

Public Document Pack



NOTICE OF MEETING

Meeting	Cabinet
Date and Time	Monday, 11th December, 2017 at 10.30 am
Place	Wellington Room, Ell Court, The Castle, Winchester
Enquiries to	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 received.

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 - 8)

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. BUDGET SETTING AND PROVISIONAL CASH LIMITS 2018/19

(Pages 9 - 24)

To receive a report of the Director of Corporate Resources regarding the County Council Budget.

7. TRANSFORMATION TO 2019: REPORT NO. 2 (Pages 25 - 38)

To receive a report of the Chief Executive regarding the Transformation to 2019 Programme.

8. SERVING HAMPSHIRE - Q2 2017/18 PERFORMANCE REPORT

(Pages 39 - 56)

To receive a report of the Chief Executive providing strategic oversight of the County Council's performance during Q2 2017/18 against the *Serving Hampshire* Strategic Plan for 2017-21

9. MAJOR DEVELOPMENTS AND INFRASTRUCTURE FUNDING

(Pages 57 - 68)

To receive a report of the Director of Economy, Transport and Environment regarding Major Developments and Infrastructure Funding

10. ANNUAL REPORT OF THE DIRECTOR OF PUBLIC HEALTH (Pages

69 - 106)

To receive the annual report of the Director of Public Health

11. SUPERFAST BROADBAND IN HAMPSHIRE (Pages 107 - 120)

To receive a report of the Director of Culture, Communities and Business Services regarding superfast broadband in Hampshire

ABOUT THIS AGENDA:

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

ABOUT THIS MEETING:

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

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

This page is intentionally left blank

Agenda Item 3

AT A MEETING of the Cabinet of HAMPSHIRE COUNTY COUNCIL held at the Castle, Winchester on Monday, 16th October, 2017

Chairman:

* Councillor Roy Perry

- | | |
|----------------------------|------------------------------|
| * Councillor Keith Mans | * Councillor Andrew Joy |
| * Councillor Peter Edgar | * Councillor Mel Kendal |
| * Councillor Liz Fairhurst | * Councillor Stephen Reid |
| * Councillor Andrew Gibson | Councillor Patricia Stallard |
| * Councillor Rob Humby | |

Also present with the agreement of the Chairman: Councillors Bennison, Carter, Dowden, Forster, Heron, Huxstep and Latham.

Broadcast Statement

The Chairman announced that the meeting was being recorded for broadcast on the County Council's website and would be available for repeated viewing. The press and members of the public were also permitted to film and broadcast this meeting. Those remaining at the meeting were consenting to being filmed and recorded, and to the possible use of those images and recording for broadcasting purposes.

21. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Stallard and from Select Committee Chairmen with a standing invitation to attend Cabinet: Councillors Bolton and Mitchell.

22. 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.

23. MINUTES OF PREVIOUS MEETING

The minutes of the previous meeting were reviewed and agreed.

24. DEPUTATIONS

It was noted that requests to speak by Councillors elected to other Authorities had been declined in accordance with the deputation scheme.

The Chairman confirmed that he welcomed input from non-Executive County Councillors and that he had agreed that Councillor Dowden could speak at Item 6 on the agenda.

25. CHAIRMAN'S ANNOUNCEMENTS

The Chairman noted the significance of this meeting of the Cabinet, with reference to the report relating to future financial strategy and transformation programmes at item 6 on the agenda. He reported recognition for the County Council's achievements and partnership working with the NHS from the head of Public Health England following their visit to Hampshire. With reference to the recent Adult and Children's social care conference in Bournemouth, it was noted that the pressures in those two areas are felt nationwide.

26. MEDIUM TERM FINANCIAL STRATEGY UPDATE AND TRANSFORMATION TO 2019 SAVINGS PROPOSALS

Cabinet received a report of the Director of Corporate Resources regarding the medium term financial strategy and Transformation to 2019 (T19) savings proposals.

In introducing the item, the Chairman noted the scale of savings that had already been made and the work undertaken to achieve this. A further £140 million was now required from a combination of demographic and inflationary pressures and a reduction in government grant. Specific pressures in areas such as providing support for young adults with complex needs were highlighted. To achieve the savings required, the Chairman favoured careful planning, supporting people to help themselves and enabling community level action by Town and Parish Councils.

The Director of Corporate Resources set out the key sections of the report, noting that it included the outcomes of public consultation, recommendations from individual departments and equality impact assessments relating to the proposals. She detailed a number of areas and drew Cabinet's attention in particular to section 3 of the report detailing the Council's commercial activity and its focus on sustainable and low risk investment.

With the agreement of the Chairman, Councillor Dowden addressed Cabinet. He acknowledged that the financial pressure resulted from national austerity measures, but felt that it would cause hardship. He did not consider the consultation that was carried out to be valid and was opposed to the strategy of making equal reductions across the organisation. Councillor Dowden noted that pressure on social care was particularly high and expressed his concern that cuts to community transport would undermine progress by putting community organisations at risk of closure and leading to increased levels of social isolation. He called on Cabinet to seek additional funding from the Government specifically to alleviate pressures on social care provision.

The Chairman thanked Councillor Dowden for his input and confirmed that all of Cabinet were very concerned about the position, but noted that government could not simply keep spending and therefore savings were required. The approach of asking for an equal contribution from all departments and then seeking to provide additional support for vulnerable areas where required was supported.

In discussion of the issues raised, Members were supportive of the direction of travel and of the report. It was noted that the County Council did not have the option of sharply increasing Council Tax as had been done in the 1990s and therefore savings were needed. Furthermore there were statutory restrictions on the way in which some service provision could be changed, despite public support, such as charging for the use of Household Waste Recycling Centres (HWRCs). Cabinet acknowledged that the number of consultation responses had been low and felt that this was reflective of a broad level of acceptance for the proposals. It was emphasised that the goal of improving social outcomes continued despite the financial pressure and confirmed that providing protection for vulnerable children would not change. It was also confirmed that approaches would be made to government regarding the charging restrictions on HWRCs and exploring the options for a pilot scheme.

With reference to the community benefits that could be driven by Town and Parish Councils and the impact of the proposals on communities in Hampshire, it was proposed and agreed that the recommendation at 14.11 be amended to increase the funding available to those Councils to £500,000. It was furthermore proposed and agreed that an additional recommendation be added at 14.12 that Cabinet:

“Requires that officers, as specific decision making processes move forward, continue to explore all viable options to revise or refine these proposals with particular regard to service continuity in areas such as community transport, school crossing patrols and waste and recycling centres, in consultation with partners and stakeholders as appropriate, while recognising that any modification to any proposal must be consistent with the financial and time imperatives of the overall programme.”

With the two amendments detailed above, the recommendations in the report, including the recommendations to the County Council were proposed and agreed. The decision record is attached.

Chairman,

This page is intentionally left blank

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	11 December 2017
Title:	Budget Setting and Provisional Cash Limits 2018/19
Report From:	Director of Corporate Resources – Corporate Services

Contact name: Rob Carr

Tel: 01962 847508

Email: Rob.Carr@hants.gov.uk

1. Executive Summary

- 1.1 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 2018/19 budget.
- 1.2 In line with the current financial strategy, there will be no new savings proposals presented as part of the 2018/19 budget setting process. Savings targets for 2019/20 were approved as part of the Medium Term Financial Strategy (MTFS) in July 2016 and detailed savings proposals have been developed through the Transformation to 2019 (Tt2019) Programme which were agreed by Cabinet and County Council during October and November this year. It should be noted that County Council agreed that officers would continue to explore all viable options to revise or refine these proposals with particular regard to service continuity in areas such as community transport, school crossing patrols and waste and recycling centres, while recognising that any modification to any proposal must be consistent with the financial and time imperatives of the overall programme.
- 1.3 The Tt2019 Programme will look to deliver further savings of £140m, bringing the cumulative total of savings to £480m over a 10 year period. An update on the progress being made by departments is provided in the transformation report presented elsewhere on this agenda.
- 1.4 The updated MTFS referenced clearly the challenges associated with the Tt2019 Programme and made clear that delivery would extend beyond two years. The anticipated delay in the delivery of cash savings for some elements of the Tt2019 Programme was factored into the medium term forecasts to ensure that one-off funding was available both corporately and within departments to meet any potential gap over the period.
- 1.5 Due to the scale of the overall challenge and the increased risk to the timely delivery of the savings, the Corporate Management Team (CMT) have carried out a planned peer review over the early autumn of the higher risk elements of the programme. The financial implications of this review are a requirement for

up to £40m of corporate one-off cash support to enable the respective programmes to be safely delivered. This overall cash flow support figure is £4m more than the provision agreed within the MTFS but can be met from the Grant Equalisation Reserve (GER).

- 1.6 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.
- 1.7 The updated MTFS approved by the County Council in November 2017 included the working assumption that council tax will increase by the maximum permissible without a referendum in line with government policy. In addition, it set out that a significant draw from the GER is anticipated in order to balance the budget, recognising the scale of the transformation and the lead in times for achieving the savings themselves, in order to give the time and capacity to achieve the savings targets set for 2019/20.
- 1.8 This report 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.

2. Contextual information

- 2.1 Previous 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.
- 2.2 The CSR and Autumn Statement were published together on 25 November 2015, with the Spending Review covering the period from 2016/17 to 2019/20.
- 2.3 As part of the Local Government Finance Settlement, the Government announced that it would offer a four-year settlement to authorities who could 'demonstrate efficiency savings' over the period up to 2019/20. To apply for this offer local authorities were required to confirm acceptance by 5pm on Friday 14 October 2016 and provide a link to their published efficiency plan.
- 2.4 Following acceptance by the Department for Communities and Local Government (DCLG) of the County Council's Efficiency Plan for the period to 2019/20, the expectation is for minimal change for 2018/19 when the Provisional Local Government Finance Settlement is announced in December. However, it is still possible that there may be variations that need to be taken into account when setting the budget in February.
- 2.5 In his autumn statement in November 2016 the Chancellor announced that the government would move to a single major fiscal event each year. This means following the spring 2017 Budget and Finance Bill, budgets will be delivered in the autumn and the first was published on 22 November 2017.
- 2.6 The Autumn Budget sets out the Government's plans for the economy based on the latest forecasts from the Office for Budget Responsibility (OBR). These forecasts revised down productivity forecasts, which in turn resulted in the GDP forecasts for every year being revised downward. However,

Whitehall departmental spending in 2019/20 will be higher than envisaged at Budget 2016 by £2.1 billion, due to no longer proceeding with some proposed reductions, and will grow in 2020/21 and 2021/22 in line with the profiles set out at Autumn Statement 2016 and Spring Budget 2017.

- 2.7 The Chancellor set out a range of proposals including the following:
- Business rates will increase by the lower CPI inflation measure (rather than the RPI currently used) from 2018 onwards; as opposed to 2020 as previously planned.
 - Local authorities will be able to increase the council tax premium on empty homes from 50% to 100%.
 - The Government intends to move away from the 1% public sector pay award policy although no further details on levels were provided. The Government has committed to fund pay awards for NHS staff in order to protect frontline services.
 - The National Living Wage will increase by 4.4% from £7.50 to £7.83 in April 2018.
 - Additional funding for the NHS, a range of measures targeted at the teaching of maths, computer science and IT and for transport and environmental priorities (including potholes and flood and coastal defence schemes).
 - The Government will lend English local authorities up to £1 billion at a discounted interest rate of gilts + 60 basis points accessible for three years to support infrastructure projects that are high value for money. Details of the bidding process will be published in December.
 - The Government's ambition is to build 300,000 new homes a year by the middle of the next decade and policy measures include plans to consult on a number of changes to developer contributions and to lift the Housing Revenue Account borrowing caps for councils in areas of high affordability pressure, so they can build more council homes. In addition, the Government will support more strategic and zonal planning approaches through housing deals in the South East and provide additional funding for the Housing Infrastructure Fund.
- 2.8 None of these announcements has an immediate impact on the setting of the budget for 2018/19 and any changes contained in the provisional Local Government Settlement which will be announced in December will be reported to Cabinet and County Council.
- 2.9 Despite impressively strong and consistent financial performance over many years, further to last year's finance settlement for local government, the County Council is facing a forecast budget gap of some £140m by 2019/20 that requires closing. This is after safely removing £340m of savings over the past seven years and within that, delivering in full on the Transformation to 2017 (Tt2017) Programme.
- 2.10 Savings proposals for 2019/20 have already been agreed, although it should be noted that County Council agreed that officers would continue to explore all viable options to revise or refine these proposals with particular regard to

service continuity in areas such as community transport, school crossing patrols and waste and recycling centres. An update on the progress being made is provided in the transformation report presented elsewhere on this agenda and the focus now is on implementation and delivery.

- 2.11 Given this position, the main focus in setting the budget for 2018/19 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.

3 Revenue Financial Monitoring

- 3.1 The forecast revenue monitoring position for 2017/18 as at the end of August (Month 5) was presented to Cabinet in October. This forecast indicated that overall there was good delivery of savings and management within the budget and that where there were issues, these had mostly been anticipated and could be accommodated on a one-off basis from departmental cost of change (and other) reserves alongside approved corporate support.
- 3.2 The updated position as at the end of the October (Month 7) has not changed fundamentally and is summarised in the following table:

	Adults' Health and Care	Children's Services	ETE, CCBS & Corporate Services
	£'000	£'000	£'000
Investment / Cost of Change Used	7,909	6,076	19,708
Pressures	1,716	10,309	269
Tt2017 Late Delivery	8,442	989	2,170
Subtotal	18,067	17,374	22,147
To Be Met From:			
Tt2019 Early Delivery	(716)	(645)	(3,005)
Other Savings	(1,605)	(995)	(8,701)
Other Departmental Reserves	(4,183)		(1,388)
Unallocated Corporate Support		(1,965)	(3,245)
Departmental Cost of Change	(11,563)	(5,356)	(5,808)
Total (Under) / Over Spend	0	8,413	0

- 3.3 It is worth reiterating that at this point in the year the forecasts themselves still tend to concentrate on the more significant negative items without considering in depth other areas of potential under spend that could be used to offset them. Monitoring at this stage therefore still tends to the side of prudence and as the year progresses 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.

- 3.4 The pressures within Children's Services and the exhaustion of the Department's cost of change reserves were anticipated in the medium term through the monitoring completed in 2016/17.
- 3.5 Nationally there is growing attention being focused on the pressures facing children's services and analysis by the Local Government Association (LGA) published in the summer highlighted that growing demand for support is leading to over spends in an increasing number of authorities.
- 3.6 Additional investment in a range of areas within Children's Services was approved as part of the updated MTFs, 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, will ensure that the Department operates from a firm financial base as attention turns to the next transformation programme.
- 3.7 Financial pressures on schools are increasing, both at an individual school level and within the overall schools budget. The overall schools budget will end in deficit this financial year and Schools Forum has agreed for this to be carried forward into the budget for 2018/19. The pressure 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 (EHC) plans. A number of management actions are being developed to reduce this pressure.
- 3.8 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.
- 3.9 In September 2017, the Department for Education (DfE) announced the introduction of a National Funding Formula for Schools, High Needs and the Central School Services blocks. The Government's intention is 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. For 2018/19 and 2019/20, funding for schools will be calculated on a national basis and then passed to the local authority for allocation.
- 3.10 By the end of the three year transition period Hampshire's schools budget should have gained £37m through the changes, subject to decisions made regarding the next Spending Review. The local implementation of the changes is complex with a great deal of external scrutiny requiring clear consultation and engagement. A series of briefings were provided open to all stakeholders and a three week consultation was undertaken with all schools to seek views on changes to the local formula.
- 3.11 As we move further through the financial year we will have a clearer picture of the likely outturn position for 2017/18 and each year we prepare a revised budget that is presented to Cabinet in January and 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 2017/18 revised budget position.

4 2018/19 Budget Setting

- 4.1 The deliberate strategy that the County Council has followed to date for dealing with grant reductions and unfunded demand and inflationary pressures is well documented. It involves planning ahead of time, in order to give departments the maximum time and capacity for implementation, making savings in advance of need and then using those savings to help fund transformational change to generate the next round of savings.
- 4.2 In line with this strategy, the Transformation to 2019 (Tt2019) Programme has been in place for some time to develop the £140m of savings required to balance the budget for 2019/20. Detailed savings proposals for each department were approved by the County Council in November 2017, in order to allow more time for delivery of the savings; including the requirement to undertake a second stage of service specific consultations where necessary. Subject to further consultation where required, the programme has now moved to formal implementation.
- 4.3 It should be noted that County Council agreed that officers would continue to explore all viable options to revise or refine these proposals with particular regard to service continuity in areas such as community transport, school crossing patrols and waste and recycling centres, while recognising that any modification to any proposal must be consistent with the financial and time imperatives of the overall programme.
- 4.4 Since the transformation 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 2018/19 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.
- 4.5 The next section of this report sets out the details of provisional cash limits for departments for 2018/19, which take into account any base budget changes and the impact of inflation.
- 4.6 The MTFs approved by the County Council in November 2017 including the working assumption 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 4.99%, of which 3% will contribute towards the increased costs of adults' social care, in line with the government's amended approach which is built into their settlement calculations.
- 4.7 In addition, the financial strategy assumes a significant draw from the Grant Equalisation Reserve (GER) in 2018/19 to balance the budget, recognising the scale of the transformation and the lead in times for achieving the savings themselves.

- 4.8 Final details of the settlement for next year, 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.

5 Provisional Cash Limits

- 5.1 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.
- 5.2 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.
- 5.3 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.
- 5.4 As a consequence for 2018/19 a contribution has been made towards meeting the cost of step progression as part of the allocation of corporate inflation to cash limited budgets. A general allowance of 1.5% of relevant employee budgets (directly employed staff) has been made – the difference between most steps is 3% but some staff will be at the top of the grade and so progression will not apply.
- 5.5 Allowances for pay increases are held centrally until any awards are agreed.
- 5.6 As part of the last pay deal (which was a two year deal covering 2016/17 and 2017/18) the LGA and trade unions committed to undertake a technical review of the National Joint Council (NJC) pay spine. The intention is to move to a new NJC pay framework in March 2019 as part of a negotiated two year pay deal with an interim increase for April 2018 based upon the existing framework.
- 5.7 The EHCC pay framework is different to the national NJC pay framework, in terms of both grades and salaries but the EHCC agreement requires the national pay award (percentage or monetary amount) to be applied to EHCC grades of A to G inclusive and so the outcome of the national pay award will be relevant.
- 5.8 Until the details of the two year pay deal are known it is not possible to quantify the impact for the County Council but the MTFS includes provision for a 1% per annum pay award (impact on cash limited budgets for each 1% increase is circa £2.5m) and an additional allowance rising to £5m by 2020 for the impact of the National Living Wage on the directly employed workforce within cash limited services.
- 5.9 In the Autumn Budget the Chancellor signalled that the Government intends to move away from the 1% public sector pay award policy although no further details on levels were provided.

- 5.10 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 2017/18 position has been updated taking into account forecast changes, such as increases in respect of the pupil premium and other grant related changes.
- 5.11 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 2018/19 at the meeting in February 2018.

6 Transformation to 2019

- 6.1 Throughout the period since 2010 the County Council's financial performance has been very strong. Cumulative savings including the full achievement of Tt2017 targets have seen some £340m being removed from budgets since 2010. Year end outturn reports have consistently demonstrated that departments have continued to manage their resources, provide further for one-off investment to support the on-going transformation challenge and at the same time maintain and even improve service outcomes and performance.
- 6.2 Whilst this performance has been sustained to date, the cumulative impact of numerous savings programmes together with sustained pressure on all departments, but in particular social care spending, show a different picture beginning to emerge.
- 6.3 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.
- 6.4 Some savings may be implemented prior to April 2019 and therefore any early achievement of savings in 2018/19 can be retained by departments to meet cost of change priorities. However, as we progress through and beyond 2017/18, Children's Services are unlikely to remain within their cash limited expenditure position without central financial support, and both Children's Services and Adults' Health and Care are forecast to exhaust their cost of change reserves in the next two to three years.
- 6.5 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 as such some savings may not be achieved in 2019/20 and will need to be supported on a one-off basis.
- 6.6 Cabinet has previously noted that each successive transformation programme over the past seven years has been harder than the previous one as the scope for early and easier savings is further diminished. The MTFS referenced clearly the challenges associated with the Tt2019 Programme and made clear that delivery would extend beyond two years. In the most part the cash flow support required to manage the extended delivery timetable will be met from departmental cost of change reserves, which will be boosted by some early delivery in 2018/19.

- 6.7 The MTFS set out that a further contingency would be held corporately to cover any remaining shortfall and at that point a sum to manage the potential risk of 20% in 2019/20 and 10% in 2020/21 (£24m and £12m) was provided for. However, it was confirmed that due to the scale of the overall challenge and the increased risk to the timely delivery of the savings, the Corporate Management Team (CMT) would carry out a peer review of the higher risk elements of the programme over the early autumn and would advise accordingly on any changes to the corporate financial support required.
- 6.8 The peer review exercise has been completed and focussed in particular on key risks and assumptions, the timescales for Stage 2 consultations and the lead in time for certain changes in staff and customer behaviour to become fully embedded.
- 6.9 Following this review, small changes were made to the profile for Economy, Transport and Environment (ETE), but the biggest movement was in Adults' Health and Care where greater time has been allowed for changes to take affect within the Living Independently work stream; particularly around the Strength Based Approach and managing demand and prevention.
- 6.10 The updated forecast cash flow position of savings in each of the years following the risk assessment and savings profile work is shown in the table below:

	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000
Adults' Health & Care	8,269	41,780	52,106	55,756
Children's – Non-Schools	2,655	14,062	20,871	27,686
ETE	3,840	13,510	19,005	19,005
Policy & Resources (P&R)	4,271	14,304	14,929	14,929
Departmental Total	19,035	83,656	106,911	117,376
Early Achievement / (Shortfall)	19,035	(36,344)	(13,089)	(2,624)

- 6.11 The later delivery of certain projects is consistent with previous updates on Tt2019, reflecting the complex nature of different savings areas. Much of the later delivery relates to activity in Adults' Health and Care and Children's Services. Transforming front line services in these areas is notoriously difficult and requires time to be achieved safely and without significant disruption to service users and their families.
- 6.12 The financial impact of the planned later achievement of savings for the two social care departments (taking into account their existing levels of cost of change) is a requirement for up to £40m of corporate one-off cash support to enable the respective programmes to be safely delivered. This overall cash flow support figure is £4m more than was approved within the MTFS but can be met from the GER.

