

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Leader and Executive Member for Hampshire 2050 and Corporate Services
Date:	19 January 2023
Title:	2023/24 Revenue Budget Report for Corporate Services
Report From:	Director of Corporate Operations and Director of People and Organisation

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Section A: Purpose of this Report

1. The purpose of this report is to set out proposals for the 2023/24 budget for Corporate Services in accordance with the Councils Medium Term Financial Strategy (MTFS) approved by the County Council in November 2021. It also proposes a revised budget for Corporate Services for 2022/23.

Section B: Recommendation(s)

To approve for submission to the Leader and the Cabinet:

2. The revised revenue budget for 2022/23 as set out in Appendix 1.
3. The summary revenue budget for 2023/24 as set out in Appendix 1.

Section C: Executive Summary

4. This report provides the summary outputs of the detailed budget planning process undertaken by Corporate Services for 2023/24 and the revised budget for 2022/23. For the first time in many years, this process has been undertaken in a high inflationary environment, which presents particular challenges in balancing budget certainty for Directorates with levels of affordability for the Council. The budget for Corporate Services therefore represents a prudent assessment of the funding level required to deliver services, with additional

corporately held risk contingencies playing an important role to mitigate the impact of financial uncertainty on service delivery.

5. The Autumn Statement delivered by the chancellor on 17 November announced significant additional resources for local government through social care grants and greater Council tax flexibilities, in addition to the usual index linked increases in business rates income. This funding, including the opportunity to increase council tax, provides a partial solution to meeting the Council's budget shortfall. However, the cost pressures facing the County Council have worsened further over the current year, with extra funding required for children's social workers, Home to School Transport and growth in Younger Adults. Substantial budget gaps therefore remain across the MTFs, despite the announced increases in local government funding and SP23 savings factored into Directorate budgets in 2023/24.
6. The Council's new organisational structure, implemented from 1 January 2023, draws a clear distinction between our public facing service Directorates, place shaping activity, and organisation facing enabling functions. This structure places a key focus on the Council's priorities emerging from the Hampshire 2050 Commission of Inquiry, ensures that all enabling functions are centrally managed to facilitate maximum efficiency and effectiveness and ensures that services are delivered in the most coordinated and consistent way possible to maximise value for our residents. As detailed work on later phases of the restructure progresses it is likely that further, more minor changes to budgets may be required and this report therefore represents an interim position that will be fine-tuned during the period to 2023/24.
7. The anticipated delay to delivery of some aspects of the remaining Transformation to 2019 (Tt2019) and Transformation to 2021 (Tt2021) programmes has been factored into our financial planning, and one-off Directorate funding will be provided where required to bridge the forecast savings gap in 2023/24. As of September 2022, £32.2m of Tt2019 and Tt2021 savings have yet to be delivered across the Council, however expected early delivery of Savings Programme to 2023 (SP2023) savings totals £21.5m during the current year. Of the required £80m SP2023 savings, £71m are due to be achieved next year, and plans are in place to deliver the remaining savings by 2024/25. The report discusses the specific issues impacting delivery of the savings programmes for Corporate Services in Section H.
8. The report also provides an update on the business as usual financial position for the current year as at the end of October and the outturn forecast for the Directorate for 2022/23, is a budget saving of £4.6m.
9. The proposed budget for 2023/24 analysed by service is shown in Appendix 1.
10. This report seeks approval for submission to the Leader and Cabinet of the revised budget for 2022/23 and detailed service budgets for 2023/24 for Corporate Services. The report has been prepared in consultation with the Executive Member and will be reviewed by the Hampshire 2050, Corporate Services and Resources Select Committee. It will be reported to the Leader

and Cabinet on 7 February 2023 to make final recommendations to County Council on 23 February 2023.

