

AT A MEETING of the Policy and Resources Select Committee of HAMPSHIRE COUNTY COUNCIL held at The Castle, Winchester on Friday, 22nd September, 2017

Chairman:
a Councillor Jonathan Glen

Vice Chairman:
p Councillor Keith Evans

p Councillor Ray Bolton
Councillor Adam Carew
p Councillor Adrian Collett
p Councillor Judith Grajewski
p Councillor Edward Heron
a Councillor Keith House
p Councillor Roger Huxstep

p Councillor Peter Latham
p Councillor Anna McNair Scott
p Councillor Floss Mitchell
p Councillor Bruce Tennent
p Councillor Michael Westbrook

Also present with the agreement of the Chairman: Councillor Keith Mans, Deputy Leader

(Cllr Keith Evans in the Chair)

10. APOLOGIES FOR ABSENCE

Apologies for absence were reported on behalf of Cllr Glen and Cllr House. Cllr Carter, as conservative substitute, was in attendance on behalf of Cllr Glen.

11. 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.

12. MINUTES OF PREVIOUS MEETING

The minutes of the last meeting were reviewed and agreed.

Under Matters Arising:

Minute 7 – 2016/17 End of Year Financial Report and Transformation to 2019: The Select Committee made a recommendation to Cabinet regarding making representations to central government regarding the impact of austerity on local government finance and ability to provide public services. It was reported that Cabinet had accepted this recommendation and written to central government to this effect.

Minute 8 – End of Year Performance Report: Members queried what the measure for road deaths included. The answer was circulated by email following the meeting: Statistics are only for county roads for which the County Council is the Highway Authority. Motorways and trunk roads are not included as Highways England is the Highway Authority for motorways and trunk roads. The County Council reports on the personal injury accidents that occur on our network whether the injured party is a resident of Hampshire or not.

Members also queried how some delayed discharges from hospital are attributed to the Local Authority and some to the NHS. Further detail about delayed discharges had been circulated. A needs assessment is undertaken of individuals to assess what support they need on leaving hospital. That support may include social care services and may include NHS services. Arranging that support can cause delays. If it's social care support the delay is attributed to Local Authorities, and if it's NHS care the delay is attributed to the NHS.

13. **DEPUTATIONS**

No deputations were received at this meeting.

14. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman provided an update regarding Hampshire Association of Local Councils: Last year, this Select Committee received a presentation from Hampshire Association of Local Councils, and as a result made a recommendation to the Executive Member for Policy and Resources that the partnership agreement with HALC and level of grant awarded be reviewed.

A 3 year agreement with HALC came to an end in April 2017. In March, the Executive Member for Policy & Resources approved a 1 year extension to this agreement and a grant payment to HALC for one year for 2017/18, with a 10% reduction compared to the previous year. In June, Cabinet agreed a recommendation to negotiate a new 3 year grant agreement for HALC, to enable them to provide full and ongoing support for the devolution and locality working agenda in partnership with Hampshire County Council.

15. **TRANSFORMATION TO 2019 - REVENUE SAVINGS PROPOSALS**

The Select Committee received a presentation on behalf of the Chief Executive, Director of Corporate Resources, Director of Transformation and Governance, and Director of Culture Communities and Business Services, in summary of a report regarding the Transformation to 2019 Revenue Savings Proposals for the Policy and Resources Budget (see Item 6 in the Minute Book).

Members were reminded of the overall financial position of the County Council and the savings already made under the 'Transformation to 2017' programme. This included a reduction in Member grants to £5,000 per Member per year. It had been agreed to top this up to £8,000 per Member per year for 2017/18 and 2018/19, so the reduction would apply from 2019/20.

Consultation had been undertaken on the opportunities to balance the budget, which showed support for the current financial strategy. It was noted that the savings target for the Policy and Resources budget was £15 million under the 'Transformation to 2019' programme. Where savings proposals directly impact the public, further consultation would be undertaken on the specific proposals prior to decision on how those savings would be implemented. The majority of savings under the Policy and Resources budget would come from reducing demand, reducing staff, efficiencies and generating income.

Members asked questions to seek clarification and debated the proposals. Members queried how savings could be made in IT when other departments were reliant on support from IT to achieve other savings. It was reported that the Cabinet was due to consider a revised Medium Term Financial Strategy, and any additional one off investment in IT to fund transformation programmes would be considered within this report. However, there remained opportunities to make efficiencies in ongoing IT costs.

Regarding making savings through 'channel shift', it was confirmed that it would remain possible to contact the Council by phone, however it was intended to reduce the volume of calls by diverting some users to accessing help online instead.

Regarding savings in Trading Standards, it was noted that this may include stopping or changing non statutory services, or generating income from discretionary services. Members expressed interest in scrutinising the proposals affecting trading standards, once further detail had been worked up.

Regarding non-departmental budgets, the proposed position was to avoid further reducing the funding available for member grants and grants to voluntary sector infrastructure organisations. It was proposed to provide the savings in this budget area through reducing the contribution to the corporate policy reserve.

Regarding the opportunity to avoid the need for savings by raising Council Tax instead, it was noted that a 1% increase in Council tax would provide around £5.7 million in revenue, therefore in order to meet the £140 million budget gap Council Tax would need to increase by 30%.

It was noted that the budget planning included an assumption of a 1% growth in the salary budget up to 2019/20 and an allowance of £5 million to accommodate the impact of the national minimum wage.

After each Select Committee had considered the proposals for the budget within their remit, the proposals would be considered by the relevant Executive

Members. Then the combined proposals would be considered by Cabinet in October, and then put forward to full Council for decision on 2 November 2017.

Following the debate, the Chairman proposed the recommendation, which was put to the vote and carried (with 3 against).

RECOMMENDED:

That the Policy and Resources Select Committee support the submission to Cabinet of the proposed savings options contained in the report and its Appendix 1.

16. WORK PROGRAMME

The Chairman presented the proposed work programme for the Select Committee, as updated since the last meeting (see Item 7 in the Minute Book).

It was agreed to request an item on the Medium Term Financial Strategy for the November meeting.

It was also requested that the Select Committee have the opportunity to scrutinise in further detail the savings proposals under Transformation to 2019 affecting Trading Standards and IT.

RESOLVED:

That the Work Programme is agreed, subject to any amendments agreed at this meeting.

Chairman,