temporary measure. The rise in the annual NI threshold will disproportionately benefit the lowest 10 percentile of the County area residents that on average earned £9,100 in 2021. The cut in the basic rate of income tax from 2024/25 tax year will benefit most of the 614,000 residents in the County who pay income tax (2018/19 data). A doubling in the size of the Household Support Fund introduced last winter implies that that local authorities in the County area will receive around £7 million of additional funding in 2022/23.

The boost to the economy in 2022/23 tax year stands at around 0.4% of GDP which in the case of the County Area economy amounts to about £195 million which is not that big. The new and pre-announced measures for this financial year's amount to about 0.8% or about £390 million of the County Area economy. The new and pre-announced measures will offset about half the blow to household finances from higher energy and fuel bills accord to the Office for Budget Responsibility (OBR). Real household incomes are expected to fall by 2.2% in 2022/23.

The fiscal position is considerably better than forecast in October's Budget. The forecast for public sector net borrowing in the 2021/22 fiscal year was lowered by £55bn, with the new medium-term fiscal projections revealing a lower path for public borrowing than that published in October. The strong tax receipts in the current fiscal year will carry through into future years according to OBR. Given that improved public

finances gave the Chancellor a windfall of about £20bn, the Chancellor could have arguably done more for the economy this year, but the windfall could be employed at a later date. The new OBR forecasts imply that in the next two years economic growth will be slower and inflation and interest rates considerably higher than expected six months ago but growth is expected to rebound from 2024.

## Headline Fiscal Announcements

Strong growth in taxes paid by higher earners and by companies saw government tax receipts in 2022 revised upward by 4% (with Treasury banking half and half given away in tax cuts), while borrowing is expected to more than halve the post-World War II high of £322 billion (15.0% of GDP) in 2020-21 to £128 billion (5.4 % of GDP) in 2021-22, £55 billion less than OBR forecast in October.

However, due to inflation (index linking of government debt) borrowing in 2022-23 is expected to be £99 billion (3.9% of GDP), £16 billion higher than OBR forecast in October. The rise reflects record-high debt interest costs and near-term rebates and tax cuts. The latter partly offsets some of the hit to household finances from higher energy and fuel bills.

**Public services:** The Comprehensive Spending Review (CSR) had announced real growth in public spending across most departments. However, the Spring Statement did not offer any inflationary protection for public services with departmental budgets likely to be eroded by higher rates of inflation. Overall public spending is also forecast to be on a declining trajectory as a share of GDP throughout the forecast period from 43.4% in 2022-23 down to 41.1% (2026-27).

Pay makes up almost half of all public service spending, and while pay growth in the public sector is currently lagging the private sector, expectations are for below inflation public sector pay awards this year according to IFS.

## Income Measures (Cost of Living Announcements)

Government prior announcements on tax increases came into effect in April that would see a freeze to personal allowance and higher rate income tax thresholds and 1.25ppt increase in all NICs rates. In response to rising cost-of-living crisis the Spring Statement announced a tax cut in July that will raise employee and self-employed NICs thresholds. This will see an increase of the National Insurance Primary Threshold and Lower Profits Limit from £9,880 to £12,570, from July 2022, where it will be aligned with the Income Tax personal allowance. However, while for some workers this will cancel out the NIC surcharge from April when taken alongside other costs most will be worse off. A planned 1p off basic rate from April 2024 was also announced.

Impact on Hampshire: An estimated 70% of workers should benefit - the rise in the annual NI threshold will disproportionately benefit the lowest 10 percentile of the County area residents that on average earned £9,100 in 2021.

To alleviate **rising fuel prices** an immediate 12-month 5p cut to fuel duties, from 57.95 to 52.95 pence per litre, taking them to their lowest nominal rate since 2009, and their lowest real rate since 1995. If passed on in full, this will save a typical household £75 a year, or according to BEIS save £3.30 on average weekly petrol and diesel retail prices. Overall, the cut in duty would only reverse 13 per cent of the increase in pump prices over the past year. As a cost-of-living saving fuel duty cuts only benefit people who can afford vehicles.

Impact on Hampshire: over 465,000 household (85% of all households compared to 74% in England) in the County have a car or van (close to 800,000 vehicles, Census 2011). Based on average annual saving of £75 that equates to £60 million saved. Some 639,000 or 81% of pan-Hampshire households have a car or van (around one million vehicles, Census 2011). Based on average annual saving of £75 that equates to £75 million saved. However, between 15%-19% of residents with no car will not benefit.

The **National Living Wage** increase came into effect from £8.91 per hour to £9.50. For those that currently receive the National Living Wage, this will mean a pay rise worth over £1,000.

On top of the £500 already allocated, local authorities will get another £500 million for the **Household Support Fund** from April to help vulnerable households.

Impact on Hampshire: A doubling in the size of the Household Support Fund introduced last winter implies that that local authorities in the County area should receive around £7.12 million of additional finding in 2022/23, Southampton £2.22 million, Portsmouth £1.88 million, and Isle of Wight £1.13 million.

From 2024/25 tax year the basic rate of income tax will be reduced from 20% to 19% on annual incomes between £12,571 to £50,270.

Impact on Hampshire: The cut in the basic rate of income tax will benefit most of the 614,000 residents in the County (2018/19 data) who pay income tax.

Prior announcements made in February in response to a 54% rise in Ofgem's price cap on domestic energy in April would see a **council tax rebate of £150**, available to around 80 per cent of households (those in bands A to D). In addition, a discretionary fund totalling £144 million will be made available to local authorities, with an extra £40 million to finance the setting up the scheme.

**R&D:** Spending on R&D was announced in the Autumn Budget/CSR, but the Spring Statement announced the government is continuing the review of R&D tax reliefs and further announcements will be made in the autumn. Further announcements included the launch of a new Innovation Challenge across central government departments to crowdsource ideas for how government can operate more effectively, and government will partner with industry and academia to create 1,000 new artificial intelligence (AI)

PhDs, with £117 million investment to create the PhDs through Centres for Doctoral Training (CDTs).

Impact on Hampshire: This will build on the 16 existing CDTs across the UK one of which is UKRI AI Centre for Doctoral Training in Machine Intelligence for Nano-Electronic Devices and Systems run by Professor Tim Norman from University of Southampton.

**Net-zero/Green Agenda:** The government is extending the VAT relief available for the installation of energy saving materials (ESMs) to assist households improve energy efficiency and keep energy costs down.

Impact on Hampshire: the impact of this measure on Hampshire is likely to be very small since the benefits that are associate with the tax cut are more than offset by the rising costs of raw materials.

Prior announcements of targeted business rates exemptions for eligible plant and machinery used in onsite renewable energy generation and storage, and a 100% relief for eligible low-carbon heat networks have been brought forward a year earlier as per the Spring Statement and to take effect from April 2022.

**Levelling -up:** government is launching the second round of the Levelling Up Fund with a refreshed Prospectus inviting bids to come forward from all eligible organizations across the UK. The Fund provides £4.8 billion for local infrastructure projects, with £1.7 billion already allocated to 105 successful projects from the first round.

Impact on Hampshire: eligible Hampshire applicants must submit their full bids along with all supporting documentation by 6 July 2022.

## **Business Support Announcements**

**No significant new announcements** since the Autumn Budget and with inflation at highest levels since 1990s there was no support announced for businesses with energy costs further exacerbated by Russia's invasion of Ukraine. Strategic heavy industries have warned that no measures to reduce gas and electricity costs will put UK businesses at risk.

Impact on Hampshire: Around 2% of Hampshire businesses are in high energy usage industries (manufacture of chemicals, metals, petroleum, and paper/pulp), numbering between 1,240 (County area) and 1,675 (pan-Hampshire) enterprises

**Employment Allowance,** that gives relief to smaller businesses' National Insurance payments. The Spring Statement announced a further increase from April 2022, meaning eligible employers will be able to reduce their employer NICs bills by up to £5,000 per year –a tax cut worth up to £1,000 per employer. This measure will benefit

around 495,000 businesses, including around 50,000 businesses which will be taken out of paying NICs and the Health and Social Care Levy entirely. However, the increase in the employment allowance will be partly offset by the increase in Employer National Insurance Contributions.

The temporary £1 million level of the **Annual Investment Allowance** which provides tax relief on capital investment for SMEs has been extended to 31st March 2023.

An exemption on business rates for **Green Technology** has been brought forward to April 2022. Green technology, including solar panels and heat pumps, will be exempt from business rates from April 2022.

Impact on Hampshire: The overall boost to the economy in 2022/23 tax year stands at around 0.4% of GDP which in the case of the County Area economy amounts to about £195m (£268m Pan-Hampshire). The new and pre-announced measures for this financial year's amount to about 0.8% or about £390m of the County Area economy (£537m Pan-Hampshire).

## Headline Macroeconomic Announcements

**Economic Outlook** - The public finances are in better shape than previously expected, although Russia's invasion of Ukraine is forecast to push inflation to a 40-year high of almost 9% by Q4 2022, while living standards are set for a historic fall over the next 12 months. However, rebates and tax cuts announced in the Spring Statement will partly offset the fall on households. The new and pre-announced measures are expected to offset about half the blow to household finances from higher energy and fuel bills accord in the Office for Budget Responsibility (OBR).

In 2021 the economy grew by 7.5% in real (inflation adjusted), about 1 percentage points faster than anticipated but OBR March 2022 forecasts have growth downgraded in 2022 from 6% to 3.8% due to continued global supply chain and energy pressures and the initial impact of Russia's invasion of Ukraine. OBR also downgraded their forecasts to 1.8% in 2023. In the near-term higher energy prices, supply bottlenecks, and labour shortages will continue to dampen the recovery.

Table 1: Headline forecasts for GDP (central forecast), unemployment and inflation

	2021	2022	2023	2024	2025	2026
GDP growth	7.5%	3.8%	1.8%	2.1%	1.8%	1.7%
Unemployment rate	4.5%	4.0%	4.2%	4.1%	4.1%	4.1%
CPI inflation	2.6%	7.4%	4.0%	1.5%	1.9%	2.0%

Source: OBR March 2022

Impact on Hampshire: Hampshire's growth in the third quarter lagged the national average but economic growth in the final quarter of 2020 and in January was stronger than the national average. Hampshire's exposure to Russia and Ukraine is low the conflict has exacerbated the economy-wide price pressures that represent the greatest threat to the recovery.

**Unemployment** – OBR forecasts for unemployment have been revised down with strong labour demand pulling the unemployment rate down to 3.9% in the three months to January 2022, rather above 5% forecast in October following the end of the furlough scheme. The unemployment rate is forecast to stay around the 'structural rate' of 4% until 2026, slightly up due to lower labour market participation, with employment still to return to pre-pandemic levels, partly down to smaller population (lower net inward-migration) and higher inactivity rates among those of working age (largely the result of more early retirements and greater prevalence of long-term sickness).

Impact on Hampshire: Employment, unemployment and inactivity rates have returned to pre-pandemic levels in Hampshire, while PAYE employment increased by 5.1% or 43,000, with January and February alone accounting for over 10,000 of the increase. PAYE employment is over 16,000 above the pre-recession peak but self-employment is still well below the pre-pandemic levels.

One of the tightest labour markets in the country and falling economic inactivity (in stark contrast to rising inactivity in the UK), point to constrained labour supply in Hampshire over the medium-to-longer term.

**Inflation** - The Consumer Prices Index (CPI) rose by 6.2% in the 12 months to February 2022, up from 5.5% in January, while OBR forecasts have an average of 7.4% for 2022 (peaking at 8.7% in Q4 2022, a 40-year high) before falling to 4.0% in 2023 and then closer to the Bank of England's 2% target rate from 2024. With inflation outpacing growth in nominal earnings and net taxes due to rise in April, real living standards are set to fall by 2.2 per cent in 2022-23, their largest financial year fall on record and they are not expected to recover their pre-pandemic level until 2024-25. According to the Institute for Fiscal Studies (IFS) lower-income households and especially those dependent on benefits will be hit harder as they tend to spend a greater share of their budgets on goods where prices are expected to increase most rapidly.