- 6.13 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 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. Furthermore, it is almost certain that there will be a continued squeeze on public sector funding into the next decade. This puts an added premium on Tt2019 being delivered in full, and in the most timely manner possible, to ensure the County Council is in the best possible position at the commencement of any successor programme.
- 6.14 The MTFs contained details of significant investment in the Transformation Team and enabling IT and to supplement this additional resource in a number of support services may be required depending on the timing and complexity of the support required. At this stage of implementation, a total of £155,000 per annum for two years is being requested, for enabling support.
- 6.15 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.

7 Capital Investment

- 7.1 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.
- 7.2 The timeframe for capital planning moves on each year and for the 2018/19 budget process, the programme will be extended into 2020/21. The table below shows the provisional capital guidelines that are being allocated to each department:

	2018/19	2019/20	2020/21
	£'000	£'000	£'000
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
Total	17,202	17,202	17,202

- 7.3 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. For Policy and Resources, the guideline includes an additional £1m per annum to increase the ongoing provision for the replacement of and addition

to the vehicle fleet managed by Hampshire Transport Management (HTM) as agreed by County Council in November 2017.

- 7.4 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.
- 7.5 The figures in the table above represent the 'locally resourced' allocations to the capital programme, which supplement other capital resources that fund the overall capital programme, such as developers contributions, capital receipts, Government grant and borrowing. The total programme approved last February is shown in the table below and this will be updated as part of the budget setting process for 2018/19:

	Revised				Total
	2016/17	2017/18	2018/19	2019/20	Total
	£000	£000	£000	£000	£000
Adult's Health & Care	69,937	481	481	481	71,380
Children's Services	92,960	106,737	44,079	82,145	325,921
ETE	106,900	52,546	118,818	38,086	316,350
P&R	48,796	33,312	21,664	21,664	125,436
Total	318,593	193,076	185,042	142,376	839,087
		520,494			

- 7.6 Given the link with revenue, as part of the Tt2019 Programme a review of the capital programme (and associated funding) is underway to explore any avenues that would result in a positive impact on the revenue position and to ensure that any capital requirements to support the delivery of savings are provided for.
- 7.7 The review is being conducted by an existing cross departmental officer group called the Corporate Infrastructure Group (CIG) chaired by the Director of Economy, Transport and Environment and will also include consideration of the wider capital requirements facing the County Council. A summary of the review, together with a revised capital strategy, will be reported as part of the budget setting process to Cabinet and County Council during January and February next year
- 7.8 The County Council's ability to continue to provide significant resources to invest wisely in specific priorities (such as the significant Secondary School Places programme) in line with the County Council's focus on service improvement and to generate revenue benefits in future financial years, even in financial challenging circumstances, is a testament to the strong financial management and rigorous approach to planning and delivering savings that has been applied; and to the benefits that can be achieved from working at scale.

8 Recommendation(s)

It is recommended that Cabinet:

- 8.1 Approves the provisional cash limits for 2018/19 set out in Appendix 1.
- 8.2 Approves a one-off sum of £310,000 from the Invest to Save Reserve to fund additional resource for enabling support over the next two years.
- 8.3 Approves the capital guideline amounts for the next three years set out in paragraph 7.2.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

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

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
Medium Term Financial Strategy and Transformation to 2019 Savings Proposals (County Council and Cabinet)	2 November 2017 and
http://democracy.hants.gov.uk/ielssueDetails.aspx?IId=5988&PlanId=0&Opt=3#A13196	16 October 2107

Direct links to specific legislation or Government Directives	
<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:

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 – 2018/19

	2017/18 Cash Limit £'000	Base Changes £'000	Inflation & Growth £'000	2018/19 Cash Limit £'000
Adults' Health and Care	355,587	17,437	22,959	395,983
Children's – Schools	786,892	(5,816)		781,076
Children's – Non Schools	150,067	(809)	17,283	166,541
ETE	108,014	201	4,291	112,506
P&R	87,564	(1,693)	5,650	91,521
Total	1,488,124	9,320	50,183	1,547,627

Notes:**Base Changes**

- Largely relate to changes in grants (notably the Improved Better Care Fund within Adults' Health and Care), movements between services and contributions to / draws from reserves.

Inflation & Growth

- In addition to general price inflation (much of which relates to care provision in Adult's Health and Care) this includes a 1% increase in the pension contribution rate and previously agreed increases in past service contributions and a general allowance of 1.5% of relevant employee budgets (directly employed staff) for step progression, along with inflation for the waste contract.
- Reflects 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.

This page is intentionally left blank

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	11 December 2017
Title:	Transformation to 2019: Report No. 2
Report From:	Chief Executive

Contact name: John Coughlan

Tel: 01962 846400

Email: john.coughlan@hants.gov.uk

1. Executive Summary

- 1.1 This is the second dedicated Transformation to 2019 (Tt2019) report to Cabinet setting out the latest programme position following the Full Council approval in November of the full set of savings proposals put forward to enable a predicted budget gap of £140m by April 2019 to be closed. £120m of savings are set to be met by the individual Departments meeting a circa 19% reduction to their cash limits. The remaining £20m being achieved from corporate housekeeping including a change in accounting practice relating to minimum revenue provisions in respect of depreciation.
- 1.2 Full Council approval of the budget envelope for 2019 followed a summer public consultation exercise that provided an opportunity for residents and stakeholders to express their views on how best the County Council should go about the challenge of balancing a forecast £140m future budget gap. Further to the public consultation process and informed by it, Departments took their specific savings proposals to Select Committee meetings and Executive Member Decision Days in September, and in October, Cabinet approved a Medium Term Financial Strategy and Transformation to 2019 Savings Proposals report which included the outcome of the public consultation exercise.
- 1.3 The October Cabinet report referenced clearly the challenges associated with the Tt2019 programme and made clear that delivery would extend beyond two years but that this would be supported financially by cost of change reserves held by Departments with the exception of Children's Services. The report confirmed that due to the scale of the overall challenge and the increased risk to the timely delivery of the savings, CMT would be carrying out a peer review over the early autumn of the higher risk elements of the programme and would advise accordingly in this report on any changes to the financial support requirements for Tt2019.

1.4 The peer review exercise has been completed and in summary, it is estimated that further one-off cash flow support will be required to enable the safe delivery of the Adults element of the programme. This brings the overall Tt2019 cash flow requirement to £40m to support the savings programmes in Adults and Children's which, subject to the careful management of some key risks, are forecast to take four years to deliver. Delivery in ETE, CCBS and Corporate Services is also set to extend beyond April 2019 but in each case the individual Departments will manage the later savings achievement through their own cost of change reserves.

1.5 At the October Cabinet meeting, the combined set of Departmental savings proposals were agreed to be put forward to Full Council for approval in November. In light of the nature and consequences of some of the specific savings proposals, Cabinet also agreed to a further recommendation as per below:

That Cabinet:

“Requires that officers, as specific decision making processes move forward, continue to explore all viable options to revise or refine these proposals with particular regard to service continuity in areas such as community transport, school crossing patrols and waste and recycling centres, in consultation with partners and stakeholders as appropriate, while recognising that any modification to any proposal must be consistent with the financial and time imperatives of the overall programme.”

1.6 The focus for the programme is now very much on implementation and delivery. Where appropriate, this will include further service specific public consultations where proposals and options for service change will be debated with service users and key stakeholders. Presently, it is envisaged that up to 12 service-specific consultations could be progressed between now and the end of 2018. Early implementation progress has been positive with some £26m of the £140m target secured by October. This includes the full achievement of the £20m of corporate housekeeping savings alongside some early delivery across the different Department programmes.

1.7 Resources for the programme are largely in place and are focused on any number of the more significant programmes of work. This includes deployment of the in-house Transformation team to support the delivery of Adults and Children's projects as well as specialist I.T input to drive forward the business critical Digital 2 programme which, as previously reported, is a key enabler for Tt2019. Strong progress is also being made with other important enabling projects including 'Strategic Procurement' and 'Enabling Productivity'. Each of these important contributors to Tt2019, are covered in more detail in later sections of this report.

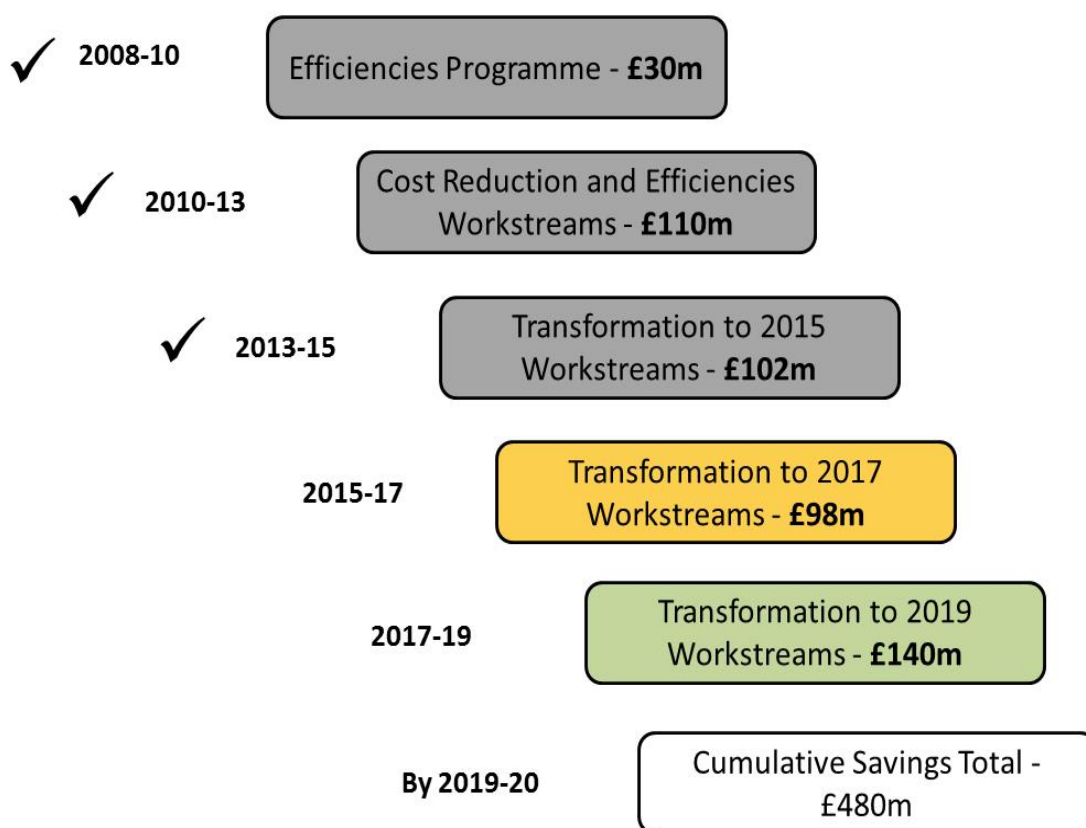
1.8 In line with previous major cost reduction exercises, Tt2019 progress is being closely monitored and is subject to monthly review by CMT. This ensures that issues, concerns and risks are dynamically responded to and

dealt with and also means 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. Further, it is almost certain that there will be a continued squeeze on public sector funding into the next decade. This puts an added premium on Tt2019 being delivered in full and in the most timely manner possible to put the Council in the best position possible at the commencement of any successor programme.

2. Financial Context

- 2.1 Cabinet has previously noted that each successive programme of 'transformation' in itself is harder than the previous one as the scope for early and easier removal of spending lessens each time. To this end, Tt2019 is set to test the Council like no other programme has to this point.
- 2.2 Throughout the austerity period the Council's financial performance has been very strong. Cumulative savings, including the full Tt2017 achievement, have seen some £340m being removed from budgets since 2010. Year end outturn reports have consistently demonstrated that Departments have continued to manage their resources, provide further for one off investment to support the on-going transformation challenge and at the same time maintain and even improve service outcomes and performance.
- 2.3 Whilst performance has been sustained to date, the cumulative impact of numerous savings programmes together with sustained pressure on all Departments, but in particular social care spending, show a different picture beginning to emerge. As we look forward Children's Services are unlikely to remain within their cash limited expenditure position without central financial support and both Children's and Adults are set to exhaust their cost of change reserves in the next two to three years.
- 2.4 The MTFs presented to Cabinet in October 2017 provided the latest overall financial position to 2019/20. The MTFs confirmed that further to the full delivery of Transformation to 2017, the County Council will still be required to achieve an additional £140m of recurring savings by April 2019 even after allowing for Council Tax rises averaging 3.99% each year through to the end of 2019/20 made up of a 1.99% standard annual precept increase and an additional adult social care precept averaging 2.00% per annum for a three year period. The Tt2019 programme will mean a cumulative £480m of cost reduction for the County Council over the past decade per Figure 1 over the page.

Figure 1. Cost Reduction Exercises including the Tt2019 Programme Requirement



3. Tt2019 – Targets and Timeframe

- 3.1 Cabinet approved the overall programme target of £140m and the breakdown of the programme, including Department targets when considering the medium term financial strategy report of the Director of Corporate Resources in June 2016.
- 3.2 It was agreed that £120m of the overall programme should be met by Departments, equating to a further cash limit reduction of some 19%. The cumulative Tt2019 challenge for the Departments being one third again, the size of what was asked of them for Tt2017.
- 3.3 The remaining £20m will be secured from corporate housekeeping. In the main this will result from changes in accounting practice in respect of the minimum revenue provisions (MRP) for depreciation, but this will also cover management of debt and reserves. This aspect of the programme is likely to be delivered in part this year providing a sensible and solid start to the programme overall. The programme breakdown and individual Department targets are shown in Appendix 1.
- 3.4 At their June 2016 meeting, Cabinet also approved the headline programme timetable including an earlier budget setting process to take place in September and October this year aimed at allowing the maximum possible time to plan, work on and implement the range of service changes required

to enable the programme to be delivered. The programme timetable allowed for a public consultation exercise that was completed over the summer. This exercise preceded the budget setting period so that the proposals that were considered by Select Committees, Executive Members, Cabinet and then Full Council were appropriately informed by the views of residents and stakeholders.

- 3.5 At the October Cabinet meeting, the combined set of savings proposals from across the different Departments were approved for onward consideration by Full Council in November. In addition to the different recommendations agreed by Cabinet, and in light of some of the specific challenges raised by the Tt2019 proposals, an additional recommendation was also agreed to as per below:

That Cabinet:

“Requires that officers, as specific decision making processes move forward, continue to explore all viable options to revise or refine these proposals with particular regard to service continuity in areas such as community transport, school crossing patrols and waste and recycling centres, in consultation with partners and stakeholders as appropriate, while recognising that any modification to any proposal must be consistent with the financial and time imperatives of the overall programme.”

4. Tt2019 Programme Overview and Early Progress

- 4.1 Over the summer and early autumn, and alongside the early budget setting process, Departments have been working hard to ensure that their various projects and overall programmes are robustly planned and resourced in order to provide the right conditions for the continued transformation of services and realisation of savings. This work has included a full risk assessment for each project that builds on what has been done previously but has been added to in order to appropriately reflect the greater scale and complexity of the Tt2019 programme.
- 4.2 Further, CMT completed in early November (paragraph 1.3) a peer review of the higher risk projects and scrutinised the savings delivery profiles for each Department so that the corporate cash flow requirements for the programme overall could be updated and planned for. The results of the risk assessment and savings profile work are covered in the following paragraphs.
- 4.3 The programme risk apportionment exercise, from a delivery point of view, has resulted in the following profile

Blue	£ 26m
Green	£ 29m
Amber	£ 37m
Red	£ 48m
Total	£140m

- 4.4 Unsurprisingly for this early stage of what is a very challenging programme, a significant proportion (61%) of the overall savings to be achieved sits in the Amber and Red classifications. Given the complexity of any number of the savings areas, the reported position is not an unexpected one. Just over £64m of the cumulative Red and Amber totals relate to Adults and Children's. This equates to three quarters (75%) of their combined programmes. Proportionately, the challenges for ETE are greater still with in excess of £16m classified as Amber or Red against an overall savings requirement of £19m. This represents 86% of the total ETE programme.
- 4.5 The risks for each of the aforementioned Departments are well rehearsed but numerous. The two Social Care Departments continue to experience growth in demand. Transforming these key front line services is notoriously difficult and requires extra time for and changes to be safely implemented without significant disruption to service users and their families. For Adults the demand challenges is in different forms including higher numbers of younger adults with complex care needs, an increasing amount of people experiencing mental health problems and an aging population that is set to result in a large increase in the 85 year plus population where frailty and multiple long term conditions are most prevalent.
- 4.6 For Children's Corporate financial support has already been factored in both in year and continuing into 2018/19 to accommodate known cost pressures in terms of Children Looked After and Home to School Transport. Containing and then reducing demand and thus cost in these two key areas will be especially difficult and whilst work programmes have been robustly planned a number of risks will need to be relentlessly managed. These include attracting and maintaining higher number of Social Workers with an overall resource increase of 120 being targeted over the next 2-3 years. Nationally, there is growing recognition that Children's Services are facing financial difficulties that now go beyond the very challenging environment in which Adult Services have been and are operating in. Safely removing £30m from the service, even over an extended four year programme period is going to be especially difficult. Alongside demand challenges, the Department will also need to manage or work with partners through a range of other key risks including Continuing Health Care funding with the NHS, the increasing budget challenges being faced by Schools', the transition to a new I.T Care Management system and Ofsted inspections in the New Year that will cover both Hampshire and the Isle of Wight. Alongside these, removing any financial support from the annual spend on Children with Disabilities will present its own difficulties with any final changes to service provision being subject to a planned 2018 service specific public consultation, Member scrutiny and an Executive Member decision.
- 4.7 For ETE a number of the savings proposals are sensitive, will be challenging to deliver and any future service changes will be subject to the outcome of different service specific public consultations planned for 2018. Just over £10m of the £19m programme is classified as Red covering proposals related to school crossing patrols, bus subsidies, community transport,

HWRC's and waste contract spend reductions. The latter two areas alone amount to nearly 40% of the £10m sum and will require capital investment, operational changes and improved levels of recyclables via the collection authority arrangements for the savings to be secured. Like Adults and Children's, the ETE programme is likely to require four years to deliver.

- 4.8 The risks and issues associated with CCBS and Corporate Services are less significant from a direct service perspective although there are a range of challenges to overcome and work through including timing. Introducing greater levels of self-service, implementing further digital technology initiatives and reducing (and at the same time modernising) the corporate office estate will all combine to improve the Council's overall efficiency and reduce its business operating costs. The different projects themselves will not be straightforward to deliver, especially at a time when so much other service change is also happening. Positively, the on-boarding of three London Boroughs to the shared service arrangements provides additional income which is not currently accounted for within the savings plans and therefore provides an additional and welcome buffer.
- 4.9 Pleasingly, the Blue and Green classifications already account for a healthy £55m, or just under 40% of the overall programme requirement. The £26m that is Blue (secured) includes the full £20m Corporate Housekeeping component being secured with the remainder covering the early delivery of some smaller projects in each of the different Departments. The Green £29m figure includes the inclusion of the previously announced £18.9m additional Better Care Fund to support Adult Social Care from the beginning of 2019/2020. Over the coming months, progress will continue to be closely monitored alongside further preparation for planned 2018 service specific consultations. This work will include a cumulative impact assessment that amongst other things will consider the totality of the savings proposals from a geographical and protected characteristics perspective so that, wherever possible, the impacts of future service changes can be appropriately mitigated. In total, 11 separate service specific consultations are planned to take place in 2018 with the bulk of the exercises likely to occur in the second half of the year. More detail will be provided on these in the next update to Cabinet at which point the forward timetable and the consultation content will be clearer and firmer.

5. Tt2019 Enabling Projects

- 5.1 Key to the success of previous cost reduction programmes, and Tt2019 will be no different, is the contribution that is made from cross cutting enabling projects. The Council's achievements in terms of introducing and exploiting Digital technology is well trailed and the previous Tt2017 programme significantly benefited from the multi-layered, multi-faceted Digital programme that ran alongside it and has resulted in the Council, its staff and residents working from and accessing modern business platforms.
- 5.2 Three cross-cutting enabling projects are set to make a telling contribution to the success of Tt2019 and these include a successor (and bigger) Digital

programme of work known as Digital 2, an 'Enabling' Productivity' project which is focused on creating the optimum conditions for all staff, managers and front line, to improve individual productivity levels and lastly a Council wide Strategic Procurement programme of work that is set to enable Departments to maintain and/or improve service outcomes whilst reducing the overall external spend which currently exceeds £600m.

- 5.3 Across 2018 and alongside but also separate to specific Tt2019 reporting, Cabinet and wider Members of the Council will be updated on the progress and achievements of the individual work programmes in these different areas. All three have the propensity to significantly contribute to the successful delivery of Tt2019 and together will ensure the Council's modernisation agenda towards high class, efficient back office functions and high quality, customer-orientated front line services continues successfully and at pace.

6 Conclusion

- 6.1 Despite impressively strong and consistent financial performance over many years, further to last year's finance settlement for Local Government, the County Council is facing a forecast budget gap of some £140m by 2019/20 that requires closing. This is after safely removing £340m of savings over the past seven years and within that, delivering in full on the latest Tt2017 programme.
- 6.2 In the summer of this year, a public consultation containing sought views from the public and key stakeholders on a range of different options for closing the budget gap. The outputs from this exercise helped inform budget proposals submitted by individual Departments to Select Committees and Executive Members in September as the first formal steps to an early budget setting exercise for 2019/20. The outputs from the different meetings were considered by Cabinet in October before Full Council approved the full set of savings proposals in early November.
- 6.3 Notwithstanding the above approvals, the full set of savings proposals, as developed and presented, do contain a number of specific challenging service changes that may be able to be mitigated if other viable options become available. To this end, Cabinet agreed to the following additional recommendation at their October meeting: That Cabinet

“Requires that officers, as specific decision making processes move forward, continue to explore all viable options to revise or refine these proposals with particular regard to service continuity in areas such as community transport, school crossing patrols and waste and recycling centres, in consultation with partners and stakeholders as appropriate, while recognising that any modification to any proposal must be consistent with the financial and time imperatives of the overall programme.”

- 6.4 Alongside the formal budget setting process Departments have been working hard to ensure robust plans are in place for each of their Tt2019

projects and that the right capacity and capability is aligned to the different transformation activity so that the associated savings can be delivered in a timely manner. This work has also included a detailed risk assessment exercise and a review of the savings profile by project and overall to ensure that any corporate cash flow support requirements are clear and able to be planned for.