Section D: Contextual Information

11. In July 2022, Cabinet received a report updating on the development of the next Medium Term Financial Strategy against a potential budget gap of £180m to £200m to 2025/26. This took account of the expected local government pay award, the impact of rising inflation on contract prices and anticipated regulatory changes, resulting in a significant increase on the £157m budget deficit reported to Cabinet in February 2022.
12. Since that time, the cost pressures facing the County Council have worsened further, with substantial extra funding required for children's social workers, Home to School Transport and growth in Younger Adults. These pressures have arisen due to a combination of sustained increases in demand following the pandemic, surging inflation and labour shortages in both in-house and contracted services. The financial crisis that has recently hit the country, with an extended recession being expected, has also worsened the longer term funding outlook for the sector; with no Fair Funding Review, no new two year deal for local government and the announcement in the Autumn Statement that government spending will grow by just 1% per year in real terms from 2025/26. This is significantly lower than the 9.4% increase provided to local government through the 2021 Spending Review.
13. However, the Government has acted to prioritise Social Care spending to 2025, with additional grant funding provided to support hospital discharges and to help meet the increasing costs of both adults and children's care packages. £1bn additional funding will be distributed through the Better Care Fund and existing Adults Social Care Discharge Fund, to be shared between local authorities and the NHS. A further £1.3bn will be distributed through the general Social Care Grant and is repurposed funding previously earmarked for implementation of the Adults Social Care charging reforms, which have been delayed until October 2025.
14. Councils will also be permitted to increase Council Tax by a maximum level of 2.99% plus a further 2% for the social care precept. The extended Council Tax flexibilities will remain in place until 2027/28 and could generate an additional £14m - £15m per year for the Council, or around £45m by 2025/26. Current levels of inflation also increase the index linked uplift which Councils receive on business rates income. The September 2022 CPI was 10.1% and if this was applied to our retained business rates and top up grant from the Government this would yield an extra £13m next year after allowing for the downturn in the economy.
15. Setting a budget in a high inflationary environment, which the council has not experienced for many years, presents particular challenges in balancing budget certainty for Directorates with levels of affordability for the Council, given the potential for the position to worsen or improve substantially throughout the year

in line with changes in the economic picture. The budget for Corporate Services therefore represents a prudent assessment of the funding level required to deliver services, with additional corporately held risk contingencies playing an important role to mitigate the impact of financial uncertainty on service delivery.

16. Directorate budgets have been adjusted to take account of SP23 savings, however substantial budget gaps remain across the MTFs, despite recently announced increases in local government funding. The Directorate will therefore continue to look to improve efficiency wherever possible, driving collaboration across the organisation and with our wider partners, maintaining a focus on process improvement including maximising the benefit of new technologies, and ensuring our operating models and governance arrangements are lean and responsive to the needs of our residents. This will put the Council in the strongest possible position as it looks to a successor savings programme to meet the substantial medium term challenge that the council faces.
17. Central to our focus on continual improvement is the Council's new organisational structure, which draws a clear distinction between our public facing service Directorates, place shaping activity, and organisation facing enabling functions. This structure places a key focus on the Council's priorities emerging from the Hampshire 2050 Commission of Inquiry, ensuring we can deliver a vision for the county which safeguards Hampshire's economy and future prosperity, quality of life, and protects and enhances the character and environment of Hampshire. This is, of course, alongside our fundamental role of ensuring we can continue to deliver services to our most vulnerable residents.
18. As well as delivering management efficiencies, the new structure will ensure that all enabling functions are centrally managed to facilitate maximum efficiency and effectiveness, as well as reducing duplication. Combining the public facing services delivered by the previous Culture, Communities and Business Services and Economy, Transport and Environment Departments within a new Universal Services Directorate, will ensure that services are delivered in the most coordinated and consistent way possible to maximise value for our residents.
19. The 2022/23 budget has been restated to reflect the revised structure and the 2023/24 budget has been prepared on the new basis. However, as detailed work on later phases of the restructure progresses it is likely that further, more minor changes to budgets may be required to ensure budget allocations accurately match the services and roles aligned to each Directorate. Any budget changes as a result of this further work will be contained within the overall organisational budget guidelines agreed by Cabinet in December 2022, accepting that total budgets for individual Directorates may vary within the overall control total agreed. The figures presented in Appendix 1 therefore represent an interim position that will be fine-tuned during the period to 2023/24.

20. Corporate Services has been developing its service plans and budgets for 2023/24 and future years in keeping with the County Council's priorities and the key issues, challenges and priorities for the Directorate are set out below.

Section E: Directorate Challenges and Priorities

Corporate Services Directorates

21. As part of the revised organisational structure, the former Human Resources, Organisational Design, Communications and Engagement department has been renamed Directorate of People and Organisation and incorporates the law and governance functions and also corporate risk, health and safety and emergency planning that had previously been part of Culture, Communities and Business Services.
22. There is no change to Corporate Operations.
23. The original 2022/23 budgets set out in Appendix 1 take account of the structural changes detailed above.

