

# Public Document Pack



## NOTICE OF MEETING

<b>Meeting</b>	Policy and Resources Select Committee
<b>Date and Time</b>	Friday, 18th January, 2019 at 10.00 am
<b>Place</b>	Wellington Room, Elizabeth II Court South, The Castle, Winchester
<b>Enquiries to</b>	members.services@hants.gov.uk

John Coughlan CBE  
Chief Executive  
The Castle, Winchester SO23 8UJ

## FILMING AND BROADCAST NOTIFICATION

This meeting may be recorded and broadcast live on the County Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Filming Protocol available on the County Council's website.

## 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 the circumstances described in 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 Non-Pecuniary interest in a matter being considered at the meeting should consider whether such interest should be declared, and having regard to Part 5, Paragraph 2 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 - 10)

To confirm the minutes of the previous meeting.

### 4. DEPUTATIONS

To receive any deputations notified under Standing Order 12.

**5. CHAIRMAN'S ANNOUNCEMENTS**

To receive any announcements the Chairman may wish to make.

**6. PRE-SCRUTINY: 2019/20 POLICY & RESOURCES REVENUE BUDGET** (Pages 11 - 48)

For the Policy and Resources Select Committee to consider a budget setting report considered by Cabinet on 10 December 2018 for background, and to pre-scrutinise the proposed revenue budget for 2019/20 for Policy & Resources (which is due for consideration by the Executive Member for Policy & Resources at his Decision Day on 18 January 2019 at 3.30pm).

**7. PRE-SCRUTINY: 2019/20 POLICY & RESOURCES CAPITAL PROGRAMME** (Pages 49 - 66)

For the Policy and Resources Select Committee to pre-scrutinise the proposals for the Policy and Resources Capital Programme for 2019/20 – 2021/22 (see report attached due to be considered by the Executive Member for Policy and Resources at 3.30pm on 18 January 2019).

**8. SERVING HAMPSHIRE - 2018/19 Q2 PERFORMANCE REPORT** (Pages 67 - 84)

To consider a report of the Chief Executive providing strategic oversight of the County Council's performance during the first six months of 2018/19 against the Serving Hampshire Strategic Plan for 2017-21.

**9. BROADBAND**

To receive a presentation from the Director of Culture, Communities and Business Services on Broadband matters.

**10. ANNUAL IT UPDATE** (Pages 85 - 94)

To receive a report from the Director of Corporate Resources – Corporate Services (Head of IT) giving an update on IT matters.

**11. WORK PROGRAMME** (Pages 95 - 104)

To review the work programme of topics to be considered by the Select Committee in future.

**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 Policy and Resources Select Committee of HAMPSHIRE COUNTY COUNCIL held at the castle, Winchester on Thursday, 1st November, 2018

Chairman:  
p Councillor Jonathan Glen

Vice Chairman:  
p Councillor Keith Evans

p Councillor Adam Carew  
p Councillor Roz Chadd  
p Councillor Adrian Collett  
p Councillor Judith Grajewski  
p Councillor Roger Huxstep  
p Councillor Peter Latham

p Councillor Anna McNair Scott  
p Councillor Russell Oppenheimer  
p Councillor Jackie Porter  
p Councillor Bruce Tennent  
p Councillor Michael Westbrook  
a Councillor Bill Withers Lt Col (Retd)

Also present with the agreement of the Chairman: Councillor Roy Perry, Executive Member for Policy & Resources, Councillor Jan Warwick, Hampshire County Council representative on the Police and Crime Panel, Councillor Keith Mans, Hampshire County Council representative on the Boards of the two Local Enterprise Partnerships covering Hampshire.

## 54. APOLOGIES FOR ABSENCE

Apologies were received from Cllr Bill Withers. Cllr Chris Carter attended as the Conservative Substitute.

## 55. 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 Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 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.

## 56. MINUTES OF PREVIOUS MEETING

The minutes of the last meeting were reviewed and agreed.

## 57. DEPUTATIONS

No deputations were received at this meeting.

## 58. CHAIRMAN'S ANNOUNCEMENTS

The Chairman highlighted to Members that at the last meeting a question had been asked about reservists working at the Council, and the answer had been emailed to committee members.

The Chairman reported that at a recent Members Briefing, a voluntary sector item had been presented by Sue Dovey (from Action Hampshire) and Tim Houghton (from Community First) who had made comments about third sector engagement with the Local Enterprise Partnerships (LEPs). The Chairman had invited them to this meeting as an item on LEPs was on the agenda, however they had been unable to attend.

The Chairman also announced that he had been contacted with a request for an item on broadband to be added to the work programme for this Select Committee. This would be discussed further under the work programme item.

## 59. ANNUAL CRIME AND DISORDER SCRUTINY: COMMUNITY SAFETY UPDATE

Councillor Jan Warwick had been invited to attend the Select Committee for this item, to provide an update on the work of the Hampshire Police and Crime Panel. The Police and Crime Panel (PCP) scrutinise the Police and Crime Commissioner, and Cllr Warwick was the Hampshire Member appointed to this panel. Cllr Warwick gave an overview of the remit and workings of the PCP, and highlighted that the PCP undertake 'pro active scrutiny' of particular topics in further detail. In 2017 the Panel considered rural crime and traffic crime, in 2018 operational policing, and in 2019 was looking at festival security.

The Select Committee then received a report on behalf of the Director of Adults' Health and Care providing an overall update on community safety issues, focusing on the remit of this Select Committee to scrutinise partnership working in relation to crime and disorder. It was reported that work had been undertaken over the past year to strengthen the overarching governance around community safety. The County Strategy Group had identified strategic priority areas, one of which was organised crime and child exploitation. It was noted that Councillor Joy was the Executive Member for community safety. Some Members commented that there could be improved member oversight of this area of work. The Chairman suggested a further update on the work of the County Strategy Group come to this committee sooner than the next annual update.

The Select Committee then received a presentation from the Willow Team in Children's Services and a representative from the Police Missing Exploited and Trafficked (MET) team, regarding child exploitation. Members heard about the complex issues involved in child exploitation, and the 'county lines' model used by organised criminal gangs, which included using children to carry and sell drugs. Often the arrangements cross local authority boundaries, and Hampshire children could be drawn in by gangs based in London. Joint working between the County Council and the Police identified at risk children, and categorised their level of risk as red amber or green. A number of joint operations had taken place, identifying individuals involved in particular operations and then finding

ways to disrupt their activities and reduce the level of risk to the children involved.

The Police representative indicated that not all drug networks involved children, and it was mainly cocaine and heroin they deal in as those drugs were the most lucrative. It was noted that recent legislation regarding modern slavery provided another way to target those involved in this type of criminal activity, as it provided a better threat than a drug related conviction. Members asked questions to clarify points and debate what they had heard. The Chairman thanked the presenters for their time.

RESOLVED:

That the Select Committee:

1. Note the establishment of the Hampshire County Strategy Group for Community Safety.
2. Note the current work programme of the County Strategy Group for Community Safety.
3. Note the work undertaken to develop the Strategic Assessment of Community Safety and the establishment of strategic priorities for partnership working.
4. Request a further update on the work of the County Strategy Group earlier than the next annual update.

## 60. **LOCAL ENTERPRISE PARTNERSHIPS**

The Select Committee received a presentation from the Director of Economy Transport and Environment regarding the Local Enterprise Partnerships (LEPs) in Hampshire. Members heard that two LEPs cover Hampshire; the Enterprise M3 LEP that covered parts of Hampshire and part of Surrey; and the Solent LEP that covered Southampton, Portsmouth, surrounding parts of Hampshire and the Isle of Wight.

A national review of LEPs had taken place and made recommendations about their transparency and governance processes over how they spend public money allocated to them for economic development. The Government had recently allocated an additional £20m to LEPs and tasked them with producing local industrial strategies. Infrastructure funding was also increasingly being channelled through the LEPs.

In future LEPs would be expected to operate as companies. Solent LEP was already set up on this basis, but the M3 LEP would need to transition to this model by April 2019. The LEP review had also looked at the geography of LEPs. The County Council had provided feedback that it would be preferable to merge the LEPs so there was only one for the Hampshire area. The LEPs had provided a response with a proposal to change their boundaries to avoid some district council areas being covered by more than one LEP. A response from the government on these proposals was awaited.

Councillor Mans was in attendance, who was the County Council's representative on both LEP Boards. He reported that it was important for the LEPs to work closely with the County Council to deliver infrastructure schemes, and to work together on cross boundary issues e.g. north to south Hampshire connectivity. He also highlighted that it had been identified that Hampshire was lagging behind neighbouring areas in provision of high quality office space.

The Chairman indicated his intention to invite the Chief Executive's and Chairmen of both LEPs to attend a future meeting of the Select Committee, which was supported. It was discussed that it may be preferable to do so once the government had responded on the issue of the LEP geography, in case there were due to be any changes.

RESOLVED:

To retain LEPs on the work programme for further scrutiny, including inviting the Chief Executive and Chairmen of the LEPs to a future meeting.

#### 61. **HAMPSHIRE 2050 COMMISSION UPDATE**

The Select Committee received an update from the Director of Economy Transport and Environment regarding the Hampshire 2050 Commission. The Commission was seeking to understand how future changes, for example in technology, the natural environment, life styles or the economy would affect the county. The Commission would explore what action was needed to ensure that Hampshire in 2050 maintains or improves economic prosperity, quality of life, and a diverse, rich and attractive environment.

Members heard that the Commission was halfway through a number of evidence gathering hearings, and was due to report to Council in July 2019. There could be a role for the Policy & Resources Select Committee following the publication of the report, to input to policy development being undertaken in response. Information about the hearings that had taken place to date was on the website, and the remaining hearings were due to take place on: 14 December 2018, 25 January 2019 and 22 February 2019 in Ashburton Hall.

RESOLVED:

The Select Committee note the update on the Hampshire 2050 Commission.

#### 62. **UPDATE: GENERAL DATA PROTECTION REGULATIONS COMPLIANCE**

The Select Committee received a report from the Head of Risk and Information Governance regarding the General Data Protection Regulations (GDPR) that had come into force in May 2018. Members heard that this legislation was primarily targeted to provide greater transparency about use of data and give individuals more control over their data.

The County Council had developed expertise as a result of ensuring our compliance with the new regulations, and was now able to offer this expertise to other public sector bodies. This included offering training to schools from



December 2017. It was noted that mandatory e learning on GDPR was part of the induction programme for all new staff at the County Council.

Some members queried the implications for elected members. It was noted that the County Council had placed a privacy notice on each Councillors webpage on hantsweb, to explain to the public what would happen to any information they gave to a county councillor.

RESOLVED:

That the Committee notes the contents of the GDPR update report and that the County Council has the appropriate management systems, processes and procedures in place to meet the statutory requirements of GDPR and the associated Data Protection Act 2018.

63. **REGISTRATION SERVICE**

Due to the length of time spent on earlier items, this item was deferred to a future meeting.

64. **WORKING GROUP PROPOSALS**

No Working Group proposals were put forward at this time.

65. **WORK PROGRAMME**

The Chairman presented the forthcoming work programme for the Policy and Resources Select Committee. Cllr Anna McNair Scott indicated that she had requested Broadband issues be added to the work programme, as she was supporting a community in her area who found that BT Openreach doubled the cost of a scheme to upgrade their broadband late on in the process. Cllr Porter commented that she had experience of similar issues in her area. It was agreed to have an item on this on a future agenda, to investigate the extent of such issues.

RESOLVED:

The Work Programme be agreed, subject to any amendments made at this meeting.

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Chairman,

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## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Committee:</b>	Policy and Resources Select Committee
<b>Date:</b>	18 January 2019
<b>Title:</b>	2019/20 Revenue Budget for Policy & Resources
<b>Report From:</b>	Chief Executive, Director of Culture, Communities and Business Services, Director of Corporate Resources and Director of Transformation and Governance

**Contact name:** Rob Carr

**Tel:** 01962 847508

**Email:** [rob.carr@hants.gov.uk](mailto:rob.carr@hants.gov.uk)

#### 1. Purpose of Report

- 1.1. To enable the Select Committee to pre-scrutinise the budget proposals for the Policy and Resources budget for 2019/20. As background, the report considered by Cabinet on 10 December 2018 regarding Budget Setting and Provisional Cash Limits 2019/20 is provided, to provide context for how the budgets have been set for 2019/20. Then a report is attached which is due for consideration by the Executive Member for Policy & Resources at the decision day on 18 January 2019 at 3.30pm, regarding the proposed revenue budget for Policy & Resources for 2019/20.
- 1.2. For the Select Committee to consider the recommendations proposed in the Revenue budget report to the Executive Member for Policy and Resources, and to agree and make recommendations to the Executive Member accordingly.

#### 2. Recommendations

That the Policy and Resources Select Committee:

Either:

- 2.1. Support the recommendations being proposed to the Executive Member for Policy and Resources: To approve for submission to the Leader and the Cabinet:
  - The revised revenue budget for 2018/19 as set out in Appendix 1.
  - The summary revenue budget for 2019/20 as set out in Appendix 1.

Or:

- 2.2. Agree any alternative recommendations to the Executive Member for Policy and Resources, with regards to the budget proposals set out in the attached report.

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# HAMPSHIRE COUNTY COUNCIL

## Decision Report

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	10 December 2018
<b>Title:</b>	Budget Setting and Provisional Cash Limits 2019/20
<b>Report From:</b>	Deputy Chief Executive and Director of Corporate Resources

**Contact name:** Rob Carr – Head of Finance

**Tel:** 01962 847508

**Email:** [Rob.Carr@hants.gov.uk](mailto:Rob.Carr@hants.gov.uk)

### 1. Recommendations

It is recommended that Cabinet:

- 1.1 Notes the forecast financial position outlined in this report.
- 1.2 Approves the allocation of one off funding of £8.1m announced in the Autumn Budget for social care to Children's Services, to be retained in contingencies.
- 1.3 Approves the provisional cash limits for 2019/20 set out in Appendix 1.
- 1.4 Notes the change in methodology for the treatment of assumed additional funding for Children's Services and the resulting impact on the savings required for Transformation to 2021.
- 1.5 Approves the use of up to £3m of existing Tt2019 technology investment funding to enable early work on developing the IT requirements to underpin the Transformation to 2021 Programme.
- 1.6 Delegate authority to the Deputy Chief Executive and Director of Corporate Resources in consultation with the Chief Executive and the Leader of the Council to approve loan funding up to a maximum of £7.5m to cash flow the Enterprise M3 Local Enterprise Partnership in the event of an over spend, to be met from general contingencies.
- 1.7 Approves the capital guideline amounts for the next three years set out in paragraph 11.2.
- 1.8 Approves from contingencies a sum of up to £1.25m in 2018/19 to provide additional funding to deliver the full programme of Strategic Land Development activity planned in the year.
- 1.9 Approves the continuation of Members Devolved Grants at their current level of £8,000 until the end of March 2021 at which point they will reduce to £5,000, with the costs of £468,000 being met from Policy & Resources reserves.

## **2. Executive Summary**

- 2.1 The purpose of this report is to update Cabinet on the financial position in respect of the current financial year and set out the process and framework for the setting of the 2019/20 budget.
- 2.2 The report also takes advantage of the opportunity to seek delegated authority in respect of the Enterprise M3 Local Enterprise Partnership (LEP), to allow the County Council to provide cash flow support.
- 2.3 The budget for the current financial year was set on the basis that a draw from the Grant Equalisation Reserve (GER) would be required to balance the budget. This is in line with the County Council's strategy which works on the basis of a two year cycle of delivering change to release resources and close the anticipated budget gap, providing the time and capacity to properly and safely deliver major transformation programmes every two years, with deficits in the intervening years being met from the GER. Any early delivery of resources are retained by departments to use for cost of change purposes or to cash flow delivery and offset service pressures - a model which has served the authority well.
- 2.4 Targets for 2019/20 based on a reduction of approaching 19% in cash limited spend, were approved by the County Council in July 2016 as part of the Medium Term Financial Strategy (MTFS) to 2020. Proposals to meet these targets were approved by Executive Members, Cabinet and County Council in October and November last year and are being implemented through the Transformation to 2019 (Tt2019) Programme. Given this position, no new savings proposals will be presented as part of the 2019/20 budget setting process.
- 2.5 The Tt2019 Programme will look to deliver further savings of £140m, bringing the cumulative total to £480m over a 10 year period. An update on the positive progress being made by departments is provided in the transformation report presented elsewhere on this agenda, although as previously acknowledged delivery will extend beyond two years. The anticipated delay in the delivery of cash savings for some elements of the Tt2019 Programme has been factored into our medium term forecasts to ensure that one-off funding is available both corporately and within departments to meet any potential gap over the period.
- 2.6 Taking up to four years to safely deliver service changes rather than being driven to deliver within the two year financial target requires the careful use of reserves as part of our overall financial strategy to allow the time to deliver and also to provide resources to invest in the transformation of services. This further emphasises the value of our reserves strategy.
- 2.7 Work has also started on the Transformation to 2021 (Tt2021) Programme, which will look to deliver further savings of £80m, bringing the cumulative total of savings to £560m. These proposals will be consulted on during the summer of 2019 and will include passporting additional funding assumed in our medium term forecasts to Children's Services.
- 2.8 The MTFS approved by the County Council in September 2018 flagged that the expectation was for minimal change to the provisional Local Government Finance Settlement for 2019/20 – the final year of the Comprehensive

Spending Review (CSR), with the Budget in the autumn potentially containing some additional information that could impact our planning assumptions.