- 6.5 CMT have peer reviewed the latter elements of the above work and within this have worked with service Directors in terms of the higher risk projects. The results of the peer review exercise include a confirmed corporate cash flow requirement of some £40m for the programme overall to support the later delivery of savings in Adults and Children's. The new, higher cash flow requirement is £4m greater than the provision agreed within the MTFs but can be met from the Grant Equalisation reserve, as reported in today's previous agenda item – Budget Setting and Provisional Cash Limits 2018/19.
- 6.6 Tt2019 progress is being closely monitored and is subject to monthly review by CMT. This ensures that issues, concerns and risks are dynamically responded to and dealt with and also means 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. Further, it is almost certain that there will be a continued squeeze on public sector funding into the next decade. This puts an added premium on Tt2019 being delivered in full and in the most timely manner possible to put the Council in the best position possible at the commencement of any successor programme.
- 6.7 Early programme progress has been encouraging with £26m of savings already secured to the end of October. £20m of this figure relates to the full achievement of Corporate Housekeeping savings. The remainder flows from some modest early delivery in each of the different Departments. Pleasingly, the three Tt2019 enabling programmes across Digital 2, Productivity and Procurement are all progressing well and the contributions from these will continue to evolve and be more influential as the programme develops. CMT are monitoring the programme on a monthly basis and progress reports will be presented regularly to Cabinet throughout 2018 and beyond.

7. Recommendations

- 7.1 It is recommended that Cabinet:
- a) Notes the £140m Tt2019 programme breakdown and the individual Department targets - section 3 and Appendix 1;
 - b) Notes the latest Tt2019 programme risk assessment, including the early securing of £26m of savings - section 4.
 - c) Notes that the programme delivery, particularly in Adults, Children's and ETE is set to take four years and that corporate cash flow support of up

to £40m (as reported in the previous Budget Setting item) will be required to enable the safe delivery of the different projects thus minimising disruption and impacts for service users and their families – section 4.

- d) Notes that (currently) up to 11 service specific public consultations are planned to take place in 2018 and that further clarity on the different consultations and their content will be reported to Cabinet in the next Tt2019 update – section 4.
- e) Notes the progress and strong contributions being made by the three enabling projects to the programme; Digital, Productivity and Procurement – section 5.
- f) Notes that programme progress will continue to be monitored closely and that regular updates will be provided to Cabinet throughout 2018 and beyond – section 6.
- g) Notes that officers have been requested by Cabinet to continue to explore all viable options to revise or refine these proposals (the Full Council approved Tt2019 savings proposals) with particular regard to service continuity in areas such as community transport, school crossing patrols and waste and recycling centres, in consultation with partners and stakeholders as appropriate, while recognising that any modification to any proposal must be consistent with the financial and time imperatives of the overall programme – section 1, 3 and 6.
- h) Agrees to continue to lobby Government in respect of new charging powers aimed specifically at raising income that will be used to protect important universal services e.g. Household Waste Recycling Centres, or to enable other specific savings proposals not to be implemented or for their impact to be mitigated.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	No
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	No
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	No
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
Transformation to 2019 – Report No. 1	19 June 2017
Medium Term Financial Strategy Update and Transformation to 2019 Proposals	16 October 2017
Budget Setting and Provisional Cash Limits 2018/19	11 December 2017
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>
Section 100 D - Local Government Act 1972 - background documents	
<p>The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)</p>	
<u>Document</u>	<u>Location</u>
None	

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:

It is to be expected that each theme/workstream will have an impact on staff and communities. To ensure that the Council meets its statutory equality duties any theme/workstream will be asked to consider potential differential impacts on people and communities. Detailed Equality Impact Assessments will be carried out on the implementation plans as appropriate.

2. Impact on Crime and Disorder:

2.1. Not applicable

3. Climate Change:

3.1. How does what is being proposed impact on our carbon footprint / energy consumption?

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

Not applicable

**T19 – Cabinet Approved (per Medium Term Financial Strategy - MTFS)
Departmental Financial Targets**

Table 1 - Programme Financial Targets

Department	£m's
Adults	55.9
Children's	30.1
ETE	19.0
CCBS	6.3
Corporate Services	7.9
P&R Other	0.8
Programme Sub Total	120.0
Housekeeping	20.0
T19 Overall Programme Total	140.0

This page is intentionally left blank

HAMPSHIRE COUNTY COUNCIL

Report

Decision Maker:	Cabinet
Date:	11 December 2017
Title:	<i>Serving Hampshire</i> – Q2 2017/18 Performance Report
Report From:	Chief Executive

Contact name: Antonia Perkins, Interim Head of Insight and Engagement

Tel: 01962 835 308

Email: antonia.perkins@hants.gov.uk

1. Report purpose

1.1. The purpose of this report is to:

- provide strategic oversight of the County Council's performance during Q2 2017/18 against the *Serving Hampshire* Strategic Plan for 2017-21 (*Serving Hampshire*);
- set out progress made to develop an Inclusion and Diversity Standards Framework, and accompanying governance arrangements for the County Council's work to advance equality.

2. Current and future performance reporting arrangements

2.1. The County Council's Performance Management Framework (PMF) provides the local 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* plan. Performance information on children's and adults' safeguarding, major change programmes, including *Transformation to 2019*, and the County Council's financial strategy are reported separately to Cabinet.

2.2. In order to report progress against *Serving Hampshire*, departments are asked to rate performance against success measures 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. Departments are also asked to provide an overview of key achievements and risks/issues against agreed priorities, as well as the results of any recent external assessments (see Appendix one).

3. Performance against *Shaping Hampshire*

Revised approach

- 3.1. As agreed by Cabinet in June 2017, the County Council is placing greater emphasis on the outcomes of external assessment and resident feedback in judging the organisation's performance and areas for improvement.
- 3.2. As a result, Appendix one includes the results of sources of external validation which apply to the County Council's performance during the last two quarters.
- 3.3. Alongside these sources, a robust set of core performance measures continues to be used. The current set of measures is set out at Appendix two. These are currently being updated to ensure alignment with the *Serving Hampshire* Strategic Plan and the County Council's revised Public Health Strategy, as well as an increasing focus on resident experience.

Performance outcomes

- 3.4. **Overall performance** against *Serving Hampshire* remained **good** during Q2 2017/18, evidencing strong performance in the delivery of core services.
- 3.5. **Performance against targets and improvement trend:** overall the majority of measures were reported as low performance risk. 62% of the measures which reported data for the Q2 period showed improvement or no change in performance. In addition to this, of the measures which have had reported data for the Q2 period, 53% of measures had met the target set by the relevant department. The remaining indicators report data on a longer interval, for example annually.
- 3.6. All measures were considered to present low to medium risk.
- 3.7. In cases where targets are not met, departmental improvement plans are in place. Departmental performance is also scrutinised by Members as part of the established Select Committee process.
- 3.8. **Performance highlights** at quarter two of 2017/18:
 - The County Council has introduced a new, short-term reablement service at the Hampshire Hospitals NHS Foundation Trust in Basingstoke. The Firs is specially adapted accommodation for up to 17 people, located within the hospital site, who receive tailored support from social care staff. This additional capacity is helping to reduce the number of delayed hospital discharges by supporting more effective patient flow and discharge through improved multi professional and multi-agency working.
 - 98% of parents were offered a place for their child in one of their three preferred schools (compared to 97% last year), with 91% receiving their first choice of school (up from 83% last year).
 - Provisional A-level results indicate that Hampshire students outperformed the national average. The percentage of A Level entries at Grade A*/A increased to 26% - an increase of one percentage point from 2016, and above last year's national average of 23%.

- CO2 emissions from local authority operations¹ have fallen to 83,992 tonnes in 2016/17 from 86,684 the previous year, keeping the County Council on track to meeting its target of 79,080 by 2025.
- The County Council secured £12.9 million funding from Highways England which, together with a £6.6 million investment from the County Council, will enable improvements to Junction 9 of the M27 and Parkway South Roundabout, Whiteley.
- Property Services secured further £2.8 million funding for energy programmes, including LED Lighting, Electric Vehicles and Battery Technology, which will deliver at least £450k of revenue savings.

3.9. A more extensive list of key performance achievements is included in Appendix three.

4. Equalities update

Inclusion and Diversity Standards Framework

- 4.1. The Equality Act 2010 places a duty on local authorities to prepare and publish one or more measurable and specific equality objective(s).
- 4.2. Earlier this year, work was undertaken to refresh the Strategic Plan. Alongside this, the County Council's equalities objectives were also reviewed to ensure alignment with the revised strategic priorities. This work included developing a more comprehensive set of Inclusion and Diversity Standards and establishing revised governance arrangements to oversee and advance work relating to inclusion and diversity.
- 4.3. The Standards Framework is intended to cover all nine protected characteristics under the Equalities Act as well as broader dimensions, such as rurality and economic status. With respect to race and religion, earlier this year the Secretary of State for Communities and Local Government, the Rt Hon Sajid Javid MP, wrote to local authorities encouraging the adoption of the International Holocaust Remembrance Alliance (IHRA) non-legally binding working definition of antisemitism.
- 4.4. The definition (available at: https://www.holocaustremembrance.com/sites/default/files/press_release_document_antisemitism.pdf) will be used as a basis for work to address antisemitism under the Standards Framework.
- 4.5. Future corporate performance reports will include progress and key achievements against the Inclusion and Diversity Standards Framework and related action plan.
- 4.6. Further detail on the Standards Framework is contained in Appendix four.

¹ CO2 emissions data relate to emissions by Hampshire County Council only. This includes Hampshire County Council buildings (including schools, although not Academies and Foundation Schools), street lighting and travel (via data from staff mileage claims and the Hampshire Transport Management fleet).

5. Conclusion

5.1. This report and its supporting appendices demonstrate that the County Council performed well in the delivery of core public services during the first two quarters of 2017/18, and that work is progressing to advance the County Council's work in relation to equalities.

6. Recommendations

6.1. It is recommended that Cabinet:

- notes the County Council's performance for the first two quarters of 2017/18;
- acknowledges progress made to support the County Council further to advance equality and fairness through establishing an Inclusion and Diversity Standards Framework, and forming relevant governance arrangements.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

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

Other Significant Links

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

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.

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

The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;

Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;

Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

2. Impact on Crime and Disorder:

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

3. Climate Change:

3.1. 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 maintain 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 during quarters one and two of 2017/18.

Children's Services			
Assessment title	Area	External/internal	Latest judgement
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	Individual for each care home – reports are online at https://reports.ofsted.gov.uk/
Joint Targeted Local Authority Inspection	Front door and thematic inspection looking at an aspect of children's social care and agency working	External – Ofsted, Her Majesty's Inspectorate of Constabulary, Care Quality Commission, Probation	No overall judgement given but positive letter of findings published February 2017: https://www.justiceinspectorates.gov.uk/hmic/publications/joint-targeted-area-inspection-of-the-multi-agency-response-to-abuse-and-neglect-in-hampshire/
School Inspections	Inspections of schools	External - Ofsted	Ongoing - as at February 2017, 90% of schools remain <i>Good</i> or <i>Outstanding</i> by Ofsted
External moderation of Innovation programme	External moderation of Family Intervention Team as part of the innovation programme	External – Department for Education	Department for Education report published in March 2017 shows an increased level of family engagement through the programme, from below 30% beforehand to 70% with the introduction of the Family Intervention Team. DfE report can be found at https://www.gov.uk/government/publications/social-care-innovations-in-hampshire-and-the-isle-of-wight .
Restorative Justice Council's Restorative Services Quality Mark	Youth Offending Team	External	Restorative Services Quality Mark awarded

Adults' Health and Care			
Residential Adult Social Care Services Inspection	Inspection of in house provided services <ul style="list-style-type: none"> - All Residential & nursing Homes - Community Response Team (at home reablement service) 	External – Care Quality Commission	Ranges from <i>Outstanding to Inadequate</i> All CQC ratings of services provided by Hampshire County Council can be found at http://www.cqc.org.uk/provider/1-101663766 .
Economy, Transport and Environment			
Accreditation to ISO9001:2008		External	Maintained
Culture, Communities and Business Services			
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. The County Council was last assessed by UKAS in October 2016 (accreditation retained) http://documents.hants.gov.uk/health-and-wellbeing-board/Asbestos.pdf
Adventure Activities Licensing Services (AALS) Inspection -	Hampshire Outdoor Centres	External – Adventure Activities Licensing Authority	Calshot Activities Centre. Inspection 17 May 2017. Validation expires 18 July 2019 Hampshire & Cass Foundation Mountain Centre. Validation expires 29 June 2018
Learning Outside the Classroom (LOtC)	Hampshire Outdoor Centres	External	Calshot Activities Centre. Issued 5 June 2017, expires 5 June 2019
Adventuremark	Hampshire Outdoor Centres	External	Calshot Activities Centre. Issued 5 June 2017, expires 5 June 2019 Tile Barn Outdoor Centre. Expires 7 May 2018
British Canoeing Quality Mark	Hampshire Outdoor Centres	External	Calshot Activities Centre. Inspection 14 August 2017. Annual

			validation expires 31 December 2017
Royal Yachting Association (RYA)	Hampshire Outdoor Centres	External	Calshot Activities Centre. Inspection 11 July 2017. Annual validation expires 31 January 2018
National Indoor Climbing Award Scheme (NICAS)	Hampshire Outdoor Centres	External	Calshot Activities Centre. Annual validation expires 31 May 2018
Green Flag Awards	Outdoor accreditation for a variety of areas	External	Award maintained for all parks in 2017. Awards are received during Q1 / Q2 on 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 received in April 2017.
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 2016
Environmental Health Officers assess the kitchens on a regular basis	HC3S	External	EII Restaurant and Coffee Shop was accredited by Allergy UK for their Allergy Aware Scheme in January 2017 (https://www.allergyuk.org/get-help/eating-out)
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 16 to Aug 17 there were 453 HKA’s completed. We have now started another log for HKA’s undertaken Sep 17 to Aug 18. EII Restaurant and Coffee Shop was accredited by Allergy UK for their Allergy Aware Scheme in January 2017

European Notified body Status for Non-automatic Weighing machines	Trading Standards	External - European Notified body Status for Non-automatic Weighing machines	Status maintained (reported to Regulatory Delivery at BEIS)
Corporate Services			
Accreditation to ISO20000 Service Management and ISO27001 Information Security for IT services	IT services	External	Maintained
Accreditation to ISO90001	Audit services	External – Institute of Internal Auditors	Maintained
Public Sector Internal Audit Standards	Audit services	External - Institute of Internal Auditors	Fully complaint
Travellers audit	Audits of insurance claim handling by Legal Services	External – Travellers (insurance)	Excellent rating
Data protection audit report	Data Protection	External - Information Commissioner's Office	High Assurance
Lexcel inspection – law Society's standard for legal practice	Legal Services	External - Lexcel	Maintained accreditation
Matrix award	Hampshire County Council's Careers and Employability Service	External	Quality accreditation awarded in recognition of the organisation's high standards in providing education and careers advice and guidance for young people – Awarded in March 2017

Appendix two: corporate performance measures

This appendix set out the corporate performance measures by department and strategic priority within the *Serving Hampshire* Strategic Plan. There are currently a total of 48 measures, of which 33 (69%) are new measures for 2017/18.

Some of the measures listed are only reported on annually and, as a result, are not included within this performance report.

Measures will be kept under review and updated in line with departmental and corporate requirements.

Adults' Health and Care

Outcome two: people in Hampshire live safe, healthy and independent lives

- Number of clients aged 65 or over in a permanent residential or nursing care placement as of the last day of the quarter
- Number of clients aged 18-64 in a permanent residential or nursing care placement as of the last day of the quarter
- Number of days people were delayed within an acute hospital due to County Council Adult Social care (based on the monthly delayed transfer statistics published by NHS Digital. Outturn will be based on the performance of the last month in the quarter being reported)
- Percentage of clients who received a commissioned service from Adults' Health and Care following hospital that started reablement (bed and home based) (figure will be based on the last month in the quarter)
- Percentage of calls resolved at first point of contact by the Contact Assessment and Resolution Team (target 70% of calls not passed on to teams)

Outcome four: Hampshire enjoys strong, inclusive communities

- Percentage of adult carers who have as much social contact as they would like (Based on BIENNIAL national carers survey)
- The percentage of clients who felt they had control over their daily lives (ANNUAL National user survey)

Culture, Communities and Business Services

Outcome one: Hampshire maintains strong and sustainable economic growth and prosperity

- Number of properties which have been given access to superfast broadband

Outcome two: people in Hampshire live safe, healthy and independent lives

- Monies recovered by Trading Standards on behalf of vulnerable residents
- HC3S School Meal Take Up at Primary Schools

Outcome three: Hampshire enjoys a rich and diverse environment

- CO2 Emissions from Local Authority operations
- Number of visitors to principle countryside sites

Children's Services

Outcome one: Hampshire maintains strong and sustainable economic growth and prosperity

- Percentage Level 2 and Level 3 educational achievement at age 19
- Percentage Not in Education, Employment or Training (NEET)
- Percentage Good Level of Development

Outcome two: people in Hampshire live safe, healthy and independent lives

- Percentage of children achieving the expected standard in reading, writing and maths combined at KS2
- GCSE measures - new percentage basics measure and new percentage Attainment 8
- percentage of disadvantaged pupils attaining the Basics and Attainment 8 measures
- Percentage of first assessment timeliness within 45 days
- Percentage of cases where child is seen in accordance with timescales specified within Child Protection Plan (14 days)

Corporate Services

Outcome one: Hampshire maintains strong and sustainable economic growth and prosperity

- Variance from the County Council's projected revenue budget (£ thousands)
- Working hours lost to sickness absence in the previous 12 months
- Delivery of Transformation to 2019 efficiencies

Outcome four: Hampshire enjoys strong, inclusive communities

- Number of level one and two complaints submitted electronically
- Time taken to resolve complaints

Economy, Transport and Environment

Outcome one: Hampshire maintains strong and sustainable economic growth and prosperity

- Percentage of the County Council's highway network requiring maintenance
- Public satisfaction with highway maintenance

- Value of Capital Programme spend associated with new or enhanced road infrastructure
- Value of Capital investment secured in year through bidding and other development activities
- Number of jobs created or safeguarded by businesses HCC has supported.
- Value of private sector investment into Hampshire secured as a result of the County Council's direct support
- Time taken to decide major planning applications
- Customer satisfaction with Environment Services delivered as part of the service level agreements

Outcome two: people in Hampshire live safe, healthy and independent lives

- Number of people killed or seriously injured on Hampshire roads
- Trend - Number of people killed or seriously injured on Hampshire roads
- Trend - Number of cyclists killed or seriously injured on Hampshire roads
- Trend - Number of elderly drivers killed or seriously injured on Hampshire roads

Outcome three: Hampshire enjoys a rich and diverse environment

- Percentage of municipal waste sent to landfill
- Waste produced per household
- Municipal recycling rate
- Satisfaction with service received in HWRCs
- Tonnes of waste managed by the County Council per annum
- Tonnes of waste collected in HWRCs
- Percentage of waste recycled in HWRCs
- Percentage of waste landfilled in HWRCs

Appendix three: Q2 2017/18 key performance achievements

Serving Hampshire priority	Achievement
Outcome one: Hampshire maintains strong and sustainable economic growth and prosperity	The County Council has secured £12.9 million funding from Highways England which, together with a £6.6 million investment from the County Council, will enable improvements to Junction 9 of the M27 and Parkway South Roundabout, Whiteley.
Outcome two: people in Hampshire live safe, healthy and independent lives	The County Council, Hampshire Constabulary and the PA Consulting Group- led Argenti Care Technology Partnership have launched the GPS Tracker Scheme, providing an innovative way to help elderly people stay safe. The number of missing person 'episodes' for people taking part in the scheme has more than halved.
	The Driver Skills Scheme 60+ has been recognised nationally, featuring on BBC's <i>The One Show</i> , as well as the BBC's online magazine earlier this year. The scheme provides a free, voluntary confidential skills appraisal to help people stay safe on the road for as long as possible.
	As part of the Argenti Telehealthcare Partnership, the County Council has become the first local authority to pilot a customised version of Amazon's Echo device to help support more people to live independently – for example, by reminding people to stay hydrated and encouraging residents to keep fit by suggesting local walking routes of different length. The pilot is expected to launch by the end of the year and run throughout 2018.