Impact on Hampshire: households in Hampshire may appear to be more resilient because employment and incomes are above the UK average but above average share of consumer facing local services suggest that Hampshire is heavily exposed to any downturn in consumer spending, more so in Southampton and coastal economies that are more dependent on non-essential consumer service activities.

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## Hampshire Economic Recovery Dashboard

June 2022

Hampshire County Council  
Economy, Transport and Environment





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## Summary of Economic Conditions



- Preliminary estimate suggests that economic output (GVA) in Hampshire contracted by -10.4% in 2020 compared to -9.4% in the South East and -9.8% in UK. In GDP terms, which in addition to GVA includes the impact on VAT and other indirect taxes, Hampshire's economy contracted by 11.1%, again faster than both the national and regional average. Thus, in terms of the impact on the economy, business stock and workplace-based employment the impact on Hampshire has been greater than the national or regional average.
- At local level Southampton lost 13.8% of its annual output (GVA) and its economy (GDP) shrunk by 14.5% in 2020. The impact on the city was much greater than on other areas in Hampshire. Adjusted for inflation Southampton's economic output in 2020 was smaller than in 2004. The impact on Central Hampshire was above the Hampshire average which is perhaps unsurprising given the structure of its economy - greater exposure to agriculture and consumer-facing services such as accommodation & food and lower share of the broad public sector and production (including utilities). South Hampshire, Portsmouth and the Isle of Wight did better than the Hampshire average in 2020 but that is in large part thanks to their industrial structure.
- During the Great Financial Recession of 2008/9 Hampshire and its service industries were far more resilient to the impact of the recession than the UK average. However, at the aggregate (the economy wide) and sectoral level Hampshire was less resilient in 2020 than the UK economy.
- Preliminary data suggests that in terms of economic output most consumer-facing services in Hampshire fared worse than nationally. Hampshire's public administration & defence and utilities expanded in 2020 and faster than nationally but several large sectors such as manufacturing, construction, transport, and wholesale & retail contracted faster than the national average.
- Economic output in Hampshire's higher value-added traded services contracted in 2020 but at a much slower pace than in other service activities or production but Hampshire's information & communication sector contracted faster than the all-sector average and much faster than the UK average in 2020. Economic output in several higher value-added and knowledge intensive sub-sectors such as scientific research & development, service activities auxiliary to finance & insurance and telecommunication expanded in Hampshire in 2020.
- The most recent data from the UK Office for National Statistics (ONS) suggests that Hampshire's employee numbers increased by almost 20,000 last year and they stood at over 9,000 above the pre-pandemic (year to December 2019) level. More timely measure of payroll employment from HMRC suggests that in the first quarter of this year PAYE employment in Hampshire increased by almost 10,000 but there was some evidence of a slowdown at the end of the quarter and going into Q2.

## Summary of Economic Conditions

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- The number of unemployed claimants decreased by 1,420 fewer claimants in April with the number of young claimants decreasing by just 225 on the previous month. In the first quarter of this year unemployment decreased by just 1,300 unemployed claimants. Timely data points to a slowdown in jobs demand (online jobs vacancies) in Hampshire at the start of the second quarter.
- Tight labour market points to labour shortages that could drive costs and wages up further. Median PAYE pay in Hampshire & the Isle of Wight increased by 5.3% in April, slower than in March and slower than the regional average.
- Estimated growth in economic output in Hampshire was faster than the national average in the first quarter but economic growth stalled at the end of the quarter. Survey evidence from purchasing managers points to growth in business activity and the volume of new orders in the region in April but there was a sharp slowdown in the UK in May.
- Business investment remains subdued with rising costs and falling profits continuing to constrain growth in business investment. The start of the second quarter marked a sharp fall in demand for workspace in Hampshire's main commercial markets – offices, industrial and leisure & hotels. Increasing economic headwinds and structural change within some sectors are to weigh on commercial property take-up over the near term
- Consumer spending and sentiment data have weakened considerably at the end of the first quarter and continues to weaken in the second quarter. Consumer confidence in April was at its lowest level since July 2008, while preliminary data for May showed that consumer sentiment dropped to its lowest level for nearly 50 years amid the cost-of-living crisis.
- Consumer price inflation reached 9% in April, a 40-year high with core inflation that excludes volatile elements (food and energy sectors) increasing to 6.2%. Survey evidence suggests that high inflation continues to feed into higher price and wage expectations (the so-called 'second-round' effects).
- The new OBR forecast than accompanied the Spring Statement implies that in the next two years economic growth will be slower and inflation and interest rates considerably higher than expected six months ago.
- In May the Bank of England warned of recession later this year with calendar year GDP growth broadly flat in 2023. Interest rates increased to 1% in May, a 13-year high with further increases on the way later this year.

## Policy and Sector Headlines

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### Levelling Up White Paper

- There were no new devolution announcements in the Spring Statement, but the Government has launched the second round of the Levelling Up Fund with a refreshed Prospectus inviting bids to come forward from all eligible organizations across the UK. Eligible Hampshire applicants have to submit their full bids along with all supporting documentation by 6 July 2022.
- The Levelling Up and Regeneration Bill was published on 11 May 2022.

### Government Funding – Covid19 Grant Schemes

- Hampshire local authority payments to businesses under all Covid-19 grant schemes totalled £734.7 million, representing 84.3% of spent allocation (£871.6 million); spent allocation was in line with the national average (84.0%) and marginally above South East (83.2%).

Business Covid-19 grant schemes	Allocation	Value of payments	Number of payments	% Spent of Allocation
Local Authority Discretionary Grant Fund	£19,280,750	£18,748,160	3,865	97.2
Retail, Hospitality and Leisure Business Grant Fund & Small Business Grant Fund	£409,582,000	£359,050,000	28,912	87.7
Restart	£107,912,746	£96,800,429	12,639	89.7
Local Restrictions Grant (Open)	£5,357,363	£2,471,852	3,266	46.1
Local Restrictions Grant (Closed)	£231,955,730	£169,555,471	65,344	73.1
Christmas Support Payment	£806,400	£580,000	580	71.9
Additional Restrictions Grant	£74,513,747	£71,023,100	24,087	95.3
Omicron Hospitality and Leisure Grant	£22,147,497	£16,457,004	4,943	74.3
<b>Total</b>	<b>£871,556,232</b>	<b>£734,686,016</b>	<b>143,636</b>	<b>84.3</b>

### Cost of Living Support

- UK government announces £15 billion cost of living support to households across the UK, of which the most vulnerable households will receive support of at least £1,200 this year, including a new one-off £650 cost of living payment to more than 8 million low-income households on Universal Credit, Tax Credits. All households will receive a £400 discount on their energy bills from October. This will be partly funded by a new temporary Energy Profits Levy on oil and gas firms expected to raise around £5 billion over the next year.

## Policy and Sector Headlines

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### UK Shared Prosperity Fund

- Government published UK Shared Prosperity Fund (SPF) prospectus on 13 April 2022. The £2.6 billion UK SPF, which succeeds former EU structural funds is aimed at building pride in place, supporting high quality skills training, supporting pay, employment and productivity growth and increasing life chances. The Fund will be worth £400 million this financial year. The Fund will be worth £400 million this financial year (2022-23, then £700 million (2023-24), and lastly up to £1.5 billion in 2024-25.
- Instead of being based on a competitive bidding process, all areas of the UK will receive an allocation from the Fund via a funding formula. In Hampshire, each district will receive £1 million each over three years from the core SPF allocation, the minimum set allocation. The SPF allocations include funding for the Multiply national adult maths programme. Hampshire County Council will receive the Multiply allocation of £5.7m over three years. The Isle of Wight core and Multiply allocation is £1.7m over the same period with Southampton and Portsmouth allocated £2.5m and £2.7m, respectively. Each area has to develop and submit an investment plan outlining how they will use the funds, including Multiply.
- Each local authority will received £20,000 towards preparing an Investment plan, plus use up to 4% of their allocation by default to undertake necessary Fund administration. The nature of interventions must be set out in an investment plan and submitted to UK government for approval. Each place will select outputs and outcomes relevant to each UKSPF investment priority, with an Interventions list for England based around: 1. Communities and place, 2. Supporting local business, 3. People and skills.

### Household Support Fund

- In the Spring Statement the Chancellor announced a doubling in the size of the Household Support Fund introduced last winter. Doubling of the fund implies that that local authorities in the County area should receive around £7.12 million of additional finding in 2022/23, Southampton £2.22 million, Portsmouth £1.88 million and Isle of Wight £1.13 million. In May as part of cost of living support the Treasury announced a £500 million increase in the fund and extending it from October until March 2023.

### Solent Freeport

- Round one of the business case has been approved by Government and as part of that process two (Dunsbury Park and Southampton Water site) of the three tax sites have been published. The Navigator Quarter will be designated as a tax-free site at a later date.

## Policy and Sector Headlines

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### Manufacturing

- A preliminary estimate from ONS suggests that manufacturing output (GVA) in Hampshire contracted by about 10% in 2020, comparable to the all sector average contraction but faster than the fall in output in the UK. Manufacturing employment was more resilient to the impact of the downturn with workplace-based employment decreasing by 6,000 (-8.3%) to 66,000 in 2020.
- National data suggests manufacturing output decreased by 0.2% in March 2022, with manufacturing of basic pharmaceutical products down 5.4% and manufacturing of chemicals and chemical products by 3.5%, although offset by growth in the manufacture of transport equipment, which grew by 3.5% following negative growth in both January and February 2022 caused by stock shortages.
- Bank of England continues to report shortages of goods and labour holding back manufacturing output growth. The war in Ukraine could lead to further shortages of some goods until the second half of 2022, with some businesses reportedly building up inventories to mitigate supply issues. Growth in inventories made a huge contribution to economic growth in the first quarter.

### Aerospace and Space

- Low-cost UK carrier easyJet in partnership with GKN Aerospace (which has sites in Hampshire) is to accelerate the adoption of hydrogen power in aviation.
- Southampton City Council have cleared plans to build a £5m extension to an aviation museum in the centre of Southampton. There are also plans to create an extra 10,000 sq ft of exhibition space at the Solent Sky complex in Albert Road South.

### Marine & Maritime

- The Maritime Skills Commission (MSC) recently published Future Ports Workforce Research report, making eight key recommendations, including inter alia a systematic review of how skills are used now, and anticipated changes in skills/job requirements in the future, Investigate priority near-term skills gaps/shortages, including learning lessons from sectors, and a more proactive approach to upskilling, reskilling and retraining the current workforce.
- DP World has announced that 11 sustainable straddle carriers will go into service at the Port of Southampton with immediate effect. This latest addition to the port's equipment portfolio will complete a £40 million investment in the container terminal.

## Policy and Sector Headlines

### Green Economy

- DEFRA/Forestry Commission £6 million Trees Call to Action Fund to help create forestry jobs and improve access to nature. Grants of between £250,000 and £500,000 will support 12 projects across England in total. These include six new Woodland Creation Partnerships.
- Vestas, based on Isle of Wight is a leading firm in this segment of the economy. It announced a new generation of the green energy machines in March 2022. Vestas currently employs 650 people manufacturing wind turbine blades on the Isle of Wight, and it is thought 50 new jobs will be created. The plant has made blades for seven of the UK's largest offshore wind farms.
- Building Back Britain Commission report (May 2022) urges Government to commit £2.3 billion each year for the next decade on improving the energy efficiency of housing where the average English local authority has 58% of homes below an EPC rating C.

### Lifesciences

- Med-Tech Innovation Expo 8-9 June in Birmingham is UK leading event for medical device supply chain intelligence, with at least two Hampshire based companies exhibiting (The West Group, Havant and Wickham Micro, Gosport).
- Portsmouth City Council has granted full planning permission for a brand new and expanded emergency department (ED) at Queen Alexandra Hospital in Cosham. Supported by £58 million of national funding, the new ED will provide a range of new and improved facilities including double the current resuscitation capacity from four adult bays to eight for patients needing treatment for critical conditions.

