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AT A MEETING of the County Council of HAMPSHIRE COUNTY COUNCIL held
at the castle, Winchester on Thursday, 22nd February, 2024

Chairman:

* Councillor Patricia Stallard

Vice-Chairman:

* Councillor Keith Mans

* Councillor Keith Mans	Councillor Adam Jackman
* Councillor Nick Adams-King	* Councillor Gavin James
Councillor Prad Bains	* Councillor Andrew Joy
* Councillor Lulu Bowerman	* Councillor Mark Kemp-Gee
* Councillor Jackie Branson	Councillor Melville Kendal
* Councillor Ryan Brent	Councillor Rupert Kyrle
* Councillor Ann Briggs	* Councillor Peter Latham
* Councillor Steven Broomfield	* Councillor Hugh Lumby
* Councillor Pamela Bryant	* Councillor Alexis McEvoy
* Councillor Graham Burgess	Councillor Lesley Meenaghan
* Councillor Fran Carpenter	* Councillor Derek Mellor
* Councillor Roz Chadd	* Councillor Rob Mocatta
* Councillor Peter Chegwyn	* Councillor Arun Mummalaneni
* Councillor Adrian Collett	* Councillor Kirsty North
* Councillor Mark Cooper	* Councillor Phil North
* Councillor Rod Cooper	* Councillor Russell Oppenheimer
* Councillor Tonia Craig	* Councillor Sarah Pankhurst
* Councillor Alex Crawford	* Councillor Tanya Park
* Councillor Debbie Curnow-Ford	* Councillor Stephen Parker
* Councillor Tim Davies	* Councillor Louise Parker-Jones
* Councillor Christopher Donnelly	* Councillor Neville Penman
* Councillor Alan Dowden	* Councillor Stephen Philpott
* Councillor David Drew	* Councillor Jackie Porter
* Councillor Barry Dunning	* Councillor Roger Price
* Councillor Liz Fairhurst	* Councillor Lance Quantrill
* Councillor Michael Ford	* Councillor Stephen Reid
* Councillor Steve Forster	Councillor Elaine Still
* Councillor Jonathan Glen	* Councillor Kim Taylor
* Councillor Tim Groves	* Councillor Tom Thacker
* Councillor David Harrison	* Councillor Michael Thierry
* Councillor Marge Harvey	* Councillor Martin Tod
* Councillor Pal Hayre	* Councillor Andy Tree
Councillor Juliet Henderson	* Councillor Jacky Tustain
* Councillor Edward Heron	* Councillor Rhydian Vaughan MBE
* Councillor Dominic Hiscock	* Councillor Malcolm Wade
* Councillor Keith House	* Councillor Jan Warwick
* Councillor Zoe Huggins	* Councillor Bill Withers Lt Col (Retd)
* Councillor Rob Humby	* Councillor Seán Woodward
Councillor Wayne Irish	

*Present

Honorary Alderman Keith Chapman & Michael Woodhall were also in attendance.

197. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Prad Bains, Juliet Henderson, Wayne Irish, Mel Kendal, Rupert Kyrle, Lesley Meenaghan and Elaine Still, and from Honorary Aldermen Chris Carter, Jane Frankum, Andrew Gibson and Roy Perry.

198. 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 5 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.

199. MINUTES

The Minutes of the meeting held on Thursday 9 November 2023 were confirmed as a correct record and signed by the Chairman.

200. DEPUTATIONS

There were no deputations on this occasion.

201. CHAIRMAN'S ANNOUNCEMENTS

The Chairman opened her announcements by referring to a recent decision by the Conduct Advisory Panel in response to a County Council Resolution:

At the County Council's AGM last year, the County Council received an exceptional All-Party Notice of Motion proposing a number of anti-racism actions which were unanimously agreed by the County Council. One of these actions was to request the Conduct Advisory Panel to consider amending the County Council's Arrangements for dealing with complaints against Members to include reference to the Council's ability to invite a Member to resign as part of an action of censure determined by the Council in accordance with those arrangements when a Member is found to have expressed racist and or unlawfully discriminatory beliefs publicly.

The Conduct Advisory Panel met on 30 January to consider the County Council's request and the proposal that a Member may be invited to resign in the

circumstances specified in the resolution. The Panel considered the lawful powers of the County Council in relation to the sanctions that it might impose where a Member has been found to have breached the Code of Conduct and took into account the desirability of avoiding confusion regarding these. The Conduct Advisory Panel also considered the role of the Hearing Panel in determining whether a Member has breached the Code of Conduct. The Conduct Advisory Panel approved revised wording for the arrangements to give the Hearing Panel, in the circumstances specified in the County Council's resolution, an opportunity to express a formal view that the Member concerned ought to consider resigning from office. In this way, the seriousness of the misconduct would be underscored for the benefit of Members of the County Council when deciding whether to resolve to censure the Member concerned as well as for the benefit of Hampshire's residents but the risk of confusion arising concerning the lawful powers of the County Council would be lower.

The Chairman was pleased to report on the first Hampshire Business Awards held on 30 November 2023, celebrating the significant achievements and successes of businesses across Hampshire and the positive impact on the communities within which they operate. The Awards attracted 262 nominations which demonstrated the strength, variety, and pride in Hampshire businesses, and their importance in driving the future economic success of Hampshire.