- 2.9 The report includes further approvals in respect of increased activity on Strategic Land Development in 2018/19 and the continuation of Members Devolved Grants at their current level. It also sets the framework for developing the detailed revenue budgets and capital programme that will be presented to Executive Members, Cabinet and County Council during January and February next year.

### **3. Contextual Information**

- 3.1 In the past, financial updates around this time of the year have been heavily influenced by the timetable of release of information from the Government either around Comprehensive Spending Review (CSR) figures or specific grant figures for the next financial year.
- 3.2 The current CSR was published on 25 November 2015, covering the period from 2016/17 to 2019/20 and the Medium Term Financial Strategy (MTFS) approved by the County Council in September 2018 reiterated that the expectation was for minimal change to the provisional Local Government Finance Settlement for 2019/20, the final year of the CSR. However, it was acknowledged that the Budget in the autumn could potentially contain some additional information that could impact our planning assumptions.
- 3.3 The Autumn Budget released on 29 October set out the Government's plans for the economy based on the latest forecasts from the Office for Budget Responsibility (OBR). These forecasts included higher tax revenues resulting in borrowing for 2018/19 now expected to be £11.6bn lower than forecast in March, and £2bn a year lower in subsequent years up to 2021/22. The Budget has used most of this windfall to fund new tax and spending commitments.
- 3.4 The Chancellor delivered his last budget speech before Brexit and set out a range of proposals including the following of particular relevance to local government:
- Changes to business rates, notably cutting bills by one-third for retail premises with a rateable value below £51,000 in 2019/20 and 2020/21, for which local authorities will receive a grant to compensate them for the lost income.
  - The National Living Wage will rise by 4.9% from £7.83 per hour to £8.21 from April 2019.
  - £400m extra capital funding this year for schools to spend on equipment and facilities. This is equivalent to about £10,000 for a primary school and £50,000 for a secondary school.
  - £420 million extra for councils in 2018/19 to tackle potholes, repair damaged roads, and maintain bridges. – Hampshire County Council's allocation confirmed as £11.9m.
  - £150 million of funding for local authorities for small road improvement projects such as to roundabouts

- Apprenticeship Levy paying employers will be able to transfer up to 25% of their funds to pay for apprenticeship training in their supply chains.
  - The Government will not set up any new Private Finance Initiative or Private Finance 2 schemes, but other forms of public private partnership will continue.
  - Additional one off funding for adults' social care of £240m in 2019/20, of which Hampshire County Council's share is £4.8m.
  - Additional one off funding of £410m for adults' or children's social care of which Hampshire County Council's share is £8.1m.
- 3.5 The additional funding for social care is welcomed and will be used to offset the pressures we are facing which we have highlighted repeatedly, although this funding falls far short of the amount required and is only one off. It does however signal that some of the pressures on local government are being recognised by the Treasury and the hope is that this will feed through to further changes within next years Spending Review.
- 3.6 The funding for adult's social care will be included within the Improved Better Care Fund (IBCF). The intention is to allocate the funding of £8.1m for social care to Children's Services, given the current financial position which is described in more detail in Section 4, and this one off amount will be held in contingencies.
- 3.7 None of these announcements has an immediate impact on the budget setting process for 2019/20 and any changes contained in the provisional Local Government Settlement, which will be announced in December, will be taken into account when setting the budget in February and will be reported to Cabinet and County Council.
- 3.8 One potential area for change relates to the announcement of the outcome of the application process to become business rates retention pilots in 2019/20.
- 3.9 The Government invited local government to bid for a Business Rates pilot for 2019/20 and a bid was submitted in September to operate across the Hampshire functional economic area. This is based on the Hampshire County Council area and the associated district councils within this, along with the Enterprise M3 Local Enterprise Partnership (LEP) and the Solent LEP.
- 3.10 The pilots are to be based on 75% retention, with growth measured from baselines levels set in 2014 and there is no "no detriment" guarantee (as for 2018/19, although this guarantee was later granted by the Government).
- 3.11 The aim of the pilots is to inform the proposed extension of Business Rate Retention and so bids will need to be different to past pilots to be accepted. In addition, it is anticipated that less pilots will be agreed than in the 2018/19.
- 3.12 The bid from the County Council and 11 Districts submitted in September was based on a top slice of 35% for a Strategic Infrastructure Fund to support accelerated Housing delivery with the balance being shared in the same proportions as the existing business rate distribution model.
- 3.13 Government will be announcing the successful applicants either before or alongside the provisional Local Government Settlement. Financial gains from



the pilot are one off and marginal for the County Council but at £3.5m are not insignificant and the Strategic Infrastructure Fund provides an ideal opportunity to work with the Districts to accelerate housing delivery. Given the uncertainty about the outcome of the bidding process at this stage our financial planning has taken no account of any potential additional funding.

- 3.14 Savings proposals for 2019/20 have already been agreed and the focus now is on implementation and delivery and an update on the progress being made is provided in the transformation report presented elsewhere on this agenda.
- 3.15 Looking ahead to the programme to take us to 2021, the MTFS proposed a similar timeline to that adopted successfully for the Transformation to 2019 (Tt2019) Programme, including a similar approach to consultation, and broad indicative dates. Work has begun to map out in more detail what the Transformation to 2021 (Tt2021) Programme may contain and it is anticipated that the programme will be formally launched, following Cabinet approval next year in order to start developing plans for meeting the expected two year budget gap of £80m in 2021/22.
- 3.16 Given this position, the main focus in setting the budget for 2019/20 is the production of the detailed revenue and capital budgets and this report sets out the framework for the detailed budget preparation process for next year.

#### **4. Quarter 2 Financial Monitoring**

- 4.1 The position at the end of September (Month 6) indicates that in year all departments, with the exception of Children's Services, will be able to manage the large scale investment required to deliver their planned transformation activity and meet service pressures through the use of cost of change (and other) reserves, along with agreed corporate funding.
- 4.2 Reported pressures are predominantly (but not solely) in Children's Services, with Adults' Health and Care benefiting from additional funding in the form of the IBCF and the announcement of a further £4.8m of winter pressures money from the Government. Of pressures totalling £25.1m, £22.4m relates to Children's Services, the majority of which relates to forecast growth in CLA numbers during 2018/19 and the knock on impact of the pressures reported at the end of 2017/18
- 4.3 Growing attention nationally is being focused on the pressures facing children's services and local authorities are citing the pressure in children's social care as their greatest immediate financial concern (*Source – [LGiU/MJ State of Local Government Finance Survey 2018](#)*), with rising demand for support leading to over spends in an increasing number of authorities. The key reasons for the increasing numbers relate to:
  - A much better awareness and identification of child abuse and neglect from a range of partners.
  - The better application of consistent thresholds to receive help as a result of government statutory guidance ('Working Together to Safeguard Children').
  - A growing professional aversion to risk from partners driven by national child care scandals.

- The impact of economic and financial hardship on families.
- The discovery of 'new' forms of abuse such as child sexual exploitation, child criminal exploitation and online abuse.
- The creation of a number of new policy initiatives such as 'staying put' which allow teenagers to stay in their foster care placements.
- Children remanded to custody being treated by law as children in care.
- A range of new legal processes such as the 'public law outline' which drive local authorities to put far more case decisions before the family courts.
- A drive by the courts for all application cases to conclude within 26 weeks.
- Policy drivers such as the national redistribution of Unaccompanied Asylum Seeking Children (UASC) arriving from France.

4.4 Within the County Council additional investment in a range of areas within Children's Services has been provided for, including funding to cover costs to grow social worker capacity through increased recruitment and improved retention. These amounts, together with funding for growth in Children Looked After numbers (and in turn the knock on impact for care leavers) already provided for and allocated, alongside continued management focus on the other pressure areas, are ensuring that the Department operates from a firmer financial base as they deliver the required transformation.

4.5 It is currently predicted that even with this funding the Department will be over spent by approaching £0.5m at the end of the year. However, as we move towards the end of the year it is anticipated that this position may improve through a combination of continued positive management action in the pressure areas, under spends elsewhere in Children's Services and the use of corporate contingencies as appropriate.

4.6 The table overleaf summarises the latest overall forecast position for the County Council and strong financial management will continue to be a key focus throughout the year to ensure that all departments stay within their cash limits, that revenue pressures are contained and that they deliver the savings programmes that have been approved.

	<b>Total £'000</b>
Total Investment / Cost of Change Used	45,092
Total Pressures	25,074
Tt2017 Late Delivery	452
<b>Total Additional Cost</b>	<b>70,618</b>
<b>To Be Met From:</b>	
Early Delivery of Tt2019 Savings	(23,850)
Other Savings	(27,691)
Other Reserves	(1,864)
Corporate Support	(26,999)
Contribution to / (from) Cost of Change	10,276
<b>Forecast Outturn</b>	<b>490</b>

- 4.7 Financial pressures on schools are increasing, both at an individual school level and within the overall school budget. The overall school budget is currently in deficit and this deficit will increase again in the current financial year, with the Schools' Forum agreeing for this to be carried forward into the budget for 2019/20. The pressure experienced in Hampshire is reflected across many other authorities and predominantly relates to demand led budgets funding pupils with high levels of additional need, in particular where there are increasing numbers of pupils with Education, Health and Care Plans (EHCP) and as a result of extending this support for young people up to the age of 25.
- 4.8 Options are being considered to reduce this pressure and create efficiencies which will be the subject of wider consultation before a final decision is made. This consultation will include educational settings, parents and wider stakeholder groups as appropriate and where required an equalities impact assessment will be produced to support any reports for decision.
- 4.9 There are an increasing number of schools in, or at risk of falling into deficit. Reasons vary, and tailored support is being provided to individual schools facing financial difficulties along with appropriate challenge and intervention where required.
- 4.10 In September 2017, the Department for Education (DfE) announced the introduction of a National Funding Formula (NFF) for Schools, High Needs and the Central School Services blocks. The Government's intention remains that individual school budgets should ultimately be set on the basis of a single national formula (a 'hard' funding formula) however, no timescales have been set. The DfE have recently announced that the current arrangement, where funding for schools will be calculated on a national basis and then passed to the local authority for allocation, will continue for a further year to include 2020/21.
- 4.11 As we move further through the financial year we will have a clearer picture of the likely outturn position for 2018/19 and each year we prepare a revised budget that is presented to Cabinet in January which reflects the latest

monitoring information as at the end of December. In addition, corporately a more detailed review of non-departmental budgets (including contingencies) and reserves will be undertaken as part of the third quarter monitoring and in considering the 2018/19 revised budget position.

## **5. 2019/20 Budget Setting**

- 5.1 The deliberate strategy that the County Council has followed to date for dealing with grant reductions and the removal of funding that was historically provided to cover inflation, coupled with continued demand pressures over the last decade is well documented. It involves planning ahead of time, through a two-yearly cycle, releasing resources in advance of need and using those resources to help fund transformational change.
- 5.2 Targets for 2019/20 based on a reduction of approaching 19% in cash limited spend, were approved by the County Council in July 2016 as part of the MTFS to 2020. Proposals to meet these targets were approved by Executive Members, Cabinet and County Council over the Autumn last year and are being implemented through the Tt2019 Programme.
- 5.3 A separate report updating the Cabinet on the progress of the Tt2019 Programme is presented elsewhere on this agenda and highlights positive progress on the achievement of savings against the targets set for the next financial year.
- 5.4 Since this programme is already in place, and the financial strategy that the County Council operates is on the basis of a two year cycle of delivering departmental savings, there are no new savings proposals to be considered as part of the 2019/20 budget setting process. However, it is still necessary for the County Council to go through the normal 'technical' process of setting provisional cash limits for departments, asking them to prepare detailed budgets within those cash limits and then securing approval through Executive Members, Cabinet and finally County Council.
- 5.5 The next section of this report sets out the details of provisional cash limits for departments for 2019/20, which take into account any base budget changes and the impact of inflation.
- 5.6 The MTFS approved by the County Council in September 2018 assumed that council tax will increase by the maximum permissible without a referendum in line with government policy. This will mean a council tax increase of 2.99% (subject to the final confirmation of the referendum limit by government) in line with the government's amended approach which is built into their settlement calculations. This will generate around £18m additional income but it is likely that Hampshire will still remain the second lowest county level council tax in the country.
- 5.7 In addition, the financial strategy assumes a significant draw from the Grant Equalisation Reserve (GER) in 2019/20 to provide for the one-off corporate funding that is needed to cash flow the Tt2019 Programme, recognising the scale of the transformation and the lead in times for achieving the savings themselves.

5.8 Final details of the settlement for next year, including the outcome of the applications to become a business rates pilot, plus information from district councils on collection fund surpluses and estimates of retained business rates is not currently available and will therefore be taken into account in setting the final budget in February next year.

## **6 Provisional Cash Limits 2019/20**

6.1 Provisional cash limits are set to enable departments to prepare their detailed budgets for the next financial year. These take account of changes in the base budget, for example as a result of grant changes or transfers between departments, approved growth and inflation for the year.

6.2 Inflation allowances are given each year for pay and price increases and the provisional cash limits detailed in this report include allowances for price inflation. At this stage they do not include an allowance for the second year of the two year pay award agreed earlier this year and covering the 2018/19 and 2019/20 financial years. However, this will be added once the required allocations have been finalised and details will be included in the February budget setting report.

6.3 Historically no allowance has been given for step progression and departments have been expected to manage this within their bottom line, securing efficiencies if necessary. In view of the ongoing requirement to find savings to meet targets set to balance the budget, finding further efficiencies to absorb step progression is becoming increasingly challenging.

6.4 As a consequence, for 2018/19 a contribution was made towards meeting the cost of step progression as part of the allocation of corporate inflation to cash limited budgets. This has continued in 2019/20 with a general allowance of 1.5% applied to relevant employee budgets (directly employed staff) – the difference between most steps is 3% but some staff will be at the top of the grade and so progression will not apply.

6.5 The calculation of the provisional cash limits is shown in detail in Appendix 1. The figure for Schools will be updated once the provisional settlement is known, but for now, the 2018/19 position has been updated taking into account forecast changes, such as increases in respect of the pupil premium and other grant related changes.

6.6 The MTFs approved by County Council in September 2018 also highlighted a number of additional pressures totalling £19.7m that would impact on the budget for 2019/20. Given the current difficulties in achieving the Tt2019 Programme over an extended timeframe it was not considered feasible to increase savings targets further and it was therefore recommended that these recurring pressures be funded from housekeeping savings mainly generated through increases in the council tax base. These items have been retained in contingencies and will be allocated as needed with the position monitored throughout the year.

6.7 Chief Officers, with Executive Members are asked to develop their detailed budgets within the guidelines that have been set so that the Leader and Cabinet can make the final budget recommendations for 2019/20 at the meeting in February 2018.

## **7 Transformation to 2021**

- 7.1 The Tt2019 Programme has been in place for some time and following approval of the detailed savings proposals in November 2017 departments have been undertaking detailed work to implement the savings.
- 7.2 As in previous years, the County Council has responded positively to the transformation challenge and proposals to meet the £140m target were signed off by County Council in November last year subject to any further Stage 2 consultations that need to take place.
- 7.3 What is different to previous years however is the fact that the profile of delivery for the programme is back loaded, with some changes not being delivered at all until well after 2019/20. It has always been acknowledged that the implementation of some proposals will be more challenging than others and may be subject to separate consultation exercises to fully understand the impacts of the proposals. Taking the time to get this right is very important for service users and the County Council and whilst sufficient resources have been set aside to cover this slower but safer implementation, it does increase the overall risk in the budget going forward as there will be overlapping change programmes.
- 7.4 In line with previous major cost reduction exercises Tt2019 progress will continue to be closely monitored and will be subject to monthly review by CMT and regular reporting to Cabinet throughout the remainder of 2018 and beyond. This will ensure that issues, concerns and risks are dynamically responded to and dealt with. It will also mean that benefits realisation and the timely delivery of savings is consistently in focus, which for this programme, given its later cash flow support demands, is ever more important.
- 7.5 Whilst Tt2019 represents an immense challenge, the County Council does have significant capacity, capability and experience to tackle the task, highlighted by its track record to date. As tough as the forward agenda is, we know that the County Council is as well placed as any other local authority to deliver on the continuing financial challenges that apply in the sector and crucially to make the necessary investment required. This is a direct result of our early planning and decision making and the fact that the scale of the County Council provides the necessary resources and capacity to undertake and implement programmes of this size and complexity.
- 7.6 Looking ahead, whilst there are a number of risks, dependencies and external factors that will require on-going management input and attention, success with the Tt2019 Programme, over its extended time period will lay very solid and strong foundations for the inevitable and harder successor transformation programme.
- 7.7 The high level medium term forecast to 2021/22 now requires the County Council to develop a transformation programme that will deliver a further £80m. Meeting this target on top of the £480m that will have been removed from the budget by 2019/20 clearly represents the greatest financial challenge yet, coming as it does at the end of a decade of funding reductions for local government.
- 7.8 Alongside continued management of the extended Tt2019 Programme, work is underway to map out in more detail what the Tt2021 Programme may

contain and a Budget Peer Review process has been conducted over the summer by Directors, which will help to inform the future savings programme and options.