### Retail

- Output in wholesale & retail in Hampshire contracted by about 8% in 2020, a smaller contraction than the all-sector average but this sector was less resilient in Hampshire than in the UK. The impact on employment in the sector was greater than the impact on output - workplace-based employment in retail in Hampshire decreased by 10,000 (-10.3%) to 87,000 in 2020. Employment losses were higher in non-essential specialised stores one would associate with the 'high street' and hit hard by social distancing restrictions during the national lockdowns.
- Retail sales saw unexpected growth in April (1.4%) after sharp falling in March (-1.2%), with April marking the first rise in retail sales volumes in three months. The strong rise in sales suggests that we have not seen a collapse in consumer spending at the beginning of Q2 although sales were still 0.1% lower than at the start of the year.

## Policy and Sector Headlines

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### Construction

- Latest official survey data on workplace-based employment saw construction employment in pan-Hampshire grow by 3,000 (6.1%) to reach 52,000 in 2020, but overall employment numbers exclude self-employed. The impact on economic output in Hampshire was huge with the sector losing about 17% of its annual output in 2020. The impact was greater than in the UK and broad based across the three construction sub-sectors, construction of buildings, civil engineering and specialised construction activities..
- Construction output rose 3.8% in Quarter 1 (Jan to Mar) 2022 compared with Quarter 4 (Oct to Dec) 2021. Monthly construction output increased by 1.7% in March 2022, following upward revisions of 2.1% and 0.2% monthly growth in January and February respectively. The volume of monthly construction output in March 2022 was at its highest since monthly records began in January 2010.
- According to the Business Survey for Construction and Allied Trades inclement weather in mid-February had hindered work and contributed to slowdown but an uptick in March in part reflects repair work from those storms.
- Survey evidence suggests that sourcing construction products continues to be a challenge, but the construction sector remains buoyant despite output prices rising considerably in the industry.

### Commercial Property

- Total demand for commercial floorspace (commercial take-up) in Hampshire & Isle of Wight decreased by 13.7% in the first quarter of this year to 591,280 sq ft compared to a fall of 6.7% in the final quarter of last year.
- The start of the second quarter marked a sharp fall in total demand for workspace in Hampshire & Isle of Wight. Commercial floorspace (commercial take-up) decreased from 182,829 sq ft in March to just 42,567 sq ft in April.
- In relative terms industrial registered the fastest fall in take-up, down by 86% on the previous month. Offices were down by about 60% but demand for retail, leisure and hotels was more resilient, down 12% on the month albeit from a low base.
- Rents in Hampshire have recovered slightly in retail, hotels and leisure but decreased in office and industrial markets in April.
- Increasing economic headwinds and structural change within some sectors are to weigh on commercial property take-up over the near term.

## Policy and Sector Headlines

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### Tourism and Hospitality

- Tourism was by far the most affected sector by the pandemic. The impact on Hampshire's accommodation & food sector output was four times as large as on the economy as a whole but the annual fall in Hampshire (-42%) was slightly smaller than the national average. Economic output (GVA) in arts & entertainment decreased by 31%, slightly faster than UK average.
- The impact on employment on 2019 levels was smaller but significant, down 11,000 (-7.4%) to 94,000 in 2020 but the fall is likely to be greater once self-employed are accounted for. Accommodation was hit hard with 5,000 fewer workers. This is close to a third (-31%) down on the year and much higher than 17% decrease in accommodation workers nationally, but close to South East average (-33%).
- UK data suggest that arts, recreation and entertainment expanded by 1% at the end of the first quarter but output growth in accommodation and food was sluggish at just 0.3% but nevertheless faster than the all-sector average.
- Visit England's Consumer Sentiment Tracker for May showed continued strong interest in UK residents taking more domestic (+33%) and overseas trips (+23%) over the next 12 months than previous 12 months., whilst comfort levels with everyday activities have returned to pre-pandemic levels, the cost of living crisis is now the biggest barrier to holiday taking, overtaking catching COVID. A Visit England survey showed that 5.3 million UK residents are definitely planning an overnight holiday break in the UK during the extended Bank Holiday weekend for the Platinum Jubilee, bringing an estimated £1.2 billion boost to the economy.
- Visits to the Visit Hampshire website (Jan-May 2022) are up 32% (year-on-year) with strong interest in What's On, Downton Abbey and the Platinum Jubilee. Anecdotal evidence from visitor attractions across Hampshire shows a mixed set of results with visitor numbers not as high as anticipated over Easter for some, but secondary spend holding-up. Looking forward, the cost of living crisis and return to overseas holidays are concerns.
- Demand for chefs and kitchen staff across Hampshire and Isle of Wight continues to rise as the main tourist season approaches. Comprising 6.7% of all job-postings in April, these compare with 7.5% for care workers and 6% for nurses.
- Cruise visits to both Southampton and Portsmouth ports are continuing to recover strongly during 2022 and onwards. Nine cruise ships called into Southampton over the weekend of 21/22 May.

# Business Activity and Growth in Hampshire

1

### Economic Growth

Estimated growth in the Hampshire & Isle of Wight economy was 0.9% in Q1, slightly faster than the national average but economic growth stalled towards the end of the quarter.

Household consumption increased but faster growth in Q1 was mainly held back by net trade and a large fall in health expenditure.

### Business Activity

Survey evidence suggests that April saw growth in business activity and the volume of new orders in the South East but preliminary UK data for May points to a sharp slowdown in business activity and growth.

UK manufacturing new orders grew at a slower pace, driven by both domestic and export orders (CBI).

### Business Prices

In April, South East businesses saw the second-fastest increase on record in input cost prices, surpassed only by that seen in March.

Likewise, output price inflation in April reached a record high for the third month in a row, with businesses passing on rising costs to consumers in higher prices.

### Inflation

Consumer prices in the UK jumped in April to a 40-year high of 9.0%, up from 7.0% in March. Price rises were driven by electricity, gas and other fuels reflecting the Ofgem energy cap increase (54%) on 1st April 2022.

The BoE lifted interest rates to 1% in May, a 13-year high, and warned of recession risks.

# Employment and Jobs in Hampshire

2

### PAYE Employees

Hampshire & the Isle of Wight saw a new record high of 894,200 payrolled employees in April, but there was a slowdown in growth with just 640 additional employees on the month.

Preliminary estimates for April show that payrolled employment grew by 3.9% compared to April last year, and at a slower pace than in March.

### PAYE Earnings

Early payroll estimates indicate that median monthly PAYE pay in Hampshire & Isle of Wight increased by 5.3% in the quarter to April compared to the same period a year ago. April's, PAYE earnings growth was slower than in March (5.7%).

April saw a sharp fall in median pay adjusted for inflation.

### Labour Demand

Hiring intentions (number of online job postings) in Hampshire and Isle of Wight decreased by 5.4% in April, in contrast to a robust rise in March.

Nevertheless, demand for labour was higher than a year ago, with the number of online job postings standing 32% above May 2021 levels.

### Demand by Occupation

Unique Job Postings by Occupations (SOC)	April	% of Total
Care Workers and Home Carers	2,564	7.5%
Nurses	2,051	6.0%
Programmers & Software Development Professionals	1,939	5.7%
Sales Related Occupations n.e.c.	1,646	4.8%
Other Administrative Occupations n.e.c.	1,644	4.8%
Customer Service Occupations n.e.c.	1,397	4.1%
Kitchen & Catering Assistants	1,203	3.7%
Chefs	1,037	3.0%
IT Business Analysts, Architects & Systems	947	2.8%
Human Resources & Industrial Relations Officers	850	2.5%

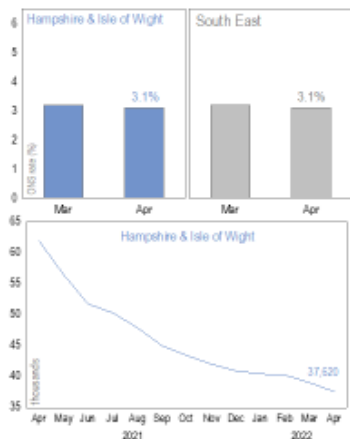
Unique Job Postings by Occupations	Feb	% of Total
Care Workers and Home Carers	2,014	6.7%
Nurses	1,975	6.6%
Programmers & Software Development Professionals	1,634	5.5%
Other Administrative Occupations n.e.c.	1,515	5.1%
Customer Service Occupations n.e.c.	1,324	4.4%
Sales Related Occupations n.e.c.	1,300	4.4%
IT Business Analysts, Architects & Systems Designers	901	3.0%
Kitchen and Catering Assistants	882	3.0%
Human Resources & Industrial Relations Officers	751	2.6%
Managers & Proprietors in Other Services n.e.c.	707	2.6%

In-demand jobs in Hampshire & Isle of Wight in April were in nursing and IT, but chefs & catering staff were more in demand than in February.

The top 5 in-demand specialized skill were Finance, Auditing, Key Performance Indicators (KPIs), Cascading Style Sheets (CSS) and Agile Methodology.

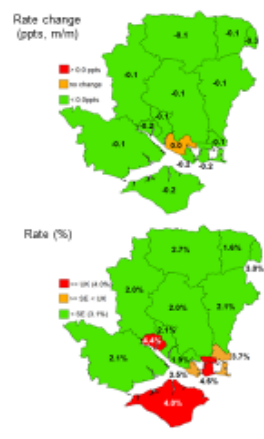
# Unemployment in Hampshire

## Claimant Unemployment



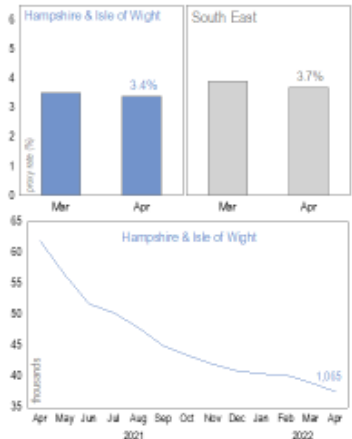
- Claimant count unemployment in Hampshire & Isle of Wight (not adjusted for seasonal factors) fell by 1,420 to 37,620 in April, and the rate down to 3.1%, but unemployment remains 50% above Feb 2020 levels.
- The fall was spread across all three broad age groups, but with a higher share in the 50+ age group.

## Local Claimants



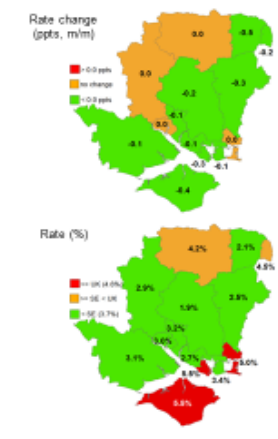
- All local authorities in Pan-Hampshire, except for Fareham with no change, saw a decrease in claimant count rates in April.
- Southampton (-255), Portsmouth (-230) and IoW (-175) had the largest decrease in unemployment levels, but their rates were above the national average (4.0%).

## Youth Unemployment



- The number of unemployed 18-24 year olds on the claimant count measure in Hampshire & Isle of Wight decreased on the month by 225 (3.6%) to 6,300. The decrease were largest in IoW (-35) & Hart (-30).
- The youth unemployment rate decreased slightly in April to 3.4%, well below the South East average.

## Local Young Claimants



- Estimated youth unemployment rates in April decreased or remained unchanged in all Hampshire & Isle of Wight local authorities. The largest change in rates were found in Hart (-0.5 ppts) and the IoW (-0.4 ppts).
- However, youth unemployment rates in IoW, Gosport, and Havant are above the UK average.

# Sentiment and Investment in Hampshire

## Business Investment



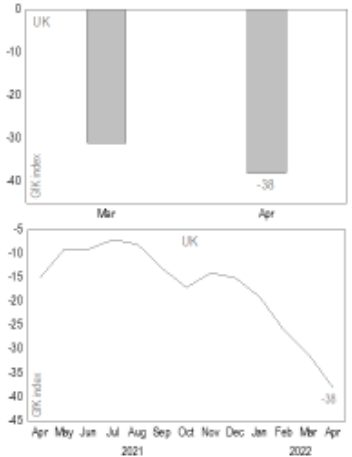
- Business investment decreased by 0.5% in Q1. This leaves business investment 9.1% below pre-pandemic levels. Rising costs and falling profits continue to constrain growth in business investment.
- Survey evidence suggests that business sentiment in the region dipped to 18-month low in April.