The Chairman also reported on several civic events attended:

- Act of Remembrance (11 November 2023)
- Apprenticeship Awards (22 November 2023)
- Visit to Staunton Farm & Country Park (29 November 2023)
- Staff Carol Concert (7 December 2023)
- Unveiling of Licoricia statue information board (14 December 2023)
- A Service of Welcome to the Right Reverend Philip Mounstephen as the 98th Bishop of Winchester (13 January 2024)
- Launch of Winchester Studies: Prehistoric, Roman and Post Roman Winchester (7 February 2024)
- HRH Princess Royal visiting Ordnance Survey (15 February)

It was with much sadness that the Chairman reported on the passing of former County Councillor and Honorary Alderman Marilyn Tucker. Marilyn represented the Tadley and Baughurst electoral division between 2005 and 2013. As an exceptional arrangement, the Chairman invited Honorary Aldermen Keith Chapman to speak. Councillor Derek Mellor also paid tribute.

Also as an exceptional arrangement, the Chairman invited Honorary Alderman Michael Woodhall to pay tribute to former County Councillor and Honorary Alderman Alex Varden.

Members observed a one-minute silence as a mark of respect.

202. LEADER'S REPORT

The Leader opened his report by wishing His Majesty the King a swift and full recovery following his recent cancer diagnosis.

Turning to matters of business, the Leader reminded everyone that the County Council's Future Services Consultation is open for responses until 31 March. The consultation seeks Hampshire residents' views on proposals that could help lower costs in 13 service areas in future, and what it might mean if the County Council were to deliver these services differently after April 2025. All residents are encouraged to take part, especially those living in the district council areas of Basingstoke & Deane, Gosport, Havant and Rushmoor, where the County Council is keen to hear from more people.

To mark the second anniversary of Russia's invasion of Ukraine, the County Council will fly the Ukrainian flag outside the Great Hall on Saturday, as a demonstration of solidarity with the people of Ukraine.

The Leader was pleased to report the success in Hampshire of the Homes for Ukraine scheme, with more than 1,784 Ukrainian families, made up of nearly 3,500 individuals, having re-settled in the county in the last 24 months. Working closely with district and borough councils and community partners, a wide range of services and support is available to help Ukrainian guests rebuild their lives. The Leader thanked County Council officers, especially officers in the Children's Services Directorate, for their hard work together with a heartfelt thank you to the Hampshire residents who continue to host Ukrainian families, and volunteer for local charities and community groups supporting families in Hampshire and Ukraine. In recognition of this support, Hampshire hosts receive a monthly thank you payment of £700 until the end of March this year - £200 a month higher than the current rate set by the government -.

The Leader also reminded anyone who is interested in hosting a family from Ukraine to register on the Government's Homes for Ukraine website – more prospective hosts coming forward to offer their support is always welcomed.

The Leader was pleased to see the recent Home Office announcement that a Ukraine Permission Extension Scheme would be open from next year to enable families from Ukraine to apply for a further 18 months' permission to stay in the UK when their current visa expires. Under the new Extension Scheme, it will be crucial that local authorities continue to receive grant funding from central government to keep providing essential support to Ukrainian families and their hosts. The Leader looked forward to working with other Council Leaders to have those discussions with Ministers in due course.

Hampshire County Council welcomes the Government's announcement to protect the health of children and young people through a ban on disposable vapes and a restriction on vape flavours and marketing. The resolution on Underage Vaping passed by Full Council last year highlighted the environmental harm caused by disposable vapes, as well as their potential to harm children and young people through nicotine addiction, negative effects on brain development, and other unknown long-term effects from vaping.

Under the leadership of the Director of Public Health, the County Council continues to lead the work for a Smokefree Generation through its multi-agency Tobacco Control Alliance. This includes working with schools, parents, and carers to prevent smoking and vaping in children and young people and supporting people to quit through its commissioned 'stop smoking' service. The Leader recognised the work of the County Council's Public Health, Education and Trading Standards teams, and also thanked the four Cabinet Members – Councillors Roz Chadd, Liz Fairhurst, Russell Oppenheimer and Steve Forster – who work closely with those officers to ensure Hampshire is among the leading authorities in the country in tackling smoking and underage vaping.

In turning to the importance of digital connectivity the Leader reported on the success of the national Superfast Broadband programme, with almost 98% of premises across Hampshire benefiting from higher internet speeds. In acknowledging that 2.2% of premises in the county, equating to around 22,000 properties, are not currently benefiting from the programme, the Cabinet had recently approved Hampshire's new Digital Future Strategy, which underlines the need to ensure that no part of Hampshire is left behind in an increasingly digitised world. In this regard, the Leader would be writing to the Secretary of State for Science, Innovation & Technology to seek assurances that the 22,000 premises that did not benefit from the Superfast Broadband programme will have their internet speeds upgraded at the earliest opportunity.

In regard to other correspondence, the Leader had recently signed a joint letter with Leaders of seven upper tier councils in the South East on the impact of utility company street works on the road network. In his response, the Minister for Roads and Local Transport expressed an interest in engaging further with the seven councils on this subject.