- 7.9 This is clearly a very challenging prospect given the value of savings that have already been taken out of the system and the additional effort and levels of transformation activity that are required to achieve further phases of savings. This programme will increase the cumulative total of savings to £560m and it is therefore inevitable that some of the changes will involve service reductions in addition to efficiencies and income generation.
- 7.10 The aim is for departments to develop their high level savings proposals for Tt2021 in time for public consultation to take place over the summer 2019. The consultation feedback and the proposals can then be presented for consideration by Executive Members, Cabinet and County Council in autumn next year.
- 7.11 This will once again provide departments with the maximum time to allow the continuation of the robust and well planned approach we have utilised to date to achieve successful implementation and delivery of the required savings by April 2021, albeit that the eventual delivery of those savings may take longer depending on the complexity and nature of the proposals put forward by departments.
- 7.12 A key feature of transformation programmes in the past has been the use of technology to enable savings both at a corporate level (through the Digital Programmes and the Enabling Productivity Programme) and at a departmental level through the implementation of specific technology investment that underpins or enables changes to existing operating models.
- 7.13 Significant investment of over £35m was approved to support the Tt2019 Programme, which continues to be implemented over the extended timeframes for delivery across the County Council. Early work in considering the programme for Tt2021 has identified the need for some initial resources to carry out work in areas such as a new Digital Programme, the next phase of the Sharepoint roll out, chatbots, further work on analytics and Robotic Process Automation (RPA).
- 7.14 At this stage a high level estimate of up to £3m has been forecast to take these items forward up to summer next year and the proposal is to 'borrow' from the resources approved for Tt2019 on a temporary basis, with that funding being repaid at a later date if required in order to complete the balance of the Tt2019 Programme. A summary of requirements for Tt2021 will be reported over the summer next year with a view to securing the necessary investment in technology to underpin the next programme of transformation.
- 7.15 Given the longer timescales for delivery, the County Council must also continue its strategy of topping up the GER to ensure there is sufficient funding to meet the gap in the interim year of 2020/21 and to provide cash flow funding to support the delivery of the Tt2021 Programme. The County Council's continued ability to provide funding of this sort is testament to its sound financial management and planning at a time when many other Councils are struggling with more immediate financial problems.

## **Government Funding Assumptions**

- 7.16 Cabinet will be aware that the target savings of £80m included a softening of the potential impact of reductions in government funding and the assumption that £8.1m of ongoing funding will be received from the Government in respect of children's social care pressures (this is purely an assumption and ongoing funding has not been announced). Within the MTFS this new funding assumption was used to reduce the overall target set for all departments.
- 7.17 This is inconsistent with the previous treatment of additional funding for adult social care pressures that was given by the Government through the BCF initiative. This dedicated funding was passported to the Adults' Health and Care Department and in 2019/20 represents £18.9m of their approved savings (the full value of the BCF grant).
- 7.18 It is proposed that a similar and consistent treatment is applied to the assumed extra funding for children's social care. This would also effectively provide Children's Services with a savings proposal of £8.1m towards their Tt2021 Programme target.
- 7.19 This will require £8.1m to be identified corporately which may be dependent on future increases in council tax base and other factors such as business rate income and Section 31 grant, but it is thought to be achievable as long as there are no increases in the pressures for social care above those currently forecast.
- 7.20 However, it should be noted that the proposed changes to the £8.1m funding further increase the risk in the financial strategy as there is a risk that no government funding is actually forthcoming. The County Council will need to carry this risk until more information about Business Rates Retention and the Fair Funding Review is made available and provisional figures are announced for the forthcoming CSR which will be incorporated in the next update of the MTFS.

## **8 Enterprise M3 Local Enterprise Partnership**

- 8.1 The County Council acts as the Accountable Body to the Enterprise M3 Local Enterprise Partnership (EM3 LEP). One of the main roles of the Accountable Body is to ensure that government funding is distributed appropriately by the LEP and in line with the governance arrangements that have been jointly agreed.
- 8.2 Given the importance of the EM3 LEP and the work that they do to improve economic prosperity and related infrastructure across the majority of the Hampshire geography, the County Council has taken a more active role as Accountable Body, working with the EM3 LEP to ensure that they can operate as effectively as possible within the constraints imposed by government.
- 8.3 A major issue for all LEPs is the fact that funding is only agreed on an annual basis and is subject to a competitive bidding process. This makes it difficult to plan ahead for strategic programmes of work that would make a significant difference in economic impact terms. This also leads to short term decision making in order to utilise grant allocations before year end rather than being able to take a longer term strategic overview of what is trying to be achieved.



- 8.4 In order to facilitate better decision making within the EM3 LEP and to allow for an element of over programming over the next few years it was requested that the County Council provide a cash flow facility that could be used by the EM3 LEP in the event that they exceeded their grant allocation in any one particular year. It is therefore recommended in this report that a loan facility of up to £7.5m be made available to the EM3 LEP if required at an appropriate interest rate equivalent to our average return on all external investments.
- 8.5 This report seeks the delegation of authority to the Deputy Chief Executive and Director of Corporate Resources in consultation with the Chief Executive and the Leader of the Council to approve loan funding up to a maximum of £7.5m to cash flow the EM3 LEP in the event of an over spend against their grant allocation in any one particular year, to be met from general contingencies.

## **9 Strategic Land Development**

- 9.1 The Strategic Land Programme was set up in 2008 to maximise the financial returns on the County Council's land holdings that had the potential for sale and development in the future. By developing the plan and opportunities for a site, usually through to outline planning permission stage, this greatly increases the eventual financial return at the point the land is released for development. Since its inception the Strategic Land Programme has realised and delivered over £21m of capital receipts up to and including the 2016/17 financial year and based upon current local plan allocations, planning approvals and projects it is anticipated that it will generate over £270m of capital receipts for the County Council in the period up to 2029/30.
- 9.2 To realise this, the County Council invests annually in the Strategic Land Programme in order to prepare and bring forward its land. Within the Programme Business Plan overall revenue expenditure is forecast at approximately 10% of total receipts, with a range of between 1% and 11% spend per project depending on the planning / disposal strategy of individual projects and their scale. The spend supports a dedicated team within Property Services and the procurement of specialist advice or consultancy depending on the nature of the site and its complexity.
- 9.3 Total funding of £12.7m since 2008 has previously been approved to take forward a large number of sites (notably Manydown) and this funding was due to run out during the current financial year. A top up of £665,000 was approved as part of the 2018/19 budget to complete the anticipated plan of works through to March 2019, with future allocations to the programme being agreed in February each year as part of the budget setting process.
- 9.4 The phasing of the programme is difficult to predict and is influenced by many factors some of which are outside of the County Council's control. In some respects, higher spend on a site often means that progress has been accelerated and receipts will be achieved earlier. In addition, market interest in a site may bring forward work that was planned in the future.
- 9.5 Due to increasing pressures in some sites and as a result of opportunities to accelerate the Programme in areas such as Uplands Farm and Stanhill

Grange at Whitehill and Bordon, a further sum of up to £1.25m is now required in the current 2018/19 financial year. In particular, this will support:

- **Manydown** – It was originally assumed that the outline planning application for Manydown Phase 1 would be approved in 2017/18, however revisions to the outline planning application and further consultation with the local planning authority and consultees has extended the timescale on this large and complicated project.

The current programme envisages planning committee approval in December 2018 and a signed Section 106 agreement shortly after and subsequently there is already pro-longed in-year activity relating to pre-commencement works / option price negotiation and promotion of the further Manydown Phase 2. These costs can ultimately be deducted from the net receipts of the Manydown Company.

In addition, there has also been an extended procurement to select and negotiate with a joint venture partner and an allowance made for ongoing staff and consultant costs associated with supporting the development company and Manydown Garden Communities LLP. This upfront investment is shared between the County Council and Basingstoke and Deane Borough Council.

- **Uplands Farm** – The original forecast was based upon securing outline planning permission for two related sites, with consultant support. The scope of the project and corporate profile has changed to a detailed application for Deer Park secondary school and primary infrastructure and amendments to the bypass and drainage designs, as well as outline details for large scale housing development, with updated transport and environmental assessments. This has entailed increased in-house and consultant resources to coordinate and deliver two planning applications and will involve very active management to secure planning permissions and meet the project timescales.
- **New Potential Sites** – A number of new potential sites such as Stanford Grange at Whitehill and Bordon, are now emerging in the programme due to local planning reviews and need to be resourced accordingly, in order to secure allocations in local plans and planning permissions. These opportunities will in turn generate additional land receipts for the County Council.

9.6 This additional funding of up to £1.25m will be met from contingencies in the current financial year and it is proposed to bring a more detailed report forward as part of the budget setting process in February next year outlining the forward programme in respect of Strategic Land Development generally and a financial overview of the Manydown site.

## 10 Members Devolved Grants

10.1 Members devolved budgets have been a relatively small but important part of the County Council's budget for many years. They provide all Members with the opportunity of funding local priorities within their wards or for supporting spend which is felt to be of a wider benefit to the County as a whole.

- 10.2 As part of early budget reductions, the budgets were reduced from £10,000 to £8,000 per Member and then as part of the Transformation to 2017 (Tt2017) Programme a further reduction to £5,000 was approved. However, following recommendations from the Policy and Resources Select Committee, County Council eventually agreed to retain the grant level for a further two years (2017/18 and 2018/19) by drawing from Policy & Resources reserves.
- 10.3 The budget level should therefore drop to £5,000 from 2019/20 onwards. However, given the importance of the grants and the wider services that they support across many communities, it is recommended in this report that they be retained at the same level for a further two years, which also means that any future change to the level of the budget will coincide with the new Council term from 2021/22 onwards.
- 10.4 The additional cost of a further two years is £468,000 and as before it is proposed that this is funded from Policy & Resources reserves.


## 11 Capital Investment

- 11.1 The County Council's capital programme has been maintained and expanded over recent years, continuing the trend of ensuring that we invest wisely in sustaining our existing assets and delivering a programme of new ones.
- 11.2 The timeframe for capital planning moves on each year and for the 2019/20 budget process, the programme will be extended into 2021/22. The table overleaf shows the provisional capital guidelines that are being allocated to each department:

	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Adults' Health & Care	481	481	481
Children's Services	100	100	100
ETE	11,929	11,929	11,929
P&R	4,692	4,692	4,692
<b>Total</b>	<b>17,202</b>	<b>17,202</b>	<b>17,202</b>

- 11.3 The capital guideline for ETE reflects the additional funding of £10m per annum for Operation Resilience (from 2017/18 for four years) that was added to the programme as part of the MTFs approved by the County Council in July 2016. The forecasts prepared for the latest MTFs also assumed that a recurring amount of £10m would be added to the budget as a revenue contribution to capital to permanently maintain the investment in Operation Resilience. This has been added to the capital guideline for ETE for planning purposes at this stage but is subject to the amount being agreed as part of future revenue budget and council tax setting.
- 11.4 Cabinet is requested to approve these provisional guidelines to allow departments to prepare their detailed capital programmes for approval as part of the budget setting process in January and February next year.

11.5 The figures in the table above represent the ‘locally resourced’ allocations to the capital programme, which supplement other capital resources that fund the overall programme, such as developers’ contributions, capital receipts, Government grant and borrowing. The total programme approved last February is shown in the table overleaf and this will be updated as part of the budget setting process for 2019/20:

	<b>Revised</b>				<b>Total</b>
	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Adult’s Health & Care	55,127	11,175	481	481	67,264
Children’s Services	135,151	80,868	60,174	55,070	331,263
Environment & Transport	76,839	139,670	80,324	44,558	341,391
Policy & Resources	75,478	22,828	22,228	22,228	142,762
<b>Total</b>	<b>342,595</b>	<b>254,541</b>	<b>163,207</b>	<b>122,337</b>	<b>882,680</b>
					
		<b>540,085</b>			

**CORPORATE OR 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

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u>	<u>Date</u>
Medium Term Financial Strategy Update and Transformation to 2019 Savings Proposals <a href="https://democracy.hants.gov.uk/mgAi.aspx?ID=3194#mgDocuments">https://democracy.hants.gov.uk/mgAi.aspx?ID=3194#mgDocuments</a>	Cabinet - 16 October 2017 County Council – 2 November 2017
Looking Ahead - Medium Term Financial Strategy <a href="https://democracy.hants.gov.uk/ielssueDetails.aspx?Ild=10915&amp;PlanId=0&amp;Opt=3#AI8687">https://democracy.hants.gov.uk/ielssueDetails.aspx?Ild=10915&amp;PlanId=0&amp;Opt=3#AI8687</a>	Cabinet - 18 June 2018 County Council – 20 September 2018

**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.)**

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equality Duty**

1.1 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 under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) 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.

### **1.2 Equalities Impact Assessment:**

Equality objectives are not considered to be adversely impacted by the proposals in this report but the County Council's budget and the services that it provides are delivered in a way that ensures that any impact on equalities issues are fully taken into account.

### **2. Impact on Crime and Disorder:**

2.1 The proposals in this report are not considered to have any direct impact on the prevention of crime, but the County Council through the services that it provides through the revenue budget and capital programme ensures that prevention of crime and disorder is a key factor in shaping the delivery of a service / project.

### **3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

The revenue budget and capital programme contain measures that will assist in reducing our carbon footprint and changes to services are designed in such a way to also achieve this objective.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

The County Council in designing and transforming its services will ensure that climate change issues are taken into account.

**PROVISIONAL CASH LIMITS – 2019/20**

	<b>2018/19 Cash Limit £'000</b>	<b>Base Changes £'000</b>	<b>Inflation &amp; Growth £'000</b>	<b>Tt2019 Savings £'000</b>	<b>2019/20 Cash Limit £'000</b>
Adults' Health and Care	398,955	4,814	34,394	(55,934)	382,229
Children's – Schools	806,885	(4,777)			802,108
Children's – Non Schools	167,041	(1,834)	21,517	(30,132)	156,592
Environment & Transport	112,506	308	5,014	(15,805)	102,023
Policy & Resources	91,521	2,287	5,661	(14,929)	84,540
<b>Total</b>	<b>1,576,908</b>	<b>798</b>	<b>66,586</b>	<b>(116,800)</b>	<b>1,527,492</b>

**Notes:**Base Changes

- Largely relate to changes in grants, movements between services and contributions to / draws from reserves, including cost of change.

Inflation & Growth

- In addition to general price inflation (much of which relates to care provision in Adult's Health and Care) this includes a general allowance of 1.5% of relevant employee budgets (directly employed staff) for step progression.
- Reflects inflation for the waste contract and also agreed allowance for growth in volumes.
- Includes the allocation of funding for growth (within the amounts set out in the MTFs) for both Adults' Health and Care and Children's Services in relation to demography and complexity and investment in social worker capacity.

Tt2019 Savings Targets

- Overall target of £140m with £23.2m delivered through corporate efficiencies and an element of increased council tax income.

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## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Member for Policy and Resources		
<b>Date:</b>	18 January 2019		
<b>Title:</b>	2019/20 Revenue Budget Report for Policy and Resources		
<b>Report From:</b>	Chief Executive, Deputy Chief Executive and Director of Corporate Resources, Director of Culture, Communities and Business Services and Director of Transformation and Governance		
<b>Contact name:</b>	Rob Carr		
<b>Tel:</b>	01962 847508	<b>Email:</b>	rob.carr@hants.gov.uk

#### 1. Recommendation(s)

To approve for submission to the Leader and the Cabinet:

- 1.1. The revised revenue budget for 2018/19 as set out in Appendix 1.
- 1.2. The revenue budget for 2019/20 as set out in Appendix 1.

#### 2. Executive Summary

- 2.1. The purpose of this report is to set out proposals for the 2019/20 budget for Policy and Resources in accordance with the Council's Medium Term Financial Strategy (MTFS) approved by the County Council in September 2018.
- 2.2. The deliberate strategy that the County Council has followed to date for dealing with grant reductions and the removal of funding that was historically provided to cover inflation, coupled with continued demand pressures over the last decade is well documented. It involves planning ahead of time, through a two-yearly cycle, releasing resources in advance of need and using those resources to help fund transformational change.
- 2.3. This strategy has served the County Council, and more particularly its services and community well, as it has delivered transformation programmes on time and on budget allowing maximum planning time and minimising disruption. Put simply, it is an approach that has ensured Hampshire County Council has continued to avoid the worst effects of funding reductions that have started to blight other local authorities.
- 2.4. In line with this financial strategy there were no new savings proposals presented as part of the 2018/19 budget setting process and the budget was balanced through the use of the Grant Equalisation Reserve (GER). Targets for 2019/20 based on a reduction of approaching 19% in cash limited spend, were approved by the County Council in July 2016 as part of the MTFS to

2020. Proposals to meet these targets were approved by Executive Members, Cabinet and County Council in October and November 2017 and are being implemented through the Transformation to 2019 (Tt2019) Programme.