## Retail Sales



- Retail sales grew unexpectedly by 1.4% in April after falling by 1.2% in March. April marked the first rise in retail sales volumes in three months.
- The strong rise in sales suggests that we have not seen a collapse in consumer spending at the beginning of Q2 but sales were still 0.1% lower than at the start of the year.

## Consumer Confidence



- Consumer confidence fell to its lowest level since July 2008 in April with consumer outlook for personal finances and the general economy being worse than in 2008.
- Preliminary data for May showed that consumer sentiment dropped to its lowest level for nearly 50 years amid the cost-of-living crisis.

## House Sales



- House sales (not adjusted for seasonal factors) in Hampshire & Isle of Wight decreased by over a quarter (-27%) in January, much faster than the previous month.
- Although 1,200 property sales took place at the start of 2022, property sales remained nearly a half below (-46%) pre-pandemic levels.

## Business Specific Intelligence

ix

### Commercial Property – Recent Significant Occupier Transactions

Sector	Property	Size (sq ft)	Tenant
Office	Matrix House, Basing View, Basingstoke	9,417	WSP Global
Office	5 Meridian Office Park, Osborn Way, Hook	9,368	Confidential
Office	Maplewood, Chineham Park, Basingstoke	51,764	Tech Data
Industrial	Unit 310 Fareham Reach Business Park, Gosport	28,802	Parceljet Technology Ltd
Industrial	Logistics City Whiteley, Fareham	27,563	Mairon Freight
Retail	47, Osborne Road, Portsmouth	3,031	Confidential

### Investment and Job Creation

- Protega is to move to a new 88,000 sq ft site in Andover, including new offices, extra manufacturing space and a significant uplift in storage capacity. The additional space enables Protega will create more jobs at the plant by bringing in-house some production processes rather than having to import from the USA.
- Three Choirs Vineyards are set to expand after a management buyout. Part of the deal will see a name change to Wickham Estate. Plans are in place to develop the site to implement new revenue streams such as building further onsite accommodation, and exploring live music and cinema events
- Agventure Farms has signed a lease for 1,636sq ft of office space across the first floor south suite at Prism, 1650 Parkway, Solent Business Park.
- Southampton City Council have cleared plans to build a £5m extension to an aviation museum in the centre of Southampton. Plans to create an extra 10,000 sq ft of exhibition space at the Solent Sky complex in Albert Road South.

## Business Specific Intelligence

x

- Lidl wants to build six new stores in Southampton. The major supermarket is on the hunt for six new sites in Southampton as it continues a huge national expansion scheme.
- Independent video game developer Supermassive Games has signed a lease for 17,382 sq ft of office space across the ground and second floors of a site in Guildford.
- Harwoods of Portsmouth is one of 24 partners announced by INEOS Automotive to operate UK retail sites for the INEOS Grenadier 4x4.
- Portsmouth City Council has granted full planning permission for a brand new and expanded emergency department (ED) at Queen Alexandra Hospital in Cosham. Supported by £58 million of national funding, the new ED will provide a range of new and improved facilities including double the current resuscitation capacity from four adult bays to eight for patients needing treatment for critical conditions.

### Mergers and Acquisitions

- Bartec Technologies, a Farnborough-headquartered company that specialise in the supply, installation and support of nuclear medicine and molecular imaging equipment have been acquired by a Budapest business Mediso. The acquisition of Bartec Technologies is designed to strengthen Mediso's market position in the UK and Ireland.
- Legal and professional services firm Knights has agreed to acquire Coffin Mew in an £11.5 million deal. The acquisition of Coffin Mews gives Knights a presence in Portsmouth and Southampton as well as entry into new markets.
- Anton Vets (Andover), Hampshire, has been acquired by AIM-listed veterinary outfit CVS. The group has circa 500 veterinary practices across its three markets, including eight specialist referral hospitals and 35 dedicated out-of-hours sites.

### Closures, Administration and Job Losses

- The Department of Work and Pensions (DWP) are planning to close 42 offices in the UK with jobs at risk of redundancy. Sites listed as closing with no alternative offices nearby include Southampton, St Cross House.



## Guidance and Sources

### How to read 'traffic lights':



Refers to decline or growth relative to the previous period (business activity indicators, PMI employment, job postings and business investment).

In the case of business and consumer sentiment it refers to the direction of travel relative to the previous period.

For labour market indicators the change refers to the rate not the level. For example, a rise in the employment rate would see an upward green arrow, while a decrease in 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), HMRC and the Bank of England while additional data comes from several commercial sources such as IHS Markit, Emsi, G Radius Data, CBI and BCC.

Monthly data for Payrolled Employment, Government Job Support Schemes, Job Demand, Demand by Occupation, Unemployment, Consumer Sentiment, House Sales, Commercial Property, UK GVA and a proxy estimate for Hampshire.†

Quarterly data for business investment.

\*Median PAYE earnings do not cover other sources of income such as from self-employment or investments.

\*\*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>



**Hampshire**  
County Council

Produced by Economic & Business Intelligence Service

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**COUNTY DEAL PROSPECTUS – to be provided when available.**

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Committee:</b>	Cabinet
<b>Date:</b>	21 June 2022
<b>Title:</b>	Health and Social Care System Resilience report
<b>Report From:</b>	Director of Adults' Health and Care

**Contact name:** Graham Allen

**Tel:** 0370 779 5574

**Email:** graham.allen@hants.gov.uk

#### **Purpose of this Report**

1. The purpose of this report is to update Cabinet on the key activities undertaken across the health and social care system to maintain system resilience in the discharge of people from hospital settings.

#### **Recommendations**

2. Cabinet is asked to support:
  - i) The continuation of services and efforts to support effective discharge pathways in order to maintain and build on progress and performance described in this report and in-line with the Health and Care Act (Royal Assent April 28) and the accompanying White Paper - Integration and Innovation: working together to improve health and social care for all, published on 11 February 2021.
  - ii) All efforts to recognise and secure continued funding to support the health and care system to avoid admission and support discharges to enable our exemplary local efforts, described in this report, to support our residents and the efficiency and efficacy of NHS services.
3. Cabinet is also asked to note:
  - iii) Overall performance remains strong and still within the most extraordinary circumstances to support residents to be discharged from hospital settings and return to their appropriate place of residence or optimum place of suitable care.
  - iv) The efforts of all staff and partner organisations working across the two ICSs in maintaining safe, appropriate and resilient discharge pathways, within a new national operating framework, introduced at pace since 2020 are being maintained as our operating framework (at surge capability) continues to prove to be resilient and responsive. Significant operating challenges present themselves as national discharge funding falls away – but ever resilient, the partner discussions are turning quickly to what can be

funded locally or where appropriate to reduce service levels with a continued emphasis on timely hospital discharges and flow.

- v) The operating landscape and culture of health and care has changed beyond measure, as a consequence of COVID-19 and an ambition to see provision, relationships and outcomes described in this report continue unabated, in line with the Council's approach to supporting our residents.

## **Executive Summary**

4. This report seeks to provide an overview and update Cabinet on key activities and issues related to acute hospital system resilience throughout the period of response to COVID-19. The situation has been and remains incredibly challenging and dynamic in terms of the issues faced and the response required.
5. New [Updated guidance](#) has been issued regarding hospital discharges following the end of the Civil Contingencies pandemic response. Key elements of the previous guidance are retained, but these are no longer a requirement. The new guidance sets out that arrangements and processes are a local decision and subject to local finances. That said, the previous approach is promoted as best practice.
6. The Department has, for over 2 years, worked effectively in response to the regularly changing guidance and has embedded ways of working that support opportunities for rapid discharge from hospital for the vast majority of people. It should be noted that the national COVID-19 Inquiry to be chaired by Baroness Hallett includes a key focus, within its terms of reference, on the discharge of people from hospitals to care home settings. Hampshire County Council is currently diligently ensuring that all guidance and instructions issued by Government and NHS England in the ways in which social care services were required and requested to support the NHS from March 2020 through to April 2022 and all decisions and actions taken as a consequence are fully collated into a comprehensive library of evidence.
7. Each and every week, Hampshire community partners are supporting over 400 individuals to be discharged from acute hospitals, with HCC leading on some 2/3rds of these discharges. The vast majority of individuals are either able to go or return home with support (in some cases additional support), returning to a previous care home where they resided before admission or being admitted to temporary discharge to assess bed-based facility as part of our successful Short Term Service approach through HCC Care. Thereafter people move on, typically to an ongoing service level / type of care should they need it following a Care Act assessment outside of the hospital at a later point, when they have had an opportunity to better recover.
8. Until April 2022 almost limitless financial support was provided by NHS England to CCGs to fund all of the new and enhanced services to support timely discharges from hospital. From April 2022 this funding stream has stopped. The associated short-term services now need to be funded locally

from within existing CCG budget allocations (or cease), with support from local Councils where appropriate.

9. Inevitably this will require prioritisation of services and a greater focus on investing where it “makes the most difference”. This piece of work is currently underway between all partners across the NHS and Hampshire County Council. In the current year, one off financial resource has been secured to enable the continuation of much of these services whilst this prioritisation work continues. However, it is highly unlikely that there will be sufficient resources for the entire year at the current usage rate, which could mean. In the absence of further monies being secured, we will need to secure the permanent care solution for some clients whilst they remain in hospital which undoubtedly will bring delay to the system(s) that we have not seen in the last two years.

### **Summary of the key policy and process changes**

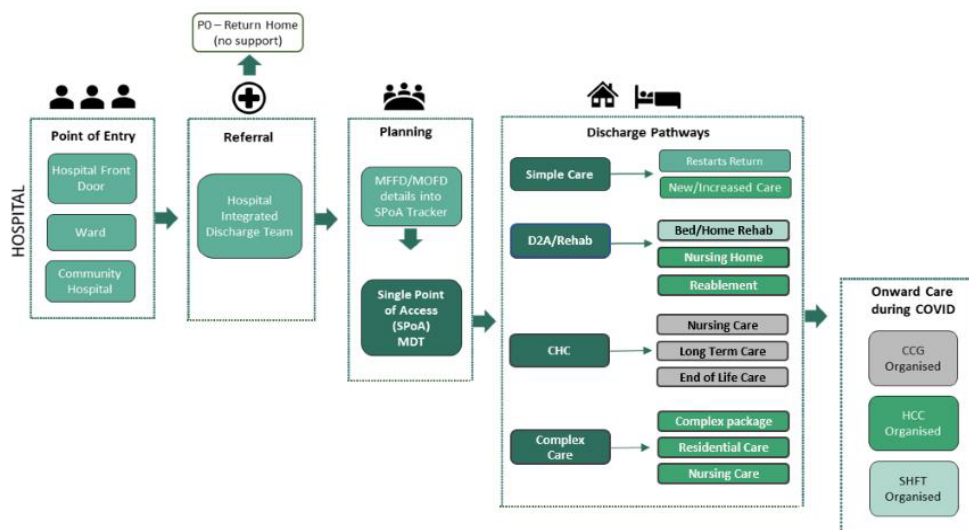
10. The hospital discharge system continues to be based on the principle that unless required to be in hospital, patients must not remain in an NHS bed and Acute and community hospitals must discharge all patients as soon as it is clinically safe to do so. Transfer from the ward should happen quickly, but safely.
11. The prevailing arrangements continue to bring about a very positive impact on what used to be referred to as Delays in Transfer of Care (DToCs) with most patients being discharged within 2-3 days of being declared Medically Optimised for Discharge (MOFD).
12. Currently a joint model of using pathways to discharge from hospitals is agreed across HIOW and has successfully enabled the safe discharge and onward care of thousands of Hampshire residents.