Finally, the Leader highlighted some of the challenges that wintry weather conditions bring for several County Council teams, particularly for Highways, Countryside and Property:

- January alone saw three named storms and a cold snap strike the UK - Storm Henk caused significant disruption in Hampshire, with heavy rainfall and wind gusts in excess of 60 miles per hour.
- Between the 2 and 9 January, the County Council's highways teams received 4,166 enquiries on the effects of Storm Henk, raised 164 emergency jobs related to fallen trees, and closed more than 100 roads due to flooding or trees.
- An increase in tree issues across the County Council's Countryside sites, the Basingstoke Canal and Sir Harold Hilliers Gardens and Arboretum, mainly due to the impact of storms. Storm Henk resulted in around 185 tree issues being reported on the rights of way network, 66 trees affected on the Canal, and 40 impacted at Hilliers.
- The continuing wet weather continues to have a detrimental impact on the rights of way network, with paths waterlogged or impassable in places and requiring additional maintenance.

- On a positive note, most flood prevention measures across the County Council's wider built estate were successful. A reminder that residents can report flooding and other local issues through the County Council's new mobile app, called OurHants. The app can be downloaded free of charge from your phone's app store.

Finally, the Leader expressed deep concern regarding an incident involving one of the County Council's gritter drivers who was salting roads on the A325 through Bucks Horn Oak in the early hours of Monday 15 January. The window of the gritter vehicle was shot and shattered by a large ball bearing which came from a passing vehicle. Thankfully, the driver of the gritter vehicle was unharmed because of his quick reactions, however the Leader urged anyone who witnessed the incident, or might have information about it, to contact Hampshire and Isle of Wight Constabulary.

The Leader concluded his report by extending a big thank you to all of the County Council's frontline teams who work around the clock in very challenging and changeable weather conditions throughout the winter months to support vulnerable residents and keep road users safe.

203. QUESTIONS UNDER STANDING ORDER 16.1.1

Executive Members responded to questions submitted, as published, in accordance with Standing Order 16.1.1, with the exception of questions 8 and 9 for which a written response would be provided in accordance with Standing Order 16.1.5.

204. CONSTITUTIONAL UPDATE: STANDING ORDERS AND PROTOCOL FOR MEMBER OFFICER RELATIONS

The Council considered the report of Cabinet regarding a proposed change to Standing Orders to enable the Chairman to agree reasonable adjustments to Standing Orders to facilitate the participation of Members and others with disabilities (as defined in the Equality Act 2010) in County Council business, and to update the Protocol for Member Officer relations.

In presenting the report, the Leader confirmed that he would not be moving recommendation b) to allow officers to carry out further work on the Protocol for Member Officer Relations. Accordingly, there was no debate on that part of the report.

During the debate Councillor Kim Taylor asked if a wider review of the Constitution's Standing Orders could be considered regarding disability and access. In response, the Leader confirmed he would discuss the request with officers however, the additional Standing Order proposed gave a Chairman absolute discretion to make adjustments in this regard.

RESOLVED:

That the County Council agrees:

- a) That the proposed changes to Standing Orders set out in Appendix 2 of the Cabinet Report are approved.

205. APPOINTMENTS

The Council considered the report of the Chief Executive as presented by the Leader of the Council. For clarity, it was noted that in regard to recommendation j) the positions would be carried as vacancies.

RESOLVED:

That the County Council approve the appointments set out in the report.

206. REVENUE BUDGET & PRECEPT 2024/25 AND CAPITAL PROGRAMME 2024/25 TO 2026/27

The Council considered the Revenue Budget and Precept for 2024/25 and the Capital Programme for the period 2024/25 to 2026/27.

In presenting the report the Leader opened by thanking the Hampshire MPs and many others from County Councils who had lobbied the Government in January for additional funding, which secured an additional £10m for Hampshire County Council.

The Leader also extended thanks to the Chief Financial Officer and his team for the work they had done for what had been a very difficult task.

To illustrate the sheer enormity of the position the County Council faces, the Leader compared the budget position in 2011/12 to that of 2024/25 to highlight the stark comparisons:

- the net budget along with the level of council tax has gone up by 50% in that time however,
- the adult social care budget has doubled (£300m to over £600m)
- school transport costs are two and a half times what they were 13 years ago, an (increase of over 260% over £65m for 24/25)
- children's social care is over three and a half times more – the County Council spent just over £70m on looking after vulnerable children in 2011/12 and next year it will be over a quarter of a billion pounds – an increase of over 360%
- these three services alone accounted for 57% of the net budget in 2011/12 and now they represent 87%
- in 2011/12 the County Council provided an allowance of £10m for adults' social care growth on top of approximately £15m inflation given to services; in 2024/25 provision for £81m growth and £71m for service costs, which are subject to market forces, will be required, totalling £152m.

Regarding the County Council's finances the Leader reflected on some key areas he is often questioned about, namely: making the council more efficient, lobbying for more funding and recent activity in this regard, selling assets to raise

money, increasing income generation and use of reserves. The questions and detailed responses are appended to these Minutes.

In looking to the budget and council tax for next year, the Leader recognised the pressure on stretched household budgets, however the Council had no choice but to increase council tax by the maximum amount permissible to avoid worsening the Council's challenging financial position, as had been detailed.

In reflecting on cost and growth pressures and the problem this creates for the County Council, the Leader highlighted that it also translates into another vulnerable person requiring help, whether it be a child with special educational needs being transported to school, an older person requiring domiciliary care to help them live independently or a child being taken into care to protect them from harm. The Leader was therefore proud that the County Council had prioritised its funding to services to protect the most vulnerable people in society.