- 2.5. The report also provides an update on the financial position for the current financial year. Overall the outturn forecast for Policy and Resources for 2018/19 is a balanced budget that uses early achievement of savings to fund one-off investment to deliver the transformation programmes.
- 2.6. The proposed budget for 2019/20 analysed by service is shown in Appendix 1.
- 2.7. This report seeks approval for submission to the Leader and Cabinet of the revised budget for 2018/19 and individual service budgets for 2019/20 for Policy and Resources. The report has been prepared in consultation with the Executive Member and will be reviewed by the Policy and Resources Select Committee. It will be reported to the Leader and Cabinet on 1 February 2019 to make final recommendations to County Council on 14 February 2019.

### **3. Context and Priorities**

- 3.1. The current financial strategy the County Council operates works on the basis of a two year cycle of delivering change to release resources and close the anticipated budget gap. This provides the time and capacity to properly deliver major transformation programmes every two years, with deficits in the intervening years being met from the Grant Equalisation Reserve (GER). Any early delivery of resources are retained by departments to use for cost of change purposes or to cash flow delivery and offset service pressures. The model has served the authority well.
- 3.2. The County Council's strategy placed it in a very strong position to produce a 'steady state' budget for 2018/19 and safely implement the next phase of changes through the Transformation to 2019 (Tt2019) Programme to deliver savings totalling £140m.
- 3.3. The Tt2019 Programme is progressing well and to plan, but it is clear that bridging a further gap of £140m is extremely difficult and will take longer to achieve in order to avoid service disruption. The Chief Executive's report entitled Transformation to 2019 – Report No. 5 was presented to Cabinet in December 2018 and outlined the positive progress being made.
- 3.4. The anticipated delay in the delivery of some elements of the programme has been factored into our medium term planning to ensure that sufficient one-off funding exists both corporately and within departments to meet any potential gap over the period. Taking up to four years to safely deliver service changes rather than being driven to deliver within the two year financial target requires the careful use of reserves as part of our overall financial strategy and further emphasises the value of our reserves strategy.
- 3.5. Budget setting for 2019/20 will therefore be different in that the majority of decisions in respect of major changes to the budget were taken early. However other factors will still affect the budget, such as council tax decisions

and inflation, but these will not be as significant as the transformation programme that has already been put in place.

- 3.6. The MTFs approved by the County Council in September 2018 flagged that the expectation was for minimal change to the provisional Local Government Finance Settlement for 2019/20, the final year of the current Comprehensive Spending Review (CSR). However, it was acknowledged that the Budget in the autumn could potentially contain some additional information that could impact our planning assumptions.
- 3.7. In overall terms, the announcements in the Budget had very little impact on the revenue position reported in the MTFs, although there were some welcome announcements in respect of one off additional funding for both adults' and children's social care and for highways. Although this funding falls far short of the amount required and is only one off (we have received extra grant of £12.8m against growth pressures of at least £24m), it does however signal that some of the pressures on local government are being recognised by the Treasury and the hope is that this will feed through to further changes within the next years CSR.
- 3.8. The provisional Local Government Settlement announced on 13 December confirmed the grant figures for 2019/20 broadly in line with the four year settlement and there has been no change to the council tax thresholds, with the exception of the police precept. The other key elements of the provisional settlement were:
  - The County Council's Revenue Support Grant (RSG) was reduced to zero in 2019/20 as part of the original four year settlement. On top of this a further of £1.6m was lost as a result of 'negative RSG' which reduced the top up grant from business rates. However, the Government has announced that there will be no 'negative RSG' in 2019/20 and this therefore represents a benefit of £1.6m to the County Council.
  - A £180m surplus from the business rates levy account will be distributed pro rata to the Settlement Funding Assessment (SFA), the County Council's allocation is £1.8m.
  - The continuation of 100% pilots in Devolution Deal Areas and fifteen 75% business rates retention pilots. Hampshire County Council's bid was not successful but Portsmouth, Southampton and the Isle of Wight have had their existing pilot extended, albeit at a lower retention level (2018/19 was 100% retention).
  - £20m has been added to the settlement to maintain the New Home Bonus (NHB) baseline at 0.4% (only growth in new homes above this baseline level attract the NHB). Hampshire will receive approaching £4.9m from the NHB and this is already factored into the MTFs for next financial year.
  - The provisional settlement confirmed the allocations of adult social care funding announced in the Budget but the Green Paper for adult social care which was originally due to be published in summer 2018 has been delayed further.

- 3.9. Policy and Resources departments have been developing service plans and budgets for 2019/20 and future years in keeping with the County Council's priorities and the key issues, challenges and priorities for the departments are set out below.

#### **4. Departmental Challenges and Priorities**

##### **Corporate Services**

- 4.1. Across Corporate Services, excellent progress has been made to ensure successful delivery of its Tt2019 Programme. The financial position for the current financial year provides further assurance that the cash savings can be removed from the budget from 1 April 2019 with some planned and targeted use of the Corporate Services cost of change reserve to allow new operating models to become fully embedded in the coming months and ensure service stability following reductions in headcount. In addition, Corporate Services teams will continue to provide critical support to other departments during the implementation of their own transformation programmes and it will be important for the Department to manage this further pressure to service delivery.

##### **Corporate Resources**

- 4.2. Corporate Resources includes the following services – the Integrated Business Centre (provides transactional services such as payroll and payments to suppliers), Finance, HR & Resourcing, Information Technology and Internal Audit. In line with its Tt2019 savings target, the Department will deliver savings of £6.534m through a range of efficiency improvements including additional partnership working, generation of new income and digital enhancements. This innovative and forward thinking approach is testament to the commercial strategy that the County Council has put in place without resorting to some of the higher risk strategies employed by other councils.
- 4.3. 2018/19 has seen further expansion of the Shared Services Partnership with the London Borough of Hammersmith and Fulham, the Royal Borough of Kensington and Chelsea and Westminster City Council all joining the partnership. The Southern Internal Audit Partnership also works with an increasing number of local authorities. The partnership model continues to bring economies of scale and resilience to ensure the delivery of more efficient and effective services for all partners.
- 4.4. A range of service enhancements have been made including the implementation of a new e-recruitment solution and a digital learning management system. The Department continues to be engaged in the corporate transformation programmes 'enabling productivity' and SharePoint, ensuring that the whole County Council, its partners and service users maximise the benefit of the latest technology and modern ways of working. All of these developments better enable the delivery of the wider transformation programme for the County Council.

## **Transformation and Governance**

- 4.5. Transformation and Governance comprises Law and Governance, Transformation Practice and Strategic Procurement. The transformation target of £950,000 is realised through operational improvements and income generation.
- 4.6. Robust support around governance of the County Council remains a key priority. Opportunities to streamline processes and modernise systems have been implemented across the various aspects of governance including procurement.
- 4.7. Legal Services continues to proactively look to broaden its offer and seek to support a wider range of external customers. Externally generated income of £1.27m has enabled the net cost of the service to be steadily and sensibly reduced, whilst we retain the highest quality capacity and capability to meet the varied needs of the County Council. Positively, the Strategic Procurement function is also beginning to attract and secure external business opportunities meaning it will steadily reduce its net service cost whilst maintaining and adding to the quality of professional capacity available to perform for the County Council.
- 4.8. With the continuing need for the Council to further transform to achieve efficiency and effectiveness in the delivery of modern services, the organisation continues to require strong programme leadership and robust project management input. During 2018/19 the County Council has continued to develop its internal capacity in its Transformation Practice in order to support the organisation through its next Transformation Programme to 2021.

## **Customer Engagement Service**

- 4.9. The Customer Engagement Service (CES) supports the County Council's insight and engagement activities including public consultations; marketing and advertising of a range of Council services and Corporate Communications. These teams sit alongside the Leader's and Chief Executive's offices and together provide a range of core support functions to departments and Councillors, as well as several external public facing services. A restructuring has secured the required savings of £333,000.

## **Non-Departmental Budgets**

- 4.10. The Policy and Resources portfolio includes provision for a range of grants to the voluntary and community sector. This includes Members' devolved budgets which for 2017/18 were reduced by £234,000 (£5,000 per Member from £8,000) in line with the approved Transformation to 2017 (Tt2017) Programme savings. Cabinet and County Council reviewed this decision and agreed to retain the grant level at £8,000 for a further two years (2017/18 and 2018/19) by drawing from Policy and Resources reserves.
- 4.11. Given the importance of the grants and the wider services that they support across many communities, Cabinet agreed in December 2018 that they be retained at the same level for a further two years, which also means that any

future change to the level of the budget will coincide with the new Council term from 2021/22 onwards. The additional cost of a further two years is £468,000 and as before it is proposed that this is again funded from Policy and Resources reserves.

- 4.12. Policy and Resources also includes the revenue budget for repair and maintenance of the County Council's estate and is managed by the Director of Culture, Communities and Business Services.

### **Culture Communities and Business Services (CCBS)**

- 4.13. The Department delivers a wide range of services with gross expenditure in the region of £81m a year and income streams of around £52m, leaving a cash limit of £29m. In addition, the Department is responsible for:
- Business units with a combined turnover of over £59m and a forecast surplus in 2019/20 of £549,000.
  - Managing the repairs and maintenance of the corporate estate (£8.4m).
  - Service level agreements with 504 schools, including 32 Academies (£18m).
  - HM Coroner Service in Hampshire (£1.8m).
  - The relationship with various major Trusts including the Hampshire Cultural Trust.
  - Delivery of the Broadband programme of £30m and an annual programme of capital projects of circa £20m.
- 4.14. CCBS has made excellent progress to ensure successful delivery of its Tt2019 programme. The financial position for the current year (a net saving of £2.546m excluding a planned contribution to the Printsmart reserve) provides further assurance that the cash savings can be removed from the budget from 1 April 2019 with some planned and targeted use of the Department's cost of change reserve to cover a timing issue associated with the organisation's changing need for office accommodation.

## **5. 2018/19 Revenue Budget**

- 5.1. The cash limited budget for Policy and Resources for 2018/19 included the early achievement of Tt2019 proposals of £4.3m during the year. This and any further early delivery achieved during the year can be transferred to cost of change reserves and used to fund future transformational change or to cash flow delivery and offset service pressures.
- 5.2. Enhanced financial resilience reporting, which looks not only at the regular financial reporting but also at potential pressures in the system and the achievement of savings being delivered through transformation, has continued through periodic reports to the Corporate Management Team (CMT) and to Cabinet.

- 5.3. Overall, for Policy and Resources, the expected financial position at the end of 2018/19 is a balanced budget.
- 5.4. This net position results from a combination of factors including:
- Early achievement of Tt2019 savings.
  - One-off savings in 2018/19 including staff vacancies.
  - Off set by one off expenditure relating to the transformation programmes which will be funded from cost of change or other reserves at the end of the year.
- 5.5. The budget for Policy and Resources has been updated throughout the year and the revised budget is shown in Appendix 1.
- 5.6. The increase of £6.7m from the original approved budget comprises:
- Inflation.
  - Budget transfers between departments reflecting changes in management responsibility.
  - Corporately funded allocations previously agreed by Cabinet.
  - Use of departmental cost of change reserves.

## **6. 2019/20 Revenue Budget Pressures and Initiatives**

- 6.1. Over this prolonged period of austerity, all departments have been required to deal with increasing work pressures at a time that staffing resources and other budgets are reducing significantly. Furthermore, as savings become harder and more complex to deliver (linked for example to changes in digital technologies) the cost and timeframes to deliver savings get higher and longer, placing additional strain on the resources available to deliver business as usual activity.
- 6.2. Whilst in relative terms, Policy and Resources departments are in quite a strong financial position it is clear that pressure is increasing in these areas. Policy and Resources departments have also been using their cost of change reserves to fund additional capacity in their transformation teams and the corporate Transformation Practice. The longer timeframes for delivering the County Council's Tt2019 Programme together with planning for the next Transformation Programme to 2021, will also mean that these teams will be in place for longer, placing further pressure on available resources.

## **7. 2019/20 Revenue Savings Proposals**

- 7.1. Policy and Resources was given a savings target for 2019/20 of £14.929m which was approved by the County Council in July 2016 as part of the MTFs to 2020. Proposals to meet these targets were approved by Executive Members, Cabinet and County Council in October and November 2017 and have been developed through the Tt2019 Programme.

- 7.2. During the last year, departments have been progressing the implementation of these proposals, which have been subject to regular reporting to Cabinet and CMT.
- 7.3. It is now anticipated that full year savings of £14.5m will be achieved in 2019/20 with the shortfall against the target being made up from the cost of change reserve pending full delivery of the transformation programme.
- 7.4. The shortfall relates to two areas, Hantsdirect and office accommodation, which in part are impacted by the transformation programmes of other service departments. For Hantsdirect, a further review of the customer contact model is being progressed and for office accommodation, on-going engagement with departments is planned to understand service needs and to ensure that office accommodation aligns with new ways of working and merging service needs.
- 7.5. Rigorous monitoring of the delivery of the programme will continue during 2019/20, to ensure that the Department is able to stay within its cash limited budget as set out in this report.
- 7.6. This early action in developing and implementing the savings programme for 2019/20 means that the County Council is in a strong position for setting a balanced budget in 2019/20 and that no new savings proposals will be considered as part of the budget setting process for the next financial year.

## **8. 2019/20 Revenue Budget Other Expenditure**

- 8.1. The budget includes some items which are not counted against the cash limit. This includes business units whose costs are covered by customer income and also the Coroner's service which is budgeted for outside of the Policy and Resources cash limit, as the County Council has no direct control over service levels required and costs incurred.

## **9. Budget Summary 2019/20**

- 9.1. The budget update report presented to Cabinet in December included provisional cash limit guidelines for each department. The cash limit for Policy and Resources in that report was £84.540m which was a £6.981m decrease on the previous year.
- 9.2. At that stage the cash limit guidelines did not include an allowance for the second year of the two year pay award covering the 2018/19 and 2019/20 financial years. However, the required allocations have now been finalised and have been added. For Policy and Resources this amount is £3.623m and increases the cash limit to £88.163m. This includes provision for the national living wage which is eventually expected to add £5m to the pay bill for the County Council and significantly increase the costs of care purchased in the private sector.
- 9.3. Appendix 1 sets out a summary of the proposed budgets for the service activities provided by Policy and Resources for 2019/20 and show that these are within the cash limit, including provision for the 2019/20 pay award, set out above.



9.4. In addition to these cash limited items there are further budgets which fall under the responsibility of Policy and Resources, which are shown in the table below:

	<b>2019/20</b>	
	<b>£'000</b>	<b>£'000</b>
Cash Limited Expenditure	202,524	
Less Income (Other than Government Grants)	(114,361)	
<b>Net Cash Limited Expenditure</b>		<b>88,163</b>
Trading Units Net (Surplus)		(549)
Coroners		1,821
Less Government Grants:		
• Local Reform and Community Voice	(569)	
• Inshore Fisheries and Conservation	(204)	
• Vulnerable Persons Relocation Scheme	(350)	
Total Government Grants		(1,123)
<b>Total Net Expenditure</b>		<b>88,312</b>

**CORPORATE OR 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

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u>	<u>Date</u>
<a href="#">Transformation to 2019 - Revenue Savings Proposals</a> (Executive Member for Policy and Resources)	22 September 2017
<a href="#">Medium Term Financial Strategy Update and Transformation to 2019 Savings Proposals</a>	Cabinet - 16 October 2017 County Council – 2 November 2017
<a href="#">Looking Ahead - Medium Term Financial Strategy</a>	Cabinet - 18 June 2018 County Council – 20 September 2018
<a href="#">Budget Setting and Provisional Cash Limits 2019/20</a> (Cabinet)	10 December 2018

**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.)

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equality Duty**

1.1 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 under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) 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.

### **1.2 Equalities Impact Assessment:**

The budget setting process for 2019/20 does not contain any proposals for major service changes which may have an equalities impact. Proposals for budget and service changes which are part of the Transformation to 2019 Programme were considered in detail as part of the approval process carried out in October and November 2017 and full details of the Equalities Impact Assessments relating to those changes can be found in Appendices 4 to 7 in the October Cabinet report linked below:

[Equality Impact Assessments](#)

### **2. Impact on Crime and Disorder:**

The proposals in this report are not considered to have a direct impact on the prevention of crime, but the delivery of some services may have an indirect impact on crime and disorder and where this is the case it will be taken into account as part of the service delivery.

### **Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

The proposed budget contains measure that will assist in reducing the County Council's carbon footprint and changes to services are designed in such a way to also achieve this objective

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

The delivery and transformation of services will ensure that climate change issues are taken into account where relevant.