### **Hampshire’s approach to implementing the national guidance**

#### **Single Points of Access (SPoAs) for each acute hospital footprint**

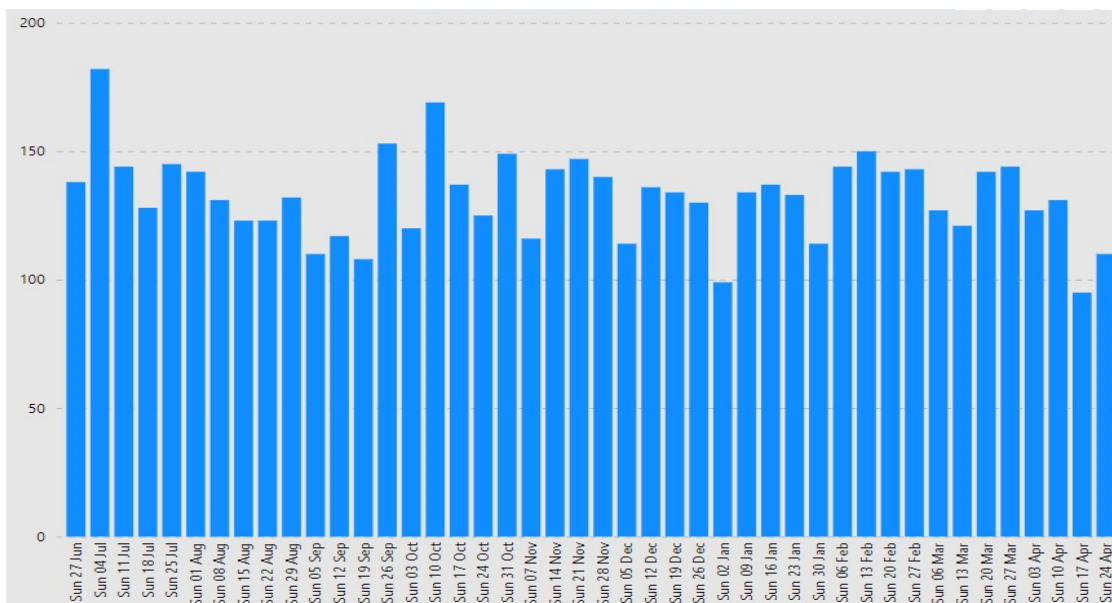
13. The multi-disciplinary, multi-organisational Single Point of Access (SPoA) continue in place to support each acute hospital and the wider hospital system surrounding this.
14. The SPoA manages the Discharge to Assess (D2A) approach for individuals on pathways 1-3 from hospital once MOFD. Discharges are routinely achieved within 2/3 days of the individual becoming MOFD, though can and do take longer where there is more complexity in the case, or where a Care Act assessment is required in the hospital setting.
15. The SPoA continues to be comprised of a multi-disciplinary team, including West Hampshire CCG Continuing Health Care Team, Southern Health Foundation Trust staff, Hampshire County Council Hospital Social work staff and Reablement staff. These staff work closely with Acute Trust staff from the Hospital Discharge Teams and colleagues with links to Hampshire County Council Brokerage

16. The sustainability of this model and approach will become clearer as funding decisions are made later in the year by partners in the Clinical Commissioning Groups (CCGs) for health. A way forward on continued funding is currently being pursued.
17. As a reminder - the updated diagram below illustrates, at a high level COVID-19 discharge process that remains our model. As new Covid cases reduce in volume, a recent change includes a “by exception” social work assessment process that can now be undertaken face to face again on wards.



### Impact and Performance

18. As commented above, the impact of the new discharge arrangements when compared with pre-Covid performance levels, is very positive. Internal tracking by the Trusts confirm that bed delays have reduced to a fraction of those previously reported. It is important to identify that measures now in place are based upon NHS discharge funding. This has removed the critical interface which was a feature of the prevailing DToC process; e.g. who is funding what and who needs to be in agreement that this is appropriate. Further information on the new discharge funding arrangements is outlined, in paragraphs 25 and 30, below.
19. The chart below shows acute hospital discharges per week between June 2021 to April 2022;



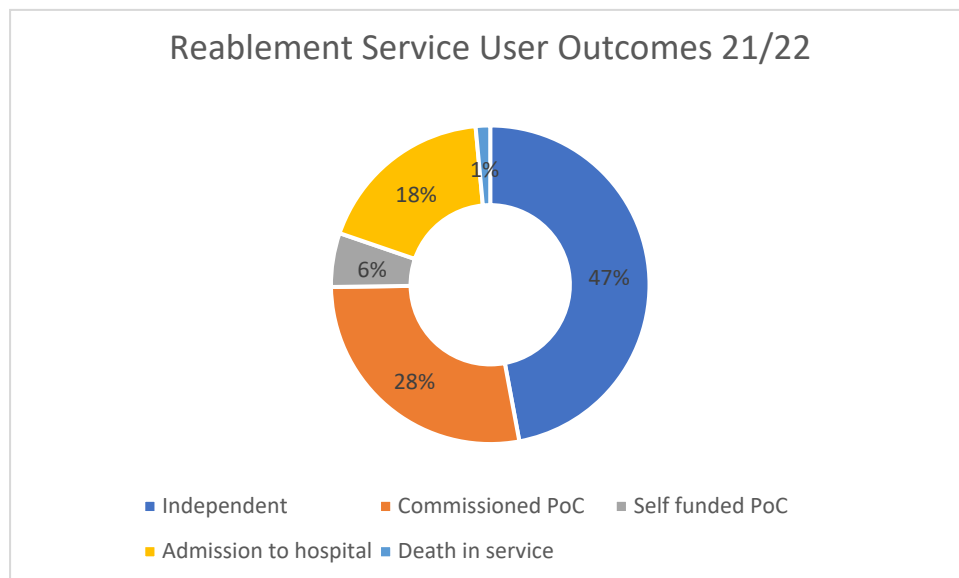
20. It is also worth noting that of these 7,000+ people supported, some 3,150 are new to social care support. Of these, 85% of people went either into an interim bed or straight home with additional short-term support. With fewer than 2% of new clients going into a permanent residential or nursing care placement from hospital. This reduction of permanent care home placements directly from hospital has been a key outcome that the new services have sought to achieve. However, activity levels generally have been relentlessly higher than pre-Covid levels meaning that activity the County Council has been responsible for has grown.
21. In 2021/22 Hampshire County Council supported and facilitated over £30.6m of discharge services fully funded by and on behalf of the NHS through the Hospital Discharge Fund. It is anticipated that the annual cost for the same category of services based on likely ongoing demand would be in the range of £24m to £30m. Whilst all effort will be made to minimise service demand and thus cost, this is the likely range that funding will need to be identified.
22. Furthermore, this indicates clearly that the one-off funds held to support these services in 2022/23 of just above £20m, will be insufficient unless there is a material change (reduction) in service demand and this presently appears very unlikely. It is essential therefore that ongoing funding can be identified by late Summer / Autumn in order to secure vital discharge services for the rest of the current financial year and beyond.
23. The services currently continuing to support timely discharges from Hospital in April 2022 are as outlined below:
  - The Hampshire equipment store working on a 7day basis (was 5), including increased equipment provision
  - A countywide rapid discharge scheme and increased Hampshire County Council Reablement resources to facilitate increased flow to people's home direct from hospitals

- Higher (than normal) levels of hospital care management resources to ensure assessments are timely to support rapid flow and
  - Up to 220 Discharge to Assess beds across primarily 3 sites including the Clarence Unit in the South-East of the County stood up specifically for this purpose, and at Forest Court and Willow Court in the South-West and North/Mid of the County respectively that have been re-purposed by HCC Care to short-term operations.
24. Performance worthy of particular focus include the development of specific D2A short-term bed-based care (Short Stay Services) operated by HCC Care as alternatives to making permanent admissions to care homes. At the vanguard of this approach, is the Clarence Unit which supports discharges from Queen Alexandra Hospital. This unit provides an average of 21 to 28 days support to individuals who are unable to return home upon discharge to aid their recovery and rehabilitation. Therapists and social workers work on site alongside the care staff to optimise the person's reablement potential and to carry out Care Act assessments with a focus on how someone could successfully return home. Since opening in June 2020, the unit has supported close to 1,500 patients with many able to return home at the end of their stay.
  25. Per above, the D2A approach is being delivered in other HCC Care homes, most notably at Willow Court and Forest Court and at times of high service demand, it has also been made available, albeit sparingly, in some independent sector homes. Close performance monitoring on length of stay and outcomes across all these homes is in place and work continues to drive up overall performance. Overall, some 220+ D2A beds are currently running across Hampshire County for the NHS and in the past month occupancy has been at record highs of 95%+. The level of D2A bed capacity will slowly reduce to a level that can be supported by local funding that will replace what was funded by the national discharge funding although with service demand showing no signs of abating, any reduction will require very careful management and is not likely to happen before the summer.
  26. Other positive discharge services include the successful commissioned Rapid Discharge Service (now "RSS"), designed to rapidly enable people to return home within hours of a discharge decision or to avoid an admission altogether. In total, the RSS has supported hundreds of discharges from hospitals across Hampshire. At the end of receiving this service, 42% of clients required no further long-term services from Adults' Health and Care, with 37% going onto receive longer-term domiciliary care. A high proportion of the remaining 21% of people were re-admitted to hospital. In addition, a Live in Care service offer has been helpful during Covid and has exceeded expectations in terms of scope and durability. The market has stood up extremely well during difficult phases of Covid.
  27. Overall, our in-house Reablement services, through a transformation programme which commenced some three years ago have seen a total of 25,925 referrals for service through 2021, (including Occupational Therapy and other services) – of which 9,559 were for people being discharged from acute hospital settings and almost 2,400 were people from other hospital



settings. Referral figures in the past financial year have further exceeded the numbers of the previous year. The service prediction model suggested referrals would be approximately 5% higher, however in comparison to last year the cumulative referrals received were 24% higher. It is important to recognise that we are now seeing some 60% of referrals being received by our Reablement Service to support people to remain in the community rather than enter hospital settings. Requests for Occupational Therapy alone between April 2021 and March 2022 were more than 8,500, of which just over 5,200 were managed at point of triage and resolved for the service user in under 7 days. Alongside this transformed balance in referral patterns is that people receiving a service from Reablement, on average, remain in the service for 19 days – some 2 days less than the target and some 10 days less than when the pre-Covid transformation programme commenced.

28. On leaving the Reablement service, just under 50% of service users do not require a local authority commissioned long-term package of support due to the reabling approach supporting their levels of independence (see chart below). Additional measures to extend the support of the service during the pandemic have included a Friends & Family support package where resources both physical and virtual, are provided by Reablement to a service users friends and family, including PPE, which enable care & support to be provided without the need for direct care worker intervention. This has proved beneficial in supporting the ability to achieve a rapid hospital discharge pending a package of care start date.
29. During 2022, the Reablement Service will be commencing a further period of transformation work to identify and embed even more efficient ways of working, applying key learning from activity during the pandemic, to assist in the management of an increasing system demand.
30. In 21/22, Hampshire Equipment Services managed an 11% increase in deliveries of equipment compared to 19/20, undertaking a total 121,743 individual deliveries and 96,704 collections.
31. The service achieves an 80-85% recycling rate for equipment provided. HDP funding sources allowed the equipment service to make significant changes to operations that enabled the introduction of a 7-day and 24hr urgent service. When compared to the previous year the service achieved a 7% reduction in deliveries taking 7 days or more with a 6% increase in orders completed within 2 days. Throughout the pandemic there have been no significant discharge delays attributable to the provision of equipment across Hampshire. This stunning effort to reduce pressures upon NHS services can also be witnessed across all Hampshire County Council's adult social care services and across all our operational teams, working with providers and partners.



### Looking forward

32. The continued uplift in volume and pace of discharge seen over this past year has been a significant challenge to sustain, especially in light of the impacts upon the care home sector. To its considerable credit the care home sector, whilst still fragile, has recovered some confidence and implemented robust COVID-19 secure procedures and D2A services. However, the impacts on the social care workforce across all elements of the whole, wider social care sector will remain into the medium / longer term.
33. Additionally, new challenges relating to lower numbers of permanent admissions and sector-wide issues are coming to the fore. For example we are seeing an increase in community demand (and more choice now being executed) for complex care services at home (Live in Care) as individuals are keen to remain in their own homes for longer. These are issues that Hampshire County Council are actively supporting the sector and market providers to address. Hampshire County Council commissioners will continue to work with the sector, though there is a high risk of some home closures and market re-setting during the comping period.
34. The domiciliary care sector has remained robust in its ability to support residents throughout 2020. This is testament to the market development transformational work that the Department successfully focussed on over the past 2 years. However, since the rapid increase in community transmission and number of COVID-19 cases seen since late December 2020 concerns in the short-term have increased.
35. The vaccination rollout and top ups are on-going, and work is underway to closely monitor the modelling of Covid demand coming up for 2022/23 and the impacts and surge requirements that may present. Caseloads are growing and inevitably some backlogs exist and these are being triaged and tackled using precise interventions.