The Leader commended the budget to Members and moved the recommendations.

The Chairman invited questions only at this point of the proceedings.

Regarding Revenue Budget recommendation A m) Councillor Kim Taylor asked for an explanation of the reference to legal minimum service provision. As this was a technical question, the Chief Financial Officer confirmed that reference to starting a legal minimum service exercise was made in the Cabinet report in December when referencing the budget gap of £42m for 2025/26. The next phase of work was to identify where further savings could be made to close that gap including looking at legal minimum service levels, and the Constitution and Policy Framework would be reviewed in light of the outcomes from that exercise.

The Opposition Group Leaders responded to the proposals, and all joined the Leader in acknowledging the work carried out by CMT, the Chief Finance Officer and his team. All recognised the stark position the County Council was faced with, for which there was no easy answer.

Although recognising the difficulties the County Council faced, Opposition Group Leaders raised concerns about the impact the proposals would have on services particularly if a legal minimum service level was introduced, questioned the level of support from Hampshire MPs, and reflected on the effect of the previous approach of maintaining a zero Council Tax increase for five years together with the current flawed council tax banding system. Urgent reform of the current funding formula for local government was required, which linked to the Amendment proposed below and reference to a recently published report: Financial Distress in Local Authorities. With the spring budget announcement due soon, the Leader was urged to write to the Prime Minister. Although the £10m additional funding was to be welcomed it was not enough and there was no indication that this would be repeated in future years. The prudent use of reserves to bridge the budget gap was not considered to be sustainable in the future.

Councillor Alex Crawford proposed the following Amendment to Recommendation A), which was seconded by Councillor Kim Taylor:

Insert after n) the following:

- “o) Taking into account the conclusion of the Deputy Chief Executive and Director of Corporate Operations that Council will still have a recurring deficit of over £30m in 2025/26 and will face the underlying issue that the funding system for local government is not fit for purpose, the County Council welcomes the Financial Distress in Local Authorities Report that the House of Commons Levelling Up, Housing and Communities Committee published this month and further approves the Leader of the Council writing to the Prime Minister to support the Report’s conclusions and recommendations, including that the Government must include additional funding in future local government finance settlements to ensure local authorities bridge their estimated £4 billion funding gap.”

During the debate views in support of, or raising concern, about the proposals were expressed. Those Members speaking in support of the proposals recognised that hard choices had to be made but these were based on factual evidence and against the backdrop that the County Council has a responsibility to set a balanced budget. The County Council was being listened to, there was still more to be done but the efforts of lobbying were paying off. Attention was drawn to the significant service contributions made to residents such as services for adults, as well as the significant capital programme contribution that should not be overlooked.

Members not in support of the budget proposals referred to the effects of austerity resulting in some loss of local powers, the hardships being experienced by some residents, particularly those with complex needs and the unintended consequences arising from the proposals. It was felt that some areas identified for savings in the public consultation would benefit from a deeper dive, such as school transport to find other ways of reducing costs, and the use of the County Council’s estate to move away from external providers for children in care.

In responding to the debate, the Leader thanked all Members for their views in what had been a full and open debate. The County Council had been open and honest about the budget deficit position and had been lobbying about this since 2018. The Leader expressed support for the proposed Amendment which was exactly what the County Council had been doing and had led to an improved financial settlement for 2023/24. The recent additional funding of £10m referred to earlier was not enough but it would make a difference and provided some wriggle room. All the work carried out previously on efficiency and making savings meant that the County Council was able to set a balanced budget and therefore still had choices, which would not exist if a S114 Notice was issued and Commissioners were called in. The Leader understood comments about hardships being experienced by residents and highlighted the importance of making the position real for residents. Growth in demand for the County Council’s services had grown significantly since 2011/12 and the County Council had only been able to cope with that demand because of the efficiencies it had previously made. Regarding the comments on school transport and taking a different approach, the Leader confirmed that the County Council has worked hard with other County Councils in putting proposals together in this regard and submitting them to Ministers. Work is also being done to look at what other countries do. The Leader concluded by reiterating that the role of the County

Council was to look after its most vulnerable residents and that would continue to be the priority.

In accordance with Standing Order 22.3, Councillor Keith House called for a separate recorded vote on recommendation A m). The Chairman confirmed there would be two recorded votes: i) recommendations A a) to l) and n) to o), and ii) recommendation A m).

Recommendations B a) to c) were put to the vote first and supported by the majority of Members present and were therefore carried.

The outcome of the recorded votes was as follows:

Recommendations A a) to l), and n) to o):

FOR (50):

Councillors: Nick Adams-King, Lulu Bowerman, Jackie Branson, Ryan Brent, Ann Briggs, Steven Broomfield, Pamela Bryant, Fran Carpenter, Roz Chadd, Rod Cooper, Alex Crawford, Debbie Curnow-Ford, Christopher Donnelly, David Drew, Barry Dunning, Liz Fairhurst, Michael Ford, Steve Forster, Jonathan Glen, Marge Harvey, Pal Hayre, Edward Heron, Zoe Huggins, Rob Humby, Andrew Joy, Mark Kemp-Gee, Peter Latham, Hugh Lumby, Keith Mans, Alexis McEvoy, Derek Mellor, Rob Mocatta, Arun Mummalaneni, Kirsty North, Phil North, Russell Oppenheimer, Stephen Parker, Neville Penman, Stephen Philpott, Lance Quantrill, Stephen Reid, Patricia Stallard, Kim Taylor, Tom Thacker, Michael Thierry, Jacky Tustain, Rhydian Vaughan, Jan Warwick, Bill Withers, and Seán Woodward.