## Budget Summary 2019/20 – Policy and Resources

<b>Service Activity</b>	<b>Original Budget 2018/19 £'000</b>	<b>Revised Budget 2018/19 £'000</b>	<b>Proposed Budget 2019/20 £'000</b>
<b>Transformation and Governance</b>			
Legal Services	2,495	2,798	2,683
Transformation & Strategic Procurement	1,012	1,543	1,164
Governance	2,463	3,170	2,760
<b>Total Transformation and Governance</b>	<b>5,970</b>	<b>7,511</b>	<b>6,607</b>
<b>Corporate Resources</b>			
Finance	3,717	3,911	3,448
HR <sup>1</sup>	4,366	3,151	2,589
IT	21,341	22,470	20,460
Audit	661	695	633
Customer Business Services	2,404	7,303	6,948
Corporate Resources Transformation	854	870	1,022
Corporate Resources Management	183	98	21
<b>Total Corporate Resources</b>	<b>33,526</b>	<b>38,498</b>	<b>35,121</b>
<b>Customer Engagement Service</b>			
Communication, Marketing & Advertising	565	730	634
Corporate Customer Services <sup>2</sup>	2,824	0	0
Web Team <sup>3</sup>	563	0	0
Insight & Engagement	722	867	640
Chief Executive's Office & Leadership Support	764	621	575
<b>Total Customer Engagement Service</b>	<b>5,438</b>	<b>2,218</b>	<b>1,849</b>
<b>Total Corporate Services</b>	<b>44,934</b>	<b>48,227</b>	<b>43,577</b>

<sup>1</sup> Recruitment (£1.6m) transferred to Customer Business Services

<sup>2</sup> Corporate Customer Services transferred to Customer Business Services

<sup>3</sup> Web team transferred to IT

<b>Service Activity</b>	<b>Original Budget 2018/19 £'000</b>	<b>Revised Budget 2018/19 £'000</b>	<b>Proposed Budget 2019/20 £'000</b>
<b>Policy and Resources Non-Departmental Budgets (Direct)</b>			
Corporate & Democratic Representation	66	66	66
Grants to Vol	227	227	232
Grants & Contributions to Voluntary Bodies	806	806	823
Southern Sea Fisheries	307	307	307
Members Devolved Budgets	390	624	390
Rural Affairs	200	137	200
Other Miscellaneous	221	261	441
	<b>2,217</b>	<b>2,428</b>	<b>2,459</b>
<b>Policy and Resources Non-Departmental Budgets (Central)</b>			
Members Support Costs	1,749	1,749	1,584
Repairs & Maintenance	7,812	8,013	8,375
Strategic Asset Management	1,254	3,271	1,259
Other Miscellaneous	331	331	311
	<b>11,146</b>	<b>13,364</b>	<b>11,529</b>
<b>Total Other Policy and Resources</b>	<b>13,363</b>	<b>15,792</b>	<b>13,988</b>
<b>Culture, Communities and Business Services (CCBS):</b>			
<b>Transformation and Business Management</b>			
Transformation	210	775	558
Business Development Team		578	532
Rural Broadband	250	253	262
CCBS IT Budget	76	98	78
<b>Total Transformation and Business Management</b>	<b>536</b>	<b>1,704</b>	<b>1,430</b>
<b>Community and Regulatory Services</b>			
Regulatory Services	1,076	1,257	1,163
Business Support	833	461	553

<b>Service Activity</b>	<b>Original Budget 2018/19 £'000</b>	<b>Revised Budget 2018/19 £'000</b>	<b>Proposed Budget 2019/20 £'000</b>
Scientific Services	49	129	25
Asbestos	(21)	(2)	(8)
<b>Total Community &amp; Regulatory Services</b>	<b>1,937</b>	<b>1,845</b>	<b>1,733</b>
<b>Culture &amp; Heritage</b>			
Risk, Health & Safety	199	53	27
Sir Harold Hillier Gardens	87	87	64
<b>Total Culture &amp; Heritage</b>	<b>286</b>	<b>140</b>	<b>91</b>
<b>Property Services and Facilities</b>			
Corporate Estate	(194)	(193)	(206)
County Farms	(497)	(497)	(497)
Development Account	(415)	(412)	(348)
Sites for Gypsies and Travellers	55	61	11
Property Services	1,687	2,091	2,787
Office Accommodation/Workstyle	4,591	5,088	3,439
Facilities Management	3,337	3,457	3,318
Hampshire Printing Services	(136)	(125)	(80)
Caretaking & Cleaning Services	(11)	(6)	
Segensworth Unit Factories	(12)	(12)	(12)
Print Sign Workshop	9	10	10
<b>Total Property Services and Facilities</b>	<b>8,414</b>	<b>9,462</b>	<b>8,422</b>
<b>CCBS Planned contribution to Cost of Change</b>	<b>1,093</b>	<b>(97)</b>	<b>296</b>
<b>Total CCBS P&amp;R Services</b>	<b>12,266</b>	<b>13,054</b>	<b>11,972</b>
<b>CCBS Recreation &amp; Heritage Services</b>	<b>19,848</b>	<b>20,151</b>	<b>17,480</b>
<b>CCBS Countryside &amp; Rural Affairs Services</b>	<b>1,110</b>	<b>1,021</b>	<b>1,146</b>
<b>Total CCBS</b>	<b>33,224</b>	<b>34,226</b>	<b>30,598</b>

<b>Service Activity</b>	<b>Original Budget 2018/19 £'000</b>	<b>Revised Budget 2018/19 £'000</b>	<b>Proposed Budget 2019/20 £'000</b>
<b>Total Policy and Resources</b>	<b>91,521</b>	<b>98,245</b>	<b>88,163</b>
<b>Coroners</b>	<b>1,747</b>	<b>1,799</b>	<b>1,821</b>
<b>Trading Units:</b>			
River Hamble	(25)	91	55
County Supplies	(328)	(328)	(439)
HC3S	(115)	(115)	(114)
Hampshire Transport Management	(116)	(116)	(51)
<b>Total Trading Units</b>	<b>(584)</b>	<b>(468)</b>	<b>(549)</b>
<b>Government grants:</b>			
Local reform and Community Voice	(561)	(569)	(569)
Inshore Fisheries and Conservation	(204)	(204)	(204)
Vulnerable Persons Relocation Scheme	0	(709)	(350)
<b>Total Government grants</b>	<b>(765)</b>	<b>(1,482)</b>	<b>(1,123)</b>
<b>Total Net expenditure Policy and resources</b>	<b>91,919</b>	<b>98,094</b>	<b>88,312</b>



## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Committee:</b>	Policy and Resources Select Committee
<b>Date:</b>	18 January 2019
<b>Title:</b>	Policy & Resources Capital Programme 2019/20 to 2021/22
<b>Report From:</b>	Chief Executive, Director of Culture, Communities and Business Services, Director of Transformation and Director of Corporate Resources

**Contact name:** Rob Carr

**Tel:** 01962 847508

**Email:** [rob.carr@hants.gov.uk](mailto:rob.carr@hants.gov.uk)

#### 1. Purpose of Report

- 1.1. To enable the Select Committee to pre-scrutinise the budget proposals for the Policy and Resources budget for 2019/20. A report is attached which is due for consideration by the Executive Member for Policy and Resources at his Decision Day on 18 January 2019 at 3:30pm, regarding the proposed Capital Programme for 2019/20 to 2021/22 under Policy and Resources.
- 1.2. For the Select Committee to consider the recommendations proposed in the Capital budget report to the Executive Member for Policy and Resources, and to agree and make recommendations to the Executive Member accordingly.

#### 2. Recommendations

That the Policy and Resources Select Committee:

Either:

- 2.1. Supports the recommendations being proposed to the Executive Member for Policy and Resources: To approve for submission to the Leader and the Cabinet:

- The capital programme for 2019/20 to 2021/22 as set out in Appendix 1.
- The revised capital programme for 2018/19 as set out in Appendix 2.

Or:

- 2.2. Agree any alternative recommendations to the Executive Member for Policy and Resources, with regards to the budget proposals set out in the attached report.

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## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Member for Policy and Resources
<b>Date:</b>	18 January 2019
<b>Title:</b>	2019/20 to 2021/22 Capital Programme Report for Policy and Resources
<b>Report From:</b>	Chief Executive, Director of Culture, Communities and Business Services, Director of Transformation and Director of Corporate Resources

**Contact name:** Rob Carr

**Tel:** 01962 847508

**Email:** rob.carr@hants.gov.uk

#### 1. Recommendation(s)

To approve for submission to the Leader and the Cabinet:

- 1.1. The capital programme for 2019/20 to 2021/22 as set out in Appendix 1.
- 1.2. The revised capital programme for 2018/19 as set out in Appendix 2.

#### 2. Executive Summary

- 2.1. This report seeks approval for submission to the Leader and Cabinet of the proposed capital programme for Policy and Resources for 2019/20 to 2021/22.
- 2.2. The report has been prepared in consultation with the Executive Member and will be reviewed by the Policy and Resources Select Committee. It will be reported to the Leader and Cabinet on 1 February 2019 to make final recommendations to County Council on 14 February 2019.
- 2.3. In accordance with the provisional capital guidelines approved by Cabinet in December 2018, the report considers the schemes which it is proposed to include in the capital programmes for 2019/20, 2020/21 and 2021/22 and also presents the revised programme for 2018/19.
- 2.4. The proposals contained in this report are derived from the departmental service plans which have been developed to support the priorities of the Corporate Strategy.

#### 3. Contextual information

- 3.1. Executive Members have been asked to prepare proposals for:
  - a locally-resourced capital programme for the three-year period from 2019/20 to 2021/22 within the guidelines used for the current capital

programme including the third year, 2021/22, at a similar level to 2020/21

- a programme of capital schemes in 2019/20 to 2021/22 supported by Government grants as announced by the Government.

3.2. The medium term financial strategy is closely linked to the Corporate Strategy and the Corporate Business Plan to ensure that priorities are affordable and provide value for money and that resources follow priorities.

#### **4. Locally resourced capital programme**

4.1. The cash limit guidelines for the locally resourced capital programme for the Policy and Resources portfolio service set by Cabinet are as follows:

	<b>£'000</b>
2019/20	4,692
2020/21	4,692
2021/22	4,692

4.2. Executive Members may vary the guidelines between years provided their total three-year guideline is not exceeded and bunching of payments in any one year or front-loading is avoided.

4.3. Executive Members may propose supplementing their capital guidelines under the 'prudential framework' agreed by Cabinet at its meeting on 24 November 2003, as amended by Cabinet in February 2006. From 2009/10, Hampshire Transport Management (HTM) has used prudential borrowing to fund the purchase of vehicles instead of leasing them to generate savings. The allocation for this scheme is included within the guidelines above.

4.4. Further details of the 2019/20 capital programme are provided in section 5.

#### **5. Proposed capital programme 2019/20 to 2021/22 – locally resourced schemes**

5.1. The programme proposed for 2019/20 to 2021/22 is largely based upon the allocation of resources between priorities in the current 2018/19 to 2020/21 capital programme. The programme is detailed in Appendix 1.

5.2. Capital investment by business units is also included in the capital programme. This includes an annual allocation of £3 million for vehicle purchases by Hampshire Transport Management (HTM). An increase of £1m per annum from 2017/18 was approved by Cabinet in October 2017 to enable HTM to respond to growing business especially with schools and colleges looking for an environmentally friendly fleet alongside an upsurge in customers reviewing their fleets again considering environmental credentials alongside potential efficiencies. The cost of these purchases is recovered through business unit charges to customers.

5.3. In February 2018, County Council approved additional funding of £1.5m to fund essential infrastructure works on the Basingstoke Canal. Of this total,

£0.23m is included in the 2018/19 capital programme and £0.25m in the 2019/20 capital programme, with the balance funding associated revenue repair and maintenance works.

5.4. In addition, a sum of £1.8m was approved by County Council in September 2018, to be added to the 2018/19 capital programme and £0.5m to the 2019/20 capital programme, to support the next phase of the Country Parks Transformation Programme and specific proposals for the Empire Room at Royal Victoria Country Park, the farm attractions at Staunton and Manor Farm and for Queen Elizabeth Country Park. This is to be funded from departmental reserves. Due to re-phasing of projects between financial years, £1.65m is shown in the 2018/19 programme and £0.45m in the 2019/20 programme, and £0.2m has been set aside to fund associated revenue costs.

5.5. These movements are summarised in the table below:

	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Guideline set by Cabinet	4,692	4,692	4,692
Basingstoke Canal	250	-	-
Country Parks Transformation Programme – Phase 2	450	-	-
<b>Proposed locally resources programme</b>	<b>5,392</b>	<b>4,692</b>	<b>4,692</b>

## **6. Proposed capital programme 2019/20 to 2021/22 supported by Government allocations**

- 6.1. The Government has allocated all of its support for the capital programme in the form of capital grants, and not as borrowing allocations.
- 6.2. The Secretary of State has not yet announced details of individual local authority capital allocations for 2019/20, 2020/21 and 2021/22. However, for planning purposes, a continuation of 2018/19 allocations is being assumed.
- 6.3. In 2018/19, the Government announced a Schools Condition Allocation (SCA) grant of £17,264,317 for local authority schools and Sure Start early years centres. This is similar to the allocation for 2017/18 and is indicative of future years allocations, although these will be adjusted for any changes in the size of the Hampshire school estate.
- 6.4. The full grant is added to the Policy and Resources cash limit to allow the funding to be managed flexibly between condition and suitability works. Priorities are jointly agreed with Children’s services.
- 6.5. Priorities for 2019/20 include two 2 storey timber framed schools in Hampshire that need replacing. This need was reported to EMPR on 9 March 2017. The schools are Fryern Junior School in Chandlers Ford and Grange Junior School in Gosport. Feasibility work has been undertaken to consider the options of how best to replace these structures. Consequently, it is proposed to fund the replacement of both these schools in totality and to include replacement of the single storey parts of both schools as this is only marginally more expensive than the alternative partial rebuild and

refurbishment solutions. It also has the significant benefit of removing the cost of otherwise addressing all the condition liabilities and associated risks in those residual single storey parts of the existing school building structures. Furthermore, value for money will be achieved through the economies of scale in adopting a common approach to the design, procurement and delivery of the two projects. The total cost estimate for full replacement of the two schools is £15.566m.

- 6.6. Owing to the size of these projects, it is proposed to include them in the Children’s Services capital programme and transfer the required funding from the Policy and Resources 2018/19 SCA grant allocation.
- 6.7. The cash limit guidelines for this part of the capital programme are as follows:

<b>Capital grant</b>	
<b>£’000</b>	
2019/20 (Assumed)	17,264
2020/21 (Assumed)	17,264
2021/22 (Assumed)	17,264

- 6.8. Close working between Property Services and Children’s Services staff ensures maximum impact is achieved from the Schools Condition Allocation funding. The detailed programme of work will continue to be reported to the Building, Land and Procurement Panel with any major schemes being reported to the Executive Member Policy & Resources for approval.

## **7. Capital programme summary**

- 7.1. On the basis of the position outlined above, the total value of the capital programmes submitted for consideration for the three years to 2021/22 are:

	<b>Schemes within locally resourced guidelines</b>	<b>Schemes supported by Government allocations</b>	<b>Total</b>
	<b>£’000</b>	<b>£’000</b>	<b>£’000</b>
2019/20	5,392	17,264	22,656
2020/21	4,692	17,264	21,956
2021/22	4,692	17,264	21,956

## 8. Revenue implications

- 8.1. The on-going service and maintenance implications of the proposed capital programme are funded from within the revenue budget. Some schemes are of an invest to save nature and thus have a positive impact on the revenue budget.
- 8.2. In line with proper accounting practice, the asset value resulting from capital expenditure is depreciated over the expected life of the asset with a corresponding charge to the income and expenditure account. However, this accounting adjustment does not directly impact the cash limited budget of services. The estimated depreciation arising from the proposed capital programme is as follows:

	<b>Full year cost</b>
	<b>£'000</b>
2019/20	678
2020/21	663
2021/22	663
Total	<hr/> 2,004 <hr/>

## 9. Revised 2018/19 capital programme

- 9.1. The revised 2018/19 capital programme for Policy and Resources is shown in Appendix 2 and totals £39.2 million. The changes since the capital programme was approved in February 2018 are summarised below:

	<b>2018/19</b>
	<b>£'000</b>
Approved programme	22,828
Underspends and schemes carried forward from previous years	28,682
Draw down of approved corporate funding	2,880
Removal of schemes from capital programme	-400
Adjustment to Government grant	-272
Share of 2017/18 capital receipts	290
Developers contributions	271
Net revenue contributions to capital and other technical adjustments	513

Transfer of SCA grant funding to Children's Services	-15,566
	<hr/>
	39,226
	<hr/>

## 10. Conclusions

10.1. The proposed capital programme for Policy and Resources as summarised in section 7 is in line with the guidelines set by Cabinet. In addition, it plans to use the allocated Government grants in full. The main priority of the programme continues to be structural maintenance and improvement of the County's built and rural estate, and cultural and community facilities. The programme supports the delivery of services countywide and contributes to the corporate aims:

- Hampshire maintains strong and sustainable economic growth and prosperity
- People in Hampshire live safe, healthy and independent lives
- People in Hampshire enjoy a rich and diverse environment
- People in Hampshire enjoy being part of strong, inclusive communities.



**CORPORATE OR 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
<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

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u>	<u>Date</u>
Looking Ahead - Medium Term Financial Strategy (Cabinet) <a href="#">Medium Term Financial Strategy</a>	18 June 2018
Budget Setting and Provisional Cash Limits 2019/20 (Cabinet) <a href="#">Budget Setting and Provisional Cash Limits</a>	10 December 2018
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u>	<u>Date</u>

**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.)

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equality Duty**

1.1 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 under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) 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.

### **1.2 Equalities Impact Assessment:**

Equalities impact assessments will be considered when individual project appraisals are developed.