Serving Hampshire priority	Achievement
	<p>The County Council has introduced a new reablement service at the Hampshire Hospitals NHS Foundation Trust in Basingstoke, the first of its kind in the county. The <i>Firs</i> is specially adapted accommodation for up to 17 people, located within the hospital site. The service enables discharged patients who may still be frail and not confident to return home to recuperate with expert support from social care staff. Service users receive tailored, short term reablement for between 5 and 21 days, enabling them to return to their own homes safely, as quickly as possible.</p> <p>This additional capacity has helped to reduce the number of delayed hospital discharges by supporting more effective patient flow and discharge through improved multi professional and multi-agency working. In August the number of acute hospital day delays attributed to Adult' Health and Care Services reduced by 445 days compared to July.</p> <p>Hampshire continues to deliver high standards of care to the children in that it looks after. All Children's Homes operated by Hampshire County Council which have undergone inspections so far in 2017/18 have been rated as Good by Ofsted. In addition, all three Respite Homes operated by the County Council are also rated as Good by Ofsted. Hampshire County Council's Secure Children's Home requires improvement to be rated as Good.</p> <p>Provisional A-level results indicate that Hampshire students outperformed the national average. The percentage of A Level entries at Grade A*/A increased to 26% - an increase of one percentage point from 2016, and above last year's national average of 23%.</p> <p>98% of parents were offered a place for their child in one of their three preferred schools (compared to 97% last year), with 91% receiving their first choice of school (up from 83% last year). Of pupils transferring from Infant to Junior school, almost 99% received a place at one of preferred schools – with 97% obtaining a place at their first choice school (consistent with the previous year).</p>
Outcome three: People in Hampshire enjoy a rich and diverse environment	<p>The Country Parks Transformation Programme successfully secured £2.85 million grant funding from the Heritage Lottery and Big Lottery Funds. Funding will be used across a range of heritage and conservation improvement programmes.</p> <p>CO2 emissions from local authority operations have fallen to 83,992 tonnes in 2016/17 from 86,684 the previous year, keeping the County Council on track to meet its target of 79,080 by 2025.</p>

Serving Hampshire priority	Achievement
	<p>All five of Hampshire's Country Parks have maintained their Green Flag award in 2017. This international award, now into its third decade, is a sign to the public that Lepe, Manor Farm, Queen Elizabeth, Royal Victoria and Staunton country parks boast the highest possible environmental standards.</p> <p>The level of municipal waste sent to landfill over July and August 2017 was 4.4%. This was better than the target of 5% and an improvement on the 5% level of municipal waste sent to landfill achieved in 2016/17, helping the County Council to minimise the use of landfill sites and the landfill tax charges that it would have otherwise needed to pay. Waste which is not landfilled is disposed of via recycling, reuse and composting.</p> <p>Property Services has secured further £2.8 million funding for energy programmes, including LED Lighting, Electric Vehicles and Battery Technology, which will deliver at least £450k of revenue savings.</p>
Outcome four: people in Hampshire enjoy being part of strong, inclusive communities	<p>Hampshire's Supporting Families Programme identified or engaged 2,934 families during Phase Two by September 2017. By 2020, the programme aims to support 5,540 families - more than double the number supported during the first phase of the scheme, and Hampshire is currently on track to meet this target. Southampton Solent University has been commissioned to undertake an independent evaluation of the second phase of the programme.</p> <p>In March 2017, the Department for Education published an independent evaluation of the Hampshire and Isle of Wight Innovation Programme evidencing: an increase in social worker time spent with families from 34% to 58%; estimated notional savings through increased productivity of social workers of £9k per social worker; and an increase in the initial engagement of families from 30% to 70% as a result of the new Family Intervention Team.</p>

Appendix four: Inclusion and Diversity Standards Framework and Governance

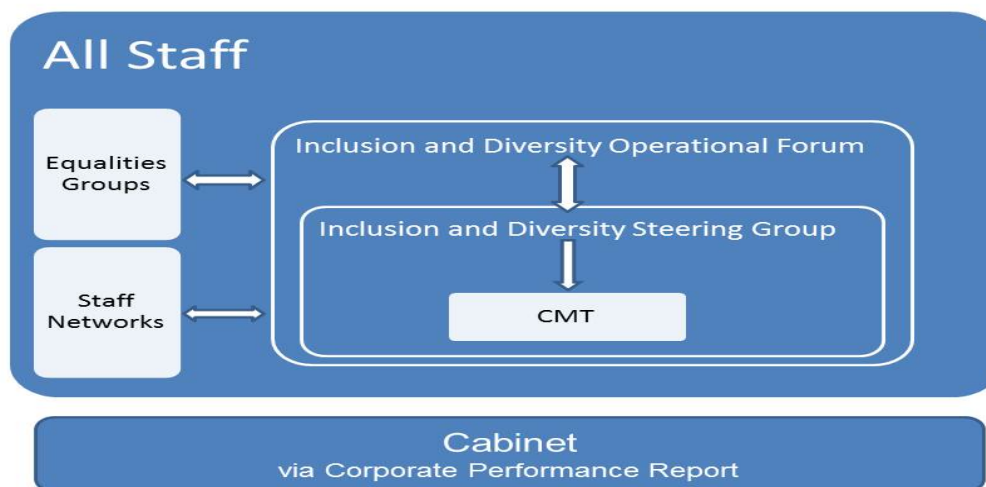
Inclusion and Diversity Standards Framework

1. The Inclusion and Diversity Standards Framework is intended to:
 - reinforce the County Council's commitment to the pursuit of equality and inclusion, and the intrinsic value of treating employees and service users fairly;
 - support the County Council to remain compliant with equalities legislation;
 - provide a corporate tool for reviewing and driving improved performance on matters relating to inclusion and diversity, as part of the County Council's corporate Performance Management Framework.
2. The Framework comprises 14 aspirational standards under three key headings as follows:
 - **Awareness and understanding of equalities considerations, particularly in relation to the County Council's workforce** – focused on the extent to which the County Council supports the diversity and inclusion of its workforce
 - **Policies and decisions** – centred on the degree to which equality considerations are taken into account in policy development and decisions
 - **Service delivery** – concentrated on the measure to which services are inclusive of all Hampshire residents and support strong, inclusive communities.
3. The Standards Framework has been developed within input from the County Council's employee networks and wider staff, and externally validated by [Inclusive Employers](#) - an-independent membership organisation for employers seeking to build inclusive workplaces.

Inclusion and diversity governance arrangements

4. Revised governance arrangements have been established to oversee and drive forward the County Council's work relating to inclusion and diversity. These are summarised below:

Inclusion and Diversity Standards Framework and Governance



<u>Body</u>	<u>Role</u>
Cabinet	Annual equalities statement is reported to Cabinet through the corporate performance report. This is scrutinised by the Policy and Resources Select Committee. Cllr Joy is the Executive Lead Member for Equalities.
CMT	CMT receives progress reports from the Steering Group as required. CMT review the Annual Equalities Statement prior to Cabinet.
Inclusion and Diversity Steering Group	The Group provides updates to, and receives escalated issues from, the Operational Forum. The Steering Group reports progress, and escalates issues to CMT as required. This Group is chaired by the Chief Executive.
Inclusion and Diversity Operational Forum	The Forum receives information from, and escalates issues to, the Steering Group. The Forum considers updates and issues escalated from wider groups and networks, and resolves, where possible. The Forum is chaired by the Corporate Equalities Lead.
Equalities groups and staff networks	Wider equalities groups and staff networks receive information from, and escalate issues to, the Operational Forum.
All staff, including allies and role models	All staff feed into, and support, the County Council's work on inclusion and diversity, recognising that equalities is everyone's business.

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	11 December 2017
Title:	Major Developments and Infrastructure Funding
Report From:	Director of Economy, Transport and Environment

Contact name: Laura McCulloch

Tel: 01962 846581

Email: laura.mcculloch@hants.gov.uk

1. Executive Summary

1.1. The purpose of this paper is to update Cabinet on the latest position with regard to major developments within Hampshire, and on the closely related issues of developer contributions and infrastructure funding. This update follows an earlier report considered by Cabinet in October 2014 on strategic infrastructure planning and delivery.

1.2. This paper seeks to:

- Outline the current position with the Major Developments in the county;
- Update Cabinet on Housing Infrastructure Fund bids;
- Provide information on the Community Infrastructure Levy and current arrangements with those districts operating it; and
- Highlight potential future changes to developer funding.

2. Update on Major Developments

2.1 Construction of the major developments at **West of Waterlooville, Wellesley Aldershot, Whitehill and Bordon**, and **Barton Farm, Winchester** are all underway, with works commencing at Barton Farm on the new road to bypass Andover Road.

2.2 The Section 106 agreement for the development at **North Whiteley** is expected to be signed imminently. The issue of permission for the 3,500 houses will secure significant funding from the Department for Transport towards Junction 9 of the M27 and access to Whiteley. The Section 106 agreement will secure a package of highway works, two new primary schools and a secondary school, along with other community facilities.

2.3 A planning application is currently being considered by Fareham Borough Council for the strategic development of up to 6,000 homes and significant employment and commercial space at **Welborne** in Fareham. There is no date set as yet for final determination of this planning application, as further information is still being sought in relation to the access arrangements and other matters. It is likely that any final planning consent and developer funding

agreements will, in addition to the major access works, encompass new primary and secondary school provision as well as local highway and transport provisions, green space, and a range of community facilities to support the sustainable community ambitions for Welborne.

- 2.4 This development was granted Garden Village status in January 2017 in recognition of its scale and importance in terms of housing delivery. Significant funding of around £29million has also been earmarked by Solent LEP, including some £15million of retained Department for Transport Funding towards the cost of repositioning junction 10 of the M27 and upgrading it to an all moves junction (it is currently a half junction with only east facing slips) to provide access to the site and improve motorway access for and to the wider area. These funds are time limited and dependent on the commitment of additional developer funding.
- 2.5 One particular issue in relation to the development of the Welborne access proposals concerns the need for further work to be undertaken on the revised motorway junction, both in terms of detailed design and on the finalisation of the complex funding arrangements, including the preparation of the business case to draw down grant funding. A suitable organisation is required to take on the 'scheme promoter' role and there is support for this being done by the County Council as the local Highway Authority, with a strong record of successful project delivery. It is suggested that this could be agreed, subject to conditions relating to funding, governance and risk sharing. In particular it is proposed that the County Council should seek agreement to simplified funding arrangements and governance, with funds coming directly to the County Council, following a single business case approval process. The County Council would then act as the accountable body for the funding. It is further suggested that the scheme promoter role should have a break point following final design, to allow a review at that stage, including agreement on any programme, cost or deliverability risk issues prior to the commissioning of the implementation of the project. The County Council should also expect to recover any costs incurred in scheme development to this point.
- 2.6 A planning application is currently being considered by Basingstoke and Deane Borough Council for 3,520 homes at **Manydown**. The initial consultation period has ended, however it is expected that further consultation will be necessary due to additional information being required to support the application, particularly in relation to highways and flooding issues. The County Council is joint applicant with Basingstoke and Deane, and no final date has been set as yet for determination of the application. The County Council is also actively engaged in feasibility and scoping work on the longer term potential for major development in this area, which is being supported financially through the Government's Garden Towns' programme.
- 2.7 The emerging Local Plan being put forward by Eastleigh Borough Council is proposing a significant number of houses in the Hedge End and Botley area of the Borough. This, coupled with a number of sites that have already been granted permission by the Borough or where permission has been granted at planning appeals in that area, has required the County Council to undertake a strategic review of infrastructure provision and needs in the area. The County Council also has some land holdings that are proposed for development which present opportunities and requirements for the delivery of new school places, particularly at secondary level. Work is therefore underway to prepare a hybrid

planning application for a housing development and new secondary school at land at **Woodhouse Lane**, Botley. A planning application has also been approved for the **Botley Bypass** road scheme. The planning application was submitted following public consultation events that were held last summer, and showed strong support locally for this scheme. County Council Departments have worked hard to ensure that the programmes for the bypass, school and housing proposals are aligned and consistent.

- 2.8 There are some significant developments in the pipeline for the waterside area of the New Forest, with proposals for the redevelopment of **Fawley Power Station**, and some intensification of uses at the **Marchwood Military Port**. **In addition** the potential expansion of **Southampton Port** into ABP's Strategic Land Holdings on the waterside, has been proposed for the future in the Southampton Port owners masterplan updated in 2016. This latter issue has potentially significant implications for the national economy, given the importance of the port of Southampton to UK trade with the rest of the world, as well as the significance to the Hampshire economy. With New Forest District Council embarking on a review of its local Plan, there is also potential for significant additional housing in the area, particularly nearer to Totton as well as the mixed development proposals for the former Fawley power station site.
- 2.9 These are some key elements of the major developments planned or potentially arising across Hampshire over the coming 10-15 years. It is important for the County Council to maintain a strong voice in support of protecting the character and integrity of Hampshire, its communities, quality of life and its special environment. It is also important that it takes a careful and a proactive position in relation to development, to ensure that adequate infrastructure is delivered in a timely way, and that public service provisions are properly assessed and accommodated. The Corporate Development and Infrastructure Coordination Group, which has representation from each of the departments and therefore key service delivery areas, maintains a list of major developments which it monitors and co-ordinates County Council engagement with these developments. Sites involved are either where the County Council is landowner or are large scale developments that have significant implications for numerous services across the County Council. The group receives regular updates on these developments to enable it to identify issues at an early stage and work collaboratively to resolve them. It is proposed to provide regular updates for the Cabinet from this Group in the future to ensure proper oversight of work and direction in respect of major developments across Hampshire.
- 2.10 Aligned with the work on major developments, there has been a significant amount of work by Children's Services on changing the model for delivering schools. Diminishing grant allocations for basic need school places provision, coupled with the Education and Skills Funding Agency's (ESFA) Free Schools programme are changing the way schools are funded and delivered, which has resulted in a need to look at alternative models for the design and delivery of schools. The ESFA funding model for schools has caused developers to challenge the County Council's costs for delivering new schools, and therefore made securing developer contributions and the associated land for school buildings more challenging. The County Council is therefore changing the approach to school delivery, looking to secure more funding directly from the ESFA for free schools that meet its design and build model.

3 Managing the County Council's Response to Planning Applications

- 3.1 In recent years the County Council has developed a coordinated approach to responding to major developments in order to ensure a consistent, single, joined-up response. There are also separate established procedures and practices in place in relation to the County Council's land owning interests, and the proposals outlined below are not intended to apply to, or amend, this aspect of the County Council's work and interests.
- 3.2 The County Council is a statutory consultee on planning applications in its roles as Local Highway Authority, Lead Local Flood Authority and Minerals and Waste Planning Authority; however there are wider County Council interests that will be important to bring to the consideration of development through the planning system. It will therefore be important to effectively articulate these considerations to the local planning authorities in a constructive, consistent and positive way in order to properly inform planning decision making.
- 3.3 Managing County Council comments to ensure they meet these tests is important to maintain credibility with planning authorities and the wider public. Therefore it is suggested that our processes for managing, reviewing and collating comments from within the authority before they are sent to the local planning authority as a single response is extended beyond the current trial application for selected major developments to include all development responses. A single County Council response avoids any issues of internal conflict and ensures that the comments are consistent with planning policy in order to gain the best outcome for the County Council. This approach has been welcomed by those planning authorities where this service has been provided, for instance for the major developments at Aldershot, North Whiteley and Welborne.
- 3.4 This approach will therefore be looked at more widely, in order to provide this coordinated approach for other development proposals that have implications beyond that of the Statutory Consultees. This approach should also now be applied to Regulation 3 proposals, determined by the County Council, to ensure that interested parts of the Council are able to contribute views at an early stage without risk of contrary or conflicting views being raised late in the process.

4 The Housing Infrastructure Fund

- 4.1 Further to the report that was considered by Cabinet on 15 September 2017 ([Strategic Transport Infrastructure and Capital Funding Opportunities](#)) two Forward Funding Bids were submitted to the Department for Communities and Local Government on 28 September 2017 for Manydown (ranked 1) and Welborne (ranked 2).
- 4.2 The Manydown bid was for £61million to enable the infrastructure (including highways and transport, a school, utilities and the country park) to be provided that will accelerate the delivery of up to 3,520 homes (Phase 1 of the development).
- 4.3 The Welborne bid was for £122.4million to enable the infrastructure (including highways and transport, a school, utilities, Sustainable Drainage Systems and green infrastructure) to be provided that will accelerate the delivery of 6,000 homes.

- 4.4 In addition to these two Forward Funding bids, three Marginal Viability bids were submitted by district authorities with the County Council's support as follows;
- a) Botley Bypass – bid by Eastleigh Borough Council for £10million to deliver the Botley Bypass;
 - b) Manydown – bid by Basingstoke and Deane Borough Council for £10million to deliver key junction improvements necessary to unlock the development; and
 - c) Welborne – bid by Fareham Borough Council for £9.997million to enable the delivery of the Junction 10 M27 improvements which will unlock the development.
- 4.5 The bids are currently being assessed and local authorities should be informed later this year whether the Marginal Viability bids have been successful or not and whether the Forward Funding bids will be invited to submit a full business case for consideration.

5 The Community Infrastructure Levy

- 5.1 Following the introduction of the Community Infrastructure Levy (CIL) Regulations in 2010, a number of Hampshire authorities now have operational charging schedules, with only three authorities yet to consider it due to not having an up-to-date Local Plan.
- 5.2 The table in Appendix C provides details of where each authority is with CIL, the amount of money that has been collected to date, and, where information is available, how the funds have been spent.
- 5.3 The local planning authorities within Hampshire which have an adopted CIL charging schedule in place are:
- East Hampshire District Council;
 - Fareham Borough Council;
 - Gosport Borough Council;
 - Havant Borough Council;
 - New Forest District Council;
 - South Downs National Park;
 - Test Valley Borough Council; and
 - Winchester City Council.

This means that CIL liable developments that are granted planning permission within these areas are required to pay the levy and the use of Section 106 is restricted.

- 5.4 Basingstoke and Deane Borough Council recently held the CIL examination and is awaiting the inspector's decision. Eastleigh Borough Council, Hart District Council and New Forest National Park are currently working on achieving an adopted Local Plan and therefore are unable to progress a CIL charging schedule at this time. Rushmoor Borough Council has taken a decision not to introduce CIL at this time.

- 5.5 The total value of CIL funding collected to date in Hampshire is £6,080,817. However, CIL receipts are reported annually through the Annual Monitoring Report process, with those reports usually published in December of each year. This means that there is likely to be at least 12 months' worth of data missing and therefore the total amount collected is likely to not be up to date.
- 5.6 The County Council has received £571,122 in CIL funding from two authorities to date: Winchester City Council and Havant Borough Council. The way in which Charging Authorities distribute monies collected through the Levy is not prescribed; charging authorities are to determine how they distribute that money to fund infrastructure set out on their Regulation 123 list.
- 5.7 Regulation 123 of the CIL Regulations prescribes that section 106 planning agreements or section 278 highway agreements cannot be used to secure any infrastructure intended to be funded by CIL. Charging Authorities therefore publish a list, known as the Regulation 123 list, which sets out the types of infrastructure or schemes that are intended to be funded by CIL and therefore cannot be the subject of a section 106 or 278 agreement. It is important that the County Council is involved in the preparation of the Regulation 123 list in order to ensure that its ability to secure site specific infrastructure, particularly highway improvements, is not fettered.
- 5.8 Winchester City Council resolved to transfer 25% of residual CIL receipts to the County Council on a quarterly basis and have been making these payments since CIL was adopted in April 2014, amounting to a cumulative total of £538,258 reported to date.
- 5.9 Havant Borough Council operates a bidding process whereby infrastructure providers are able to bid for CIL funds for specific schemes in accordance with the Regulation 123 list. To date bids have been submitted for school expansion projects, library improvements and highway schemes, however only £223,269 has been allocated by the Borough to highway schemes (of which £32,864 has been transferred).
- 5.10 Test Valley Borough Council, East Hampshire District Council and South Downs National Park have begun to consider future spending protocols, but as yet detailed discussions with the County Council have yet to take place.
- 5.11 Unlike the funding that was transferred to the County Council by Havant Borough Council, which was in relation to a specific scheme, the Winchester CIL funding is available for the County Council to spend as it deems appropriate provided it is in accordance with the Regulation 123 list. The County Council therefore needs to determine how this funding should be best allocated in order to enable it to be spent on mitigating the impact of development.
- 5.12 The Regulation 123 list, which was agreed with the County Council in advance of CIL being adopted in April 2014, would benefit from being updated in order to ensure that it reflects the current schemes that the County Council would wish CIL to be spent on; and of course ensure that none of the schemes on the list would need to be secured in Section 106 or 278 agreements relating to a specific development.
- 5.13 Delegated authority is therefore sought to enable the Director of Economy, Transport and Environment, as chair of the Corporate Development and Infrastructure Co-ordination Group, to negotiate with the local planning

authorities operating CIL in order to seek amendments to the Regulation 123 list as appropriate, and to approve the detailed allocation of funds to individual projects within the priorities agreed.

- 5.14 In terms of specific allocation of CIL funds to improvements or schemes identified on the Regulation 123 list, the Corporate Development and Infrastructure Coordination Group recommended that priority be given to schemes in the area where development has taken place and therefore where the impact will need to be mitigated, and that funds are allocated to accord with County Council capital priorities in each area. This approach is proposed for any CIL funds transferred to the County Council for which a specific scheme has not been identified.

6 The Future of Development Funding

- 6.1 The County Council, along with other local authorities, has made numerous representations to the Government about developer funding; in particular the introduction of CIL and the associated restrictions on the use of Section 106 Agreements.
- 6.2 In 2015, the Department for Communities and Local Government commissioned a review of developer contributions and an independent panel was tasked with *'assessing the extent to which CIL does or can provide an effective mechanism for funding infrastructure, and to recommend changes that would improve its operation in support of the Government's wider housing and growth objectives'*.
- 6.3 The CIL review team published its findings in October 2016, recommending that CIL should be replaced with a hybrid system of a broad low level local tariff and Section 106 Agreements for large developments.
- 6.4 It was expected that the Housing White Paper, published in February 2017, would provide details of any proposed changes to the developer contributions system. However, this publication stated that the options for reforming the system of developer contributions would be examined and the Government would respond to the review and make an announcement at the Autumn Budget 2017.
- 6.5 An announcement on the future of developer funding was made on 22 November 2017 as part of the Autumn Budget as expected; the announcement confirmed some headline proposals, but made clear that these would be expanded and then consulted upon further by the Government in due course. It is helpful to hear that there will be proposals for some relaxing of current pooling restrictions on s106 agreements and for reforms to the CIL process. The headline announcements appear to envisage a more limited scope of change than the County Council and others have asked for to date. The details however, when announced and consulted upon, will of course be critically important.
- 6.6 The issues of future infrastructure requirements, their funding and delivery will be a key consideration in the long term planning of the future shape of Hampshire, and a key contributor to both maintaining prosperity and safeguarding the environment and quality of life. These key objectives of delivering economic prosperity and protecting the environment and quality of life

will be at the heart of the work of the Commission of Enquiry, announced by the Leader at the County Council Meeting on 2 November 2017.

7. Recommendations

- 7.1 That the proposed County Council approach to strategic development and planning set out in this report be agreed.
- 7.2 That the proposed County Council approach to the Welborne motorway access improvement, as set out in this report be approved.
- 7.3 That allocation of any CIL funds transferred to the County Council that are not identified for a specific scheme be prioritised to the broad areas in which they are collected, and allocations reflect local County Council capital investment priorities in order to ensure the impact of development on infrastructure in these areas are mitigated.
- 7.4 That the Director of Economy, Transport and Environment be given delegated authority to negotiate with the local planning authorities operating CIL in order to seek amendments to the Regulation 123 list, and to finalise the allocation of CIL resources to specific projects as appropriate.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

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

Section 100 D - Local Government Act 1972 - background documents

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

Document

Location

None

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:

This is primarily an update report on major developments, planning practices, recent national funding opportunities and the Community Infrastructure Levy. It seeks approval for partnership working with the district councils with regard to the Community Infrastructure Levy and an approach to allocating funding. Specific infrastructure schemes would be subject to full equalities impact assessments.

2 Impact on Crime and Disorder:

2.1 No impact.

3 Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption? No Impact
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts? Providing infrastructure to support the growth of communities is vital to delivering the County Council's strategic priority to maintain Hampshire's character and quality of life by securing sustainable economic growth and through careful planning will help mitigate the impacts of climate change.