AGAINST (16):

Councillors: Peter Chegwyn, Adrian Collett, Mark Cooper, Tonia Craig, Alan Dowden, Tim Groves, David Harrison, Dominic Hiscock, Keith House, Gavin James, Sarah Pankhurst, Louise Parker-Jones, Jackie Porter, Roger Price, Martin Tod, and Malcolm Wade.

ABSTAIN (1):

Councillor Andy Tree.

Recommendation A m):

FOR (46):

Councillors: Nick Adams-King, Lulu Bowerman, Jackie Branson, Ryan Brent, Ann Briggs, Steven Broomfield, Pamela Bryant, Fran Carpenter, Roz Chadd, Rod Cooper, Debbie Curnow-Ford, Tim Davies, Christopher Donnelly, David Drew, Barry Dunning, Liz Fairhurst, Michael Ford, Steve Forster, Jonathan Glen, Marge Harvey, Pal Hayre, Edward Heron, Zoe Huggins, Rob Humby, Andrew Joy, Mark Kemp-Gee, Peter Latham, Hugh Lumby, Keith Mans, Alexis McEvoy, Derek Mellor, Rob Mocatta, Arun Mummalaneni, Kirsty North, Phil North, Russell

Oppenheimer, Stephen Parker, Neville Penman, Stephen Philpott, Lance Quantrill, Patricia Stallard, Michael Thierry, Rhydian Vaughan, Jan Warwick, Bill Withers, and Seán Woodward.

AGAINST (20):

Councillors: Peter Chegwyn, Adrian Collett, Mark Cooper, Tonia Craig, Alex Crawford, Alan Dowden, Tim Groves, David Harrison, Dominic Hiscock, Keith House, Gavin James, Sarah Pankhurst, Louise Parker-Jones, Jackie Porter, Roger Price, Kim Taylor, Martin Tod, Andy Tree, Jacky Tustain, and Malcolm Wade.

ABSTAIN: no abstentions.

RESOLVED:

A. Revenue Budget and Precept 2024/25

That the County Council approve:

- a) The Revenue Budget for 2024/25 (as set out in Annex 1).
- b) The council **tax requirement** for the County Council for the year beginning 1 April 2024, be £826,354,662.42.
- c) The County Council's band D council tax for the year beginning 1 April 2024 be £1,533.24, an increase of 4.999%, of which 2% is specifically for adults' social care.
- d) The County Council's council tax for the year beginning 1 April 2024 for properties in each tax band be:

	£
Band A	1,022.16
Band B	1,192.52
Band C	1,362.88
Band D	1,533.24
Band E	1,873.96
Band F	2,214.68
Band G	2,555.40
Band H	3,066.48

- e) Precepts to be issued totalling £826,354,662.42 on the billing authorities in Hampshire, requiring the payment in such instalments and on such date set by them previously notified to the County Council, in proportion to the tax base of each billing authority's area as determined by them and as set out below:

Local Authority	Tax Base	Council Tax Precept (HCC share)
Basingstoke and Deane	69,800.30	107,020,611.97
East Hampshire	52,599.43	80,647,550.05
Eastleigh	49,037.29	75,185,934.52
Fareham	44,188.90	67,752,189.04
Gosport	26,980.90	41,368,195.12
Hart	42,690.97	65,455,502.84
Havant	42,528.17	65,205,891.37
New Forest	72,371.50	110,962,878.66
Rushmoor	33,011.65	50,614,782.25
Test Valley	52,059.00	79,818,941.16
Winchester	53,691.65	82,322,185.44

- f) The Treasurer's report under Section 25 of the Local Government Act 2003 (Appendix 6 to the Cabinet report) and take this into account when determining the budget and precept for 2024/25.
- g) The Revised Budget for 2023/24 set out in Appendix 1 to the Cabinet report.
- h) The revenue pressures set out in Section G of the Cabinet report.
- i) The Reserves Strategy at Appendix 5 to the Cabinet report.
- j) The Capital & Investment Strategy for 2024/25 (and the remainder of 2023/24) as set out in Appendix 7 to the Cabinet report.
- k) The Treasury Management Strategy for 2024/25 (and the remainder of 2023/24) as set out in Appendix 8 to the Cabinet report.
- l) The delegation of authority to the Director of Corporate Operations to manage the County Council's investments and borrowing according to the Treasury Management Strategy Statement as appropriate.
- m) That the Council's Constitution and Policy Framework are reviewed and updated in due course and where necessary to ensure that they align with the principles of legal minimum service provision.

- n) That the approved one-off funding for highways maintenance of £7.5m in 2025/26 be brought forward to 2024/25.
- o) Taking into account the conclusion of the Deputy Chief Executive and Director of Corporate Operations that Council will still have a recurring deficit of over £30m in 2025/26 and will face the underlying issue that the funding system for local government is not fit for purpose, the County Council welcomes the *Financial Distress in Local Authorities* Report that the House of Commons Levelling Up, Housing and Communities Committee published this month and further approves the Leader of the Council writing to the Prime Minister to support the Report's conclusions and recommendations, including that the Government must include additional funding in future local government finance settlements to ensure local authorities bridge their estimated £4 billion funding gap.