Corporate Operations

24. Corporate Operations includes the following services:
 - Finance
 - Pensions, Investments and Borrowing
 - Integrated Business Centre (IBC) - providing transactional services such as payroll, payments to suppliers, and resourcing services including General Enquiries – providing General Enquiry telephone, web and email contact services on behalf of the County Council, Directorate contact is now embedded in each Directorate.
 - Information Technology
 - Strategic Procurement
 - Audit Services

In addition, the Director of Corporate Operations has oversight of some smaller corporate budgets including for example, the External Audit fee for the County Council.
25. The forecast outturn for 2022/23 for Corporate Operations confirms the successful delivery of its Savings Programme 2023 (SP23). The Directorate is expecting to achieve budget savings totalling £4.6m in 2022/23, of which £2.6m relate to early delivery of its SP2023 savings target. At least £0.8m of these savings will be reinvested in service delivery in-year, placing the Directorate in a strong position to deliver quality services to other Directorates within the

County Council and to the many partner organisations who receive services from the Directorate.

26. The budget for 2023/24 includes the removal of SP2023 savings totalling £3.6m, the majority of which are expected to be delivered by 1 April 2023, with a delay for some savings within IT and the IBC linked to the de-commissioning of the current social care system. The replacement systems to Swift have been delayed to ensure that the new systems are fit for purpose and operating correctly before transitioning across and the temporary loss of savings will be met by Corporate Services cost of change funding in the meantime.
27. Hampshire Pension Services continues to perform well providing pensions administration for six different pension funds covering local government, police and fire. The latest triennial valuation for the Hampshire Pension Fund saw it move into surplus for the first time, enabling employer contribution rates to remain stable for the next three years. Similarly, the Investments and Borrowing Team continue to provide Treasury Management services to a range of partner organisations, including Hertfordshire Police and Crime Commissioner who was added to the Partnership last year. This extended partnership working ensures cost effectiveness for all partners and has contributed to delivering the SP2023 target for Pensions, Investments and Borrowing.
28. Recruitment to vacant roles continues to present challenges for services across the whole Directorate which is driven by demand for the associated skillsets in the wider market and shortage of a suitably qualified workforce from which to draw upon. In line with the other Directorates, we continue to look at innovative ways of attracting new staff including 'growing our own' through apprenticeships and other training programmes and taking part in corporate initiatives to attract and retain our workforce.
29. The constantly changing world of IT brings both opportunities in terms of new technologies that can support more efficient ways of working and also threats with cyber security being one of the biggest risks for the County Council with new tactics constantly being employed by cyber criminals and high profile cases of ransomware crippling large organisations for months at a time. In December, Cabinet agreed additional funding of £760,000 to increase resilience in this area and to ensure that we try, as far as possible, to stay ahead of the curve in countering cyber-attacks.
30. The IBC, Strategic Procurement and Audit Services have set challenging targets to sustain and increase income generation to reduce their net service cost and deliver corresponding savings. This approach requires these services to actively seek appropriate opportunities to increase partnership working in addition to delivering business as usual support to the County Council. This has benefitted the Council and its partners through building a wide base of expertise and resources across multiple authorities, improving service efficiency and resilience.

People and Organisation

31. The People and Organisation Directorate comprises:

- Governance
- Emergency planning
- Legal services
- HR Operational services
- Health & Safety
- Communications & engagement
- Chief Executive's and Leader's offices

In addition, the Director of People and Organisation has oversight of some corporate budgets including Members expenses and Members devolved grants.

32. The forecast outturn for 2022/23 for People and Organisation confirms the successful delivery of its Savings Programme to 2023 (SP2023). A balanced position is forecast, including reinvestment of £0.9m relating to early delivery of the Directorate's SP2023 target. In addition, the Directorate is expecting to deliver further in-year savings during 2022/23, some of which will be one-off in nature (for example as a result of higher levels of turnover and vacancies than budgeted for), whilst other additional savings achieved through broader efficiency measures implemented, are intended to support delivery of the Directorate's future savings requirement as we look toward 2025. Accepting that the Medium Term Financial Forecast is set to create more challenging targets than ever before, achievements so far place the new People and Organisation Directorate in as strong a position as possible to contribute towards these.