Hampshire Community Infrastructure Levy Summary Table

Local Planning Authority	Charging Since	£ Collected to Date	Reported Spend	Spending Protocol	Transferred to the County Council
Basingstoke & Deane Borough	CIL Examination September 2017 – awaiting Inspectors Report	n/a	n/a	n/a	n/a
East Hampshire District	8 April 2016	To be reported in Dec 17	To be reported in Dec 17 Annual Monitoring Report (AMR)	None as yet.	£0
Eastleigh Borough	Awaiting Adoption of Local Plan	n/a	n/a	n/a	n/a
Fareham Borough	1 May 2013	£3,395,005 (as of September 2016)	£2,400,000 spent on Holly Hill Leisure Centre.	None as yet.	£0
Gosport Borough	1 February 2016	£0 Reported March 2016	Awaiting 2017 CIL Annual Financial Statement	None as yet.	£0
Hart District	Awaiting Adoption of Local Plan	n/a	n/a	n/a	n/a
Havant Borough	1 August 2013	£1,511,939.20 Reported March 2016	<p>County Council Schemes: £32,864.59 Havant Footbridge Feasibility Study £190,405 Southmoor Lane, Harts Farm Way Junction Improvements</p> <p>Borough Council Schemes: £75,000 Langstone Flood and Coastal Erosion Risk Management Scheme £150,000 Havant Railway Footbridge Detailed Design.</p>	<p>CIL Bidding Process Bids requested for projects and determined by Havant BC.</p> <p>2016/17 Process received 26 bids.</p>	<p>£32,864.59 Havant Footbridge Feasibility Study money transferred to the County Council. Southmoor Lane scheme is progressing to detailed design and will be a jointly funded scheme. Not clear yet whether Havant Borough will keep the money or transfer to the County Council.</p>

Local Planning Authority	Charging Since	£ Collected to Date	Reported Spend	Spending Protocol	Transferred to the County Council
			Neighbourhood Portion £42,638 The Hub, Hayling Island Community Centre Association £90,000 Northney Coastal Path.		
New Forest District	6 April 2015	£499,873.22	£99,004.17 Habitat Mitigation	None as yet.	£0
New Forest National Park Authority	Awaiting Adoption of Local Plan	n/a	n/a	n/a	n/a
Rushmoor Borough	Will be reviewing decision not to implement CIL in 2017 once more clarity about the future of the CIL is known.	n/a	n/a	n/a	n/a
South Downs National Park Authority	1 April 2017	To be reported December 2017	n/a	None as yet.	£0
Test Valley Borough	1 August 2016	To be reported December 2017	n/a	None as yet.	£0
Winchester City	7 April 2014	£674,000 (as of December 2016) To be updated December 2017	£1,185.25 Littleton playground equipment	WCC collect the money 15% - Parish/ Town council 5% - Admin 25% - HCC Remaining to WCC	£538,258 (As of August 2017)

HAMPSHIRE COUNTY COUNCIL

Report

Committee/Panel:	Cabinet
Date:	11 December 2017
Title:	Annual Report of the Director of Public Health
Report From:	Director of Public Health

Contact name: Dr Sallie Bacon, Director of Public Health

Tel: 02380 383329

Email: Sallie.bacon@hants.gov.uk

1. Executive Summary

- 1.1. The purpose of this paper is to meet the requirement that the Director of Public Health writes an independent annual report and that the local authority publish it.
- 1.2. The 2012 Health and Care Act placed a statutory duty on upper tier Local Authorities to improve and protect the health of the people and on CCGs to address inequalities. On a recent visit to Hampshire Duncan Selbie , Chief Executive of Public Health England, highlighted the excellent public health work that the Council is doing ' You have so much to be proud of in how you have progressed this (*your statutory duty*) and (*worked*) in close partnership with your NHS colleagues. Your focus on prevention and early intervention is forward thinking and infused throughout is building trust, strong relationships, a focus on what works, and the courage to embrace the opportunities of working together.'
- 1.3. This report takes as its subject 'Ageing Well' and it is the third in a series of reports examining the themes of the Hampshire Health and Wellbeing Strategy. Previous reports have looked at 'Starting Well' and 'Living Well'.
- 1.4. People are living longer and our older population is increasing in number. This is a real success for improvements in public health, health and social care and something we should celebrate. Unfortunately in the UK we too often use language that suggests that as people age they 'inevitably' become a burden, rather than an asset to our communities. This is of course far from the truth and fails to recognise the huge contribution to our society that older people make.
- 1.5. Many people remain healthy and independent as they age with the majority of older people reporting that their health is good. However, older people are not a homogenous group and a significant minority do spend too many years in poor health.

- 1.6. We know that what matters to older people is the ability to remain at home in clean, warm, affordable accommodation; to remain socially engaged; to continue with activities that give their life meaning; to contribute to their family or community; to feel safe and to maintain independence, choice, control, personal appearance and dignity; to be free from discrimination; and to feel they are not a 'burden' to their own families and that they can continue their own role as caregivers.
- 1.7. To this end it is important that we enter older age as healthy as we can possibly be. How long we stay healthy depends on our social, economic and physical environment as well as our individual characteristics and behaviours.
- 1.8. The report looks at some of the areas where we have good evidence of what we need to do to enable this. It makes recommendations about how, working across the Council and with external partners, including the NHS and the voluntary sector, we can support people in Hampshire to age well, have a positive older life and avoid becoming reliant on health and social care.
- 1.9. It is recommended that Cabinet:
 - a) notes the annual report of the Director of Public Health and
 - b) approves publication of the report.

2. Contextual information

- 2.1. The 2012 Health and Social Care Act specifies that the Director of Public Health should produce an annual report that considers health issues relevant to residents and that the local authority publish it. This is the third such report for Hampshire County Council and considers 'Ageing Well', one of the themes of the Hampshire Joint Health and Wellbeing Strategy. It follows on from a consideration of aspects relevant to children and young people 'Starting Well' which informed the procurement of a new public health (school) nursing service for Hampshire's 5 to 19 year olds and 'Living Well' which considered how lifestyle and habits affect individuals, their families and their communities and considered the impact on Hampshire County Council services as well as on local healthcare services.
- 2.2. This 2016-2017 report – 'Ageing Well' - focuses on what we can do to increase healthy life expectancy and support older people to maintain their independence and so minimise the need for public services.
- 2.3. The annual report of the Director of Public Health is enclosed as Appendix 1.

3. Issues

- 3.1. The key issues considered in the report are: falls and fractures; sight loss; healthy homes; dementia and social isolation and loneliness.

The report makes recommendations about how we can support people in Hampshire to age well:

- Ensure that older people are supported to have a healthy lifestyle and improve their access to lifestyle services where appropriate
- Adopt a life course approach to promoting good bone and joint health, support older people to remain physically strong to reduce their chances of falling and ensure that we have a comprehensive evidence based falls prevention programme
- Promote healthy lifestyle choices that will reduce the risks of sight loss
- Prevent the development and/or deterioration of long term conditions, such as dementia
- Support people who may be socially isolated or lonely to get connected with families, friends and their community
- Continue to work with planners to promote healthy environments and ensure that we build healthy homes
- Improve the availability of housing that supports an ageing population
- Identify priority actions to reduce social isolation for people providing unpaid care
- Continue to build dementia friendly communities through raising awareness and improving access for people with dementia to the built and natural environment.

4. Consultation and Equalities

4.1. This report considers some of the health issues that are relevant to Hampshire residents. It does not directly impact on people and communities as would a specific proposal or project. It identifies the current situation, including any interventions already in place, which address these health issues, and makes recommendations which will further impact positively on Hampshire's population and future health and social care requirements. All interventions mentioned in this report whether already in existence or proposed would be subject to an Equality Impact Assessment.

5. Future direction

5.1. The recommendations in the 2016-17 report will be realised over the next two-five years through various interventions and programmes many of which are already underway and include a return on investment approach for Hampshire County Council.

5.2. The report will be made publically available online.

6. Recommendations

It is recommended that Cabinet:

- a) notes the annual report of the Director of Public Health and
- b) approves publication of the report.

Links to the Strategic Plan

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

Other Significant Links

Links to previous Member decisions:	
<u>Title</u>	<u>Date</u>
Direct links to specific legislation or Government Directives	
<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.

2 Impact on Crime and Disorder:

2.1 This report does not create any impact on crime and disorder.

2.2 However, this report considers the health issues relevant to Hampshire residents. In discussing these, reference is made to the relationship between the determinants of health, consequences of ill health and impact on individuals, families and their communities, which touches upon crime and disorder. The report outlines possible solutions which would address these impacts.

3 Climate Change:

3.1.1 There are no specific proposals contained within this report which would impact on our carbon footprint/energy consumption.

3.1.2 There are no specific proposals that directly relate to climate change issues.

This page is intentionally left blank

Ageing Well in Hampshire



Contents

Foreword	3
Introduction.....	4
What is Ageing Well?.....	7
Hampshire’s older population: What we know	9
How can we support people to Age Well?.....	11
Falls and Fractures	12
Sight Loss	15
Healthy Homes	17
Dementia.....	21
Social Isolation and Loneliness.....	25
How can we increase healthy life expectancy?.....	27

Foreword

I am delighted to introduce my first report as Director of Public Health for Hampshire.

The Director of Public Health's annual report is one of the ways in which I can highlight specific issues for the health and wellbeing of the people of Hampshire and make recommendations for improvement, to a wide range of organisations.

This report focuses on the health of the older population of Hampshire.

People are living longer and our older population is increasing in number. This is a real success for improvements in public health, health and social care and something we should celebrate. Unfortunately in the UK we too often use language that suggests as people age they 'inevitably' become a burden, rather than an asset to our communities. This is of course far from the truth and fails to recognise the huge contribution to our society that older people make.

Many people remain healthy and independent as they age with the majority of older people reporting that their health is good. However, older people are not a homogenous group and a significant minority spend too many years in poor health. Also health inequalities persist into old age.

This report looks at some of the areas where there is a significant burden of disease and where we have good evidence of what we need to do to prevent disease and to keep people as healthy as possible. This means that our residents will be healthier as they age and more likely to remain active and independent in their own homes.



Dr Sallie Bacon

Introduction

People are living longer and our older population is increasing. This is a real success for improvements in public health and social care and something to celebrate.

Modern medical and other technological advances have transformed our lives, and many people are staying healthy, happy and independent well into old age.

Unfortunately in the UK national conversations have all too often focused on equating growing old with poor health – the ‘demographic time bomb’. We have used language that suggests that as people age they ‘inevitably’ become a burden, rather than an asset to our communities. This ignores the huge variety of ways in which older people continue to make valuable contributions to society through supporting the younger generation – practically, financially and through their knowledge and wisdom, volunteering and engaging with their community and with local and national political issues.

Happiness ratings are highest in 65 to 79 year olds, according to Office for National Statistics research, while those aged 45 to 59 reported the lowest levels of life satisfaction, with men on average less satisfied than women.

It is certainly true that growing older isn’t without its challenges. As we grow older we tend to develop more health problems, live with multiple long term health conditions (LTCs), develop dementia or poor mobility and become frail, but this isn’t inevitable. Frailty is a distinctive health state related to the ageing process where the body loses its in built reserves. It defines the group of older people who are at highest risk of adverse outcomes such as falls, disability, admission to hospital, or the need for long-term care and so it impacts on the ability to live independently and on quality of life. Around 10% of people aged over 65 years have frailty, rising to between a quarter and a half of those aged over 85 years.

Older people are more likely to report poor health; around two thirds report that their health is good, although in the 80 plus age group just over one in ten describe their health as poor¹. About 2 in 3 people over



60 have a long term condition, but most people don’t report that the conditions are life limiting. However, it is not just ‘medical’ conditions that can impact on health and wellbeing; more recently we have recognised the negative impact of social isolation and loneliness on the health and wellbeing of older people and the significant costs to health and social care².

Older people are not a homogenous group. The consequences of ageing vary so that some people will become frail at a relatively young age and some will still be fully active and independent well into their 90s and beyond.

1 The Dynamics of Ageing – Evidence from the English Longitudinal Study of Ageing 2002 – 15 Wave 7.

2 House JS, Landis KR, Umberson D. Social relationships and health. *Science*. 1989; 243: 540–545.

Despite the general health and wealth in Hampshire, health inequalities persist into older age. Life expectancy for men living in the poorest areas of Hampshire is almost 7 years less than for those in the most affluent areas, the gap for women is almost 5 years and the gap is widening. Despite increasing life expectancy, healthy life expectancy isn't keeping up. This means the time people live in poor health is almost 14 years for men and 17 years for women and over recent years the time lived in poor health has increased.

Older people in deprived populations are likely to develop health problems 10-15 years earlier than their wealthier neighbours. They are more likely to have more than one long term condition and there is evidence that it is the number of conditions that drives use of health and care services, rather than the specific disease, highlighting the need for prevention and management of multi morbidity.

If we can identify the factors that influence the way we age, those that keep us healthy as well as those that lead to poor health and identify people at increased risk we can take action to improve health. We know that much of the poor health in older people is related to unhealthy lifestyles and so is potentially preventable.

It is important that we enter older age as healthy as we can possibly be. How long we stay healthy depends on our social, economic and physical environment as well as our individual characteristics and behaviours. We can influence some of these factors, for example whether we smoke, what we eat, how much alcohol we drink and how much physical activity we do. Some factors we can't change, such as our age, sex, genes and family history. It's never too late to take action to promote health in later life.

However good we are at prevention it is inevitable that some older people will still become unwell and this has obvious implications for health and care services; older people will still become ill, however good we are at prevention. Complex planning is required to ensure that the economic, social and health needs of older people can be met. We know that our health and care system is struggling to deliver the care that older people need. Managing frailty is a key issue for our current health and social care services and radical changes in the way that we deliver care are needed or needs will remain unmet and cost pressures will rise inexorably.

But it is not just costs to health and care services if people's health deteriorates. There is an impact on family and friends who want to care for their loved ones. As our population is ageing so is the population of people who will be their carers. If the health of carers breaks down the impact on our services will rise still further.

We know that what matters to older people in terms of wellbeing and quality of life is the ability to maintain their independence, stay in their own home and remain socially engaged³



What matters to older people in terms of wellbeing and quality of life?

“The ability to remain at home in clean, warm, affordable accommodation; to remain socially engaged; to continue with activities that give their life meaning; to contribute to their family or community; to feel safe and to maintain independence, choice, control, personal appearance and dignity; to be free from discrimination; and to feel they are not a ‘burden’ to their own families and that they can continue their own role as caregivers.”



³ <http://www.phoutcomes.info/>

In Hampshire we are living longer and our population is ageing

In 2016 an 85 year old Hampshire male can expect to live 11 months longer and a Hampshire female 10 months longer compared to ten years ago.

There are 280,600 people aged 65 and older in Hampshire and this is projected to increase by 34,000 over the next five years. The number of people aged 85 and over is likely to increase by 21% to almost 50,000.

We need to ensure that we can support people to age in better health and increase our efforts to reduce health inequalities in older people.

In this report I have looked at some of the ways in which we can work together to enable our residents to be socially, physically and mentally active for as long as possible so that they live for longer in good health, avoiding the need to be reliant on health and social care and can age well.



What is Ageing Well?

More than half of the illness among older people aged 60 years and over is potentially avoidable through changes to lifestyle



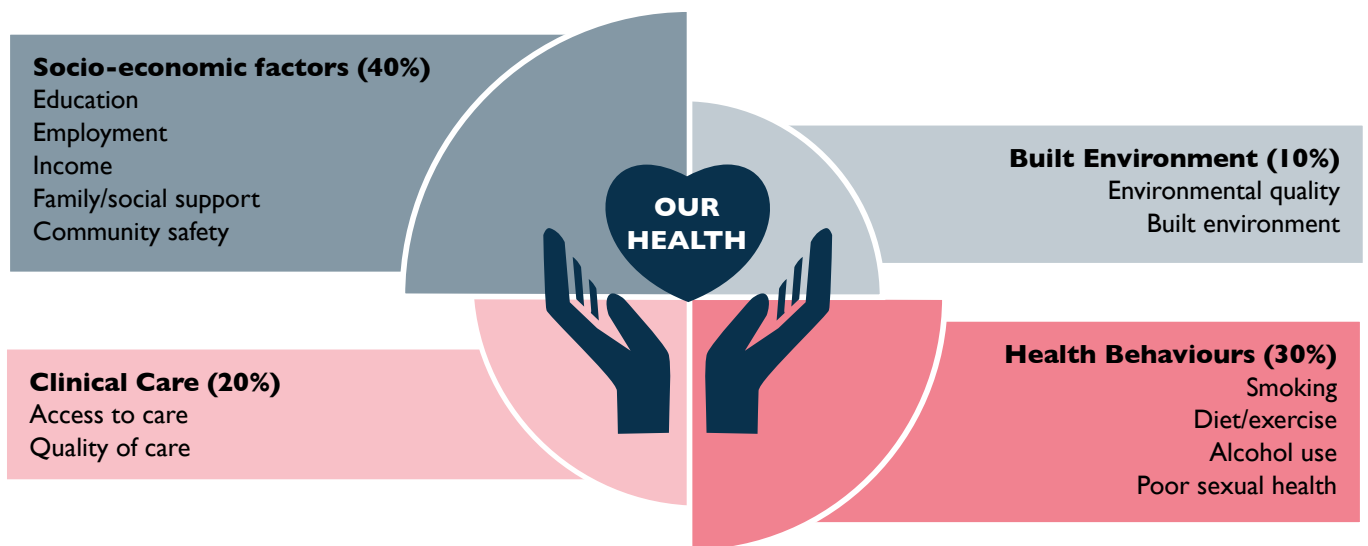
A community that has people that are ‘ageing well’ has significant benefits. Identifying opportunities to reduce the risk of people becoming ill or developing increasing health and social care needs has a benefit for both our communities and our services. There is strong evidence that making positive changes to the way we live, adopting healthy lifestyles at any age, including in older age, can make a real difference to future health. Many adults 65 and over spend, on average, over 10 hours each day sitting or lying down and they pay a high price for being inactive. There are significant health benefits for people who become physically active relatively late in life⁴ including a reduced risk of falls, obesity and heart disease. A healthy diet, being active, stopping smoking and protecting the eyes from bright sunlight can reduce the risk of Age-related Macular Degeneration (AMD) in the eye. AMD is a leading cause of loss of vision in older people⁵ and is due to damage to the macula of the retina.

The World Health Organisation estimates that more than half of the illness among people aged over 60 years is related to five risk factors. Obesity, lack of exercise, smoking, heavy alcohol use and low consumption of fruit and vegetables, accounts for as much as a 14 year difference in life expectancy and this is potentially avoidable through lifestyle changes^{2 6}.

How can we stay healthy as we get older?

Our health at any age is influenced by a number of factors, some we can change ourselves, some we can change with help from others and some we can't change. Our age, genetic background, gender, ethnicity, whether or not we have a job, how much money we have, the type of house we live in, the lifestyle we follow and the healthcare we receive all affect our health.

What contributes to our health?



4 Physical Activity Benefits <http://bjsm.bmj.com/content/early/2013/10/28/bjsports-2013-092993.abstract>
 5 <https://www.ncbi.nlm.nih.gov/pubmed/21149749?dopt=Abstract>
 6 <http://www.phoutcomes.info/>

In other words our health is influenced by how we live, the places where we live and the communities we live in – the wider determinants of health.

Collectively we can change our environment to help make healthy choices easier, for example by having a transport infrastructure that encourages active travel, by ensuring access to affordable, healthy food, decent homes and safe neighbourhoods.⁷

<h2>Healthy People</h2>	<h2>Healthy Places</h2>	<h2>Healthy Communities</h2>
<p>We are not bystanders in the creation of our health. Our chances of good health are largely shaped by the lifestyles we lead. But our lifestyles are, in turn, shaped by our circumstances. Being in good health is a complicated balance between the choices we make, genetic factors that can increase (or decrease) our risk of poorer health and the environment that influences those choices.</p>	<p>Healthy people need healthy environments. This means we need to take every opportunity to ensure that the places that matter the most to us: for example our schools, our workplaces, our homes and our streets, are designed to help to create good health.</p>	<p>Communities create and protect our health by connecting us as individuals and by promoting certain ways of living. Communities have many strengths that can be tapped to enhance people's health. Within communities there are skills, knowledge and commitment that can be used to improve the health and wellbeing of local people. The health of our communities is more than the sum of the health of each individual.</p>

Supporting older people to remain socially engaged and connected will keep people healthier for longer. This means they will continue to be an asset to their communities.



⁷ Based on the PHE policy direction: Healthy People, Healthy Places 2013

Our challenge in understanding our population

While national information/intelligence on lifestyles is helpful, we do need more local intelligence to help us understand how to change the environment in a way that will encourage the take up of healthy lifestyles (at any age) and to ensure our older population have access to the support they need to stay healthy.

We need a better understanding of the impact of living longer, and what this will mean for service planning; for people who have long term conditions or complex needs such as people with HIV; people affected by substance misuse; people with learning disabilities; and also carers, veterans and people who are isolated either from social contact or who are living in isolated areas.

By **2030** for every
2 people of
working age there will be
1 person of
pensionable age



Healthy life expectancy is the proportion of life spent in good health.

On average, Hampshire females live over three years longer than Hampshire males but these three years are likely to be spent in poor health.

How can we support people to age well?

The most important action we can take to achieve a healthy older age is to adopt healthy behaviours throughout our lives. If we think about good health as being like a piggy bank – you start with some ‘good health’ inherited from your parents and as you live your life the things you do can either be added to or taken away from what is in your piggy bank. As you get older the more you have in your piggy bank, the more likely you are to be able to cope with any illness you may develop.

As was highlighted in the Director of Public Health’s last Annual report¹¹, even a few minor lifestyle changes could mean that more people spend far more of their life in good health and avoid the need to access health

and social care. Small changes focusing on healthy eating and being a healthy weight, keeping well hydrated, being more physically active, improving muscle strength, not smoking (or stopping smoking), not drinking more than the recommended levels of alcohol and protecting your emotional and mental health can make a big difference and protect us from the risk of certain diseases and ill health.

For this report I have focused on some of the areas where there is a significant burden of disease and where there is evidence that taking appropriate action can have an impact in helping people to remain independent, reducing reliance on health and social care and improving outcomes.