## **System governance**

36. Previous Interim governance arrangements between NHS and social care partners are now in place on a more secured footing. Local Leadership positions are secured with experienced individuals. Each partner organisation (Southern Health, CCG and Hampshire County Council) host and fund one such individual as part of a collective ownership. These individuals meet as a Discharge Leadership Group and each participates in local system governance for their respective SPoA areas.

## **Climate Change Impact Assessment**

37. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience impacts of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
38. Due to the nature of the report a full assessment will not be required but reference needs to be made as to whether any impact noted in terms activities undertaken for either climate change / resilience impacts

## **Conclusion**

### **Learning and Looking Forward**

39. We remain in a state of surge across both ICSs with our partners in NHS – consistently managing higher care volumes and carefully scanning the horizon for forward demand peaks - so that we may be prepared. A vast amount of learning and good practice has enabled us to manage demand at pace and at higher levels and stand up and sustain new services and respond across 7 days a week for extended hours and yet demand is insatiable.
40. The system partnerships have agreed that the new service architecture must be maintained and our shared ambition and appetite for this is high across the HIOW and indeed Frimley. System partners have worked well together in difficult circumstances to put a robust new process in place with forward momentum and with each and every surge, we refine how we respond and adapt to new challenges.
41. We remain focussed on working with NHS partners to identify funding in order to maintain the capacity for the priority areas that support discharges and to build capacity for the new approaches – as without the funding, the arrangements will inevitably 'slip back' to old ways of working and those we all agree, are not better for outcomes or sustainable in terms of new care practices. Due to continuing growth in demand for care services of all types, our own Hampshire County Council funding pressures and the NHS reduction in funding - the new system discharge arrangements remain temporary, albeit proven and tested and at risk.

**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

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u>	
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u>	<u>Date</u>
<a href="#">White Paper - <u>Integration and Innovation: working together to improve health and social care for all</u></a>	11 February 2021
<a href="#">COVID-19 updated hospital discharge guidance.</a> <a href="#">COVID-19 Hospital Discharge Service guidance</a>	21 August 2020 20 March 2020

<b>Section 100 D - Local Government Act 1972 - background documents</b>	
<p>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.)</p>	
<u>Document</u>	<u>Location</u>
None	

## **EQUALITIES IMPACT ASSESSMENT:**

### **42. 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.

### **Equalities Impact Assessment:**

#### **Health and Social Care System Resilience during COVID-19**

Accountable officer: Graham Allen, Director of Adults' Health and Care

Date of assessment: 04/02/2021

#### **Description of current service/policy**

During the Covid-19 period, Adults' Health and Care has worked with the NHS to take a new single system approach, with the goal of rapidly discharging thousands of patients from hospital during 2020/21 to maximise capacity to treat people with acute Covid-19 symptoms. Changes in legislation have facilitated this and additional funding has been made available to provide care for individuals leaving hospital during the crisis period. The joint goal has been to safely care for and discharge patients to the most appropriate care settings, including some now to dedicated care home settings ("designated") for Covid-19 exclusively.

Geographical impact:  
All Hampshire

### **Description of proposed change**

Each system surrounding Hampshire's acute hospitals has developed a new discharge process in line with National directives. Referrals for discharge are now made into a multi-disciplinary, multiorganizational Single Point of Access (SPoA). These SPoA bring together all organisations who would otherwise work individually on discharging people from hospital. The principle of 'Home First' is adopted, with those unable to go home usually going for a period of rehabilitation in a specialist care home before any longer-term decisions are made. Most people will return to their own home.

### **Impacts of the proposed change**

This impact assessment covers Service users

### **Engagement and consultation**

Has engagement or consultation been carried out? Yes

The new arrangements were introduced quickly to comply with emergency guidance being released by the Government. This limited opportunities to engage with service users and families. However, Adults' Health and Care has consulted and engaged with all relevant system partners in co-designing and developing the new system, for example NHS partners including GPs, commissioners and acute/community providers, and district and borough councils. Various opportunities to engage with and gain feedback from service users are now in place, including work by the Wessex Academic Health Science Network which will review a number of patients on their experience of the discharge process.

### **Statutory considerations**

#### **Impact Mitigation**

**Age:** Low

There are a number of positive impacts of this new service model:

- Better coordination across services to ensure the most appropriate pathway is followed for each patient
- Individuals tracked through their journey, so long-term health and care needs can be assessed outside a hospital setting, which is likely to result in better long-term decisions being made
- Shorter hospital stays are likely to lead to less decompensation of frail elderly patients – typically, the longer you stay in hospital, the worse your outcome, therefore speedier discharge can often help.

The overall impact has been marked as 'low' however because the positives have to be balanced by a less favourable negative impact in that some patients may not get the choice of onward care they would ideally like in the short-term as the priority is to free up the hospital bed as soon as it is safe for the patient to leave.

The mitigation is that the initial onward care is only a temporary situation, and individuals are tracked throughout their care pathway to ensure that the most appropriate long term solutions can be found, preferably in the individual's usual place of residence.

**Disability:** Low The identified impacts for 'disability' mirror those for 'age'.

**Sexual orientation:** Neutral

**Race:** Low

We are aware that lack of choice in short-term onward care destinations for individuals coming out of hospital could impact on individuals being able to receive services that they feel are culturally appropriate in the short-term. However, the discharge to assess model which aims to assess long-term needs in the community should mitigate against short-term lack of choice by enabling more timely and personalised care planning for the longer term, out of the hospital environment.

**Religion and belief:** Neutral

**Gender reassignment:** Neutral

**Gender:** Neutral

**Marriage and civil partnership:** Positive

Reduced length of hospital stays and putting in place enhanced support at home may allow more couples to stay together in their own home for longer. Where one partner recuperates in a bedded facility, this may take pressure off the partner at home and reduce their need to take on very high levels of caring responsibility until their partner has made a greater recovery. In the short term, some couples may be apart for longer if post-discharge rehabilitation takes place in a bedded facility that is not accessible for geographical reasons or where visits in person are not yet possible. However, in the longer term, there should be benefits in recuperating outside a hospital environment.

**Pregnancy and maternity:** Neutral

**Other policy considerations**

**Impact Mitigation**

**Poverty:** Neutral

**Rurality:** Low

There are fewer care services available in rural areas if a bed-based solution is required. In addition, bed-based therapy services are being concentrated in centres of excellence or hubs. This hub approach should improve care outcomes but has a potential negative impact in that there is reduced short-term choice for the patient in their immediate onward care destination. This may particularly affect those patients who live in rural areas. This approach only applies to short-term onward care, hence the impact is considered 'low' rather than ' '.

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3. The original timetable has been subject to delay for several reasons.
4. The work on understanding the current capacity, forecasts for waste management and future policy direction for the plan has been complicated by the plethora of Government consultations on waste and other matters such as nature conservation and air quality. The outcomes of these consultations are likely to relate to the policies in the Plan and there is a need to ensure the Plan takes these outcomes into account, where possible and to ensure it is flexible where appropriate to allow for future national policy changes.
5. Natural England has recently provided advice on the potential for nutrient impacts on Habitat sites and how this should be considered in decision-making on planning. This advice will need to be taken into account to ensure the Plan is legally compliant.
6. Furthermore, the current international situation has elevated the political priority of the issues of energy prices and energy security. Hampshire has both existing oil and gas operations and the potential for new developments of these energy sources. with appropriate policy set out in the current adopted Minerals and Waste Plan. However, it is considered prudent to allow time to ensure the Plan is reflecting national policy including on climate change, which has also been subject to review as demonstrated in recent caselaw.

### Revised timetable

7. The revised timetable for the preparation of the partial update to the Hampshire Minerals & Waste Plan, which is subject to comments from partners at this stage, is as follows:

HMWP Partial Update Key Milestones	Timescale	Description
Regulation 18 (Preparation)	March 2021 – August 2022	Call for Sites (Fixed period) Preparation of Evidence Base
Regulation 18 (Consultation)	September 2022 – December 2022	Consultation on the Draft Plan Partial Update and Evidence
Regulation 19 (Proposed Submission) Document Preparation)	January 2023 – May 2023	Update Evidence Base Revise Plan based on Evidence Base and Consultation
Regulation 19 (Proposed Submission Document Consultation)	June 2023 – October 2023	Consultation on the Partial Update Plan to be submitted to the Secretary of State
Regulation 22 (Preparation)	November 2023 – February 2024	Update Evidence Base Proposed Modifications based on Evidence Base and Consultation

Regulation 22 (Submission to SoS)	February 2024	Submitting the Plan to the Secretary of State who appoints a Planning Inspector
Regulation 24 (Public Examination)	Autumn 2024	Planning Inspector examines the Plan Consultation on any proposed Main Modifications to the Plan
Regulation 25 (Inspector's Report)	Spring 2025	Planning Inspector delivers his report on the Plan
Regulation 26 (Adoption)	Summer 2025	All authorities adopt the Plan, as modified by Planning Inspector

8. The revised timetable takes into account County Council elections scheduled for May 2025.

### **Financial Implications**

9. The cost of the partial update to the Plan is being funded largely from resources previously identified and earmarked for a Plan update, with the additional resource requirements met through re-prioritisation of work programmes and activities within the planning budget. Appropriate contributions are being made by the partner authorities through existing contractual arrangements.
10. It is not expected that the revised timetable will change the cost estimates for preparing the Plan.

### **Next steps**

11. Following resolution by the County Council, the partial update of the Hampshire Minerals & Waste Plan will be prepared in accordance with the revised timetable set out in the Development Scheme. On this basis, consultation on the Draft Plan will take place during winter 2022.

### **Consultation and Equalities**

12. A consultation on the Development Scheme is not required. However, subject to approval, the Partial Update to the Plan will be subject to public consultation in accordance with Regulation 18 of The Town and Country Planning (Local Planning) (England) Regulations 2012 and Hampshire's Statement of Community Involvement.
13. The Equality Impacts of the Development Scheme have been assessed to be neutral as the Scheme as it is a programme for plan-preparation rather than a project. It does not impact on any particular section of the community. The Hampshire Minerals & Waste Plan which will be subject to a partial update is County-wide.

## **Climate Change Impact Assessments**

14. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.

## **Climate Change Adaptation**

14. The climate change adaptation tool cannot be applied to the Development Scheme as it is a programme for plan-preparation rather than a project. The Scheme does not contain or rely on any physical infrastructure and there is no specific location identified. No climate change risks, or vulnerability assessments have been undertaken. However, the projects set out in the Scheme will be subject to all relevant climate change assessments.

## **Carbon Mitigation**

15. The climate change mitigation tool cannot be applied to the Development Scheme as it is a programme for plan-preparation rather than a project. In addition, the carbon mitigation tool does not currently calculate emissions for all minerals and waste developments.
16. The Development Scheme sets out the programme for preparing the HWMP Partial Update which is important for meeting Hampshire County Councils' strategic priorities: 1. Green Economic Growth & Prosperity, as the Plan provides a framework for decision-making on minerals and waste development which supports the economy and encourages sustainable management of waste; and 3. Enhancing the Natural & Built Environment, as the Plan contains a number of policies to protect and enhance the natural and built environment as part of the development process, for example through restoration.