33. In addition to their business-as-usual activity, the HR and Organisational Development (OD) services have continued to support the organisation in its implementation of a new Open Workplace Policy, enabling hybrid working to have been embedded throughout the organisation as deemed appropriate by individual services and with evidence from a staff survey to indicate that the new policy has been well received by staff and managers alike, with no impact on performance delivery. The Service also have continued to embed the organisation's Inclusion Strategy through progress of the 10 priority actions, which include 3 specifically focussed on the wellbeing of our workforce post the pandemic.

34. Our Leadership and Management Development programmes continue to be delivered and an in-depth review of our development materials, matched against an up-to-date understanding of our developmental needs, is making good progress and stands us in good stead for the future. Significantly, the Service have instigated, under the leadership of the Corporate Management Team, a Strategic Workforce Programme, reflecting the extremely challenging labour market situation that the nation finds itself in.

35. The Communications and Engagement Service continues to provide communication support to the organisation, enabling it to effectively communicate with residents and partners about the discharge of its democratic function, as well as the County Council's strategic priorities. During the past year, the Service has led on our contributions towards the County and Nation's mourning following the passing of Queen Elizabeth II and has successfully supported Proclamation ceremonies for King Charles III. The service also supports the development and promotion of policy agendas for the wider organisation, providing public consultation and engagement services, creative design and marketing services, behaviour change research and corporate performance monitoring.
36. Of specific note is the contribution to the County Council's SP23 phase 2 consultations to assist decision making, as well as support for a wide range of service priorities and corporate initiatives including creation of the Pan Hampshire County Deal prospectus, promotion of key Public Health themes to residents, and the recent Foster Care '*Open your door*' campaign. The Service have worked closely with the Leader and Cabinet to ensure that proactive messaging about the performance of the Council is accessible across the county to our residents and partners, as well as supporting with Media Training for Executive Members.
37. The forecast outturn for 2022/23 for Legal Services confirms the successful early delivery of its SP2023 Programme, and as a result Legal Services is forecasting an underspend of £330,000. This places it in a good position to consolidate its budget position post-2023 and prepare to meet the challenges of a successor savings programme. Governance has also delivered its SP2023 savings early and is forecasting a balanced position at year end.
38. Robust support around governance of the County Council remains a key priority. Opportunities to streamline processes and modernise systems have been implemented across the various aspects of governance. Legal Services continues to look to broaden its offer and seek to support a wider range of external customers. This will enable the net cost of the service to be steadily and sensibly reduced, whilst we retain the highest quality capacity and capability to meet the varied needs of the County Council.

Section F: 2022/23 Revenue Budget

39. Enhanced financial resilience reporting, which looks not only at the regular financial reporting but also at potential pressures in the system and the achievement of savings being delivered through transformation, has continued through periodic reports to the Corporate Management Team (CMT) and to Cabinet.
40. The anticipated business as usual outturn forecast for 2022/23 is a budget saving of £4.6m. The majority of this saving relates to staffing vacancies pending recruitment and the early delivery of SP2023 savings. This saving will be transferred to the Cost of Change Reserve at year end and may be used to

fund investment required to secure future savings and essential reinvestment into services to ensure they remain efficient and effective.

41. The budget for Corporate Services has been updated throughout the year and the revised budget is shown in Appendix 1. The revised budget shows an increase of £3.1m made up of:
- Permanent increase for 21/22 pay award +£1.238m
 - Approved reserve funding for the leadership management development programme +£0.185m.
 - Temporary increase to IT budget relating to corporate support for delivering Tt2021 savings programme +£1.051m
 - Increase to IT budget from IT reserves for HPSN3 project (temporary) and relating to SP23 savings +£0.609m
 - Net other adjustments +£0.017m