	Falls and Fractures	Sight Loss	Keeping Healthy - at and in the Home	Dementia	Social Isolation
Scale	In 2014/15 there were 5,800 people over 65 years admitted to hospital with a fall related injury	In 2014/15 there were an estimated 788 new preventable sight loss certifications. Estimated prevalence of 53,000 living with sight loss; 7,000 who are blind (all ages)	Over the past 5 years there have been an average of 600 excess winter deaths per year due to preventable causes	12,224 people were recorded as having dementia in 2014/15 (0.87%) – set to increase with increasing age	Estimated 27,400 people aged 65 and over are lonely or isolated
Impact	Risk of falls increases with age, socio-economic conditions and poorer health. Impacts on mobility and independence especially if there is hip fracture. Human cost includes distress, pain, loss of confidence, independence and mortality.	Older people with sight loss are more likely to have additional health conditions or disabilities and are more likely to become socially isolated	Increased mortality is linked to fuel poverty and colder living conditions making older people particularly susceptible to infection, stroke and heart attacks (due to increased blood pressure) due to cold putting pressure on health and care services	Degenerative disease, needs and costs increase over time	Social isolation and loneliness are associated with an increased risk of cardiovascular disease, cognitive deterioration and overall mortality
Costs	Hospitalisation and social care for hip fractures (caused by falling) estimated at £50 million pa for Hampshire (NICE estimates)	Estimated costs of £133 million direct and indirect costs for conditions of the eye to health, social care and for disability benefits (all ages). Costs will also reflect service increases due to isolation and loneliness	Costs associated with additional morbidity are difficult to estimate but are likely to be in excess of £1.5million in hospital admissions alone	Analysis suggests the average annual costs for people with dementia is £12,000, of which social care costs are a third (£3,900)	Estimate increase in service usage due to loneliness results in a cost to the public sector of £12,000 per person over 15 years; 40% of which occurs in the first five years

11 <http://documents.hants.gov.uk/public-health/annual-report/2015-09-21PublicHealthAnnualReport.pdf>

Falls and Fractures

Injuries from falls are the most common and costliest event for older people. The consequences of falling can be minor, but with increased frailty and osteoporosis (a condition where there is thinning of the bones) the consequences can be significant resulting in fractures, particularly hip fractures. Falls are the leading cause of ambulance call-outs to the homes of people over 65³. It has been estimated that around 1 in 3 people over 65, and 1 in 2 over 80, fall each year. In Hampshire this equates to approximately 95,000 people over 65 years falling each year, of which 40,900 are over 80 years old. Falling is often a turning point and older people recovering from a fall frequently require more continuing care from both health and social services. Falls are estimated to cost the NHS more than £2.3 billion per year, having an impact on quality of life, health and healthcare costs.¹²

The return on investment from preventing falls is high;¹³ between £2.60 and £7.00 saved for every £1 invested, depending on the initiative and setting.



Why are 'falls' a problem?

- Falls are the leading cause of ambulance call outs to the homes of people aged over 65
- One in three people over 65 years and half of over 80 year olds fall at least once a year
- Half of those with hip fractures never regain their mobility
- Predictions suggest that with an ageing population there will be a 16% increase in falls

How can we prevent people falling?

- Falls prevention has a good return on investment, improving quality of life and reducing health and social care costs.
- Adopting a life course approach to musculoskeletal health and reducing the risk of osteoporosis by being physically active and having good nutrition, including calcium and vitamin D
- The key prevention initiatives are:
 1. Adaptations for the home including telecare
 2. Exercise programmes to improve balance and strength
- Tailored exercise interventions have beneficial effects for balance, wellbeing, mobility, cognition and bone fragility

¹² <https://www.nice.org.uk/guidance/cg161/chapter/introduction>

¹³ NICE Guidance – Falls in Older People. <https://www.nice.org.uk/guidance/cg86>

What are we doing?

For older people who have fallen or who are at risk of falling, local NHS services provide 12 weeks of an evidence based exercise programme. The programmes are generally delivered in groups with participants attending once a week for an hour. However, the evidence indicates that to deliver the best return on investment 50 hours of exercise is the minimum that should be provided over 6 to 12 months. The Council provides a falls co-ordination service for the delivery of exercise classes. There are three types of exercise classes; 'Steady and Strong', 'Otago' and 'Better Balance for Life'. 'Steady and Strong' classes are the most advanced in terms of the movements. 'Otago' classes, involve gentler, chair based exercise. 'Better Balance for Life' is aimed at the more frail elderly who are not able to undertake the 'Steady and Strong' or 'Otago' classes.

The 12 week approach was developed with the idea that once participants had attended for the initial 12 weeks they would be sign-posted to attend local 'Steady and Strong', 'Otago' or 'Better Balance for Life' sessions delivered by a trained instructor to make up the 50 hours needed. These classes are fee paying. However, we know that the level of take up of these local classes is not enough to impact the number of falls. There is considerable drop off in the numbers attending classes. The main reasons are thought to be increasing frailty, the cost of classes, transport issues and lack of availability of a local class. To get a better understanding of the barriers to continuing with exercise classes we have commissioned some research to understand the issues in more detail. We will use this information to help us to co-design a programme to make it easier for people to continue with the exercise that they need to reduce their risk of falling and consequent poor health outcomes. This piece of insight research is part of a wider review of falls prevention services across health and social care linked to the Sustainability and Transformation Plan for Hampshire.

Technology has a huge part to play in reducing the risk from falls. 'Telecare' is the use of personal alarms and environmental sensors to monitor people's support needs, to allow them to remain safe and independent in their own homes. Argenti, a consortium led by PA Consulting, has been commissioned by the Council to provide telecare services across Hampshire. These are starting to have a positive impact on reducing the risk of falling.

What are the challenges for falls prevention that we need to address?

The Global Burden of Disease Study 2015¹⁴ reported that disorders of muscles, bones and joints (musculoskeletal disorders) are the single biggest cause of disability in the UK, at 31.3% of the population. Having poor bone health and weak muscles can significantly impact on health and increase the risk of falling and the severity of injury. Lifestyle factors can contribute to the prevalence of musculoskeletal conditions. Preventive measures are vitally important at both an individual and a community level. The most important are good nutrition, maintaining a healthy weight and being physically active, especially load-bearing exercise. Excess alcohol and smoking are also important modifiable risk factors.

How do we promote good bone and joint health as we age? The important elements are ensuring people remain active throughout their lives and have good nutrition including calcium and vitamin D. The workplace has a huge 'good practice' role to play in supporting people to remain active, to help address back pain which is one of the most common reasons for sickness absences at work and can lead to poor bone and muscle health.

Case Study

Ms A, has physical disabilities and chronic fatigue syndrome and is at high risk of falling. She has been injured and admitted to hospital on a number of occasions.

The solution: Argenti installed a MyAmie pendant, a falls detector and a PIR (passive infrared) sensor linked to a lifeline to ensure 24 hour support was available.

The outcome: The service has allowed Ms A to live more independently and be less reliant on family and paid carers.

The benefit: 24 hour support, reassurance and reduced anxiety for Ms. A and her family and a saving of £550 per month through a reduction in the need for domiciliary care.



¹⁴ [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(16\)31743-3/fulltext](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(16)31743-3/fulltext)

Sight Loss

Sight loss is one of the leading causes of disability in older people. Older people with poor eyesight are more likely to have additional health conditions or disabilities and are more likely to become socially isolated. Sight loss can also have a profound effect on access to services. For example it is not uncommon for people with sight loss to receive information in formats that they cannot read, consequently missing essential access to services.

A significant proportion of blindness, particularly in older age is preventable. The effective use of treatment and rehabilitation services to improve people's immediate environment or their ability to take on day to day tasks can help maintain independence and improve quality of life.

Research¹⁵ suggests that half of cases of blindness and serious sight loss could be prevented if detected and treated in time. The five leading causes of preventable blindness and partial sight loss in the UK are: age-related macular degeneration (AMD) for which smoking is a significant risk, diabetic retinopathy¹⁶ which is a complication of diabetes, glaucoma, which in itself cannot be prevented but early detection and treatment prevents sight loss, cataracts, which if left untreated cause loss of vision and refractive error which if uncorrected causes visual loss.

In Hampshire the crude rate of sight loss due to AMD and diabetic retinopathy is significantly higher compared to the average in the rest of the country (158.8 cases per 100,000 in Hampshire compared to 118.1 for England in 2014/15 for AMD and 4.4 per 100,000 in Hampshire compared to 3.2 for England in 2014/15 for diabetic retinopathy). The reason for this is not clear and it may be due to differences in recording. The figures are based on self-certification.

The research¹⁴ implies that the take-up of sight tests nationally is generally lower than would be expected. This is particularly the case within areas of social deprivation. Low take-up of sight tests can lead to late detection of preventable conditions and increased sight loss due to late intervention. Risk of sight loss is heavily influenced by health inequalities, including ethnicity, deprivation and age and sight loss can increase the risk of depression, falls and hip fractures, loss of independence and living in poverty.

Can we prevent sight loss?

- Much sight loss is preventable. Effective use of treatment and rehabilitation services can improve quality of life and independence
- Half of the causes of blindness and serious sight loss could be prevented if detected and treated in time
- Risk of sight loss is associated with health inequalities
- Age related macular degeneration rates are higher in Hampshire than England; smoking and obesity (poor diet) are a significant factor

What can we do?

- Risk of sight loss is associated with health inequalities – increase eye sight test uptake in more deprived areas
- Smoking and obesity are significant risk factors for sight loss and therefore helping people to give up smoking and lose weight at any age would reduce the risk of AMD and other preventable eye conditions that impact on independence

¹⁵ Access Economics (2009), Future Sight Loss UK 1: Economic Impact of Partial Sight and Blindness in the UK adult population. RNIB

¹⁶ Diabetic Retinopathy is when high blood sugar levels cause damage to the retina. If left untreated it can lead to blindness. The projected increase in cases of diabetes makes early diagnosis and treatment of the condition a significant priority.

What are we doing?

For individuals who have been identified with vision impairment, the Council services emphasis has been on early intervention to provide support to develop 'independent living skills'. These skills are designed to improve independence and include: day to day living skills to support household activities such as financial control and cooking; skills to support going out safely, using long canes and building confidence in using public transport; future proofing skills so that if the person has a condition which is likely to get worse over time they develop strategies for dealing with this. There are also new initiatives being developed to support people with vision impairment to be able to take any medication they may need safely. It is recognised that new technology will increasingly form part of the support for people with vision impairment and that they will need to develop skills in using this technology.

What are the challenges for sight loss that we need to address?

As people become more frail, or disabilities deteriorate, they often become less able to do day to day tasks which impacts on their independence. Adapting people's environment can make a big difference to independence and increasingly the use of technology can improve this. Our challenge is how we adapt housing and use technology more effectively to support people to live independently with a disability such as sight loss.

Case Study

Living in the rural part of the Test Valley Mrs. I's husband recently passed away. Her serious visual impairment meant that she was no longer able to drive and the poor rural public transport meant she found it difficult to visit her family.

Using her Breezie (a tablet specially modified for use by older people) with a special magnifying glass has enabled her to contact her family through email and send photos to her daughter. The Breezie has also helped her shop online, so that she doesn't have to rely on others to do it for her. "This means an awful lot to me", she says. "I am less isolated and able to look after myself".



Healthy Homes

People need healthy places to live healthy lives. The physical environments where people are born, live, grow, work and age have significant effects on mental and physical health and wellbeing. Planning, transport, housing, the built and natural environment and health services all influence our health and wellbeing.¹⁷ There is strong evidence that mental ill health, cardiovascular disease, respiratory disease, excess seasonal deaths and accidental injuries are heavily influenced by social determinants.

Older people are particularly at risk of dying during winter months compared to the rest of the population. Excess Winter Deaths (EWD) is the measure used to describe how many more people die during winter months than at other times of the year.

The UK has one of the highest Excess Winter Death (EWD) rates in Europe despite having relatively milder winters. This is because we tend to take fewer precautions in cold weather (such as wearing warmer protective clothing) compared to people living in countries with cold winters. Countries with milder winters also tend to have fewer homes with cavity wall insulation and double

glazing, which makes them harder to keep warm during the winter. There are various physiological effects of cold weather, which may lead to death in vulnerable people especially older people. In older people a one degree lowering of living room temperature is associated with a rise of 1.3 mmHg blood pressure; this increases the risk of strokes and heart attacks. Fuel poverty (i.e. the ability of households to heat their homes) also disproportionately affects older households, and those living in rural districts. Although the rate of EWD and fuel poverty is lower in Hampshire compared to England it is still higher than European countries.

People over 85 years are more likely to have an underlying health condition that may make them more vulnerable to a winter death. By virtue of age they are more likely to be frail. Respiratory and circulatory diseases each account for around one third of EWDs. The level of circulating influenza can be also a major explanatory factor. A lower resistance to respiratory infections and the increased level of influenza circulating in the population in winter can lead to life-threatening complications in vulnerable groups, such as bronchitis or pneumonia.



¹⁷ Marmot Fair Society Healthy Lives (2010) <http://www.instituteoftheequity.org/projects/fair-society-healthy-lives-the-marmot-review>

What are the issues for how we live?

- In England, a relatively sharp increase in deaths occurs when the outdoor temp falls to around 6°C⁶
- Older people are more at risk of dying during the winter because underlying health conditions make them more vulnerable as does living alone and not having adequate social services support⁶
- Influenza and pneumonia are the most common underlying cause of excess winter deaths, accounting for 64% of all excess winter deaths in Hampshire⁷
- Fuel poverty disproportionately affects older households and rural areas and is higher in privately rented homes

What can we do to prevent poor living conditions?

- Essential that new housing stock reflects the needs of the local ageing population⁵
- Effective promotion and uptake of the Winter Flu Vaccinations Programme should continue to target those populations at greater risk
- Evidence indicates that changes in home heating, insulation and temperature can have a beneficial effect on illnesses from a range of causes
- Effective long term condition management to improve the outcomes for people living with cardio-vascular and respiratory conditions
- Working with planners to ensure we build healthy homes and healthy environments



What are we doing in Hampshire to support better living conditions?

Both the built and natural environment play a key role in improving physical and mental health, reducing segregation and isolation, and preventing long-term illness, such as obesity and associated diseases.

Key factors that can influence specific health issues at a local level are as follows:

- **Mental health and wellbeing:** housing density and escape (overcrowding; access to green spaces and opportunities for physical activity, social facilities, places to stop and chat; community facilities such as libraries); safe highway network; housing design (the look of the development); housing quality (e.g. damp, noise; fear of crime (feeling unsafe to go out))
- **Obesity and cardiovascular disease:** air quality, total volume of traffic and local congestion; safe highway environment; opportunities for active travel and recreational exercise outdoors; damp homes; overcrowding
- **Excess seasonal mortality:** ensuring buildings are sufficiently insulated and designed to not trap excess heat in summer
- **Accidental injuries:** traffic calming, pedestrian-friendly environments

In Hampshire, the new development in Whitehill and Bordon has been awarded ‘Healthy New Town’ status. This is an NHS England programme, supported by Public Health England, which aims to design towns with health and wellbeing at their heart.

The aim is to influence the design of the town to ensure that healthy choices are easier to make to help prevent illness, encourage healthy lifestyle choices and enable people to remain independent to a much later age than at present.

Local NHS organisations, public health organisations, local government, voluntary sector partners and developers are all working in partnership.

Public Health are working closely with Strategic Planning in the Council and the District planning teams to consider how health concerns can best be addressed through planning. A planning position statement has been developed¹⁸ that sets out how Hampshire County Council and partners can deliver the County Council’s statutory public health responsibilities and District Councils’ duties to deliver relevant elements of the National Planning Policy Framework through the planning system.

Reducing the risks of excess winter deaths for older people: keeping warm and vaccination

Two of the biggest preventable risks of early death in older people over the winter months are low body temperature or hypothermia and respiratory infections, such as pneumonia and influenza (flu). Ensuring that people can keep warm and that they are protected against the pneumococcal and influenza viruses through vaccination can make a difference.



¹⁸ Public Health in Hampshire Planning Position Statement - <https://www.hants.gov.uk/socialcareandhealth/publichealth>

Case Study

keeping warm, tackling fuel poverty

'Hitting the Cold Spots'¹⁹ is an initiative that provides support to improve heating and warmth in the home as well as identifying funding for repairs and replacements to existing heating systems where necessary and providing advice on available benefits for those in need.

The initiative is supported by a broad range of both statutory and voluntary sector partners with their own wide networks of contacts that can help identify the most vulnerable in our community. All eleven District Councils are active partners in the initiative which has added to its successes.

Mrs. D lives alone in a park home in rural Winchester. She has previously had a double transplant and has lowered immunity. Therefore she finds it difficult to control her body temperature. Her heating system is not very effective so she struggles to stay warm in winter. Due to her condition Mrs. D can only work limited hours and relies on benefits. Hitting the Cold Spots has leveraged £1,360 from external sources towards the cost of work to upgrade her heating.

Case study

flu vaccination

Since 2000, GPs have routinely given flu and pneumococcal vaccinations to people over 65 years. The main benefit of the flu vaccination is that it can prevent or reduce the severity of complications associated with flu. The pneumococcal vaccination is given as a one off vaccination but the flu vaccination is given annually. This is because the flu virus can mutate and a vaccine that is effective one year may not be effective the following year. The annual programme for flu has two elements. The first element is vaccination of those at risk (that includes all those over 65 years, people under 65 years with certain long term conditions or who care for someone who would be at risk if their carer got ill). The second element, introduced in 2014, is the vaccination of young children (all children aged 2 to 8 years), not only because they could be at risk of flu but because young children are very good at spreading viruses. In Hampshire in 2015/16 the uptake of flu vaccine for those over the age of 65 years was 73.1% which although above the England average, is still below the target of 75%. The vaccination rates in 2-4 year olds in 2015/16 was 41.5%, higher than the national and regional averages but less than the target of more than 65%. For both elements we need to increase uptake to reduce the risk of disease especially to the frail elderly.

What are the challenges?

Adapting people's environment can make a big difference to future health and well being and independence. Living in poor quality housing, particularly unsafe, cold, damp, noisy or overcrowded homes, has both direct and indirect health impacts. Badly managed homes or homes in poor physical condition put older people at risk of deteriorating health. Influencing planning and housing design for an ageing population is critical to improving

health and wellbeing. The use of technology can support some of what is needed and our challenge is how we adapt housing and use technology more effectively.

A key issue for Hampshire County Council, working with the Districts, is how to improve the availability of housing that supports an ageing population alongside improving the quality of the private rented sector, reducing levels of overcrowding and fuel poverty; meeting demand for social housing and provision of a suitable mix of housing tenure.

¹⁹ Hitting the cold spots - <https://www.hants.gov.uk/socialcareandhealth/adultsocialcare/coldspots>

Dementia

Dementia is more likely to affect older people. Prevalence is increasing and the rate is higher in Hampshire than England. It has a significant impact on individuals and families and it often complicates multiple co-morbidities or frailty.

Dementia presents major challenges for health and social services and remains a misunderstood and stigmatised disease. It is a syndrome, a term for a group of diseases and conditions that are characterised by the decline and eventual loss of awareness such as memory, thinking and reasoning and often by changes in personality and mood.

Old age is the largest risk factor for dementia and prevalence (that is the number of people who have the condition) doubles every decade after the age of 65. Some 68% of all people with dementia are aged over 80 and most will also have other illness or long term conditions that result in physical impairment. These co-morbidities often go undiagnosed and/or untreated. Alzheimer’s disease (AD) is reported to account for the majority of dementias (54%), vascular dementia (16%) and mixed or other dementias accounting for the remainder²⁰.

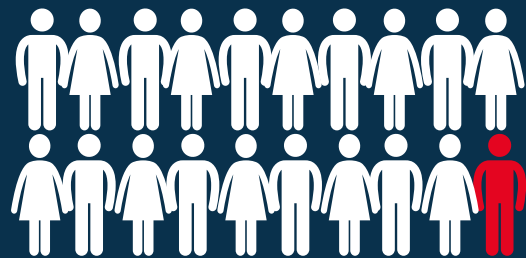
Dementia is a leading cause of disability in people aged over 65. Dementia is a progressive disease, and the prognosis after diagnosis is not good. Most people die within five to eight years of diagnosis. Women with dementia outnumber men by two to one. It is

estimated that 63.5% of people with dementia live in the community, of whom two thirds are supported by carers and one third live alone. Approximately 36.5% live in care homes. Social services data have identified that a key issue for demand for services is the break-down of carer support. Supporting carers is critical but what we do needs to be based on evidence of what works.

In Hampshire, in 2014/15 the recorded prevalence of dementia was 0.88% (4.22% of the over 65 year olds) which is above national and regional recorded prevalence. This equates to 11,918 people.



Dementia isn’t exclusively a disease of old age. Early onset dementia refers to dementias that occur before the age of 65. In contrast to dementias in older people, dementias in younger people often present with other features other than memory decline. Early onset dementias are less common than dementias in people over 65 years of age, and younger people are more likely to have rarer forms of dementia. The distribution of dementias in younger people is 31% Alzheimer’s disease, 15% vascular dementia, 13% frontotemporal dementia and 12% alcohol-related dementia²¹. There is also an increased incidence of the Alzheimer type of early onset dementia in people with Down’s Syndrome which can significantly impact on the need for care²².



1 in 20 people over 65 years have dementia

20 Lobo A, Launer IJ, Fratiglioni L, et al. Prevalence of dementia and major subtypes in Europe: a collaborative study of population-based cohorts. Neurologic diseases in the elderly research group. *Neurology* 2000;54(11 suppl 5):S4–9.

21 Advances in psychiatric treatment (2009), vol. 15, 380–388 doi: 10.1192/apt.bp.107.000100

22 Lai, F, and Williams, R. S. (1989) A prospective study of Alzheimer disease in Down syndrome. *Archives of Neurology*.46,849-853

The increases in prevalence are significant but so far have been less than predicted. This may reflect that we have yet to see the ‘baby boomer’ generation reaching the age when most dementia is diagnosed. As dementia is a degenerative disease, the needs of an individual for health and social care will change over time with the greatest need coming towards the end of life.

There is growing evidence that certain dementias are preventable, particularly vascular dementia. Preventing people from developing dementia through supporting healthy lifestyles and reducing vascular disease is key. However, once diagnosed the focus should be on supporting people to remain independent and active with the best possible quality of life for as long as possible. In the final phase of the condition we need to focus on ensuring good end of life care.

What are the issues for living with dementia?

- Over two thirds of people with dementia are aged over 60 years. Most people die within 5 to 8 years of diagnosis
- 64% of people with dementia live in the community, two thirds are supported by a carer, one third live alone
- Dementia can be associated with other long terms conditions such as heart disease, and diabetes. As people get older if these conditions are not managed well complications can lead to them having multiple LTCs including dementia. These complications are potentially avoidable.



Can we prevent long term conditions such as dementia and/or prevent the conditions from getting worse?

Interventions that improve memory function and reduce the risk of disease or slow the deterioration of disease include:

- Being mentally and physically active
- Eating a balanced diet
- Having good networks of family and friends
- The way we live our lives impacts on health. Stopping smoking, eating healthily, drinking sensibly, and being active (mind and body) at any age can all help improve health and how we feel day to day and prevent the development of long term conditions, including dementia in older age.