B. Capital Programme 2024/25 to 2026/27

That the County Council approve:

- a) The capital programme for 2024/25 and the provisional programmes for 2025/26 and 2026/27 as set out in Appendix 1 to the Cabinet report, including the identified carry forward of resources, noting that the locally resourced capital programme has been prepared in line with the changed treatment of capital guidelines from 2025/26 onwards as agreed by Cabinet in December 2023.
- b) The revised capital programme cash limits for 2023/24.
- c) An increase in the scheme value for the Bishopstoke Road scheme within the Universal Services capital programme from £5.3m to £8.1m to be funded by S106 contributions, DfT LTP Integrated Transport Block grant and Concessionary Fares budget.

207. HAMPSHIRE COUNTY COUNCIL PAY STATEMENT FOR FINANCIAL YEAR 2024/25

The Council considered a report of the Employment in Hampshire County Council (EHCC) Committee, as presented by Councillor Kirsty North in her capacity as Chairman of the EHCC Committee, seeking approval of the County Council's Pay Statement for the financial year 2023/24 as set out in the Report and Appendix A to the Annex.

There were no questions or debate.

RESOLVED:

That the County Council approve the Pay Statement for 2024/25 as detailed in the report to the Employment in Hampshire County Council Committee (Annex and Appendix A to the Report), and agrees that the EHCC Committee remains the appropriate Committee to agree Chief Officer remuneration for Chief Officers above Grade K, including individual salary offers in respect of any new Chief

Officer appointments, any changes to Chief Officer salaries after appointment and any severance packages for Chief Officers leaving the County Council, in accordance with the Pay Statement.

208. ADOPTION OF LOCAL TRANSPORT PLAN 4

The Council considered the report of Cabinet seeking approval of the updated Local Transport Plan 4.

In presenting the report the Leader confirmed the Cabinet had recently considered the draft update to the Local Transport Plan, following initial engagement on the draft Plan in 2021, and a full public consultation in 2022. During its deliberations on the draft Plan, the Cabinet requested an additional reference to legislative changes arising from the Levelling-Up and Regeneration Act 2023, as set out in the report.

The Chairman invited questions.

In responding to questions on the level of operational training received to ensure maximum benefits were derived from the Plan; integration with the rail network, and reference to the parking policy and BT1 and how that translates in practice in addressing parking issues, the Leader confirmed he would respond to Councillors Porter, Davies and Philpott under separate cover.

The Leader responded to a variety of other questions regarding the prospects of flexible change; progress with the delivery of the Waterside Railway project; achieving a shift away from car travel and easing pressure on the roads against the current financial position and ensuring adequate future funding; the placement of bus services to make them more accessible for elderly; how the County Council could improve the way it works with district and borough partners, and the County Council's preparedness for a change of relationship with partners. It was also hoped that engagement with Network Rail and others would be made a priority.

RESOLVED:

That the County Council approves and adopts the updated Local Transport Plan 4.

209. NOTICE OF MOTION

The Council considered the Notice of Motion on the Climate Change Agenda (as published) proposed by Councillor Alex Crawford and seconded by Councillor Jonathan Glen, submitted in accordance with Standing Order 18.1.

Councillor Martin Tod, seconded by Councillor Adrian Collett moved the following Amendment in accordance with Standing Order 19.7:

In paragraph C, replace:

"Maintaining the County Council's agreed commitment to be carbon neutral by 2050,"

With:

“Demonstrating a greater sense of urgency on this vital issue by bringing forward the target to be carbon neutral to 2040,”

In paragraph E, add after the words “annual climate change report”:

“enhancing the report to measure progress towards the net zero target as well as progress on individual projects”

So that the new paragraph E reads:

“Continuing to report annually through the annual climate change report, enhancing the report to measure progress towards the net zero target as well as progress on individual projects, utilising relevant indicators where appropriate and ensuring resources are directed and coordinated effectively.”

Add a new paragraph J:

“Benchmarking the Council’s programme against other County Councils making faster progress in decarbonisation and identifying approaches that can be reapplied.”

The proposer of the Motion Councillor Crawford spoke to the Motion and highlighted the accelerating progress of climate change and the recent science as reported at COP26 Conference. He commended the Motion to Members as the way forward to advance the climate change agenda as the opportunity to do so arises.

The Deputy Leader of the Council reminded Members that the County Council had aligned itself with the Government’s national target for carbon neutrality by 2050 and commented that approximately 98% of emissions in Hampshire are outside the direct responsibility and control of the County Council. Therefore, actions taken to reduce these emissions required support and intervention from national government. The Deputy Leader confirmed that the County Council must use its resources to maximum effect and ensure clarity on the role and responsibilities it has across a complex stakeholder landscape. As outlined in its Climate Change Strategy and annual report, the primary role of the County Council was one of leadership through advocacy, partnership working and establishing the necessary framework of strategies to support partners, residents, and businesses. The Deputy Leader emphasised that when it has been possible to do so, the County Council had brought forward initiatives such as solar panels in many of its schools and a green library which is the process of being established.

During the course of the debate Members expressed a wide range of views on what was acknowledged as a very important topic.