Section G: 2023/24 Revenue Budget Pressures and Initiatives

42. As reported to Cabinet in December, a number of budget pressures have arisen within the IT Service totalling an estimated £0.76m per year from 2023/24 onwards. Information Technology is a particularly complex area as it is constantly changing, new technologies (and threats) emerge, certain technologies get cheaper and some can be decommissioned altogether.
43. Reductions in the cost of technology over the past 10 years have been used to meet significant savings targets for the Directorate and have therefore not been available to offset the cost of new pressures or requirements. The approach has therefore been adopted to review these items on a periodic basis and to make incremental increases to the budget as required.
44. The additional funding agreed by Cabinet will support the following key areas:
- **Cyber Security** – By far one of the biggest threats that the County Council faces with new tactics constantly being employed by cyber criminals and high profile cases of ransomware crippling large organisations for months at a time. The County Council invested heavily in this area last year, but further enhancements are required to ‘stay ahead of the curve’ and increase our resilience where appropriate. New investment includes:
 - Replacing the security monitoring service for our data centres and expanding the scope of the service to more areas.
 - Increasing the number of filtering and security layers in the new Hampshire Public Services Network (HPSN3).
 - Replacing the current geo-blocking protection (limiting access from outside the European Economic Area) with an enhanced ‘Bot Protection’ service.

- Additional licensing for ‘Spear Phishing’ protection for Councillors, senior officers and key staff considered to be at risk of being targeted.
 - Increasing the number of sites having access to HPSN3 and upgrading the quality of some network lines to deal with increased activity post Covid.
 - Microsoft Licensing Costs – There is the potential for a 10% to 15% increase in this area for which some additional provision needs to be made.
45. Where costs are already known, these have been added to cash limits for next year, with other funding remaining in contingencies until it is drawn down once accurate costings are known.

Section H: Revenue Savings Proposals

46. Savings targets for 2023/24 were approved as part of the MTF5 by the County Council in July 2020. Proposals to meet these targets have been developed through the SP2023 Programme and were approved by Executive Members, Cabinet and County Council in October and November 2021.
47. It is now anticipated that full year savings of £4.251m will be achieved in 2023/24 against a target of £4.588m, with the temporary shortfall being met from the cost of change reserve. Savings of £0.3m associated with the decommissioning of the Swift social care case management system will be delayed due to slippage in both the Adults and Children’s social care system replacement programmes.
48. Rigorous monitoring of the delivery of the programme will continue during 2023/24, to ensure that the Directorate is able to stay within its cash limited budget as set out in this report.

Section I: Budget Summary 2023/24

49. The budget update report presented to Cabinet on 13 December 2022 included provisional cash limit guidelines for each Directorate. The cash limit for Corporate Operations in that report was £38.57m, a net decrease of £2.647m on the previous year. The cash limit for People and Organisation was £16.434m, a net increase of £3.541m. The movements in the cash limits comprised:
- An allocation for inflation on non-pay budgets and an allowance for the pay awards for 2021/22 and 2022/23.
 - Budget transfers between Directorates reflecting changes in management responsibility.
 - Corporately funded allocations previously agreed by Cabinet.
 - Use of Directorate cost of change reserves

- SP2023 savings of £4.588m
50. At that stage, the cash limit guidelines did not include the following items which have now been added (and will be included in the February budget report), reducing the cash limit for Corporate Operations to £37.949m and the cash limit for People and Organisation to £16.187m:
- Reduction in the employer contribution rate for National Insurance
 - Reduction in the pension contribution rate following the recent pension fund valuation
51. Appendix 1 sets out a summary of the proposed budgets for the service activities provided by Corporate Services for 2023/24 and show that these are within the cash limit set out above. A summary is shown in the table below:

	2023/24	
	£'000	£'000
Corporate Operations		
Cash Limited Expenditure	77,696	
Cash Limited Income	(39,747)	
Total Net Expenditure – Corporate Operations		37,949
People & Organisation		
Cash Limited Expenditure	25,338	
Cash Limited Income	(9,151)	
Total Net Expenditure – People & Organisation		16,187
Total Net Expenditure – Corporate Services		54,136

Section J: Consultation, Equalities and Climate Change Impact

52. Consultation on the budget is undertaken every two years when the County Council considers savings to help balance the budget. All savings proposals put forward by the County Council have an Equality Impact Assessment published as part of the formal decision making papers and for some proposals stage 2 consultations are undertaken before a final decision is made by the relevant Executive Member.
53. This report deals with the revenue budget preparation for 2023/24 for the Corporate Operations and People and Organisation Directorates. This takes account of the savings proposals agreed by the County Council in November 2021 including the Equality Impact Assessments prepared at that time. Any

revised impacts and subsequent consultation that has been required have been reported to the relevant Executive Member as savings proposals have been further developed and implemented.

54. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
55. Climate change impact assessments for individual services and projects will be undertaken as part of the approval to spend process. There are no further climate change impacts as part of this report, which is concerned with revenue budget preparation for 2023/24 for the Corporate Operations and People and Organisation Directorates.

REQUIRED CORPORATE AND 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>
Savings Programme to 2023 – Revenue Savings Proposals (Executive Member for Policy and Resources) EMPR Budget Report - SP2023 - 20210928.pdf (hants.gov.uk)	28 September 2021
Medium Term Financial Strategy Update and Savings Programme to 2023 Savings Proposals https://democracy.hants.gov.uk/ieListDocuments.aspx?CId=163&MId=7737	Cabinet – 12 October 2021 / County Council – 4 November 2021
Developing a Medium Term Financial Strategy https://democracy.hants.gov.uk/ieListDocuments.aspx?CId=163&MId=9942&Ver=4	Cabinet – 19 July 2022 / County Council – 29 September 2022
Budget Setting and Provisional Cash Limits 2023/24 Financial Update and Budget Setting and Provisional Cash Limits 2023/24 (hants.gov.uk)	Cabinet – 13 December 2022
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

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

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

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

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

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

2. Equalities Impact Assessment:

This report does not contain any new proposals for major service changes which may have an equalities impact. Proposals for budget and service changes which are part of the Savings Programme 2023 were considered in detail as part of the approval process carried out in Cabinet and County Council during October and November 2021 and full details of the Equalities Impact Assessments (EIAs) relating to those changes can be found in Appendices 4 to 8 in the November Council report linked below:

<https://democracy.hants.gov.uk/mgAi.aspx?ID=45388#mgDocuments>

For proposals where a Stage 2 consultation was required the EIAs are preliminary and will be updated and developed following this further consultation when the impact of the proposals can be better understood.

Budget Summary 2023/24 – Corporate Services

Service Activity	Original Budget ¹ 2022/23 £'000	Revised Budget 2022/23 £'000	Proposed Budget 2023/24 £'000
Corporate Operations			
Audit	797	841	812
Finance ³	7,091	7,020	6,833
Pensions, Investments & Borrowing	(377)	(210)	(23)
IBC ³	13,439	14,029	13,758
IT ³	30,928	34,190	31,684
Strategic Procurement ³	2,196	2,236	2,201
Shared Services Partnership Income ³	(16,789)	(17,512)	(17,759)
Corporate Operations – Other ⁴	417	417	443
Cost of change – Corporate Operations	-	(820)	-
Total Corporate Operations	37,702	40,191	37,949
Government Grants	-	(5)	-
Net Expenditure Corporate Operations	37,702	40,186	37,949

Service Activity	Original Budget ¹ 2022/23 £'000	Revised Budget 2022/23 £'000	Proposed Budget 2023/24 £'000
People & Organisation			
Governance	1,082	1,146	1,107
Emergency Planning ²	301	486	297
Legal Services	3,300	3,655	3,123
HR Operational Services ³	6,457	6,856	6,118
Health & Safety ²	770	789	740
Communications & Engagement	1,360	2,288	1,467
Chief Executive & Leaders Office	572	745	703
Members Support Costs	1,708	1,729	1,769
Members Devolved Budgets	624	624	624
People & Organisation – Other ⁵	234	234	239
Cost of Change – People & Organisation		(1,506)	
Total People & Organisation	16,408	17,046	16,187
Government Grants		(153)	
Net Expenditure People & Organisation	16,408	16,893	16,187
Net Expenditure Corporate Services	54,110	57,079	54,136

¹ The 2022/23 original budget has been restated to reflect Law & Governance and HR, OD and C&E in the new directorate of People and Organisation and the areas previously under Corporate Non-Departmental budgets within the directorates of Corporate Operations and People & Organisation.

² The 2022/23 original budget has been restated to reflect the inclusion of Health & Safety and Emergency Planning in People and Organisation.

³ The 2022/23 original budget has been restated to reflect centralisation of joint working income into Shared Services Partnership Income within Corporate Operations.

⁴ Corporate Operations Other includes Audit Fee, Contribution to Trading Units, Corporate & Democratic Representation and Other.

⁵ People & Organisation Other includes Subscriptions to LGA and corporate hospitality.