**REQUIRED CORPORATE AND LEGAL INFORMATION:**

**Links to the Strategic Plan**

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

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u>	<u>Date</u>
<a href="https://democracy.hants.gov.uk/ieListDocuments.aspx?CId=706&amp;MId=6033">https://democracy.hants.gov.uk/ieListDocuments.aspx?CId=706&amp;MId=6033</a>	14.01.2021
<a href="https://democracy.hants.gov.uk/documents/s65918/2020%20Review%20of%20the%20Hampshire%20Minerals%20Waste%20Plan%20and%20revised%20Development%20Scheme-2021-02-09-Cabinet.pdf">https://democracy.hants.gov.uk/documents/s65918/2020%20Review%20of%20the%20Hampshire%20Minerals%20Waste%20Plan%20and%20revised%20Development%20Scheme-2021-02-09-Cabinet.pdf</a>	09.02.2021
<a href="https://democracy.hants.gov.uk/ieListDocuments.aspx?CId=163&amp;MId=6561">https://democracy.hants.gov.uk/ieListDocuments.aspx?CId=163&amp;MId=6561</a>	25.02.2021
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u>	<u>Date</u>
National Planning Policy Framework: <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1004408/NPPF_JULY_2021.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1004408/NPPF_JULY_2021.pdf</a>	2021
Planning Policy for Waste: <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/364759/141015_National_Planning_Policy_for_Waste.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/364759/141015_National_Planning_Policy_for_Waste.pdf</a>	2014

<b>Section 100 D - Local Government Act 1972 - background documents</b>
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**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:**

The Development Scheme is a programme for plan-preparation rather than a project. It is considered that there will be no additional impact on people with protected characteristics and therefore has been assessed as having a neutral impact overall.





## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	21 June 2022
<b>Title:</b>	Responsibilities for Executive Functions and Select Committee Functions
<b>Report From:</b>	Chief Executive

**Contact name:** Barbara Beardwell

**Tel:** 03707 793751

**Email:** barbara.beardwell@hants.gov.uk

#### **Purpose of this Report**

1. The purpose of this report is to advise Cabinet as to the revised Executive Portfolios and to seek Cabinet's recommendation to the full Council of consequential changes to Select Committee Functions.

#### **Recommendation(s)**

2. That the allocation of responsibility for Executive Functions at Appendix 1 of this Report is noted by Cabinet, and reported to the County Council at the County Council meeting on 21 July 2022.
3. That the revised allocation of responsibilities for Select Committee Functions contained at Appendix 2 of this Report is recommended by Cabinet for approval by the County Council.

#### **Executive Summary**

4. Part 1, Chapter 17, Paragraph 1.3 of the County Council's Constitution requires that changes to the Constitution consequential upon the allocation of responsibility for Executive Functions decided by the Leader, be reported to the Cabinet and then to the County Council. By virtue of Section 9E of the Local Government Act 2000 (as amended) ('the 2000 Act'), and by virtue of operation of a Leader and Cabinet form of Executive Arrangements, Members of Cabinet are appointed by the Leader. Allocation of Executive Functions between individual Members of Cabinet is also the responsibility of the Leader.

5. The Leader has revised the appointment of elected Members to Cabinet. This Report identifies their portfolios and the issues around which they can make decisions.

### **Contextual information**

6. Responsibility for Executive Functions as allocated by the Leader is set out in Part 2, Chapter 3 of the Constitution. Attached at Appendix 1 to this Report is a revised Part 2, Chapter 3 of the Constitution consequential upon the revised allocation of Executive Functions as determined by the Leader.
7. Consequential upon the revised allocation of Executive Functions and inclusion of responsibility for Economic Development within the responsibilities of the Executive Member for Policy and Resources and Economic Development, it is appropriate that the functions of the Policy and Resources and Economy, Transport and Environment Select Committees are revised to reflect the change. It is also appropriate that the Economy, Transport and Environment Select Committee be renamed to Transport and Environment Select Committee.
8. Attached at Appendix 2 to this Report is a revised Part 2, Chapter 5 of the Constitution detailing allocation of responsibilities for Select Committee Functions, including the changes outlined above.

### **Consultation and Equalities**

9. It is considered that this Report will have no adverse impact or cause no disadvantage to groups with protected characteristics.

**REQUIRED CORPORATE AND LEGAL INFORMATION:**

**Links to the Strategic Plan**

**This proposal does not link to the Strategic Plan but, nevertheless, requires a decision for the good governance of the County Council.**

**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:**

It is considered that this report will have no adverse impact or cause no disadvantage to groups with protected characteristics

# Part 2: Chapter 3

## Executive Functions

### 1. Responsibility for Executive Functions

- 1.1 The following table sets out the allocation of responsibilities within the Executive. The portfolios are expressed in broad terms and may be varied, as provided for in the Executive Procedure Rules set out in Part 3 Chapter 2 of this Constitution.
- 1.2 The principles of responsibility are as follows:
- 1.2.1 unless a function, power or responsibility is specifically reserved to the County Council or a Committee of the County Council, the Executive is authorised to exercise the function or power.
- 1.2.2 the Executive collectively will be responsible for those decisions falling appropriately to it.
- 1.2.3 all decisions will be recorded.
- 1.2.4 if a decision is made by an individual Member of the Executive, this will be stated openly and clearly.
- 1.2.5 the Executive or individual Members of the Executive will normally be making Key Decisions, as defined at Part 3, Chapter 2, Paragraph 3 of this Constitution, or decisions which are significant (even though they may not be Key Decisions).

Responsible Person	Functions
Leader and Executive Member for Policy, Resources and Economic Development	<p>Leader of the County Council and Chairing and managing the Executive and its work.</p> <p>Overall strategy (including Serving Hampshire - Strategic Plan), policy and co-ordination 'across the board', and the direction and utilisation of resources.</p> <p>Primary department links – Corporate Services, Culture, Communities and Business Services, and Economy, Transport and Environment departments.</p> <p>Service area responsibilities – services within the above departmental remit areas; except where any area has been specifically allocated within the remit</p>

	<p>of another Executive Member.</p> <p>Functional areas – policy; strategic overview; overall performance; budget strategy; and personnel policies, including strategy for pay and remuneration, asset management, and IT services; strategic land matters; Economic Strategy &amp; Recovery Plan; Economic Development Programme and Projects including Tourism, Marketing and Inward Investment; Corporate oversight of the County Council’s Grant Management System and Members’ Devolved Budgets</p> <p>Monitoring and developing the sustainability of the natural environment and heritage of rural Hampshire.</p> <p>Appointments to relevant outside bodies not on a proportional basis in consultation with minority parties.</p>
<p>Deputy Leader and Executive Lead Member for Children’s Services</p>	<p>Designated Lead Member for Children’s Services pursuant to Section 19 of the Children Act 2004 and the Statutory guidance on the roles and responsibilities of the Director of Children’s Services and the Lead Member for Children’s Services (2013).</p> <p>Overall strategy and policy for all Children’s matters, i.e. Education, Children and Families pursuant to the requirements of the Children Act 2004. Approval of the Children and Young People’s Plan.</p> <p>Primary departmental links – Children’s Services Department and Adults’ Health and Care.</p> <p>Service area responsibilities – all services within the remit of the above department</p> <p>Functional areas – statutory Social Services functions of the County Council relating to children, and all education functions exercisable by the County Council as Local Education Authority; co-ordination of post 16 skills policies and initiatives.</p> <p>Responsibility for building relationships with businesses in Hampshire in relation to the Corporate Apprenticeship Programme.</p>

	<p>Functions related to the Supporting Troubled Families Programme.</p> <p>Appointments to relevant outside bodies not on a proportional basis in consultation with the minority parties.</p>
<p>Assistant to the Executive – Children’s Services</p>	<p>To support the Executive Lead Member for Children’s Services across the breadth of the portfolio.</p> <p>Primary department links – Children’s Services and Adults Health and Care Departments.</p> <p>Assisting the Executive Lead Member for Children’s Services in supporting the delivery of their Executive function, but not to include any Executive Member decisions or other statutory functions.</p> <p>To champion particular the voice of particular service users as required by the Executive Lead Member for Children’s Services</p>
<p>Executive Member for Adult Services and Public Health</p>	<p>Overall strategy and policy for all Adult Social Care and Public Health matters.</p> <p>Primary department links – Adults’ Health and Care Department and Children’s Services.</p> <p>Service area responsibilities – all services within the remit of the above department including all duties relating to adult social care including safeguarding, including under (inter alia), the Care Act 2014, the Mental Capacity Act 2005 and the Mental Health Act 1983. Primary responsibility for liaison with the National Health Service.</p> <p>All services within the remit of the County Council’s public health responsibilities pursuant to the National Health Service Act 2006.</p> <p>All duties relating to the County Council’s responsibilities to improve public health.</p> <p>Functional areas – services for population health and wellbeing (Public Health functions), adults, including older people, learning disability, physical disability, mental health and all ancillary services; responsibility for the County Council’s relationships with the Voluntary and Community Sector.</p>

	<p>Development of the County Council's strategy and policy in relation to public health.</p> <p>Appointments to relevant outside bodies not on a proportional basis in consultation with the minority parties.</p> <p>N.B. This Executive Member is also Chairman of the Health and Wellbeing Board.</p>
<p>Assistant to the Executive – Adult Services and Public Health</p>	<p>To support the Executive Member for Adult Services and Public Health across the breadth of the portfolio.</p> <p>Primary department links – Adults' Health and Care and Children's Services Departments.</p> <p>Assisting the Executive Member for Adult Services and Public Health in supporting the delivery of their Executive function, but not to include any Executive Member decisions or other statutory functions.</p>
<p>Executive Member for Commercial Strategy, Estates and Property</p>	<p>To assist the Executive Member for Policy, Resources and Economic Development.</p> <p>Primary department links – Corporate Services and Culture, Communities and Business Services Departments.</p> <p>Functional areas – Property Services and Facilities Management (excluding strategic land matters), Commercial strategy, including: Procurement policies and outcomes; Corporate Services and Culture, Communities and Business Services business units and trading arrangements; business and trading arrangements in other departments where relevant; development of income generation policies across the board, energy related matters, rural broadband, Health and Safety. Emergency Planning functions pursuant to the Civil Contingencies Act 2004.</p> <p>Advisory areas – to advise the Executive Member for Policy and Resources and Economic Development on revenue and capital related matters, property matters, and major land policy and disposal matters and programmes; to develop with the Director of Corporate Operations / Chief Financial Officer relevant financial plans for approval by the Executive Member for Policy and Resources and Economic Development.</p>



	<p>Appointments to relevant outside bodies not on a proportional basis in consultation with minority parties.</p> <p>N.B. This Executive Member is also Chairman of the Buildings, Land and Procurement Panel. (BLAPP).</p>
<p>Executive Lead Member for Transport and Environment Strategy</p>	<p>Overall direction, strategy, budgets and resources for Transport and Environment Services (including the Capital Programme), but excluding regulatory matters within the remit of the Regulatory Committee.</p> <p>Primary department links – Economy, Transport and Environment and Culture, Communities and Business Services Departments.</p> <p>Service area responsibilities – within the remit of the above departments.</p> <p>Functional areas – Environment Strategy; Local Transport Plan; Highway maintenance and Management Plan; Highway Asset Management Plan; Transport for the South East/Solent Transport; Minerals and Waste Local Plan; Joint Municipal Waste Strategy; County Planning Services; Strategic Transport projects (£2Million plus); Local Bus Improvement Plan; Waste and Recycling Infrastructure, Strategic Environment Projects (£1Million plus), Main Service Contracts and Contract Management/Performance, Highway Safety and Casualty Reduction Policy.</p> <p>Appointments to relevant outside bodies not on a proportional basis in consultation with the minority parties.</p> <p>NB: This Executive Member is also the County Council’s Executive appointment to Project Integra Strategic Board Joint Committee and Solent Transport.</p>
<p>Executive Member for Highways Operations</p>	<p>To assist the Executive Lead Member for Transport and Environment Strategy because of the breadth of the portfolio, by providing additional capacity at Executive level.</p> <p>Primary department link - Economy, Transport and Environment Department.</p>

	<p>Service area responsibilities – within the remit of the above department.</p> <p>Functional areas - Operation Resilience Annual Programme; Structures Annual Programme; Road Safety Projects and Programme; Road Safety Education; Local Road Safety Partnerships; Street Lighting; Parish Lengthsman Scheme; Parish and District Highways Liaison; Traffic Management Projects and Programmes; On Street Parking and Parking Agencies; Active Travel projects; Local Highways Improvements (&lt;£2Million); Local Subsidised Bus Contracts; Community Transport Schemes and contracts; Local Passenger Transport Infrastructure; Community Transport Local Projects.</p>
Executive Member for Climate Change and Sustainability	<p>To assist the Executive Lead Member for Transport and Environment Strategy because of the breadth of the portfolio, by providing additional capacity at Executive level.</p> <p>Primary department link - Economy, Transport and Environment Department, but with engagement across all departments of the County Council.</p> <p>Service area responsibilities – within the remit of the above department.</p> <p>Functional areas - Flood Risk Management Strategy; Local Nature Partnership; Climate Change Action Plan; Bio-diversity/Ecology; Historic Landscape/Gardens; Archaeology; Annual State of the Environment Report; Protected Landscapes Outside National Parks (incl. AONB Management Plans); Local Environment Projects (&lt;£1Million); Local Flood Protection/Mitigation Schemes (&lt;£1Million); Flood and Water Management Act Responsibilities; Environmental Campaigns and Ambassador Role; Climate Change Expert Forum; Local Environmental Partnerships (incl. Fly-Tipping Partnership); Waste Minimisation Programme; Community Waste Minimisation and Recycling Programme and Projects; Local Air Quality Improvement Programme and Projects.</p>
Executive Member for Performance, Human	Overall strategy for Performance, Human Resources and Partnership matters.