What are we doing in Hampshire?

Hampshire County Council has been leading a programme to improve awareness of what dementia is and how those who have been diagnosed might be feeling – the Dementia Friendly Initiative. People across the County are working to promote the need for understanding, clear communication, patience and support for those with dementia and their families. Ultimately, the aim is to forge a community spirit in which people with dementia will be able to live independently for longer, with help and support when they need it.

The programme has included the creation of:

- The Hampshire Dementia Action Alliance
- Dementia Ambassadors
- Dementia Friendly High Streets
- Awareness raising initiatives
- Peer support groups
- Dementia Action Group

The Supportive Communities Programme is working with the voluntary sector developing community and voluntary sector partnerships to support people with dementia. One of the areas of focus for community grants is for people with dementia and their carers.

Vascular dementia is due to reduced blood flow to the brain. Things that increase the chance of developing vascular dementia in later life include: high blood pressure, smoking, high cholesterol, diabetes, being overweight or obese, atrial fibrillation, physical inactivity and excessive alcohol consumption. Reducing the prevalence and/or reducing the impact of these risk factors will help to reduce the incidence of dementia. The Council is working to achieve this by commissioning services such as: the NHS Health Check programme, that helps to identify risk factors for diabetes, vascular disease and dementia; weight management services that can help people achieve a healthy weight and the Stop Smoking Service (Quit4life) that helps people quit smoking.

As people with dementia comprise an ever-growing proportion of people using health services and accounts for about a quarter of people who access acute health services, it is essential that health environments are tailored to their needs. There is increasing evidence that the environment of care in hospitals can have

a significant and detrimental effect on patients with cognitive problems and dementia, leading to additional distress and confusion. The Kings Fund has been running the Developing Supportive Design for People with Dementia programme on behalf of the Department of Health since 2003. The programme has identified what works to improve the environment for people with dementia. It is often small things such as clear signage, light and airy rooms and good handrails that make a big difference. Supportive design should be founded on an understanding of the impact of physical environment on people with dementia and strong partnership working with them, their carers and care staff.



What are the challenges for Dementia?

Dementia is not an inevitable consequence of growing old. However, while there is growing evidence about what we can do to reduce the risk for future generations, it is likely that over the next 5-10 years there will be an increase in the number of people who develop dementia. Dementia gets worse over time but there is growing evidence that the rate of deterioration can be slowed. Keeping physically and mentally active, adopting a healthy lifestyle, maintaining social connections, adapting living conditions to make it easier to keep people with dementia safe and ensuring that their carers have access to support are all vitally important.

The challenge is to ensure that people can access the right support at the right time in their communities. The Council has started to redesign its services for older people using a strengths-based approach but there is more to do to fully understand what support is available in the community and where there are gaps so that we can work with communities to develop the resources that are needed.

Case study

the effectiveness of awareness raising sessions as part of the Dementia Friendly Initiative

Drivers from Wiltshire Farm Foods (deliverers of meals on wheels) were one of the first groups to attend one of the initiative's awareness sessions. A few weeks later the Local Area Coordinator received feedback about the experience of one of the drivers.

A driver was delivering meals to a client's house where the family told him 'mum won't stay in her room – she says there's someone in there'. They had looked under the bed, behind the curtains and tried every way they could think of how to show her no one was in there, but with no success. The driver, feeling he might be able to use the knowledge learnt at the awareness session, asked if he could look and the family agreed. The driver looked in the room and remembered about possible perception problems for people with dementia. He saw a dressing gown on the back of the door and took it down, following which the woman was happy to go into her room.



Social Isolation and Loneliness

Social relationships are vital for the maintenance of good health and wellbeing²⁴. Social isolation and loneliness are associated with poor mental and physical health and increased mortality²⁵. While social isolation and loneliness are closely linked they are different. It is possible to be socially isolated and not feel lonely, or to feel lonely when not socially isolated. Both are independently linked to poorer health²⁶.

Social isolation and loneliness can affect people of any age and younger age groups are frequently neglected in discussions around social isolation and loneliness. However many of the risk factors such as bereavement and poor physical health are more common in the elderly, making this group particularly vulnerable.

In 2016 we did a more comprehensive review (needs assessment) of social isolation and loneliness, why it is important, who might be affected, how can we identify those at risk and what works to prevent or alleviate isolation or loneliness. This report²⁷ found

- Social isolation and loneliness are associated with poor mental and physical health, and increased mortality
- The impact on health is as significant as well known risk factors such as smoking, high blood pressure and physical inactivity
- Certain groups are particularly at risk of becoming isolated and lonely including, but not limited to, the older population
- Social isolation and loneliness represent a health inequality, with deprived communities being most affected
- Social isolation and loneliness have a large financial cost on adult social and health care services
- There is good evidence on what can be done to prevent and reduce social isolation and loneliness
- The cost of delivering programmes to prevent and reduce isolation and loneliness can be significantly less than doing nothing
- Some risk groups in Hampshire remain underserved in terms of programmes and interventions, and more should be done to support them

Who is affected by isolation and loneliness and what are the impacts?

- Older people, especially older women, are more vulnerable to social isolation and loneliness
- The factors that may make people more likely to be isolated or lonely include bereavement, pensioners living alone, being aged over 70 years, being an older carer and living in deprivation
- Loneliness contributes to poorer mental health and problems such as anxiety and depression.
- Social isolation in older people is associated with increased risk of early death
- Social isolation and loneliness are predicted to be higher in urban areas and those of greater deprivation



What can we do?

- Identify people at risk of social isolation and loneliness to effectively target services
- Older people undertaking voluntary work is associated with improved wellbeing and quality of life (reducing loneliness and isolation) and builds community resilience
- Individual interventions (e.g. Community navigators, befriending services) and group based activities (e.g. day centres) are effective both in cost and positive outcomes

24 Steptoe A, Shankar A, Demakakos P, Wardle J. Social isolation, loneliness, and all-cause mortality in older men and women. PNAS. 2013; 110(15): 5797-5801.

25 Cornwell EY, Waite LJ. Measuring social isolation among older adults using multiple indicators from the NSHAP study. Journal of Gerontology: Social Sciences. 2009; 64B (S1): i38-i46.

26 Holweda TJ, Deeg DJ, Beekman AT, van Tilburg TG, Stek ML, Jonker C, Schoevers RA. Feelings of loneliness, but not social isolation, predict dementia onset: results from the

Amsterdam Study of the Elderly (AMSTEL). J Neurol Neurosurg Psychiatry. 2014; 85(12): 1222-1227.

27 Social isolation and loneliness in Hampshire: a health needs assessment - <http://www3.hants.gov.uk/healthandwellbeing/public-health/jsna.htm>

What are we doing in Hampshire to tackle social isolation and loneliness?

There are a large number of services and initiatives that are aimed at reducing social isolation and loneliness across Hampshire which have been highlighted in the report.²⁷ Many of these represent partnerships between the voluntary and public sector and, in addition to work to prevent isolation and loneliness, many provide opportunities for community members to get involved in volunteering, the benefits of which are far reaching.

Finding out what services and initiatives are available in a particular community can present a real challenge. 'Connect to Support' is an online information and advice guide being developed by the Council, which contains a directory of local services and support including community and local voluntary sector initiatives. However, many of the smaller voluntary organisations which provide an invaluable service for their community are often missed in such initiatives because of their small size. There is an opportunity to enhance the information in the directory by undertaking a more detailed map of the initiatives in local areas that would support people who are or could become socially isolated or lonely.

We are also starting to investigate how to unlock the potential of technology to support more isolated people, particularly those in rural areas to stay connected.

What are the challenges for social isolation and loneliness?

There are interventions that have been shown to be cost-effective but these need to be targeted and implemented in a sustainable way and at scale. We clearly need to identify what already exists in local communities, the strengths and the gaps and to work with partners to understand how we can best meet the needs in the community.

Thinking about and identifying people who are isolated or lonely needs to be 'business as usual'. The challenge for public sector workers is to recognise social isolation and loneliness and know how to use community resources to connect their patients/clients with organisations who can help. The challenge for the voluntary sector is to be able to identify and engage with local people to increase volunteering that will support the isolated and lonely.

The built environment and surroundings play an important part as well. Good urban design including creating and maintaining spaces that encourage social interaction and good public transport access to services are all important. Developing such an enabling environment will require commitment and close partnership working.

Case study

We are working with the providers of our telecare services, Argenti, to see whether technology can be used to tackle social isolation in older people in rural areas by connecting users with each other and to relevant services.

Two devices (Breezie Tablets and Speakset) are being tested and users are being supported to use the technology by volunteers from the library service and the community. The devices can be used to communicate with friends/family/clinicians, to access online materials and social groups, as well as access online shopping and library services.

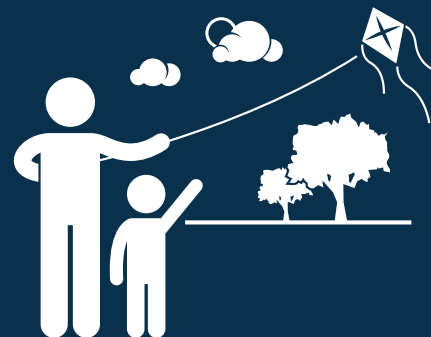
Mrs. H has been caring for her husband for 20

years since he had a stroke. In recent years her health has suffered and her husband has had to move into a care home. Mrs. H has lived in a small Hampshire village for 33 years but because the area is very rural she is very cut off from friends, family and wider society. Visiting her husband is a real struggle as Mrs. H can no longer drive.

"I'm lonely here, all tucked away. I can't get out. I want to be involved; I recently had to give up running a club for disabled people that I had been running for years".

"This device can help me to connect with people and see what is going on. It will be good for me as I'm a sociable person".

How can we increase healthy life expectancy?

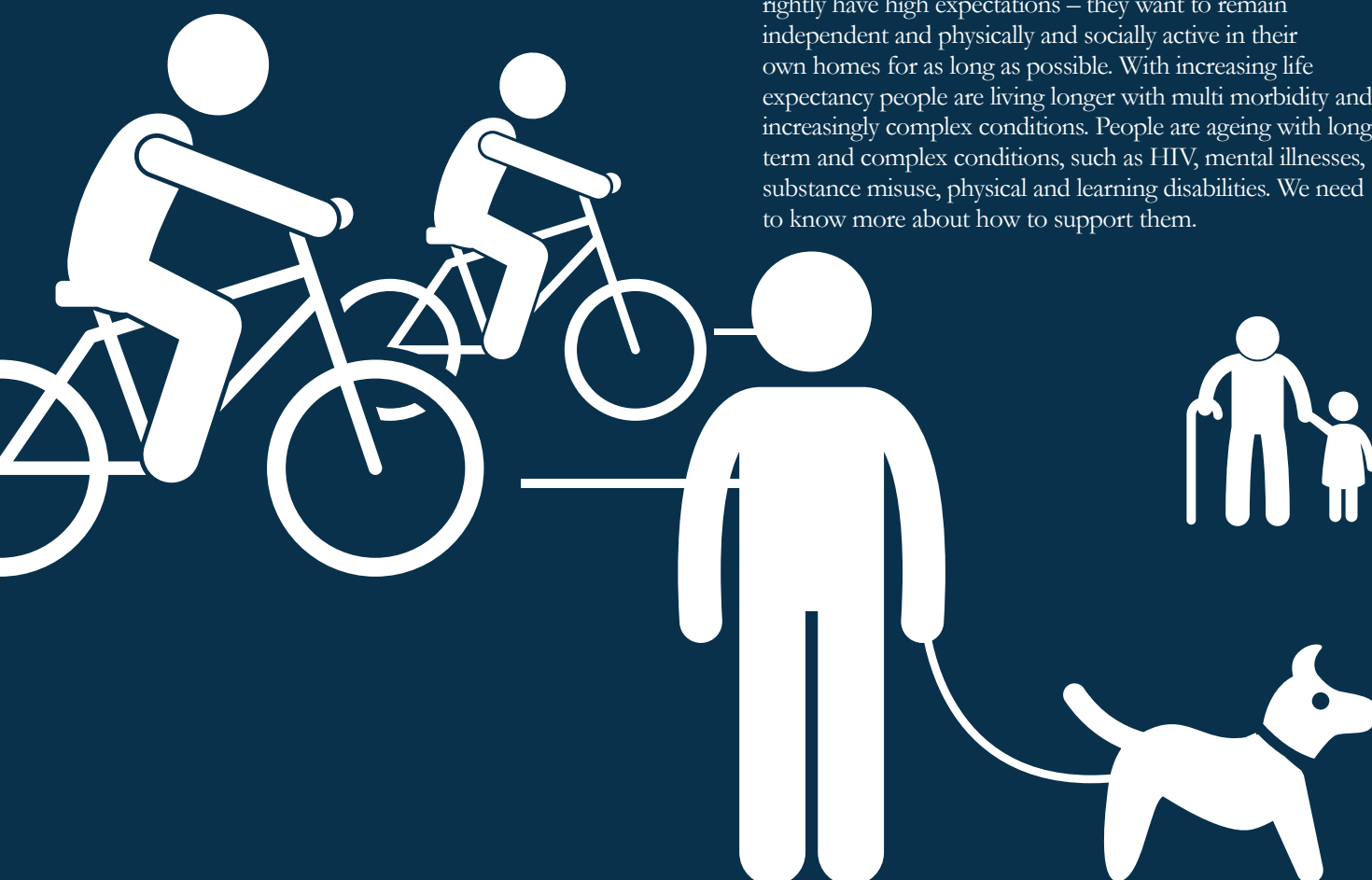


What matters to older people in terms of wellbeing and quality of life?

The ability to remain at home in clean, warm, affordable accommodation; to remain socially engaged; to continue with activities that give their life meaning; to contribute to their family or community; to feel safe and to maintain independence, choice, control, personal appearance and dignity; to be free from discrimination; and to feel they are not a 'burden' to their own families and that they can continue their own role as caregivers.⁵

Living longer in good health, that is, increasing healthy life expectancy, is something we should strive for. I believe it is attainable through the collaborative and co-ordinated efforts of all of us to make sure that the places and the communities we live in promote health and enable people to make healthy choices. But it isn't an easy task and we shouldn't underestimate the challenges that we face.

People are living longer, society is changing and people rightly have high expectations – they want to remain independent and physically and socially active in their own homes for as long as possible. With increasing life expectancy people are living longer with multi morbidity and increasingly complex conditions. People are ageing with long term and complex conditions, such as HIV, mental illnesses, substance misuse, physical and learning disabilities. We need to know more about how to support them.



We know that we face increasing risks from antimicrobial resistance, so that conditions that were previously readily treated could become more complicated in future years.

This is at a time when the resources available for the public sector are reducing year on year and we have to make difficult choices and do things differently. Keeping people healthy and preventing illness has never been more important.

We already know there are initiatives that could make a difference. However, these are often only implemented in small areas and not in a systematic way – this means that they don't have a significant impact on the health of the whole population and that we aren't making the best use of our reducing resources. They are always often not evaluated in a way that helps us understand how they are working or why they don't work! We need to start thinking big – prevention at scale.

We have seen that more than half of the illness in people aged 65 and older could be preventable through changes to lifestyle. While there is increasing evidence for interventions that either prevent the onset of poor health or reduce the rate of deterioration of long term conditions, for example staying physically active for as long as possible and sensible drinking, implementing these at scale remains a challenge.

If we are to reach our goal then we must implement initiatives consistently. However, we also need to be bold and innovative – testing out new ways of working, for example, engaging older people as volunteers, as we know this has health benefits, using community navigators to support people to gain confidence and independence and looking at how we can support people to develop and use their social networks.

- We need to continue our work with younger adults (40-64 year olds) so that people are entering older age as healthy as they can be
- We need to listen to the voices of our older citizens and strengthen our links with community groups and voluntary organisations
- Identify opportunities where we can help to reduce the risk of people becoming ill or having increased health and/or social needs and do this consistently
- Work with the voluntary sector in developing networks and resilience in local communities to ensure there is support to help people locally

Recommendations

Over the next two to five years, working in partnership with colleagues across the Council and with external partners, including the NHS and the voluntary sector, to help our population to age well and have a positive older life we need to:

- Ensure that older people are supported to have a healthy lifestyle and improve their access to lifestyle services where appropriate
- Adopt a life course approach to promoting good bone and joint health, support older people to remain physically strong to reduce their chances of falling and ensure that we have a comprehensive evidence based falls prevention programme
- Promote healthy lifestyle choices that will reduce the risks of sight loss
- Improve the availability of housing that supports an ageing population
- Prevent the development and/or deterioration of long term conditions, such as dementia
- Support people who may be socially isolated or lonely to get connected with families, friends and their community
- Continue to work with planners to promote healthy environments and ensure that we build healthy homes
- Identify priority actions to reduce social isolation for people providing unpaid care
- Continue to build dementia friendly communities through raising awareness and improving access for people with dementia to the built and natural environment



This page is intentionally left blank

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	11 December 2017
Title:	Superfast Broadband in Hampshire
Report From:	Director of Culture, Communities and Business Services

Contact name: Patrick Blogg, Assistant Director Transformation

Tel: 01962 845038 **Email:** patrick.blogg@hants.gov.uk

1. Executive Summary

- 1.1. Cabinet were provided with an update on the Hampshire Superfast Broadband Programme in March 2016 and a subsequent report was given to the Executive Member for Policy and Resources in December 2016.
- 1.2. In the last 12 months, the Hampshire Superfast Broadband Programme has made considerable progress. The Wave 1 contract has been concluded and has delivered connectivity to in excess of 80,000 premises, over 65,000 of which achieve superfast speeds (over 24 Mbps). The Wave 2 contract is underway and has upgraded connections to an additional 19,000 premises so far, with a target of 46,000 premises by the end of 2018 and 54,000 premises by the end of 2019. The combined number of premises reached by Wave 1 and Wave 2 of the programme to date is in excess of 99,000 premises.
- 1.3. The Hampshire programme continues to deliver on its targets, with strict budget control of the limited public funding available, assurance from central government and rigorously holding Openreach to account for delivery. However, it is important to differentiate between this success of the Hampshire programme and the wider, national broadband market failure which, in the case of the county of Hampshire, means that broadband providers still have no plans for the remaining 2.6% (circa 15,000 premises). The programme is acutely aware of the position of these residents in the last 2.6% and continues to look for innovative solutions to assist where this is possible.
- 1.4. Uptake of services continues to grow, with more than 43,500 paying customers taking a service from the improved broadband network. Nationally, the Hampshire programme is in the top quartile of take up of all programmes.

- 1.5. In January 2017, the County Council injected a further £6.8m into Wave 2. This funding has been sourced from savings in the delivery of Wave 1 and a rebate triggered by higher than expected uptake. This funding will enable an additional 7,500 premises to be upgraded during 2019, extending coverage to 97.4% of premises in Hampshire.
- 1.6. Technology has continued to develop during the course of the programme and consequently the delivery of Wave 2 includes a range of newer technologies. One of these is Ultrafast broadband, which has fibre provided directly to the premises (FTTP) and the potential for significantly faster speeds than superfast. More than 12,000 premises will be upgraded to Ultrafast FTTP broadband connections during Wave 2. The County Council is in discussion with the newly formed government body, Local Full Fibre Partnerships, regarding plans to extend this number even further and has recently submitted an Expression of Interest in response to a call from government for ideas to support the Full Fibre programme.
- 1.7. In June 2017, the County Council launched the £1M Community Match Funding Scheme (CMFS) to assist residents and communities who are not in current plans. This scheme will allow communities in the last 2.6% of premises (approximately 15,000) that are beyond the current programme to buy into the County Council's programme with Openreach to access an upgrade for their premises. The County Council will provide 50/50 funding towards the cost of an Openreach solution with a ceiling of £1,650 per property. A small community in Silchester has been the first to take advantage of this scheme and seventeen properties will shortly have access to superfast services that would otherwise have been left behind. A link to details of the Silchester scheme can be found [here](#).
- 1.8. Recognising that the programme is delivering significant connectivity to areas that are not being served by the commercial sector, and the additional investment for the community schemes, the programme is constantly striving to do more to reach the last 2.6%. This includes seeking further funding from other sources such as central government, engagement with Town and Parish Councils and bolstering the team's resources to drive take up and maximise financial rebate to further delivery.

2. Context for Superfast Broadband in Hampshire

- 2.1. The demand for broadband connectivity continues to increase. The UK has the largest digital economy in the G7 after the USA and reliable high speed broadband is important to citizens and businesses as they seek to take advantage of the opportunities that the digital economy offers. High speed connectivity is becoming increasingly important in the delivery and efficient operation of public services, including education and care for the elderly.
- 2.2. At a more local level, access to superfast broadband is an issue which continues to grow in importance because of multiple factors, including:
 - Flexible working arrangements with employees changing working patterns to work from home, with encouragement by employers to better employees' work/life balance and reduce commuting and congestion;

- An increasing shift for school children to complete their homework online;
- Access to employment and educational resources for adults;
- Entrepreneurs/ people running businesses from home or in rural areas need good connectivity;
- Helping reduce social isolation through allowing greater connectivity for the growing array of communication methods available;
- Helping elderly and immobile people to live independently for longer – reducing pressure on Adult Social Care budgets.

All of these requirements make access to superfast broadband more essential than ever.

- 2.3. In common with almost all UK local authorities, delivery of Hampshire's Superfast Broadband Programme rests with BT Group and their arm's length infrastructure division, BT Openreach. Earlier in 2017, as a requirement of the telecoms regulator, Ofcom, BT agreed a formal legal separation of Openreach. All of the BDUK work is now delivered through contracts with Openreach.
- 2.4. BT Openreach installs and operates open access infrastructure which offers consumers access to a wide range of competing service providers including Sky, BT Retail, Plusnet, and TalkTalk. Access to this network also ensures that residents have access to pricing equivalence across the UK.
- 2.5. The County Council currently holds two contracts with BT to deliver superfast broadband infrastructure to areas where market failure has occurred. In this paper the two contracts are referred to as Waves 1 and 2.
- 2.6. Hampshire's programme has been running since 2012 and continues to be a success. This includes delivering against targets agreed with central government and also through developing innovative arrangements to go beyond these targets and help communities across Hampshire who are not in current plans.
- 2.7. The County Council has a strong and collaborative working relationship with Openreach but rigorously holds them to account for delivery of targets. Performance is monitored closely and assured by central government. The programme continuously seeks to accelerate delivery where possible and keep communities informed where there are technical delivery challenges.
- 2.8. The targets and funding arrangements for the programme have been well documented in previous reports, representing a complex picture of different funding sources, recycled rebate funding in the contract, additional monies through contract underspend and match-funding monies allocated by the County Council. For clarity, these are set out in the table below:

	Value	HCC Contribution	District Contribution
Wave 1	£ 10,000,000	£ 3,759,000	£ 1,241,000
RCBF	£ 1,040,000	Govt funded	-
Innovation Fund	£ 1,200,000	Govt funded	-
Wave 2	£ 16,450,000	£ 9,200,000	-
Wave 2 Extension 2017	£ 6,800,000	Gainshare	-
Total	£ 35,490,000	£ 12,959,000	£ 1,241,000

Note1: RCBF is the Rural Communities Broadband Fund, which is funding secured following a bid to DCMS.