It was noted that currently there was not an indication by Government to bring forward the national target for carbon neutrality from 2050 to 2040 or associated funding. It was recognised that although the Amendment was well intentioned, it was not supported by a full strategy with costings for Members to scrutinise for approval, and taking such a decision in the absence of fully worked up proposals

would inevitably add to the financial strain the County Council was experiencing as detailed in the budget debate earlier in the proceedings. It would also not take account of the other efforts the County Council was making to adapt to climate change and build resilience such as: the preparation of, and careful consideration of climate change impact assessments for all decisions taken, tree planting which not only has carbon benefits, but also ancillary benefits of reducing flooding and reversing species loss and ground source heat pumps as a pilot in several schools.

However, the view was expressed that more could be done, such as encouraging solar panel generation and doing more with offshore wind, bringing services to people rather than people to services, devolving more local services so people can access them on foot, increasing home working, encouraging the use of electric vehicles and improving the infrastructure of EV charging points, and benchmarking against what others are doing to help drive improvement. Concerns were also raised about the rapid rate at which climate change was happening and the impact, particularly for future generations. The significant effects of climate change had been evidenced in recent months by extreme weather storms causing flooding and a range of other infrastructure issues.

Also recognised was the challenges of achieving carbon neutrality and retaining it, which would need the removal of all petrol vehicles from roads and gas from all homes. The importance of working together to change existing practices, whether that be locally, nationally, or internationally was highlighted.

In replying to the debate, the Leader thanked Members for a very thorough debate. The Leader highlighted that the Motion very clearly stated that if more could be done and more quickly it would be, but it was important for the County Council to be lined up with the Government funding. As commented on by other Members, to make a change now without a fully worked up plan would not be appropriate. In conclusion, the Leader agreed with the comments of other Members about the excellent work being done by officers working on climate change; a lot had already been achieved and in many areas the County Council was leading the way.

As the Proposer of the Motion, Councillor Crawford welcomed the contributions made during the debate, particularly two key comments that it needed everyone to work together in the future, and the key role of government in setting the national framework. Councillor Crawford commented that he would like to see the County Council lobbying the Government for future funding to address wider issues such as home insulation and transport. In conclusion, he expressed the view that the County Council was doing the best it could and was preparing a stance for the future when funding becomes available.

The Chairman put the Amendment to the vote. The majority of Members present voted against it and the Amendment was therefore lost.

The Chairman put the Motion, as published, to the vote and the majority of Members present supported the Motion which was carried.

RESOLVED:

Building on the achievements and the experience of its climate-change strategy since declaring a climate emergency in June 2019, the County Council ensures continued focused leadership and ambition for the climate-change agenda, under the decision making of the Executive Member for 2050 and associated scrutiny of the Hampshire 2050 and Corporate Services Select Committee, by:

- A) Ensuring climate change impact assessments remain relevant and are appropriately considered.
- B) Continuing to promote the importance of climate change resilience for our residents and communities in accordance with the Climate Change Strategy, and in particular the impact of extreme weather events, rising sea levels and rising temperatures.
- C) Maintaining the County Council's agreed commitment to be carbon neutral by 2050, whilst promoting opportunities to move more quickly to Carbon Neutrality and Net Zero through new specific funding opportunities and/or emerging policy requirements. This will include the on-going commitment to deliver carbon and greenhouse gas reductions across its own estate where opportunity and funding become available.
- D) Continuing to promote the importance of wildlife protection, management of land for nature and biodiversity through Local Nature Partnerships and the developing Local Nature Recovery Strategy (LNRS).
- E) Continuing to report annually through the annual climate change report, utilising relevant indicators where appropriate and ensuring resources are directed and coordinated effectively.
- F) Ensuring newly developed statutory policies including the Minerals and Waste Plan reflect current and more stringent climate policy considerations.
- G) Recognising the importance of engaging and communicating with residents to signpost and promote climate change action including renewable energy, home insulation and sustainable transport.
- H) Continuing to promote the importance of and enabling active travel and cycling and walking through the Local Transport Plan.
- I) Continuing to engage effectively with the Climate Change Expert Stakeholder Forum as mechanism to provide engagement and advice.

210. **HAMPSHIRE AND ISLE OF WIGHT FIRE AND RESCUE AUTHORITY**

- a) HIWFRA Questions

No questions had been received in accordance with Standing Order 16.3.

- a) HIWFRA Report

The Council received the report as presented by Councillor Rhydian

Vaughan, in his capacity as Chairman of the Authority.

Councillors Louise Parker-Jones and Pal Hayre put on record their thanks for the excellent work of the Hampshire & Isle of Wight Fire and Rescue Service.

The Meeting closed at 3.50pm.

Chairman,

COUNTY COUNCIL – 22 FEBRUARY 2024

REVENUE BUDGET 2024/25 AND CAPITAL PROGRAMME 2024/25 TO 2026/27

Questions the Leader has been asked and responses.

1. Why don't you make the Council more efficient?

Since 2010 savings have been made across the Council. Wherever possible this had been by transforming services through four separate transformation programmes over eight years, which had contributed significantly to balancing budgets.

In Adult Services a Strength Based Approach has been implemented, seeking other way for people to secure the help they need and concentrating on reablement to ensure people can look after themselves longer without needing the County Council's services. The County Council's technology enabled care service is one of the first in the country, helping to meet the needs of 10,000 clients per year.