### **2. Impact on Crime and Disorder:**

2.1 Crime prevention issues will be considered when individual project appraisals are developed.

### **Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

All relevant developments within the capital programme are subject to specific, detailed assessments. Energy conservation, and where applicable enhancing biodiversity, are priorities for all major building schemes.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Where appropriate capital schemes are planned with adaptation to climate change in mind, such as the inclusion of passive cooling, solar shading, sustainable urban drainage and rainwater harvesting systems in building projects where technically feasible and deliverable within budget constraint

## Policy and Resources

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles Grants	Total Cost (excluding sites)	Revenue Effect in Full Year	
						Running Costs	Capital Charges
		£'000	£'000	£'000	£'000	£'000	£'000
<b>2019/20 Schemes</b>							
<b>Schemes Supported from Local Resources</b>							
<b>Culture, Communities and Business Services</b>							
1	Office Accommodation Schemes	350	58	-	408	-	8
2	Vehicles for Hampshire Transport Management #	-	-	3,000	3,000	-	300
3	Community Buildings and Village Halls	-	-	125	125	-	-
4	CCBS Capital	328	-	-	328	-	7
5	Country Parks Transformation (Phase 2) - Staunton Country Park	386	64	-	450	-	9
6	Basingstoke Canal	215	35	-	250	-	5
<b>Corporate Services</b>							
7	Contingency	185	-	-	185	-	3
<b>Total Programme Supported by Local Resources</b>		1,464	157	3,125	4,746	-	332

## Capital Programme - 2019/20

Site Position	Contract Start		Remarks	Ref
	Date	Duration		
	Qtr	Months		
<b>The following schemes all reflect the current Corporate Priorities</b>				
N/A	-	-	Various schemes throughout the County	1
N/A	-	-	Continuing programme of replacing vehicles	2
Owned	1	12	Grants and contributions towards the development of community buildings and village halls.	3
N/A	1	12	Provision of minor works across the department including Library and Countryside services	4
Owned	1	12	To support a range of specific improvements at Staunton Country Park, including development of glasshouses and farm attractions, as well as improvements to catering facilities and toilets	5
Owned	1	12	Essential infrastructure works to ensure the Canal remains in good working order and the County Council meets its obligations as part owner of the Canal	6
N/A	-	-		7
# controlled on an accrued expenditure basis				

## Policy and Resources

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles Grants	Total Cost (excluding sites)	Revenue Effect in Full Year	
						Running Costs	Capital Charges
		£'000	£'000	£'000	£'000	£'000	£'000
	<b>2019/20 Schemes (continued)</b>						
	<b>Schemes Supported by the Government</b>						
	<b>Schools Condition Allocation (SCA)</b>						
8	Crestwood School, Eastleigh	800	132		932	-	19
9	Stoke Park Infant School, Eastleigh	800	132		932	-	19
10	Testbourne School, Whitchurch	2,500	413		2,913	-	58
11	Schools Condition Allocation (costing less than £250,000)	10,718	1,769	-	12,487	-	250
	<b>Total Schemes Supported by the Government</b>	14,819	2,445	-	17,264	-	346
	<b>Total Excluding Land</b>				22,010	-	678
	Advance and Advantageous Land Purchases				646	-	-
	<b>Total Programme</b>				22,656	-	678

## Capital Programme - 2019/20

Site Position	Contract Start		Remarks	Ref
	Date	Duration		
	Qtr	Months		
			The following schemes all reflect the current Corporate Priorities	
Owned	2	9	Roof replacement	8
Owned	2	9	Roof replacement	9
Owned	2	9	SCOLA recladding and internal alterations	10
Owned	-	-	Major improvements to school buildings	11

## Policy and Resources

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles Grants	Total Cost (excluding sites)	Revenue Effect in Full Year	
						Running Costs	Capital Charges
		£'000	£'000	£'000	£'000	£'000	£'000
	<b>2020/21 Schemes</b>						
	<b>Schemes Supported from Local Resources</b>						
	<b>Culture, Communities and Business Services</b>						
12	Office Accommodation Schemes	350	58	-	408	-	8
13	Vehicles for Hampshire Transport Management #	-	-	3,000	3,000	-	300
14	Community Buildings and Village Halls	-	-	125	125	-	-
15	CCBS Capital	328	-	-	328	-	7
16	Contingency	185	-	-	185	-	3
	<b>Total Programme Supported by Local Resources</b>	863	58	3,125	4,046	-	318
	<b>Schemes Supported by the Government</b>						
17	Schools Condition Allocation	14,819	2,445	-	17,264	-	345
	<b>Total Schemes Supported by the Government</b>	14,819	2,445	-	17,264	-	345
	<b>Total Excluding Land</b>				21,310		663
	Advance and Advantageous Land Purchases				646		
	<b>Total Programme</b>				21,956		663

## Capital Programme - 2020/21

Site Position	Contract Start		Remarks	Ref
	Date	Duration		
	Qtr	Months		
			<b>The following schemes all reflect the current Corporate Priorities</b>	
N/A	-	-	Various schemes throughout the County	12
N/A	-	-	Continuing programme of replacing vehicles	13
Owned	1	12	Grants and contributions towards the development of community buildings and village halls.	14
N/A	1	12	Provision of minor works across the department including Library and Countryside services	15
N/A	-	-		16
Owned	-	-	Major improvements to school buildings	17
			# controlled on an accrued expenditure basis	

## Policy and Resources

Ref	Project	Construct- ion Works	Fees	Furniture Equipment Vehicles Grants	Total Cost (excluding sites)	Revenue Effect in Full Year	
						Running Costs	Capital Charges
		£'000	£'000	£'000	£'000	£'000	£'000
	<b>2021/22 Schemes</b>						
	<b>Schemes Supported from Local Resources</b>						
	<b>Culture, Communities and Business Services</b>						
18	Office Accommodation Schemes	350	58	-	408	-	8
19	Vehicles for Hampshire Transport Management #	-	-	3,000	3,000	-	300
20	Community Buildings and Village Halls	-	-	125	125	-	-
21	CCBS Capital	328	-	-	328	-	7
22	Contingency	185	-	-	185	-	3
	<b>Total Programme Supported by Local Resources</b>	863	58	3,125	4,046	-	318
	<b>Schemes Supported by the Government</b>						
23	Schools Condition Allocation	14,819	2,445	-	17,264	-	345
	<b>Total Schemes Supported by the Government</b>	14,819	2,445	-	17,264	-	345
	<b>Total Excluding Land</b>				21,310		663
	Advance and Advantageous Land Purchases				646		
	<b>Total Programme</b>				21,956		663

## Capital Programme - 2021/22

Site Position	Contract Start		Remarks	Ref
	Date	Duration		
	Qtr	Months		
			<b>The following schemes all reflect the current Corporate Priorities</b>	
N/A	-	-	Various schemes throughout the County	18
N/A	-	-	Continuing programme of replacing vehicles	19
Owned	1	12	Grants and contributions towards the development of community buildings and village halls.	20
N/A	1	12	Provision of minor works across the department including Library and Countryside services	21
N/A	-	-		22
Owned	-	-	Major improvements to school buildings	23
			# controlled on an accrued expenditure basis	

**Policy and Resources 2018/19 capital programme**

<b>1. Latest programme limit:</b>	<b>£'000</b>
Total programme as per budget book	22,828
Carry forward schemes from 2017/18	28,682
Additional approved capital allocations	2,880
Removal of schemes from capital programme	-400
School Condition Allocation funding change	-272
Share of capital receipts	290
Developers contributions	271
Net revenue contributions to capital and other technical adjustments	513
Transfer of SCA grant funding to Children's Services	<u>-15,566</u>
	<b><u>39,226</u></b>

<b>2. Analysis of 2018/19 programme including carry forwards from 2017/18:</b>	<b>£'000</b>
Vehicles for Hampshire Transport Management (HTM)	3,000
Havant Day Services access road	55
<b>Schemes controlled on an expenditure basis:</b>	<b>3,055</b>
Capital repairs - Schools Condition Allocation (SCA) works	1,698
Non Schools Estate Capital projects	573
Schools Capital projects	69
Office Accommodation	986
Facilities Management schemes	205
Workstyle schemes:	
- Capital House	440
- Falcon House	300
Gosport Community Hub	750
Hampshire Transport Management (HTM) – Vehicle Workshop Refurbishment	600
Investment in Hampshire	2,842
Advance and Advantageous Land	1,292
Botley – Infrastructure and Utility Works (provisional allocation)	15,695
Energy Performance Programme (EPP):	
- LED Lighting Replacement	1,620
- Electric Vehicles & Battery Storage Technology	1,000
Winchester Leisure Centre	1,000
Community Building Capital Grant Fund	379
	<b>£'000</b>
CCBS - ICT Developments	120



Customer Access Improvements	80
CCBS Capital	328
Calshot Pay and Play Activity Development	320
Runway's End:	
- Camping Pods	170
- Campsite Development	249
Meon Valley Trail - Enhancement	244
Manor Farm – Hand Wash Stations (Zoonosis)	199
Country Parks Transformation (Phase 2):	
- Manor Farm	550
- Royal Victoria Country Park	800
- Queen Elizabeth Country Park	300
Other Countryside projects	27
Basingstoke Canal	230
Footway Improvements	15
Capital receipts – restricted for County Farms	1,585
Unallocated 25% of Capital receipts	369
<b>Schemes controlled on a starts basis:</b>	<b>35,035</b>
Unallocated	1,136
<b>Policy and Resources Capital Programme 2018/19</b>	<b>39,226</b>

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## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Decision Maker:</b>	Policy and Resources Select Committee
<b>Date:</b>	18 January 2019
<b>Title:</b>	<i>Serving Hampshire</i> – 2018/19 Q2 Performance Report
<b>Report From:</b>	Assistant Chief Executive, Corporate Services

**Contact name:** Philippa Mellish, Head of Insight and Engagement

**Tel:** 01962 847482

**Email:** [philippa.mellish@hants.gov.uk](mailto:philippa.mellish@hants.gov.uk)

### 1. Recommendations

1.1. It is recommended that the Policy and Resources Select Committee:

- notes the County Council's performance for the first half of 2018/19, and
- endorses work underway to advance the County Council's inclusion and diversity work, recognising feedback from the National Inclusion Standard pilot and staff survey.

### 2. Report purpose

2.1. The purpose of this report is to:

- provide strategic oversight of the County Council's performance during the first six months of 2018/19 against the [Serving Hampshire Strategic Plan](#) for 2017-21; and
- update the Policy and Resources Select Committee on the County Council's work to advance inclusion and diversity.

### 3. Performance reporting arrangements

3.1. The County Council's Performance Management Framework (PMF) provides the governance structure for performance management and reporting to Cabinet. The PMF specifies that Cabinet receives bi-annual reports on the County Council's performance against the strategic priorities set out in the *Serving Hampshire* Strategic Plan. The four strategic aims set out in the plan are:

- Hampshire maintains strong and sustainable economic growth and prosperity
- People in Hampshire live safe, healthy and independent lives
- People in Hampshire enjoy a rich and diverse environment

- People in Hampshire enjoy being part of strong, inclusive communities
- 3.2. Alongside these aims, the Strategic Plan contains eight 'ways of working' which support the ambition to 'put our residents at the heart of everything we do'. These are to:
- Engage, involve and inform residents
  - Develop easy and efficient online services
  - Work with our partners
  - Use taxpayers' money wisely
  - Enable people to do more for themselves
  - Respond flexibly to people's needs
  - Value people's differences, and
  - Keep improving
- 3.3. Performance information on children's and adults' safeguarding, major change programmes, including *Transformation to 2019 and 2021*, and the County Council's financial strategy are reported separately to Cabinet.
- 3.4. To report progress against *Serving Hampshire*, departments are asked to rate performance against a core set of performance metrics on a quarterly basis. For each measure, a simple risk-based 'red, amber, green' rating is applied, informed by the most recent data and management information.
- 3.5. Departments also provide an overview of key achievements and risks/issues against agreed priorities, as well as the results of any recent external assessments and resident feedback.
- 3.6. Appendix One sets out the sources of external validation which apply to the County Council's performance during the first half of 2018/19.

#### 4. Performance against *Serving Hampshire*

##### Performance outcomes

- 4.1. **Overall performance** against *Serving Hampshire* remained **good** during 2017/18, evidencing strong performance in the delivery of core services.
- 4.2. **Performance against targets and improvement trend:** data was provided for 27 of the 31 core performance metrics for which data is expected during the first half of the year. Of these 81% of measures were reported as low performance risk. 70% of measures showed improvement or sustained performance. In addition to this, 53% of measures had met the target (or were on track to meet the target) set by the relevant department.
- 4.3. Based on current data, all measures are considered to present **low to medium risk**.
- 4.4. In cases where targets were not met, departmental improvement plans were in place.

4.5. **Performance highlights** for the first half of 2018/19 include:

- Hampshire's Youth Offending Service (YOS) was judged overall as *good*, with *outstanding* features by Ofsted. The report notes that Hampshire's YOS 'provided an excellent range of interventions to reduce the likelihood of offending'
- 99% of parents in Hampshire with children aged 4 and 5, who are due to start school in September, were offered a place at one of their preferred primary school, the same as last year. 94% were allocated a place at their first choice of school, up from 91% last year
- 68% of Hampshire's primary school children taking Key Stage 2 SATs in 2018 met the required standards for reading, writing and mathematics, compared with 64% nationally. This performance is an improvement on last year, representing a 2% increase compared to Hampshire's results for 2017
- The County Council allocated £9 million to fund 480 new school places through a new primary school in Eastleigh, and expansion of two existing county schools (Four Marks Church of England Primary School, East Hampshire, and Colden Common Primary School, Eastleigh)
- Highways maintenance work completed during 2018 to date included:
  - 448 planned highways maintenance schemes
  - 66 safety engineering schemes to specifically reduce traffic collisions, and
  - 21 bridge joint replacement repairs at Redbridge, to avoid future weight restrictions
- CO2 emissions have continued to fall year on year, down to 78,685 in 2017/18 (the most recent data). This is a decline from 83,992 in 2016/17 and meets the 2025 target of 79,080
- Hampshire's five country parks were awarded the Green Flag for 2018. Lepe, River Hamble, Queen Elizabeth, Royal Victoria and Staunton country parks received the award, which recognises their high environmental standards and excellent visitor facilities
- The County Council and Commercial Services Kent Ltd (a trading company owned by Kent County Council) agreed to embark on a joint venture for the recruitment of temporary agency staff. The joint agency will enable the County Council to meet growing demand for services, particularly social care, and to better manage and control the sourcing and retention of skilled, high quality agency staff
- The Care Quality Commission reported the findings of its review of Hampshire's Health and Social Care Systems, undertaken in March 2018. Areas of strength included:
  - consistent and shared vision and strategy across partners
  - strong understanding of the needs of Hampshire's population

- inter-agency working, enabling service users and their carers to influence service development
- advanced use of digital tools

Recommendations for improvement included streamlining the hospital discharge process and improving the recruitment and retention of key staff groups. Actions to address these are set out in a detailed multi-agency plan which is regularly reviewed by the Health and Wellbeing Board and Health and Adult Social Care Select Committee

- The County Council allocated £67 million to be invested in care technology over the next ten years, including a 'private pay' service enabling residents and third parties to buy Technology Enabled Care services and equipment

4.6. A more extensive list of key performance achievements is included in Appendix Two.

4.7. **Performance Risks** highlighted by departments include:

- **Delayed Transfers of Care (DToC)** – there were improvements, with the number of day delays overall reducing from 2,313 (May 2018) to 1,604 (August 2018). Improvements were being primarily achieved within the acute hospitals attended by Hampshire residents, both in terms of the reductions in the quantum of people delayed and a decreasing number of people with an extended length of stay (beyond seven days of being declared fit for discharge). However, overall, delays for both health and social care remain one of the highest in the country.
- DToC is a system wide challenge and there are several factors which influence performance in Hampshire. For example, Hampshire is one of a few councils that operates across multiple acute sites, each with their own unique set of issues and pressures. Despite these complexities, clear improvement actions are in place, informed by a recent review undertaken by the Care Quality Commission, and diagnostic exercise completed by Newton Europe. These include:
  - putting in place a new 'home first' approach to managing hospital discharge, changing the way people in hospital access reablement support at the point of discharge
  - establishing an internal DToC Improvement Board
  - appointing a jointly funded Director of Improvement and Transformation and Clinical Lead, and creating new system wide governance
  - agreeing shared arrangements for the deployment of the Improved Better Care Fund
  - developing winter resilience plans are being developed in each system to ensure a coordinated approach.

- **Highway maintenance programme** - cold weather in early-2018 resulted in delays to the highways maintenance programme, as the highway workforce was diverted to respond to increased demand for winter maintenance. Subsequently, unusually high temperatures during the summer months caused further disruptions, impacting highway surface conditions and causing delays to repairs. The backlog is expected to be cleared by the end of 2018.

## 5. Inclusion and diversity update

- 5.1. The County Council has a programme of work in place to advance inclusion and diversity. This includes undertaking both internal and external assessment of its performance to identify areas of strength and for improvement.

### National Inclusion Standard

- 5.2. During the summer, the County Council participated in Inclusive Employers' National Inclusion Standard pilot. As part of the pilot, the County Council's work to promote inclusion and diversity was independently assessed against six core pillars. The County Council was awarded *Bronze* - achieving second place when ranked against the other nine participating organisations - and was praised for demonstrating a 'comprehensive foundation to its inclusion work'.

