

AT A MEETING of the Cabinet of HAMPSHIRE COUNTY COUNCIL held at the
Castle, Winchester on Tuesday, 19th July, 2022

Chairman:

* Councillor Rob Humby

* Councillor Roz Chadd
Councillor Nick Adams-King
Councillor Liz Fairhurst
Councillor Steve Forster

* Councillor Edward Heron
* Councillor Kirsty North
* Councillor Russell Oppenheimer
* Councillor Jan Warwick

Also present with the agreement of the Chairman: Councillors Carpenter, Glen, Hayre and Withers

65. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Adams-King, Fairhurst and Forster.

66. 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.

67. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 21 June 2022 were reviewed and agreed.

68. CHAIRMAN'S ANNOUNCEMENTS

With reference to the national political uncertainty nationally following the resignation of the Prime Minister, the Chairman confirmed that the County Council was ready to engage with new Ministers when changes to Cabinet appointments had been confirmed.

The County Council's recent success in achieving a national parking award and being shortlisted for three LGC awards was recognised, as was the success of

Emily Roberts, who had secured £3.5m in grant funding and over £20m in investment. On behalf of the Cabinet, the Chairman offered thanks to everyone involved in each of these areas.

69. DEPUTATIONS

It was confirmed that no requests to make a deputation had been received.

70. WORKING TOWARDS ECONOMIC RECOVERY

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

The regular update report was introduced with particular reference to the position of proposals for a County Deal. It was confirmed that the completed prospectus would form a starting point for discussion with Government, however this dialogue would now not begin until the new Prime Minister had been appointed and confirmed their Cabinet. Other Authorities in a similar position to Hampshire were similarly pausing their programmes.

Cabinet welcomed the pragmatic approach to the County Deal and the detailed report. In the context of increasing inflationary pressures on residents, the importance of working with partners to improve economic productivity and output was recognised.

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

71. 2021/22 - END OF YEAR FINANCIAL REPORT

Cabinet considered a report of the Director of Corporate Operations regarding the 2021/22 End of Year Financial report.

With reference to the report, it was highlighted that the covid grants from government had been fully used and also supplemented with the County Council's own resources. Progress on achieving the SP23 targets was good and there was a significant overall underspend. Balances were strong, however these would be essential to tackle future financial pressure.

Cabinet welcomed the report, noting that the current return on investment was much lower than inflation, meaning that the County Council's spending power was being eroded and additional funding may be needed for capital programmes. Pressures on areas such as social care meant that these services were not sustainable under their current delivery model and further change would be required. It was confirmed that a large proportion of the reserves were set aside for the capital programme and the remainder would be needed to underpin the strategy to 2025/26.

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

72. DEVELOPING A MEDIUM TERM FINANCIAL STRATEGY

Cabinet considered a report of the Director of Corporate Operations regarding the medium term financial strategy.

In introduction it was noted that the County Council was facing a financial perfect storm consisting of inflation and wage pressures, flat government funding and unfunded social care reforms, which could combine to a £200million deficit. An inflation underwrite would be put in place to support the capital programme and consideration may need to be given to the use of reserves to meet the gap. It was confirmed that a meeting with MPs had been arranged in September to highlight the issues and to push for both a two year financial settlement and greater information on social care reforms.

Cabinet acknowledged the potential difficulty of the position, noting that early awareness and action would give greater flexibility. Cabinet also highlighted Hampshire's willingness to be more accountable for its own performance and to have greater autonomy in decision making as it was currently constrained by a funding model that gave little control over income and demand.

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

73. SOCIAL CARE FUNDING REFORMS INCLUDING FAIR COST OF CARE

Cabinet considered a report of the Director of Adults' Health and Care regarding social care funding reforms and the fair cost of care.

With reference to the report the three areas of reform were set out along with the timescales for introducing the changes. It was noted that detailed guidance was still awaited but a number of trailblazer Authorities had already implemented the reforms and particular attention was being paid to the impact on the two Authorities most similar to Hampshire. The high number of self-funders in Hampshire meant that there was concern about assessment pressures and costs, for which there was unlikely to be sufficient additional funding to support and it was unclear without the guidance as to the impact of staggering access.

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

74. SERVING HAMPSHIRE - 2021/22 YEAR-END PERFORMANCE REPORT

Cabinet considered a report of the Director of HR, OD, Communications and Engagement regarding the County Council's performance in the context of the Serving Hampshire Strategic Plan for 2021-2025.

The report was introduced and examples were highlighted of strong performance against key strategic objectives, including apprenticeships, recycling and the resettlement of refugees. Other areas were also drawn to Cabinet's attention, including areas of risk, climate change and complaints to the ombudsman.

Cabinet welcomed the ongoing high performance of the Authority particularly in the context of the economic situation and the impact covid.

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

75. ECONOMIC STRATEGY

Cabinet considered a report of the Director of Economy, Transport and Environment to outline the first draft of the Economic Strategy.

It was highlighted that the strategy took forward the economic objectives of the Hampshire 2050 commission and as such focussed on long-term direction of travel and vision. The input and agreement from partners was needed and therefore delegated authority was sought for final approval.

Cabinet welcomed the strategy, recognised the importance of joining with partners and praised the central focus on a place for people to live, work and play.

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

76. LOCAL ENTERPRISE PARTNERSHIPS (LEP) INTEGRATION

<With regard to this item, Councillors Chadd and Heron declared a personal interest by virtue of being members of the Enterprise M3 LEP and the Solent LEP respectively.>

Cabinet considered a report of the Director of Economy, Transport and Environment to update the Cabinet on the current Central Government guidance for Local Enterprise Partnership (LEP) integration into Upper Tier authorities as part of Devolution Deals and to present a number of options for the actions required.

With reference to the report, the current position was set out and it was confirmed that delivery plans for integration had been submitted but were subject to potential devolution via the County Deal. Proposals for business engagement were being worked on and discussions with neighbouring areas continued. Cabinet welcomed the report and recognised that integration would build on the foundations of the LEPs' achievements to date.

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

77. HAMPSHIRE COUNTY COUNCIL CLIMATE CHANGE INITIATIVES – PROGRESS REPORT

Cabinet considered a report of the Director of Culture, Communities and Business Services providing a progress update surrounding delivery of the

programme of climate change initiatives relating to the operational activities of the County Council.

The background and positive progress of the climate change pilot initiatives were detailed with reference to the report. A number of examples were highlighted included a project at the Hamble Country Park, the use of vegetable oil for the vehicle fleet and funding to facilitate others to deliver projects. Work in schools to engage with children and to promote plant based menus was also highlighted.

Members welcomed the update and acknowledged that these were small scale pilots but nonetheless represented a positive and dynamic approach that could assist with identifying where bigger wins might be available. In this context it was agreed that future updates would include an indication of carbon savings.

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

Chairman,