In Children's Services the social care function is still transforming, concentrating on early help to give support to the families that need it and re-uniting children with their families rather than keeping them in long term care settings. This approach has meant that the County Council had managed to keep the number of children in care remaining stable for at least the last four years, something which very few other councils in the country have achieved.

The County Council has big contracts in waste and highways and is constantly working with our contractors Veolia and Milestones on ways to improve efficiency so that both the County Council and the providers gain some benefit from the changes. Only last year the approach to pothole repairs was changed to give Milestones more flexibilities in fixing potholes in a locality.

The County Council's back-office functions constantly looks to technology to make them more efficient, automating systems and processes, and introducing chat bots to answer some of the more routine queries received. The IT service is currently looking at an Artificial Intelligence (AI) programme that can identify a problem with a device and fix it with no human intervention.

This is just a small sample of the sorts of things the County Council has been doing and further positive examples were expected when the County Council completes its productivity plan later in the year.

2. Why don't you lobby the Government for more funding?

As reported to a previous meeting of the Council Meeting, Hampshire County

Council and Kent County Council sent a joint letter to Government in November 2022 detailing the difficult financial position both County Councils faced even though both authorities were well run and well respected for the services they deliver. We believe that this letter influenced the improved settlement received in 2023/24.

Since then, lobbying activity has been stepped up, concentrating specifically on the sustainability of the County Council's budgets going forward in the face of high inflation and high demand for our services, and the limited options open to the County Council for balancing that position due to the restrictions and expectations imposed by Government.

Over the last 15 months, the Leader and Deputy Leader had:

- Written 10 separate letters to Government (including the Local Government Minister, Secretary of State, the Chancellor and the Prime Minister) highlighting financial pressures as well as specific pressures in areas such as school transport and Adults social care.
- In addition to the regular meetings with MPs, five further meetings had been held with them to discuss financial matters and seeking their support to resolve them.
- Met with the former Local Government Minister, Lee Rowley, last year and provided data for him to use in negotiations he held with the Treasury. Currently a convenient date for the current Local Government Minister, Simon Hoare, to come to Hampshire for a meeting is being sought.
- Taken part in 10 separate television and radio interviews highlighting the reasons for the difficult financial position the County Council is faced with.
- Issued over 20 press releases and stakeholder newsletters.
- Highlighted key areas where legislative change would enable local decision making to help improve the County Council's situation, which had been highlighted both as a local authority and through the County Council's Network (CCN).
- Lobbying Hampshire MPs to support the letter from an All-Party Parliamentary Group for Counties was successful in securing an additional £600m for the sector.

A lot of activity had been carried out in the last year or so to seek solutions to the problems the County Council faces, and efforts to ask Hampshire MPs to support the letter from the All-Party Parliamentary Group for Counties was successful in securing a badly needed additional £600m for the sector, equating to £10m for Hampshire County Council.

Attention would now be turning to the next Spending Review and to seek fundamental change to the way in which local government is funded.

3. Why don't you sell off assets to raise money?

If you ignore the fact that receipts from the sale of capital assets can't be used to support revenue spending, this is already something that the County Council does on a routine basis.

Many years ago, the County Council had a programme Workstyles that consolidated the number of administrative buildings that the County Council owned. The County Council's Strategic Asset Management Plans sets out how its assets are managed, reducing these wherever possible and since returning back to the offices after Covid the County Council is reviewing again its need for office space across the County.

Many other County authorities have taken the bold step to sell their headquarters building. The County Council has taken a different approach, and instead is looking to consolidate staff into its headquarters building to make best use of it, and selling other assets released as a result. The Chief Executive is working with the Corporate Management Team to ensure maximum utilisation of the space.

4. Why don't you raise more income?

As an upper tier authority, the County Council has less ability to raise income than some other councils. This is an area that has been looked at as part of previous savings programmes and further opportunities will be sought.

It is important to note that whilst generating more income may be preferable to service reductions, it does create risk in the budget as the County Council would become reliant on maintaining that level of income in every subsequent year.

Despite these risks, in the current financial year the County Council expects to generate over £200m in sales, fees, charges and rents across its services. This is approximately £50m more than 10 years ago and highlights the commercial approach the County Council has adopted.

Investment income has grown in recent years due to interest rate changes, generating over £20m by putting the County Council's reserves to good work through a range of sensible investments. Whilst the interest earned is small compared to the overall size of the County Council works, given that £20m is significantly bigger than most district council net budgets across Hampshire.

5. Why don't you use reserves instead of reducing budgets?

The County Council's reserves strategy is clear that using reserves to plug a recurring budget gap makes no sense at all. Instead, the County Council uses its reserves sensibly to balance the budget whilst continuing to find ways of making permanent spending reductions or increase income earned.

This strategy has served the County Council well with the early delivery of savings that has helped to boost the reserves for use in future years. These reserves haven't happened by accident, and by taking difficult decisions has meant we're in a much better position than many other authorities.

But we are now reaching a tipping point:

- In 2022/23 £38m was used to balance the budget
- this figure has risen to £51m for the current year
- the budget papers show that for 2024/25 £74.1m must be drawn to balance the bottom line

It is easy to spot the trend and it is not a trend I like to see. That is why lobbying the government and Hampshire MPs will be continued to highlight the near impossible task the County Council has going forward.