- 5.3. Areas of strength included:

- engaging staff in the County Council's vision for inclusion and diversity;
- taking a strategic approach to staff networks, which demonstrate positive impact;
- putting into place a robust range of policies, supported by staff 'how to' guides; and
- embedding inclusion into departmental business plans, recruitment initiatives and procurement activities, supported by good senior management engagement.

- 5.4. Areas for further focus included:

- promoting and delivering training relating to inclusion and diversity, as well as monitoring take up;
- endorsing career development opportunities to under-represented groups;
- using and monitoring data systematically to develop deeper understanding of inclusion and diversity matters, inform positive actions and monitor progress against a range of indicators; and
- demonstrating return on investment and innovation.

## **Staff survey**

- 5.5. The County Council conducted an inclusion and diversity staff survey in May 2018. 5,017 employees participated in the survey – 39% of all employees (excluding schools) – which was available as an online questionnaire and paper Response Form. On the whole, survey results indicated that the County Council has a supportive and inclusive culture and is a place where the vast majority of people from different backgrounds can work together effectively and feel they are treated fairly.
  - 5.1. Areas highlighted for further improvement included: ensuring that policies are applied consistently and transparently, raising the profile of the County Council's employee networks and continuing to make sure that any experiences of harassment, bullying, discrimination and abuse are handled consistently as and when they arise.
  - 5.2. Following the success of this initial staff survey, the County Council intends to build survey feedback into its ongoing programme of employee engagement activities. The next planned survey is due to take place in the New Year and will focus on employee health and wellbeing.
  - 5.3. Feedback from both the National Inclusion Standard pilot and staff survey was communicated to staff and is being used to develop the County Council's overarching improvement plan for inclusion and diversity, as well as departmental action plans.

## **Hampshire Community Engagement Forum**

- 5.4. The County Council is also working with community partners to strengthen community cohesion across Hampshire through repositioning the Hampshire Community Engagement Forum. The Forum was initially established to support engagement relating to the Prevent and wider community safety agendas but has since taken on a wider, cross-cutting focus. The Forum's Terms of Reference have been updated to recognise its role as a vehicle for consultation, engagement and partnership working with Hampshire communities more broadly.
- 5.5. The Forum Steering Group, which is co-Chaired by the County Council and a Community representative, is in the process of developing a detailed forward work programme.

## **6. Conclusion**

- 6.1. This report and its supporting appendices demonstrate that the County Council performed well in the delivery of core public services during the first half of 2018/19, and that good progress is being made to advance the organisation's inclusion and diversity work.



**CORPORATE OR 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
<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

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u>	<u>Date</u>
Serving Hampshire - Strategic Plan for 2017-2021	19 June 2017
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u>	<u>Date</u>

**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.)

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **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 under the Act;

Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;

Foster good relations between persons who share a relevant protected characteristic 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 in which participation by such persons is disproportionately low.

### **Impact on Crime and Disorder:**

The *Serving Hampshire Plan* supports reduced crime and disorder through priority 2 – People in Hampshire live safe, healthy and independent lives.

### **Climate Change:**

Priority 3 within the *Serving Hampshire Plan* states that *People in Hampshire enjoy a rich and diverse environment*. This will be achieved by conserving and using natural resources efficiently, protecting and improving Hampshire's environment and quality of life, and maintaining the unique character of the county.

**Appendix One: sources of internal and external validation**

The following table sets out the results of external and internal assessments and validations which apply to the County Council at half year 2018/19:

<b>Children's Services</b>			
<b>Assessment title</b>	<b>Area</b>	<b>External/internal</b>	<b>Latest judgement</b>
Inspection of services for children in need of help and protection, children looked after and care leavers	Full children's social care inspection	External – Ofsted	Overall <i>Good</i> 2014
Inspection of children's homes	Residential care homes inspection	External – Ofsted	Five Children's Homes operated by Hampshire County Council have undergone inspections in 2018/19. Of these, two were rated <i>Outstanding</i> two were rated <i>Good</i> and one was rated <i>Requires Improvement</i> to be <i>Good</i> . Hampshire County Council's Secure Children's Home requires improvement to be rated as <i>Good</i> .
Inspection of Local Authorities Children's Services (ILACS) Focussed Inspection	Focus - effectiveness of arrangements for supporting children in need of protection	External – Ofsted	No overall judgement given, letter of findings published November 2018
School Inspections	Inspections of schools	External – Ofsted	Ongoing - as at the end of quarter one 2018/19, 91% of schools were judged to be <i>Good</i> or <i>Outstanding</i> by Ofsted.
Social care self-assessment	Self evaluation is an integral element of inspection of the local authority children's services (ILACS) framework.	Internal and external – shared with Ofsted prior to annual conversation with the Director of Children's Services.	Annual – 2017 – A six month update to June 2018 has been completed 2018 report is currently being written

File audits of social work	Survey audit of case file work alongside the social worker. Undertaken to determine quality of practice and as a learning exercise.	Internal – however, it is a key element of the new ILACS framework. Ofsted require evidence of part of Annex A. Also multi-agency file audits are undertaken by Hampshire Safeguarding Children Board.	No overall judgement recorded as a learning exercise. However, findings in relation to quality of social work and outcomes for children and young people are ascertained and form key element of self assessment. Audit actions are also spot checked and reported back to Children and Families Management Team (CFMT) and area District Manager. CFMT has a process of auditing the audits to assure themselves of the quality of audits being undertaken and address any issues, as well as providing a key window into social care practice at a higher level.
Social work observations	Observations carried out in year looking at social work practice and meeting observations.	Internal – however forms key element of ILACS and self assessment.	No individual judgements allocated.
Peer inspections	Inspections based on the ILACS framework are carried out across districts on a 12 month basis, led by the Area Director from the other area.	Internal	No individual judgements allocated, but feedback is fed into district action plans which are monitored by CFMT.
Inspection of Hampshire youth offending services	YOT inspection	Her Majesty's Inspectorate of Probation	Overall Good 2018 <a href="https://www.justiceinspectorates.gov.uk/hmipr-obation/media/press-releases/2018/09/hampshireyos/">https://www.justiceinspectorates.gov.uk/hmipr-obation/media/press-releases/2018/09/hampshireyos/</a>
Restorative Justice Council's Restorative Services Quality Mark	Youth Offending Team.	External	Restorative Services Quality Mark awarded (April 2016).
<b>Adults' Health and Care</b>			

Adult Social Care Services Inspection	Inspection of in house provided residential and nursing homes.	External – Care Quality Commission	23 in-house care providers are rated as <i>Good</i> (including the four Community Response Teams that deliver reablement to clients at home), and one is rated as <i>Outstanding</i>
<b>Economy, Transport and Environment</b>			
Accreditation to ISO9001:2015 – Quality Management	Economy, Transport & Environment (ETE) Department – whole department.	External – British Standards Institute (bsi)	Assessed every May and November. Last visit (May 2018) resulted in accreditation being successfully maintained
<b>Culture, Communities and Business Services</b>			
UKAS Accreditation	Hampshire Scientific and Asbestos Management services following an annual assessment.	External – UKAS (UK Accreditation Service)	UKAS provide accreditation that Hampshire's asbestos testing and inspection activities are conducted to the standard set out in ISO 17020 and 17025. UKAS audit Hampshire Scientific Service annually for compliance and the last assessment was in July 2018. (accreditation maintained).
Adventure Activities Licensing Services (AALS) Inspection	Hampshire Outdoor Centres.	External – Adventure Activities Licensing Authority	Calshot Activities Centre: Validation expires July 2019.  Hampshire & Cass Foundation Mountain Centre: Validation expires June 2020.
Learning Outside the Classroom (LOtC)	Hampshire Outdoor Centres.	External	Calshot Activities Centre: Validation expires June 2019 Runway's End Outdoor Centre: Validation expires February 2019 Tile Barn Outdoor Centre: Validation expires May 2020

Adventuremark	Hampshire Outdoor Centres.	External	Calshot Activities Centre: Validation expires June 2019 Runway's End Outdoor Centre: Validation expires February 2019 Tile Barn Outdoor Centre: Validation expires May 2020
National Indoor Climbing Award Scheme (NICAS)	Hampshire Outdoor Centres.	External	Calshot Activities Centre: Validation expires May 2019
Royal Yachting Association (RYA)	Hampshire Outdoor Centres.	External	Calshot Activities Centre – Recognised Training Centre – expires December 2018
British Canoeing Quality Mark (BC)	Hampshire Outdoor Centres.	External	Calshot Activities Centre – Quality mark – expires December 2018
Ofsted	Hampshire Outdoor Centres.	External	Calshot Activities Centre – Ongoing approved registered provider of childcare (last inspected 2016)
Green Flag Awards	Outdoor accreditation for a variety of areas.	External	The award was maintained for all five country parks in 2018. Awards are received on a staggered basis.
General Register Office – Stock and Security Audit	Registration –provides assurance to the GRO Compliance and Performance Unit.	External	Latest report to GRO was November 2016 and a 'High' rating was received. Next assessment due November 2019 (3 year cycle for those with a high rating).
Hyperactive Children's Support Group (HACSG)	HC3S annual assessment to retain accreditation for removal of specific additives in primary school meals.	External	Accreditation has been maintained, with the last update in November 2017.

Environmental Health Officers assess the kitchens on a regular basis	HC3S.	External	Elli Restaurant and Coffee Shop was accredited by Allergy UK for their Allergy Aware Scheme in January 2017. ( <a href="https://www.allergyuk.org/get-help/eating-out">https://www.allergyuk.org/get-help/eating-out</a> )  Secondary Schools and Country Parks have been accredited for allergy awareness by Food Service Allergy Management Ltd during 2018.
Annual kitchen audits	HC3S internal audit covering various aspects of catering operation i.e. health and safety, training, finance.	Internal	Healthy Kitchen Assessments (HKA's) are undertaken throughout the year and records are held of all those completed per academic year, Sept to Aug. For Sep 17 to Aug 18 there were 372 HKA's completed.
Accreditation from the Soil Association	HC3S	External	Food For Life Served Here (Bronze) was achieved in May 2018 having been assessed against their criteria as providing freshly made, locally sourced food.
European Notified body Status for measuring instruments and Non-automatic Weighing machines	Trading Standards	External	Status maintained. Latest external surveillance audit undertaken on 24 September 2018. (reported to Regulatory Delivery at the Department for Business, Energy & Industrial Strategy).
<b>Corporate Services</b>			
National Inclusion Standard	Council-wide, inclusion and diversity	External – Inclusive Employers	<i>Bronze</i> Standard
Accreditation to ISO20000 Service Management and ISO27001 Information Security for IT services	IT services	External	ISO20000 maintained from February 2017 to February 2020 ISO27001 maintained from August 2016 to August 2019
Public Sector Internal Audit Standards	Audit services	External - Institute of Internal Auditors	Awarded for 2015-2020

## Integral Appendix A:

Travellers audit	Audits of insurance claim handling by Legal Services.	External – Travellers (insurance)	Maintained – 2018
Lexcel inspection – law Society’s standard for legal practice	Legal Services.	External – Lexcel	Accredited until December 2018



## Appendix Two: Q2 2018/19 key performance achievements

<b>Serving Hampshire priority</b>	<b>Achievement</b>
<p><b>Outcome one:</b> Hampshire maintains strong and sustainable economic growth and prosperity</p>	<p>The County Council allocated £1.3 million to help improve quality of life and employability among specific target groups. More than 9,000 adults will be by given opportunities for free learning to develop their literacy, maths, and digital skills, or improve their health and wellbeing. These subsidised courses will be offered at venues across Hampshire</p>
	<p>£1.6 million funding was awarded to improve Romsey's Market Place. The total allocation is made up of the County Council's Market Town and Public Realm Improvement funding, developed contributions, and funding from Test Valley Borough Council</p>
	<p>Highways maintenance work completed during 2018 to date included:</p> <p>448 planned highways maintenance schemes,</p> <p>66 safety engineering schemes to specifically reduce traffic collisions, and</p> <p>21 bridge joint replacement repairs at Redbridge, to avoid future weight restrictions</p>
	<p>The County Council allocated £3 million match funding to finance additional resources to tackle potholes on Hampshire roads. This includes purchasing two new dragon patcher machines, which can repair defects five times faster than traditional methods</p>
<p><b>Outcome two:</b> people in Hampshire live safe, healthy and independent lives</p>	<p>99% of parents in Hampshire with children aged 4 and 5, who are due to start school in September, were offered a place at one of their preferred primary schools (compared to 98% in 2017/18). 94% were allocated a place at their first choice of school, up from 91% last year</p>
	<p>£9 million funding was allocated to fund 480 new school places through a new primary school in Eastleigh, and expansion of two existing county schools (Four Marks Church of England Primary School, East Hampshire, and Colden Common Primary School, Eastleigh)</p>
	<p>68% of Hampshire's primary school children taking Key Stage 2 SATs in 2018 met the required standards for reading, writing and mathematics, compared with 64% nationally. This represents a 2% improvement on Hampshire's results for 2017</p>

Serving Hampshire priority	Achievement
	<p>The average (provisional) grade per A-level entry has improved from C+ (2017) to B- (2018) – compared to the 2017 national average of grade C</p> <p>Students following advanced Tech-level qualifications also improved their average grade to <i>Distinction</i> - an improvement on the 2017 national average of <i>Distinction minus</i></p>
	<p>The Care Quality Commission reported the findings of its review of Hampshire’s Health and Social Care Systems, undertaken in March 2018. Areas of strength included:</p> <ul style="list-style-type: none"> <li>• consistent and shared vision and strategy across partners</li> <li>• strong understanding of the needs of Hampshire’s population</li> <li>• inter-agency working, enabling service users and their carers to influence service development</li> <li>• advanced use of digital tools.</li> </ul> <p>Recommendations for improvement included streamlining the hospital discharge process and improving the recruitment and retention of key staff groups. Actions to address these areas are set out in a detailed multi-agency plan which is regularly reviewed by the Health and Wellbeing Board and Health and Adult Social Care Select Committee</p>
	<p>The County Council allocated £750,000 to update facilities at 17 of its sites, including residential and nursing homes for older people and day services’ buildings for adults with learning disabilities. Improvements form part of a wider programme of investment in long term accommodation to support Hampshire’s most vulnerable residents</p>
	<p>The County Council allocated £67 million to be invested in care technology over the next ten years to support the growing number of elderly people and younger adults with disabilities in Hampshire. This will include launching a ‘private pay’ service enabling residents to purchase a wide range of care technology available to the County Council’s social care clients. Third parties, including other local authorities and NHS partners, will also be able to buy Technology Enabled Care services from Hampshire.</p>

Serving Hampshire priority	Achievement
	<p>The County Council's catering service (HC3S) was awarded the <i>Food for Life Served Here</i> accreditation from the Soil Association. The award recognises the quality and freshness of school meals provided to 444 primary schools and 21 secondary schools in Hampshire</p>
<p><b>Outcome three:</b> People in Hampshire enjoy a rich and diverse environment</p>	<p>The County's five country parks were awarded the Green Flag for 2018. Lepe, River Hamble, Queen Elizabeth, Royal Victoria and Staunton country parks received the award, which recognises their high environmental standards and excellent visitor facilities.</p>
	<p>CO2 emissions have continued to fall year on year, down to 78,685 in 2017/18 (the most recent data). This is a decline from 83,992 in 2016/17 and meets the 2025 target of 79,080</p>
	<p>A three-year programme to improve Lepe Country Park was completed. The scheme included building a new restaurant, improving existing facilities and working with volunteers to develop a sensory garden. The programme aims to make the park more financially self-sufficient in the long term.</p>
	<p>Totton and Romsey libraries, and Gosport Discovery Centre were refurbished and modernised to become more versatile. Improvements include a multi-functional community room at Totton Library, self service kiosks at Romsey Library and bookable meeting rooms for community groups at Gosport Discovery Centre.</p>
<p><b>Outcome four:</b> people in Hampshire enjoy being part of strong, inclusive communities</p>	<p>Hampshire's Youth Offending Service was judged as <i>Good</i>, with <i>Outstanding</i> features by Ofsted. The report notes that the service provides '<i>an excellent range of interventions to reduce the likelihood of offending</i>'.</p>
	<p>The County Council and the NHS in Hampshire launched the first Hampshire <a href="#">Carers' Charter</a>, as part of a new five-year strategy for supporting adults in Hampshire who voluntarily help or look after a friend or family member. The Charter, developed with carers and voluntary organisations, sets out a series of commitments for how organisations will work with carers to support them in their caring role.</p>

<b>Serving Hampshire priority</b>	<b>Achievement</b>
	<p>The County Council agreed to contribute up to £10.5 million to commission a new service from April 2019 to support victims of domestic abuse and tackle the behaviour of perpetrators in Hampshire.</p> <p>The County Council, the Office of the Police and Crime Commissioner and Southampton City Council are working together to fund the service as part of a new contract with a value of up to a maximum of £13.5 million over seven years.</p>
<p><b>The way we work:</b></p> <ul style="list-style-type: none"> <li>• Develop accessible and efficient online services</li> <li>• Work closely with our partners</li> <li>• Use taxpayers' money wisely</li> </ul>	<p>Customer satisfaction with Shared Services continued to improve, with 68% of customers who completed a feedback survey during June scoring their experience as highly satisfied (score of 8-10) and 79% as satisfied (score of 6-10). This represents the highest satisfaction levels since monthly feedback surveys were introduced in June 2017.</p> <p>HC3S, the County Council's catering service secured nine new catering contracts. This includes two in Hampshire, four in Dorset, and three in Wiltshire (including the first 6th form college to be catered for by the service). The income generated by this service allows skills to be retained within Hampshire, as well as contributing to the Council's budget.</p> <p>The County Council and Commercial Services Kent Ltd (a trading company owned by Kent County Council) agreed to embark on a joint venture for the recruitment of temporary agency staff. The joint agency will enable the County Council to meet growing demand for services, particularly social care, and to better manage and control the sourcing and retention of skilled, high quality agency staff.</p>

## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Committee/Panel:</b>	Policy & Resources Select Committee
<b>Date:</b>	18 <sup>th</sup> January 2019
<b>Title:</b>	Annual IT Update
<b>Report From:</b>	Director of Corporate Resources

**Contact name:** Simon Williams, Head of IT

**Tel:** 01962 847491

**Email:** Simon.williams2@hants.gov.uk

#### 1. Recommendation

1.1. The purpose of this report is to provide an annual IT update to committee members. It considers the main IT activity over the past year and summaries the priorities ahead. It is recommended that this report is noted by the Committee.