Note2: Wave 2 Extension is a combination of gainshare and contract underspend from Wave 1.

- 2.9. The County Council has put nearly £13M into the programme for delivering infrastructure through the contract, as well as providing additional revenue funding to fund the Hampshire programme delivery team.

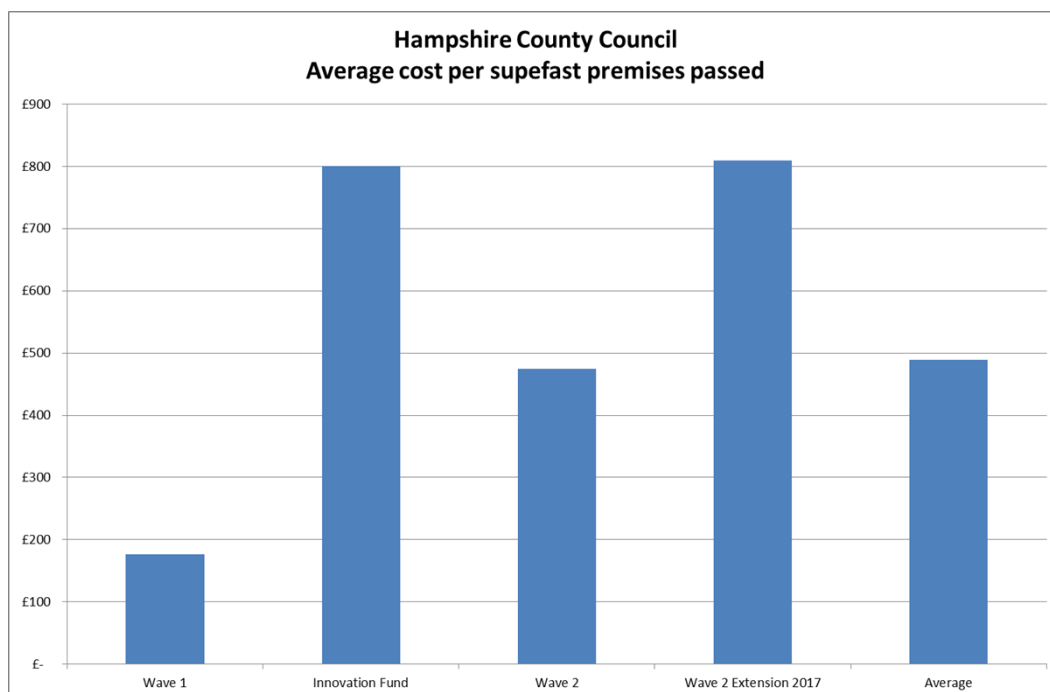
3. Progress in Hampshire

- 3.1. 2017 has seen continued strong growth in the delivery of superfast broadband services across Hampshire. 128 roadside cabinets have been installed across 79 different exchange areas, ranging from Abbots Ann to Yateley, connecting more than 16,000 premises to fibre broadband in the year to date.
- 3.2. The scheduling of roll out has been covered in detail in previous reports but it is worth restating the principles for prioritisation. The contracts with Openreach were negotiated nationally between BT and Broadband Delivery UK (BDUK – part of the Department for Digital, Culture, Media and Sport). The contracts are predicated on maximising the number of premises connected for the public subsidy available, but only in the intervention area that is not covered by commercial providers' plans.
- 3.3. All electoral divisions in the County Council have seen an improvement in their connectivity, though some have seen a greater improvement than others. The overriding factor influencing coverage is property density per square kilometre. Areas with lower property density are more expensive to reach and therefore have lower availability figures. Appendix 1 contains a full list of project coverage by electoral division.
- 3.4. Table 1 provides details of the 11 electoral divisions which the County Council estimates will have coverage of less than 95% at the end of 2019.

Table 1 - Details of the 11 electoral divisions which the County Council estimates will have coverage of less than 95% at the end of 2019

HCC Electoral Division	Total Premises	% covered at end of Contract 1	Total Premises Upgraded During Wave 2	Number not in programme but potential for CMFS	% Superfast in Electoral Division
Alton Rural ED	6,792	60.7%	2,271	396	94.2%
Andover West ED	8,635	76.4%	1,531	509	94.1%
Baddesley ED	6,984	89.4%	350	389	94.4%
Basingstoke North ED	7,582	91.3%	51	608	92.0%
Brockenhurst ED	8,574	64.7%	1,273	1,756	79.5%
Lymington & Boldre ED	9,377	83.2%	968	607	93.5%
Lyndhurst & Fordingbridge ED	8,798	72.1%	1,873	585	93.3%
Petersfield Hangers ED	7,470	77.3%	1,259	440	94.1%
Romsey Rural ED	7,390	47.3%	2,435	1,461	80.2%
Test Valley Central ED	7,163	45.7%	2,484	1,406	80.4%
Whitchurch & The Cleres ED	7,474	70.5%	1,567	640	91.4%

- 3.5. The programme continues to face considerable technical challenges as it operates in some of the most tightly regulated environments in the UK. Most notable of these is the New Forest, which is regulated by the Verderers' Court, Natural England, New Forest National Park Authority, Forestry Commission and District Council. Considerable effort from all these parties involved has led to a successful conclusion regarding how and where to install the new additional hardware required. As a result, infrastructure is being installed to reach parts of East Boldre, Beaulieu and Brockenhurst with further installations being planned.
- 3.6. It has previously been stated that the numbers of premises delivered are done on a value for money basis. As the programme moves towards areas that are generally more sparsely populated, the cost per delivery of each premises increases. The graph below shows the average cost per premises of the various stages of the project. The first stage of Wave 2 will extend coverage from 90-96% and has a subsidy figure of £475 per premises passed.
- 3.7. The £6.8M extension to Wave 2, taking coverage from 96% to 97.4%, sees the subsidy per premises increase to over £800. This subsidy is from public sector contributions including central government as per the table in paragraph 2.8.



- 3.8. To illustrate the variation in cost per premises through the life of the programme, the results of the Innovation Fund Trial in Ropley, Bramdean and Froxfield are a case in point. Hampshire was selected to be one of the 10 national trials into technology options for the 'last 5%' set up by the Department for Digital, Culture Media and Sport (DCMS). In 2015, Call Flow was awarded a contract by DCMS and work started shortly afterwards. Members will note from the graph above that the average subsidy per premises passed for this project reached £800, a figure that we are not seeing across the rest of the programme until the 2019 phase. The residents of this area have therefore received a service some four or five years earlier than otherwise expected.
- 3.9. It should be noted that the average subsidy per premises passed for the entire project stands at slightly less than £500 per property enabled with superfast speeds.

4. Community Match Funding Scheme and Engagement

- 4.1. In June 2017, the County Council launched the £1M Community Match Funding Scheme (CMFS) to assist residents and communities who are not in current plans.
- 4.2. This scheme allows communities in the last 2.6% of premises (approximately 15,000) that are beyond the current programme to buy into the County Council's programme with Openreach to access an upgrade for their premises. The County Council will provide 50/50 funding towards the cost of an Openreach solution with a ceiling of £1,650 per property.
- 4.3. There has been considerable interest in the scheme and two communities have already raised funds and signed a contract with the County Council for

a bespoke solution for their area. One of these is a small community in Silchester, who was first to take advantage of this scheme and 17 properties will shortly have access to superfast services that would otherwise have been left behind. A link to details of the Silchester scheme can be found [here](#).

- 4.4. The County Council's scheme is one of the first of its type in the country and similar schemes are now being developed by other county projects.
- 4.5. In addition to the CMFS, the programme team has been assisting a community in Test Valley in helping promote their Virtual Town Project, consisting of a number of villages where many of the properties are not in current plans for delivery under the HCC or private sector commercial programmes. The proposed scheme follows a successful campaign by residents in response to Virgin Media's 'Cable my Street' demand-led initiative. The residents have been able to attract enough signatures and expressions of interest for Virgin Media to proceed to the final design and build stage, and have undertaken to make a financial contribution to the scheme. The community hopes that Virgin Media will start building in 2018, delivering a fibre to the premises scheme.
- 4.6. The programme continues to administer the government's Universal Service Commitment (USC) scheme, which allows residents who experience broadband speeds of less than 2Mbps to apply for a voucher towards a bespoke solution. Residents are able to use the voucher towards the cost of an installation from a range of broadband suppliers and plans, with the potential to aggregate the subsidy towards a fixed wireless or fixed line broadband provision for the wider community. Hampshire has amongst the highest take up of the USC scheme in the country. This scheme was scheduled to come to an end in December 2017 but a recent announcement from government has confirmed an extension to the scheme.

5. Challenges in Hampshire and Future Plans

- 5.1. As well as keeping focused on the delivery of the contracted programme that plans to deliver to 97.4% of the county, the team is constantly striving to do more to reach the last 2.6%. This includes seeking further funding from other sources such as central government and bolstering the team's resources to drive take up and maximise financial rebate to further delivery.
- 5.2. Central government has put forward a proposal called the Universal Service Obligation (USO) where, from 2020, all residents should be able to demand a minimum speed of 10Mbps to their property. The mechanism to achieve this has not been defined yet, but it appears likely that the onus will be placed on suppliers in the market place rather than local authorities.
- 5.3. Community engagement remains a significant part of the programme team's activity. At the end of October, the programme had received more than 4,000 enquiries via Twitter and email during the previous 10 months. The team also provides tailored briefings for Members, local Members of Parliament, Town and Parish Councils, specific communities and meetings

with individual residents. Additionally, the team supports these organisations/individuals at public meetings.

- 5.4. Take up continues to rise and forms an important part of the Council's forward strategy for reaching close to 100% coverage. Within the contract there are mechanisms that provide a rebate to the County Council when take up is greater than the original estimates in Openreach's commercial bid. To date, rebates and savings have added a further £7.8M of delivery to the programme without requiring additional capital funding. The Council expects a further rebate in the next 12 months, and additional rebates in subsequent years. The County Council could see up to an additional c.£4M made available in the next 12 months, though this is still to be confirmed by Openreach. The most expedient way to convert this to more coverage is through recycling this in the existing contract, which was the principle adopted for the previous rebate.
- 5.5. It should be noted that as the programme starts to deliver services to the last 2.6% of properties in Hampshire currently without superfast speeds, the difficulties encountered so far when operating in areas of Outstanding Natural Beauty, Sites of Special Scientific Interest, National Parks and on Crown Estate land are only likely to increase.
- 5.6. The complexity of operating in these environments inevitably leads to delay and additional expense. It will be increasingly important and necessary to manage expectations, supporting the team in communicating with residents that this complexity and any resulting delays are often not the responsibility of the County Council or the company installing the equipment. The team will however continue to work with the various stakeholders to make the delivery as smooth as possible.
- 5.7. In respect of new housing sites, the County Council continues to encourage developers to engage with telecommunications suppliers to ensure that superfast services are installed on new sites from the outset. However, there are still instances where suppliers are involved too late in the build process, with new occupants in properties unable to access adequate infrastructure. The programme continues to engage developers and encourage Local Planning Authorities to explore opportunities to mandate superfast coverage as part of the planning approval process.
- 5.8. The programme continues to explore additional funding sources to help deliver to the areas where there are no plans currently. This includes recent engagement with the Enterprise M3 Local Enterprise Partnership (LEP) and Local Full Fibre Partnerships (part of DCMS). On the latter, the County Council has recently submitted an Expression of Interest following a call for their Full Fibre Networks Programme, which is making a proportion of the £740M Government's Infrastructure Fund available nationally to support the deployment of fibre connectivity. A call for full proposals is expected later this year.
- 5.9. The County Council continues to engage with central government on wider broadband policy discussions given the importance of national policy and funding as principal drivers to address the last few percent coverage. There

is an increasing demand being placed on all residents to be able to interact with the public sector via electronic means, particularly with those central government services provided through GOV.UK. Without full coverage, residents, particularly in rural communities, are concerned that the expectation of this means of communication is not matched by central government action to address full coverage.

- 5.10. In addition to superfast and ultrafast broadband, there is increasing demand for improved mobile connectivity, particularly along main commuter routes, both rail and road. DCMS is exploring 5G pilots as a parallel piece of work to the Full Fibre Networks Programme and the County Council is already in discussions with DCMS on how to be a part of this.

6. Conclusions

- 6.1. Hampshire's Superfast Broadband Programme continues to deliver on its targets, with strict budget control of the limited public funding available, assurance from central government and rigorously holding Openreach to account for delivery. However, it is important to differentiate between this success and the wider, national broadband market failure which, in the case of the county of Hampshire, means that broadband providers still have no plans for the remaining 2.6% (circa 15,000 premises). The programme is acutely aware of the position of these residents in the last 2.6% and continues to look for innovative solutions to assist where this is possible.
- 6.2. The Hampshire Programme has already taken coverage across the county from 80% to over 90% and has plans in place to take coverage to 96% by the end of 2018 and 97.4% by the end of 2019. More than 12,000 premises will be connected to ultrafast services. There is potential to increase coverage as further rebates (gainshare) are made available.
- 6.3. By the end of the programme more than £30M of public money, £13M of which has come from the County Council, will have been invested.
- 6.4. The broadband programme has been a successful pilot for the Government's Universal Service Commitment, and has amongst the highest take up of this scheme in the country. The programme has also been a successful pilot for the Government's last 5% trials with the highest project recognition status.
- 6.5. The programme continues to work with DCMS regarding opportunities for Full Fibre deployments and 5G networks.
- 6.6. Superfast broadband is a topical issue that concerns many thousands of residents across Hampshire and will experience increasing numbers of enquiries from the public. It will continue to attract criticism from those residents and businesses in the remaining few premises that are beyond current plans. Communication of these plans and progress, as well as community engagement, is critical.
- 6.7. Take up of superfast broadband continues to gather pace, indicating that demand for these services is considerable. Existing contracts with BT share the risk such that if take up is higher than expected, the public sector

receives a rebate, whilst if take up is below expectations the public sector is not liable for any further financial commitment. This illustrates the need to continue with the already successful marketing campaigns to drive take up and rebate for further reinvestment.

7. Recommendations

It is recommended that Cabinet:

- 7.1. Notes the good progress on the delivery of the Hampshire Superfast Broadband Programme for the public funding available, but recognises the wider broadband market failure which means that there are still 2.6% (circa 15,000 properties) where there are no plans currently.
- 7.2. Acknowledges that, even though there are areas where market failure has meant that plans are not in place and public funding will not meet the demand, the programme still continues to help all residents across Hampshire where possible through innovation such as the Community Match Funding Scheme.
- 7.3. Notes that the Community Match Funding Scheme is being positively received by communities across Hampshire.
- 7.4. Approves that the programme continues to extend and maximise coverage under the existing contracts by seeking to reinvest rebate (gainshare) and contract delivery underspend with the existing supplier and continue to apply pressure to the supplier to accelerate delivery of existing contract targets.
- 7.5. Agrees that the County Council should continue to proactively seek funding from the LEPs and DCMS, as well as other external funding sources, and considers running additional procurements if necessary or advantageous to residents.
- 7.6. Continues to support the programme through engagement with District Councils, Parish Councils, communities and residents.

Appendix 1 - Full list of project coverage by Electoral Division

HCC Electoral Division	Total Premises	% covered at end of Contract 1	Total Premises Upgraded During Wave 2	Number not in programme but potential for CMFS	% Superfast in Electoral Division
Aldershot North ED	7,455	95.3%	256	97	98.7%
Aldershot South ED	8,227	99.0%	72	7	99.9%
Alton Rural ED	6,792	60.7%	2,271	396	94.2%
Alton Town ED	8,408	97.5%	166	47	99.4%
Andover North ED	5,880	79.1%	1,036	195	96.7%
Andover South ED	8,662	94.0%	325	195	97.8%
Andover West ED	8,635	76.4%	1,531	509	94.1%
Baddesley ED	6,984	89.4%	350	389	94.4%
Basingstoke Central ED	8,718	97.1%	93	161	98.1%
Basingstoke North ED	7,582	91.3%	51	608	92.0%
Basingstoke North West ED	7,136	99.4%	36	10	99.9%
Basingstoke South East ED	9,533	92.3%	650	84	99.1%
Basingstoke South West ED	8,052	99.0%	67	17	99.8%
Bishops Waltham ED	7,673	75.3%	1,697	197	97.4%
Bishopstoke & Fair Oak ED	6,326	91.8%	368	153	97.6%
Botley & Hedge End North ED	6,449	95.1%	219	96	98.5%
Bridgemary ED	8,021	97.8%	167	13	99.8%
Brockenhurst ED	8,574	64.7%	1,273	1,756	79.5%
Calleva ED	5,582	69.3%	1,455	261	95.3%
Candovers, Oakley & Overton ED	6,474	75.6%	1,269	309	95.2%
Catherington ED	6,910	93.3%	367	99	98.6%
Chandler's Ford ED	6,574	96.2%	238	11	99.8%
Church Crookham & Ewshot ED	7,102	98.1%	99	38	99.5%
Cowplain & Hart Plain ED	6,882	99.3%	51	-	100.0%
Dibden & Hythe ED	8,628	90.1%	668	185	97.9%
Eastleigh North ED	7,537	94.3%	259	173	97.7%
Eastleigh South ED	8,143	94.3%	310	158	98.1%
Emsworth & St Faiths ED	8,036	97.8%	166	7	99.9%
Fareham Crofton ED	7,213	95.0%	339	22	99.7%
Fareham Portchester ED	8,110	98.4%	94	37	99.5%
Fareham Sarisbury ED	6,629	90.0%	630	36	99.5%
Fareham Titchfield ED	7,135	93.7%	312	136	98.1%
Fareham Town ED	13,729	96.7%	414	35	99.7%
Fareham Warsash ED	7,318	96.6%	228	18	99.8%
Farnborough North ED	7,551	99.2%	51	12	99.8%
Farnborough South ED	8,877	91.1%	643	148	98.3%
Farnborough West ED	7,727	99.8%	1	13	99.8%

HCC Electoral Division	Total Premises	% covered at end of Contract 1	Total Premises Upgraded During Wave 2	Number not in programme but potential for CMFS	% Superfast in Electoral Division
Fleet Town ED	7,946	97.2%	185	41	99.5%
Hamble ED	8,286	94.2%	446	37	99.6%
Hardway ED	7,772	98.7%	78	21	99.7%
Hartley Wintney & Yateley West ED	8,122	83.2%	1,109	256	96.9%
Hayling Island ED	8,871	95.2%	377	52	99.4%
Hedge End & West End South ED	6,343	97.5%	89	67	98.9%
Itchen Valley ED	7,488	66.2%	2,164	367	95.1%
Lee ED	7,015	97.8%	134	20	99.7%
Leesland & Town ED	14,698	98.0%	275	22	99.9%
Liphook, Headley & Grayshott ED	7,551	82.7%	1,118	190	97.5%
Loddon ED	7,732	94.3%	292	145	98.1%
Lymington & Boldre ED	9,377	83.2%	968	607	93.5%
Lyndhurst & Fordingbridge ED	8,798	72.1%	1,873	585	93.3%
Meon Valley ED	6,843	69.3%	1,782	317	95.4%
New Milton ED	8,768	97.6%	174	35	99.6%
New Milton North, Milford & Hordle ED	9,153	86.7%	1,047	172	98.1%
North East Havant ED	8,591	99.1%	73	8	99.9%
North West Havant ED	8,186	98.6%	108	10	99.9%
Odiham & Hook ED	7,229	79.8%	1,361	99	98.6%
Petersfield Butser ED	8,076	87.6%	787	213	97.4%
Petersfield Hangers ED	7,470	77.3%	1,259	440	94.1%
Purbrook & Stakes South ED	6,746	99.9%	-	4	99.9%
Ringwood ED	7,740	82.1%	1,065	318	95.9%
Romsey Rural ED	7,390	47.3%	2,435	1,461	80.2%
Romsey Town ED	8,097	93.3%	237	302	96.3%
South Waterside ED	7,121	94.7%	327	52	99.3%
Tadley & Baughurst ED	6,842	90.1%	589	88	98.7%
Test Valley Central ED	7,163	45.7%	2,484	1,406	80.4%
Totton North & Netley Marsh ED	8,041	93.3%	215	320	96.0%
Totton South & Marchwood ED	8,356	94.9%	335	91	98.9%
Waterloo & Stakes North ED	7,746	97.5%	152	38	99.5%
West End & Horton Heath ED	5,610	90.9%	435	75	98.7%
Whitchurch & The Cleres ED	7,474	70.5%	1,567	640	91.4%
Whitehill, Bordon & Lindford ED	6,983	92.7%	486	27	99.6%
Winchester Downlands ED	7,907	81.5%	1,286	180	97.7%
Winchester Eastgate ED	9,111	84.2%	1,367	77	99.2%
Winchester Southern Parishes ED	6,195	81.0%	1,014	162	97.4%
Winchester Westgate ED	6,924	97.3%	162	26	99.6%
Yateley East & Blackwater ED	8,048	97.3%	192	22	99.7%
Total	593,073	89.2%	48,265	15,621	97.4%

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	No
Maximising well-being:	Yes
Enhancing our quality of place:	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.)

<u>Document</u>	<u>Location</u>
Hampshire Superfast Broadband – Getting Connected	EMPR 22/01/2015 Ref: 6456
Hampshire Superfast Broadband	Cabinet 21/03/2016 Ref: 7363
Hampshire Superfast Broadband – Beyond 96	EMPR 14 December 2016 Ref: 7926

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:

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

1.2. Equalities Impact Assessment:

- (a) The County Council is not entering into the provision of Superfast Broadband services to any individual or business. Residents in areas where these services are available will purchase services relevant to their requirements from private sector providers operating in the retail market. As the responsible 'local body', the County Council will seek to implement Government policy to make it possible for all residents and business premises to access a service capable of operating at a download speed of at least 2 Mbps.

1. Impact on Crime and Disorder:

1.1. None identified.

2. Climate Change:

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