<p>Resources, Inclusion and Diversity</p>	<p>Primary Department links – Corporate Services department.</p> <p>Service area responsibilities – human resources services within the remit of Corporate Services, including strategic workforce development and corporate performance, and otherwise where relevant to the role.</p> <p>Personnel policy formulation and skills development in relation to the County Council’s directly employed workforce (excluding schools), and review of corporate performance through the Annual Performance Report.</p> <p>Appointments to relevant outside bodies not on a proportional basis in consultation with minority parties.</p> <p>N.B. this Executive Member is also Chairman of EHCC.</p>
<p>Executive Member for Recreation, Heritage and Rural Affairs</p>	<p>Overall strategy for promoting the Hampshire rural estate and partnerships with the focus on rural initiatives, to the benefit of Hampshire.</p> <p>Overall strategy and policy for libraries, museums, archives, arts, outdoor activities and leisure.</p> <p>Primary departmental links – Culture, Communities and Business Services and all departments of the County Council relevant to the responsibilities.</p> <p>Service Area Responsibilities – the Policy Framework for the County Farm Estate, Rural Affairs, Rights of Way and responsibility for the Parish and Town Council Investment Fund and the Rural Affairs Development Fund. Recreation and Heritage Services within the Communities and Business Services Department.</p> <p>Functional Areas – development of rural initiatives into the formulation of major policy.</p> <p>Libraries, museums, archives and records, country parks, countryside sites and nature reserves, sport and culture community support, recreation and all ancillary activities, regulatory services, including registration, coroners’ services, trading standards, asbestos and scientific services.</p>

	<p>Developing links with other agencies and other local authorities regarding the development of rural activity. Overall responsibility for the County Council's relationships with Parish, Town and District and Borough Councils.</p> <p>Promoting Hampshire rural interests, countryside estate and partnerships with the focus on rural initiatives, to the benefit of Hampshire.</p> <p>Appointments to relevant outside bodies not on a proportionate basis in consultation with the minority parties.</p>
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# Part 2: Chapter 5

## Scrutiny

### Select (Overview and Scrutiny) Committees

#### 1. Responsibilities for Scrutiny Functions

- 1.1. The following table sets out the allocation of responsibilities within the Select (Overview and Scrutiny) Committees.

Committee	Scope
Policy and Resources	<p>Coordinating Scrutiny:</p> <p>To ensure resources of all scrutiny functions are being effectively targeted.</p> <p>To ensure the outputs and outcomes of Scrutiny are having impact and being evaluated.</p> <p>To prioritise topics for scrutiny task and finish groups (thematic reviews).</p> <p>To create an annual work programme.</p> <p>To identify where each thematic review on the work programme should be considered.</p> <p>To provide an annual report to the County Council outlining the effectiveness, outcomes and learning of the scrutiny function (i.e. Select (Overview and Scrutiny) Committees and overall work programme).</p> <p>To monitor the operation of the provisions relating to call-in and urgency submitting a report to Cabinet if necessary.</p> <p>Scrutinising Corporate functions:</p>

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Reviewing how policies, services and decisions ensure effective use and management of all resources; how effectively is cross-cutting/corporate policy developed, implemented and performance evaluated and improved.

Efficiency; Human Resources; Skills; Procurement; Relevant Financial Management (e.g. budget setting and monitoring final accounts, capital programme, capital receipts); asset and estate management; information management (including records management); communications; use of IT; Health and Safety; corporate policy and performance; Business Units; crime prevention; crime and disorder; economic development; Emergency Planning.

Reviewing and scrutinising decisions made, or other actions taken, in connection with the discharge of crime and disorder functions by the authorities responsible for crime and disorder strategies in relation to the County Council's area, and making reports or recommendations with respect to the discharge of those functions.

Making reports or recommendations to the County Council with regard to any matter which is a local crime and disorder matter in relation to a member of the County Council (i.e. a matter concerning crime and disorder which affects all or part of the electoral Division for which the Member is elected or any person who lives or works in that area).

Departments covered;

- Corporate Services
  - Culture, Communities and Business Services
  - County Council as a corporate entity.
  - Any other relevant functions in other Departments
-

Children and Young People	<p>Reviewing how the needs and interests of children and young people are met by all Departments, policies, services and decisions; and how performance is evaluated and improved.</p> <p>Universal, targeted and specialist services for children and young people: prevention and management of risk; social care; children's and young people's wellbeing; education – supporting and enabling learning for all children and young people; internal and external partnership working re Children and Young People; supporting parents and families; relevant financial management.</p> <p>Departments covered:</p> <ul style="list-style-type: none"> <li>- Children's Services</li> <li>- Any other Department doing work with or impacting on children or young people.</li> </ul>
Health and Adult Social Care	<p>Reviewing how policies, services and decisions support safe, well, independent and continuously developing people (adults and older persons) and Public Health; how they are implemented and how performance is evaluated and improved.</p> <p>Focus on how the County Council is contributing to delivering the Wellbeing agenda for adults; adult social care; promoting independence and quality of life for older people; healthy and safe families; Public Health: the integration of Health and Care services and relevant financial management; voluntary and community sector.</p> <p>Scrutiny of the provision and operation of health services in Hampshire.</p> <p>Departments covered:</p> <ul style="list-style-type: none"> <li>- Adults' Health and Care</li> <li>- Any other relevant functions in other Departments</li> </ul>

Culture and Communities	<p>Reviewing how policies, services and decisions support thriving culture and sustainable, inclusive communities and rural Hampshire; how they are implemented and how performance is evaluated and improved.</p> <p>Culture and recreation; heritage; community development; countryside and rights of way; developing sustainable communities; supporting diversity and inclusion; community engagement and consultation; lifelong learning for adults; Regulatory Services, relevant financial management.</p> <p>Departments covered:</p> <ul style="list-style-type: none"> <li>- Culture Communities and Business Services</li> <li>- Corporate Services</li> <li>- Any other relevant functions in other Departments.</li> </ul>
Transport and Environment	<p>Reviewing how policies, services and decisions support a positive and sustainable environment, accessibility to services for all and effective management of natural resources; how they are implemented and how performance is evaluated and improved.</p> <p>Passenger transport; transport policy; road infrastructure; access; protection of the environment; flood and coastal erosion risk management; sustainable development; climate change; land management; waste management; relevant financial management.</p> <p>Departments covered:</p> <ul style="list-style-type: none"> <li>- Environment</li> <li>- Any other relevant functions in other departments</li> </ul>



## **Specific Functions**

### **1.2. Policy development and review**

Select (Overview and Scrutiny) Committees may:

- 1.2.1. assist the County Council and the Executive, at their request, to develop the budget and policy framework by in-depth analysis of policy issues
- 1.2.2. conduct research in the analysis of policy issues and possible options
- 1.2.3. question members of the Executive or Senior Officers, about their views on issues and proposals affecting their remit
- 1.2.4. liaise with external organisations as appropriate

### **1.3. Scrutiny**

Select (Overview and Scrutiny) Committees may:

- 1.3.1. review and scrutinise Executive decisions
- 1.3.2. review and scrutinise the County Council's service delivery and performance, performance concerning its policy objectives, performance targets and particular service areas
- 1.3.3. question members of the Executive or Senior Officers about their decisions and performance; whether compared to service plans and targets, or related to particular decisions, initiatives or projects
- 1.3.4. make recommendations to the Executive or County Council arising from the scrutiny process
- 1.3.5. review and scrutinise the performance of other public bodies in the area; invite reports from them by asking them to address the relevant Select Committee
- 1.3.6. question and gather evidence from people and organisations that can inform the scrutiny process.

### **1.4. Health Scrutiny Functions of the Health and Adult Social Care Select (Overview and Scrutiny) Committee**

The Health and Adult Social Care Select (Overview and Scrutiny) Committee will have the following additional roles and functions in relation to health matters:

- 1.4.1. To review and scrutinise any matter relating to the planning, provision and operation of the health service in Hampshire.
- 1.4.2. To make reports and recommendations to relevant NHS bodies and to relevant health service providers (as defined in the Local Authority (Public Health, Health and Wellbeing Board and Health Scrutiny) Regulations 2013) on any matter that it has reviewed or scrutinised.
- 1.4.3. To act as consultee to relevant NHS bodies or relevant health service providers on issues of:
  - a) Substantial developments of the health service in Hampshire; and
  - b) Any proposals to make any substantial variation to the provision of such services.
- 1.4.4. Subject to the approval of the County Council to report contested proposals for major health service changes to the Secretary of State;
- 1.4.5. To scrutinise the social care services provided or commissioned by relevant NHS bodies or relevant health service providers exercising local authority functions under Section 75 of the National Health Service Act 2006;
- 1.4.6. To review or scrutinise health services commissioned or delivered in Hampshire within the framework set out below:
  - a) Arrangements made by relevant NHS bodies or relevant health service providers to secure hospital and community health services to the inhabitants of Hampshire;
  - b) The provision of such services to those inhabitants;
  - c) The provision of family health services, personal medical services, personal dental services, pharmacy and NHS ophthalmic services;
  - d) The public health arrangements in Hampshire; e.g. arrangements by the County Council for public health promotion and health improvement (including addressing health inequalities) in Hampshire.
  - e) The planning of health services in Hampshire, including plans setting out a strategy for improving both the health of the local population and the provision of health care to that population; and

- f) The arrangements made by relevant NHS bodies and relevant health service providers for consulting and involving patients and the public.

## 1.5. **Delegation of Health Scrutiny Functions**

1.5.1. The County Council may delegate health scrutiny powers to a joint Scrutiny Committee and appoint Members to that Committee when there is an intention by a relevant NHS body or relevant health service provider to consult on a substantial variation or development to health services that extend beyond Hampshire.

1.5.2. The Chief Executive, in consultation with the Chairman of the County Council and the Chairman of the Health and Adult Social Care Select (Overview and Scrutiny) Committee, may agree to the formation of such a committee, its membership and terms of reference, if there is insufficient time for that decision to be taken by the County Council, subject to the details being submitted for approval to the next meeting of the County Council.

1.5.3. Any joint committee so convened should work to a specific proposal and with clear terms of reference, which would be restricted to consideration of and agreeing a response to the proposal on which the committee had been consulted.

## 1.6. **Petitions**

Select (Overview and Scrutiny) Committees must, when required to do so by a petition organiser, review the adequacy of the steps taken or proposed to be taken in response to a petition.

## 1.7. **Finance**

Select (Overview and Scrutiny) Committees may exercise overall responsibility for any money made available to them.

## 1.8. **Annual Reports**

1.8.1. The Policy and Resources Select (Overview and Scrutiny) Committee will submit to the County Council as soon as reasonably practicable in each financial year an account of the activities and outcomes of the scrutiny function for the last year and a tentative list of intended scrutiny inquiries for the following year.

1.8.2. The Health and Adult Social Care Select (Overview and Scrutiny) Committee will submit to the County Council as soon as reasonably practicable in each financial year an account of

the activities and outcomes of the health scrutiny function for the last year and a tentative list of intended health scrutiny inquiries for the follow year.

**1.9. Proceedings of Select (Overview and Scrutiny) Committees**

Select (Overview and Scrutiny) Committees will conduct their proceedings in line with the Overview and Scrutiny Procedure, set out in Part 3, Chapter 3 of this Constitution.