

Consultation

Summary of 'Serving Hampshire – Balancing the Budget' Consultation

The Medium Term Financial Strategy (MTFS) report was presented to Cabinet on 16 October 2017 and contained a summary of the headline findings from the 'Serving Hampshire – Balancing the Budget' Consultation that was carried out by the County Council, between 3 July and 21 August 2017.

The Consultation was undertaken against the background of the next stage of the County Council's transformation and efficiencies programme, *Transformation to 2019* in order to inform the overall approach to balancing the budget by 2019/20 and making the anticipated £140m additional savings required by April 2019.

The Consultation sought to understand the extent to which residents and stakeholders support the County Council's financial strategy and also sought residents' and stakeholders' views on options for managing the anticipated budget shortfall. The options necessarily extended beyond cost reduction and income raising possibilities to areas such as council tax increases, possible legislative changes and the organisation (structure) of local government in Hampshire.

These additional options could help to inform the approach the County Council takes to delivering savings beyond 2019/20. With the squeeze on public finances anticipated to extend into the next decade and the general uncertainties that surround BREXIT, it is almost certain that further savings, beyond those required for *Transformation to 2019*, will be needed in the future.

The County Council carried out an open consultation designed to give residents and wider stakeholders the opportunity to have their say about ways to balance the County Council's budget.

Responses could be submitted through an online Response Form, available at <https://www.hants.gov.uk/aboutthecouncil/haveyoursay/consultations/balancingthebudget> or by a paper version, which was made available from all Hampshire libraries, or on request. Alternative formats, such as Easy Read, were also made available on request. Unstructured responses sent through other means, such as email or as written letters, and received by the consultation's close were also accepted. An Information Pack was produced alongside the consultation, providing information about each of the options presented.

3,764 members of the public and stakeholder organisations or groups completed the consultation questionnaire and 11 responses were submitted through channels outside of the consultation questionnaire.

Headline findings from the consultation are set out below and the full findings [report](#) is also available:

Headline Findings

- The majority of respondents (**65%**) **agreed** that the County Council should continue with its **financial strategy**.

- Responses were relatively evenly split between those who tended to support **changes to local services** and those who did not (50% agreed, 45% disagreed and 5% had no view either way). Of all the options, this was respondents' **least preferred**.
- Two thirds of respondents (**67%**) **agreed** that the County Council should raise existing **charges** or introduce new charges to help cover the costs of running some local services.
- Over half of respondents (**57%**) **agreed** that the County Council should **lobby the Government** to vary the way some services are provided, and enable charging where the County Council cannot levy a fee due to statutory restrictions.
- Of all the options presented, **generating additional income** was the **most preferred option**.
- On balance, the majority of respondents (**56%**) **agreed** that the County Council should retain its current position **not to use reserves** to plug the budget gap. Of all the options, this was respondents' **second least preferred**.
- Respondents would prefer the County Council to continue with its plans to **raise council tax** in line with Government policy (**50%** ranked this as their preferred approach to increasing council tax). Of all the options, increasing Council Tax was respondents' **second most preferred**.
- More than half of those who responded (**64%**) **agreed** that the County Council should explore further the possibility of **changing local government structures** in Hampshire.

An important element of the consultation was seeking residents and stakeholders views on the strategy for closing the County Council's budget deficit to 2019/20. The consultation outlined seven options for making anticipated savings and asked respondents to rank these in order of preference. Based on how many times each option was chosen by a respondent as one of their **top three** preferred options, the options were ranked as follows:

1. Generating additional income (73%)
2. Increasing council tax (47%)
3. Introducing and increasing charges for some services (45%)
4. Lobbying central government for legislative change (44%)
5. Changing local government arrangements in Hampshire (43%)
6. Using the County Council's reserves (28%)
7. Reducing and changing services (22%)

The findings from the Consultation were provided to Executive Members and Directors during September 2017, to inform departmental savings proposals, in order for recommendations to be made to Cabinet and the full County Council in October and November 2017 on the MTFs and Transformation to 2019 (Tt2019) Savings

Proposals. Any specific changes to services will be subject to further, more detailed consultation