#### 2. Contextual information

2.1. As well as underpinning day-to-day business operations, IT activity has focussed on leading major transformational programmes of the County Council including Digital 2, SharePoint/O365, Enabling Productivity, as well as supporting the onboarding of 3 new partners to the Shared Services partnership, and delivering numerous projects to support Transformation to 2019 across the organisation.

2.2. IT Services has delivered a Tt2019 savings target of £3.5m and an additional saving of £2.1m to close funding pressures.

2.3. IT Services is developing a portfolio of projects to deliver a Tt2021 savings target of a further £2.4m

2.4. Delivery of IT to schools in Hampshire is a significant source of external income. Through 2018 we have been reviewing our offer to schools in the context of increasing market competition.

2.5. IT and Data Security remains a key focus and IT has achieved recertification against appropriate national and international standards

#### 3. IT Finances

3.1. The following table summarises the IT internal cash limit budget;

	2017/18 actuals	Original 2018/19 budget	Proposed Budget 2019/20
	£000	£000	£000
<b>Net Expenditure = Cash Limit</b>	<b>30,548</b>	<b>21,341</b>	<b>20,460</b>

3.2. The high level of actuals in 17/18 was the result of IT Projects funded from outside of the IT cash-limit. Planned additional funding was used to balance the budget at year end 17/18 as follows;

- EPP Corporate Support/IT Reserves funding: 6,054k
- IT Reserves for SharePoint, IT's T19 projects and Schools: £720k
- Corporate Support for Digital 2.0 & other enabling infrastructure: £878k
- Corporate Support for Wi-Fi & Video-Conferencing: £115k
- Corporate Support for Business T19 projects: £2,415k
- Partners Development Fund for IBC: £450k

3.3. The variance between the original 2018/19 budget and the proposed budget for 2019/20 is caused by savings and growth including;

- T19 Savings: -£3,709k
- Inflationary growth (mostly staff budgets): £1,353k
- The Web Team moving back into IT: £535k
- Department funding for growth of centralised services: £360k
- Reserve changes: £580k

Note that the proposed budget for 2019/20 does not currently include £5m set aside for IT to cover the ongoing costs of support new devices and services rolled out by Enabling Productivity, Digital 2 and other T19 enabling programmes. This will be added accordingly prior to the start of the next financial year.

#### 4. IT Performance Metrics

4.1. Traditional IT metrics are less and less relevant in a modern business where IT performance is measured by business outcomes more than unit costs of IT, system response times and availability of services. The following nonetheless give an indication of the underlying IT performance and scale of activity:

4.2. The 2019/20 staffing budget includes 365 permanent FTEs. IT also has 129 active contractors on its books and employs a further 31 fixed-term contracts at the time of writing.

- 4.3. The IT Service Desk is receiving around 10,000 incidents and 2,000 service requests per month, with around 50% being raised via self-service. Around 50% of incidents are resolved at the first point of contact by the Service Desk. When contacting the Service Desk by phone, users have an average wait time of 70 seconds.
- 4.4. There has been a reduction of 16.9 FTE staff through EVR which will contribute to IT's T19 saving target.
- 4.5. Overall IT customer satisfaction levels are monitored through a regular automated and randomised electronic survey on a quarterly basis. Satisfaction levels for corporate IT systems remains high with all services receiving a rating of over 3 on a scale of 0–5. Satisfaction levels for school services also remain above 3. Overall satisfaction for the past year was 3.83 against a target of 3.7.
- 4.6. The number of large projects in which IT are engaged has increased with over 70 projects in delivery and 45 in mobilisation (detailed planning) at the end of 2018. Over 50 large projects have been completed in the current portfolio, which covers all projects proposed since 2017. Over 100 additional projects have been stopped during planning, demonstrating that rigorous checks are in place.
- 4.7. In the last year, 93% of projects delivered and rated by the customer have been rated as 'Good' or 'Excellent'.

## **5. Main IT activities over the last 12 months**

- IT initiatives from the last 12 months are too numerous to list in detail. However, the following are listed by way of examples: Phase 2 of the Digital Programme has successfully delivered new automation capability through the use of software robots, a transition of HR Operations onto our corporate case management system, further system enhancements for our contact centres, Supplier Self Service enhancements and a Hybris marketing platform.
- The Enabling Productivity programme is currently rolling out a refreshed device estate to Hampshire Staff, including;
  - 5,200 Hybrid/Laptop Devices
  - 1,700 Docking Stations
  - 820 Fixed Devices
  - 1980 Monitors
  - New meeting room technology rolled out to 55 of 86 meeting rooms.
- The SharePoint project has delivered a new Electronic Document and Records Management System (EDRMS) to all CCBS, ETE and Corporate Services staff. The remaining staff are due to be migrated in Q1 2019.
- The SharePoint and Exchange Online projects have jointly delivered access to Microsoft Office 365 as part of the modernisation of the desktop.
- The Web Programme, including;

- Redesigned and streamlined the Hants.gov.uk public-facing website, and multiple partner sites. Migrated from the outdated content management system into Sitecore, a modern, sustainable and flexible Web platform, capable of supporting our Digital Transformation.
- Supported the delivery over seventy Business T19 projects with online content and digital processes.
- Managed the transition of the Web team into IT, established processes and governance in line with IT best practice.
- The Department IT T19 programmes have delivered numerous projects supporting the delivery of T19 savings across HCC.
- Supporting the Onboarding of the 3 London Boroughs to the IBC service.
- Delivery of a new corporate wireless network service.
- IT Services has been re-accredited against the following national and international standards:
  - Public Service Network (PSN)
  - ISO2000 – International standard for IT Service Management
  - ISO27001 - International standard for Information Security Management
  - Payment Card Industry Data Security Standard (PCI DSS)
- HCC was also identified as one of only four local authorities to be assessed as 'green' in the LGA Cyber Security Stocktake
- Several Hosted Schools Service (HSS) schools have renewed their contracts for a further 5 years with some new schools joining. The number of HSS decommissions have slowed down. Take up for other key services like SIMS, etc remains high with well over 90% of schools subscribing. Significant work has also taken place to review school's IT services, the organisational structure and supporting cost models to ensure the future viability of a service operating in an increasingly competitive marketplace. A proof of concept is also in hand to for a revised HSS service that exploits modern technology and delivers more flexibility for schools.
- Over 400 schools have now signed up for the new HPSN2.1 broadband service which will deliver at least five times more bandwidth and improved web filtering.

## **6. Main Activities Looking Forward**

The priorities for the coming year remain focussed on supporting the Council and its partners to deliver the maximum efficiency and productivity through the best use of IT. Key priorities will include:

- Executing projects on the delivery plan in support of departmental Transformation to 2019 and Transformation to 2021 initiatives
- Working towards the delivery of savings within IT to achieve Transformation to 2021



- Completing the implementation of SharePoint online as our new Electronic Document and Records Management System
- Phase 3 of the Digital Programme, to include;
  - Natural Language AI, Chatbots and IVR
  - Enabling the use of central government services
  - E-Signatures
  - Predictive Analytics
  - Office 365 Phase 2
  - SharePoint Phase 2
  - Dynamic Resource Scheduling
  - Digital Landscape renewal
- Ongoing delivery of the Web Programme, to include;
  - Accessibility compliance for Sitecore
  - Sitecore personalisation & marketing
- Completion of the Enabling Productivity Programme
- Completing the HPSN 2.1 migration, including the migration of the existing Avaya telephony platform to Skype for Business.
- Completing the new Modern Desktop to replace Hantsnet.

## **7. Transformation to 2019**

- 7.1. During 2018, IT have continued to support the organisation with its Transformation to 2019 initiatives whilst delivering its own savings.
- 7.2. IT Services has delivered a Tt2019 savings target of £3.5m and an additional saving of £2.1m to close funding pressures caused by the end of IT Service partnerships with HFRS and Havant & East Hants District Council.
- 7.3. Savings in IT have been made across hardware, software, supply chain and people.
- 7.4. Staff reductions were managed through a mixture of vacancy management and EVR.

## **8. Transformation to 2021**

- 8.1. At the end of 2018, IT supported the organisation with its Transformation to 2021 planning, whilst initiating planning for its own Transformation to 2021 savings.
- 8.2. IT has been set a target of £2.4m for Transformation to 2021 savings.
- 8.3. IT plan to achieve this target by;
  - Improving service transition and delivery to implement operational efficiencies

- Review commercial contracts for further savings through rationalisation and improved governance and good practice
- Continuing rationalisation and modernisation of desktop and data centre services
- Additional income generation following expansion of the Shared Services Partnership
- T19 over achievement

## **9. Consultation and Equalities**

9.1. As this is an update report, no consultation has been undertaken.

**CORPORATE OR 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
<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

**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.)**

DocumentLocation

None

## **IMPACT ASSESSMENTS:**

### **1. Equality Duty**

1.1. 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 under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) 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.

### **1.2. Equalities Impact Assessment:**

See guidance at <http://intranet.hants.gov.uk/equality/equality-assessments.htm>

*Inset in full your **Equality Statement** which will either state*

- (a) why you consider that the project/proposal will have a low or no impact on groups with protected characteristics or*
- (b) will give details of the identified impacts and potential mitigating actions.*

### **2. Impact on Crime and Disorder:**

### **3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Not Applicable – This is an update report.

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## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Committee:</b>	Policy & Resources Select Committee
<b>Date:</b>	18 January 2019
<b>Title:</b>	Work Programme
<b>Report From:</b>	Director of Transformation & Governance – Corporate Services

**Contact name:** Marie Mannveille, Scrutiny Officer

**Tel:** 01962 845018

**Email:** [marie.mannveille@hants.gov.uk](mailto:marie.mannveille@hants.gov.uk)

#### 1. Summary

- 1.1. The purpose of this item is to provide the work programme of future topics to be considered by this Select Committee.

#### 2. Recommendation

That the Policy & Resources Select Committee approve the attached work programme.

**CORPORATE OR 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

**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



## **IMPACT ASSESSMENTS:**

### **1. Equality Duty**

1.1. 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 under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) 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.

### **1.2. Equalities Impact Assessment:**

1.3. This is a forward plan of topics under consideration by the Select Committee, therefore this section is not applicable to this report. The Committee will request appropriate impact assessments to be undertaken should this be relevant for any topic that the Committee is reviewing.

### **2. Impact on Crime and Disorder:**

2.1. This is a forward plan of topics under consideration by the Select Committee, therefore this section is not applicable to this report. The Committee will request appropriate impact assessments to be undertaken should this be relevant for any topic that the Committee is reviewing.

### **3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

This is a forward plan of topics under consideration by the Select Committee, therefore this section is not applicable to this report. The Committee will consider climate change when approaching topics that impact upon our carbon footprint / energy consumption.

## WORK PROGRAMME – POLICY & RESOURCES SELECT COMMITTEE

Topic	Issue	Reason for inclusion	Status and Outcomes	18 Jan 2019	7 March 2019	13 June 2019	24 Sept 2019
<b>Overview/Pre-Scrutiny</b> - <i>To maintain an overview of Policy and Resources issues, and to consider proposed scrutiny topics for inclusion in the work programme.</i>							
<b>Pre-scrutiny</b>	Revenue and Capital Budget	To pre scrutinise the budget proposals for the Policy & Resources portfolio, prior to approval by the Executive Member.	Budget considered annually in January. (in recent years this committee has also received the budget setting item at the January meeting for additional context) In 2019 due to also scrutinise Transformation to 2021 savings proposals at Sept 2019 meeting.	✓			✓
<b>Overview</b>	Performance	To monitor how performance is managed corporately, and consider the performance information to support identification of areas to focus scrutiny.	Members requested to consider the performance report annually. Last received June 2018, next update expected summer 2019. Mid year update due Jan 2019.	✓		✓	

Topic	Issue	Reason for inclusion	Status and Outcomes	18 Jan 2019	7 March 2019	13 June 2019	24 Sept 2019
<b>Overview</b>	IT developments and issues (including Digital Strategy)	Monitoring contribution of IT to change programmes, major projects (e.g. rural broadband) and policy issues in relation to underpinning council services (e.g. disaster recovery plans)	Update has been considered annually. Last update received Jan 2018, next update due Jan 2019. At Sept 2017 meeting requested further detail on IT savings under T19 programme.	✓			
<b>Overview</b>	Budget Monitoring	<p>(a) Final Accounts considered at summer meeting, to see how the budget was managed for the year compared to plan.</p> <p>(b) Medium Term Financial Strategy – considered when appropriate to provide longer term financial context.</p> <p>(c) Planning for the 2019/20 budget gap</p>	<p>(a) Last considered June 2018</p> <p>(b) MTFS last considered June 2018.</p> <p>(c) ‘transformation to 2019’ update last received April 2018.</p>			(a) ✓	

Topic	Issue	Reason for inclusion	Status and Outcomes	18 Jan 2019	7 March 2019	13 June 2019	24 Sept 2019
Overview	Registration Service	To receive an overview of the Hampshire Registration Service.	Offered for November 2018 meeting, deferred.		✓		
Overview	Scientific Services	To receive an overview of Hampshire Scientific Services	Potentially March 2019 meeting.		✓?		
Overview	Local Enterprise Partnerships	Requested by Chairman summer 2018	Introductory presentation Nov 2018, to retain for further scrutiny. To invite chief executive and chairman of both LEPs to a future meeting.		✓?		
Overview	Hampshire 2050 Commission	Requested by Chairman Spring 2018.	Update received Nov 2018. Retain for future update				

Topic	Issue	Reason for inclusion	Status and Outcomes	18 Jan 2019	7 March 2019	13 June 2019	24 Sept 2019
<b>Scrutiny Review</b> - <i>to scrutinise, in-depth, priority areas agreed by the Committee</i>							
None at this time							
<b>Real-time Scrutiny</b> - <i>to scrutinise light-touch items agreed by the Committee, through working groups or items at formal meetings.</i>							
Consultation Policy	Whether improvements could be made to how the County Council engages with the public.	Members were aware of examples of consultations that had not been well received by the public, and wanted to review corporate guidance on consultations.	Working group reported to July 2014 meeting and recommended to Cabinet. Cabinet agreed new policy Feb 2015. Review of implementation April 2016. To retain for future update, timing tbc				

Topic	Issue	Reason for inclusion	Status and Outcomes	18 Jan 2019	7 March 2019	13 June 2019	24 Sept 2019
Crime & Disorder	Duty to review, scrutinise, and report on the decisions made, and actions taken by 'responsible authorities' under the Crime and Disorder Act.	This duty passed from the Safe & Healthy People Select Committee to this committee in May 2014	Introductory item on crime and disorder received at Oct 2014 meeting. Update on crime & disorder work (domestic abuse focus) received at Nov 2015 meeting. Update (with Prevent focus) Nov 2016 and short introduction from PCC. Supporting Troubled Families focus Nov 2017. Child Exploitation focus Nov 2018. Request update on work of county strategy group mid year. (next annual update due Nov 2019)			✓	
Broadband	Issues raised regarding Openreach working with rural communities to implement broadband schemes	Requested by Cllr McNair Scott autumn 2018.	Initial presentation due Jan 2019	✓			

Topic	Issue	Reason for inclusion	Status and Outcomes	18 Jan 2019	7 March 2019	13 June 2019	24 Sept 2019
<b>Monitoring Scrutiny Outcomes</b> - to examine responses to the Committee's reports or comments and check on subsequent progress.							
Collation of Annual Report of Select Committee activity	To support oversight of the scrutiny function, and the role of this committee to ensure scrutiny activity is having impact and being evaluated.	The constitution requires that this committee report to full Council annually providing a summary of the activity of the select committees	In recent years this has been prepared by financial year. Report for 17/18 approved at April meeting, submitted to Sept 2018 Council			✓	

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